

**TELEKOM MALAYSIA BERHAD**

Reg. No.: 198401016183 (128740-P)

(Incorporated in Malaysia)

The Board of Directors of Telekom Malaysia Berhad is pleased to announce the following unaudited results of the Group for the financial period ended 31 March 2026.

**UNAUDITED CONSOLIDATED INCOME STATEMENT**

	1ST QUARTER ENDED		FINANCIAL PERIOD ENDED	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025
	RM Million	RM Million	RM Million	RM Million
OPERATING REVENUE	2,934.7	2,851.5	2,934.7	2,851.5
OPERATING COSTS				
- depreciation, impairment and amortisation	(527.7)	(538.9)	(527.7)	(538.9)
- net (impairment loss)/reversal of impairment on financial and contract assets	(5.5)	6.8	(5.5)	6.8
- other operating costs	(1,998.5)	(1,797.9)	(1,998.5)	(1,797.9)
OTHER OPERATING INCOME (net)	27.6	28.8	27.6	28.8
OPERATING PROFIT BEFORE OTHER GAINS AND FINANCE COST	430.6	550.3	430.6	550.3
OTHER GAINS (net)	3.3	2.5	3.3	2.5
OPERATING PROFIT BEFORE FINANCE COST	433.9	552.8	433.9	552.8
FINANCE INCOME	19.5	32.2	19.5	32.2
FINANCE COST	(42.6)	(62.1)	(42.6)	(62.1)
FOREIGN EXCHANGE GAINS ON BORROWINGS	11.6	10.5	11.6	10.5
NET FINANCE COST	(11.5)	(19.4)	(11.5)	(19.4)
ASSOCIATE/JOINTLY CONTROLLED ENTITY				
- share of results (net of tax)	(0.7)	0.6	(0.7)	0.6
PROFIT BEFORE TAX AND ZAKAT	421.7	534.0	421.7	534.0
TAX AND ZAKAT (part B, note 5)	(102.7)	(131.2)	(102.7)	(131.2)
<b>PROFIT FOR THE FINANCIAL PERIOD</b>	<b>319.0</b>	<b>402.8</b>	<b>319.0</b>	<b>402.8</b>
ATTRIBUTABLE TO:				
- equity holders of the Company	321.5	401.2	321.5	401.2
- non-controlling interests	(2.5)	1.6	(2.5)	1.6
<b>PROFIT FOR THE FINANCIAL PERIOD</b>	<b>319.0</b>	<b>402.8</b>	<b>319.0</b>	<b>402.8</b>
EARNINGS PER SHARE (sen) (part B, note 11)				
- basic	8.4	10.5	8.4	10.5
- diluted	8.4	10.5	8.4	10.5

(The above unaudited consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025)

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	1ST QUARTER ENDED		FINANCIAL PERIOD ENDED	
	31/03/2026 RM Million	31/03/2025 RM Million	31/03/2026 RM Million	31/03/2025 RM Million
<b>PROFIT FOR THE FINANCIAL PERIOD</b>	<b>319.0</b>	402.8	<b>319.0</b>	402.8
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items that may be reclassified subsequently to income statement:</b>				
- decrease in fair value of investments at fair value through other comprehensive income (FVOCI)	-	(0.1)	-	(0.1)
- reclassification adjustments relating to FVOCI investments disposed	(0.1)	0.3	(0.1)	0.3
- increase/(decrease) in fair value of receivables at FVOCI	0.1	(0.1)	0.1	(0.1)
- cash flow hedge:				
- decrease in fair value of cash flow hedge	-	(1.8)	-	(1.8)
- change in fair value of currency basis	-	(2.4)	-	(2.4)
- reclassification of foreign exchange gains on borrowings	-	4.4	-	4.4
- currency translation differences				
- subsidiaries	6.7	(2.2)	6.7	(2.2)
- associate	#	#	#	#
Other comprehensive income/(loss) for the financial period	6.7	(1.9)	6.7	(1.9)
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD</b>	<b>325.7</b>	400.9	<b>325.7</b>	400.9
<b>ATTRIBUTABLE TO:</b>				
- equity holders of the Company	328.2	399.3	328.2	399.3
- non-controlling interests	(2.5)	1.6	(2.5)	1.6
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD</b>	<b>325.7</b>	400.9	<b>325.7</b>	400.9

# Amount less than RM0.1 million

(The above unaudited consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025)

<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>		
	<b>(Unaudited) AS AT 31/03/2026 RM Million</b>	<b>AS AT 31/12/2025 RM Million (RESTATED)^</b>
SHARE CAPITAL	4,070.9	4,070.9
OTHER RESERVES	94.8	88.1
RETAINED PROFITS	6,039.7	6,428.2
<b>TOTAL CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>	<b>10,205.4</b>	<b>10,587.2</b>
NON-CONTROLLING INTERESTS	171.4	173.9
<b>TOTAL EQUITY</b>	<b>10,376.8</b>	<b>10,761.1</b>
Borrowings	2,776.4	2,911.4
Deferred tax liabilities	926.2	946.7
Trade and other payables	98.9	109.1
<b>NON-CURRENT LIABILITIES</b>	<b>3,801.5</b>	<b>3,967.2</b>
	<b>14,178.3</b>	<b>14,728.3</b>
Property, plant and equipment	11,081.2	11,407.7
Intangible assets	847.8	775.2
Right-of-use assets	1,032.3	1,108.0
Associate and jointly controlled entity	336.5	337.2
Investments	256.6	252.8
Receivables at fair value through other comprehensive income (FVOCI)	58.5	58.3
Other non-current receivables/assets	196.9	291.2
Deferred tax assets	24.1	24.2
<b>NON-CURRENT ASSETS</b>	<b>13,833.9</b>	<b>14,254.6</b>
Inventories	342.6	320.6
Trade and other receivables	2,490.9	2,307.0
Contract assets	635.6	632.6
Contract cost assets	230.2	238.2
Receivables at FVOCI	3.0	3.0
Investments	67.2	80.4
Cash and bank balances	1,792.2	2,622.8
<b>CURRENT ASSETS</b>	<b>5,561.7</b>	<b>6,204.6</b>
Trade and other payables	3,241.7	3,685.0
Contract liabilities	1,084.0	1,124.6
Borrowings	756.4	767.9
Tax and zakat	135.2	153.4
<b>CURRENT LIABILITIES</b>	<b>5,217.3</b>	<b>5,730.9</b>
<b>NET CURRENT ASSETS</b>	<b>344.4</b>	<b>473.7</b>
	<b>14,178.3</b>	<b>14,728.3</b>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (sen)</b>	<b>265.9</b>	<b>275.9</b>

^ Certain line items have been aggregated to conform with current period's presentation, as detailed in part A, note 1(c)

**(The above unaudited consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025)**

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026**

	<u>Attributable to equity holders of the Company</u>					<b>Total Equity RM Million</b>
	<b>Share Capital RM Million</b>	<b>FVOCI Reserve RM Million</b>	<b>Currency Translation Differences RM Million</b>	<b>Retained Profits RM Million</b>	<b>Non- controlling Interests RM Million</b>	
At 1 January 2026	4,070.9	100.1	(12.0)	6,428.2	173.9	10,761.1
Profit/(loss) for the financial period	-	-	-	321.5	(2.5)	319.0
Items that may be reclassified subsequently to income statement:						
- reclassification adjustments relating to fair value through other comprehensive income (FVOCI) investments disposed	-	(0.1)	-	-	-	(0.1)
- increase in fair value of receivables at FVOCI	-	0.1	-	-	-	0.1
- currency translation differences						
- subsidiaries	-	-	6.7	-	-	6.7
- associate	-	-	#	-	-	#
Total comprehensive income/(loss) for the financial period	-	-	6.7	321.5	(2.5)	325.7
Transactions with owners:						
- 2nd interim single-tier cash dividend paid for the financial year ended 31 December 2025 (part A, note 6)	-	-	-	(556.5)	-	(556.5)
- special single-tier dividend paid for the financial year ended 31 December 2025 (part A, note 6)	-	-	-	(153.5)	-	(153.5)
Total transactions with owners	-	-	-	(710.0)	-	(710.0)
<b>At 31 March 2026</b>	<b>4,070.9</b>	<b>100.1</b>	<b>(5.3)</b>	<b>6,039.7</b>	<b>171.4</b>	<b>10,376.8</b>

# Amount less than RM0.1 million

(The above unaudited consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025)

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

	Attributable to equity holders of the Company								Total Equity RM Million
	Share Capital RM Million	FVOCI Reserve RM Million	Hedging Reserve RM Million	Cost of Hedging Reserve RM Million	Long Term Incentive Plan Reserve RM Million	Currency Translation Differences RM Million	Retained Profits RM Million	Non- controlling Interests RM Million	
At 1 January 2025	4,070.7	92.7	(1.3)	3.7	11.8	28.8	5,893.3	166.2	10,265.9
Profit for the financial period	-	-	-	-	-	-	401.2	1.6	402.8
Items that may be reclassified subsequently to income statement:									
- decrease in fair value of investments at fair value through other comprehensive income (FVOCI)	-	(0.1)	-	-	-	-	-	-	(0.1)
- reclassification adjustments relating to FVOCI investments disposed	-	0.3	-	-	-	-	-	-	0.3
- decrease in fair value of receivables at FVOCI	-	(0.1)	-	-	-	-	-	-	(0.1)
- cash flow hedge:									
- decrease in fair value of cash flow hedge	-	-	(1.8)	-	-	-	-	-	(1.8)
- change in fair value of currency basis	-	-	-	(2.4)	-	-	-	-	(2.4)
- reclassification of foreign exchange gain on borrowings	-	-	4.4	-	-	-	-	-	4.4
- currency translation differences									
- subsidiaries	-	-	-	-	-	(2.2)	-	-	(2.2)
- associate	-	-	-	-	-	#	-	-	#
Total comprehensive income/(loss) for the financial period	-	0.1	2.6	(2.4)	-	(2.2)	401.2	1.6	400.9
Transactions with owners:									
- 2nd interim single-tier dividend paid for the financial year ended 31 December 2024	-	-	-	-	-	-	(479.7)	-	(479.7)
- special single-tier dividend paid for the financial year ended 31 December 2024	-	-	-	-	-	-	(230.3)	-	(230.3)
- Long Term Incentive Plan (LTIP):									
- transfer from LTIP reserve upon issuance of shares subsequent to vesting^	0.2	-	-	-	(0.2)	-	-	-	-
- transfer from LTIP reserve*	-	-	-	-	(11.6)	-	11.6	-	-
Total transactions with owners	0.2	-	-	-	(11.8)	-	(698.4)	-	(710.0)
<b>At 31 March 2025</b>	<b>4,070.9</b>	<b>92.8</b>	<b>1.3</b>	<b>1.3</b>	<b>-</b>	<b>26.6</b>	<b>5,596.1</b>	<b>167.8</b>	<b>9,956.8</b>

# Amount less than RM0.1 million

^ Issuance of shares pursuant to the Group's LTIP RS

\* Transfer from LTIP reserve to retained profits, as no further grants are being made under the existing LTIP scheme

(The above unaudited consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025)

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**

	FINANCIAL PERIOD ENDED	
	31/03/2026	31/03/2025
	RM Million	RM Million
Receipts from customers	2,587.3	2,540.0
Payments to suppliers and employees	(2,179.2)	(2,321.7)
(Payments to)/Receipts from money held in trust/deposits pledged	(36.1)	5.3
Payments to suppliers for short-term lease and leases of low-value assets	(11.6)	(9.5)
Payments of finance cost	(15.2)	(49.9)
Payments of income taxes and zakat (net)	(128.6)	(51.2)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>216.6</b>	<b>113.0</b>
Contribution from Government grant for purchase of property, plant and equipment	-	122.1
Disposal of property, plant and equipment	0.2	0.5
Purchase of property, plant and equipment and intangible assets	(203.2)	(208.6)
Investment in a jointly controlled entity	-	(151.0)
Disposal/Maturity of current investments at fair value through other comprehensive income	14.4	8.0
Purchase of current investments at fair value through other comprehensive income	(1.6)	(10.4)
Purchase of investments at fair value through profit or loss	(0.4)	(0.4)
Long term deposits	-	(8.3)
(Placement in)/Withdrawal of deposits maturing more than 3 months	(39.3)	0.3
Repayments of loans by employees	4.3	4.7
Loans to employees	(3.1)	(4.9)
Interest/Profit received	18.9	30.0
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(209.8)</b>	<b>(218.0)</b>
Proceeds from borrowings	200.0	-
Repayments of borrowings	(198.3)	-
Repayments of lease liabilities	(130.5)	(134.1)
Dividend paid to shareholders (part A, note 6)	(710.0)	(710.0)
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>(838.8)</b>	<b>(844.1)</b>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(832.0)	(949.1)
EFFECT OF EXCHANGE RATE CHANGES	(1.9)	8.2
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	2,485.7	2,973.1
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>1,651.8</b>	<b>2,032.2</b>

(The above unaudited consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025)

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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. Basis of Preparation**

The unaudited interim financial statements for the 1st quarter and financial period ended 31 March 2026 of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (MFRS Accounting Standards) 134 “Interim Financial Reporting” issued by Malaysian Accounting Standards Board (MASB), paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2025. The accounting policies, method of computation and basis of consolidation applied in the unaudited interim financial statements are consistent with those used in the preparation of the 2025 audited financial statements, except for the changes arising from the adoption of the amendments to MFRS Accounting Standards issued by MASB that are effective for the Group’s financial year beginning on 1 January 2026.

**(a) The amendments to published standards that are effective and applicable for the Group’s financial year beginning on 1 January 2026**

The amendments to published standards issued by MASB that are effective and applicable for the Group’s financial year beginning on 1 January 2026 are as follows:

Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments
	Contracts Referencing Nature-dependent Electricity
Annual Improvements to MFRS Accounting Standards – Volume 11	(i) Amendments to MFRS 7 Financial Instruments: Disclosures (Gain or loss on derecognition) (ii) Amendments to MFRS 9 Financial Instruments (Derecognition of lease liabilities & Transaction price) (iii) Amendments to MFRS 10 Consolidated Financial Statements (Determination of a ‘de facto agent’) (iv) Amendments to MFRS 107 Statement of Cash Flows (Cost Method)

The adoption of the above applicable amendments to published standards has not led to any material impact on the Group’s financial result, position or disclosure for the current or previous periods, nor any of the Group’s material accounting policies.

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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. Basis of Preparation (continued)**

**(b) New standards and amendments to published standards that have been issued but not yet effective and have not been adopted**

The new standards and amendments to published standards that have been issued but are not yet effective and have not been adopted early by the Group are as follows:

**Effective for annual periods beginning on or after 1 January 2027**

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19 ( <i>including Amendments to MFRS 19</i> )	Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency

**Effective for annual periods to be announced by MASB**

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The adoption of the applicable new standards and amendments to published standards is not expected to have a material impact on the financial statements of the Group. The Group is currently in the process of assessing the potential impact of MFRS 18 on related disclosures and notes to the Group's financial statements.

**(c) Aggregation of financial statement line items**

In line with the Group's ongoing efforts to enhance its financial statement presentation, including reducing line item fragmentation on the face of the Statement of Financial Position, selected line items of similar nature have been aggregated. This results in a presentation that better reflects their underlying nature, improving clarity, comparability and consistency.

The aggregation has no impact to the recognition or measurement of the affected line items and does not impact any totals or subtotals in the Group's statement of financial position, statement of profit or loss or the statement of cash flows.

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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. Basis of Preparation (continued)**

**(c) Aggregation of financial statement line items (continued)**

The Group has aggregated the following line items:

- (i) “Equity investment at fair value through other comprehensive income (FVOCI)”, “Investments at fair value through profit or loss (FVTPL)”, “Financial assets at fair value through profit or loss (FVTPL)” and “Investments at fair value through other comprehensive income (FVOCI)” under a single line item, “Investments”;
- (ii) “Customer deposits” under “Trade and other payables”; and
- (iii) “Lease liabilities” under “Borrowings”.

The above line items will continue to be disclosed separately in the notes to the annual financial statements.

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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. Basis of Preparation (continued)**

**(c) Aggregation of financial statement line items (continued)**

The comparatives of the line items have also been aggregated to conform with current period's presentation, as follows:

**Statement of Financial Position**

	<b>Before aggregation RM Million</b>	<b>Effect of aggregation RM Million</b>	<b>After aggregation RM Million</b>
<b><u>As at 31 December 2025</u></b>			
<b><u>Non-current Liabilities</u></b>			
Borrowings	1,550.9	1,360.5	2,911.4
Lease liabilities	1,360.5	(1,360.5)	-
<b><u>Non-current Assets</u></b>			
Equity investments at fair value through other comprehensive income (FVOCI)	145.4	(145.4)	-
Investments at fair value through profit or loss (FVTPL)	107.4	(107.4)	-
Investments	-	252.8	252.8
<b><u>Current Assets</u></b>			
Investments at fair value through other comprehensive income (FVOCI)	77.1	(77.1)	-
Investments at fair value through profit or loss (FVTPL)	1.5	(1.5)	-
Financial assets at fair value through profit or loss (FVTPL)	1.8	(1.8)	-
Investments	-	80.4	80.4
<b><u>Current Liabilities</u></b>			
Trade and other payables	3,610.9	74.1	3,685.0
Customer deposits	74.1	(74.1)	-
Borrowings	510.9	257.0	767.9
Lease liabilities	257.0	(257.0)	-

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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. Basis of Preparation (continued)**

**(c) Aggregation of financial statement line items (continued)**

The comparatives of the line items have also been aggregated to conform with current period's presentation, as follows: (continued)

**Statement of Financial Position**

	<b>Before aggregation RM Million</b>	<b>Effect of aggregation RM Million</b>	<b>After aggregation RM Million</b>
<b><u>As at 1 January 2025</u></b>			
<b><u>Non-current Liabilities</u></b>			
Borrowings	2,109.9	1,441.5	3,551.4
Lease liabilities	1,441.5	(1,441.5)	-
<b><u>Non-current Assets</u></b>			
Equity investments at fair value through other comprehensive income (FVOCI)	138.8	(138.8)	-
Investments at fair value through profit or loss (FVTPL)	111.1	(111.1)	-
Investments	-	249.9	249.9
<b><u>Current Assets</u></b>			
Investments at fair value through other comprehensive income (FVOCI)	72.9	(72.9)	-
Investments at fair value through profit or loss (FVTPL)	0.2	(0.2)	-
Financial assets at fair value through profit or loss (FVTPL)	2.5	(2.5)	-
Investments	-	75.6	75.6
<b><u>Current Liabilities</u></b>			
Trade and other payables	3,270.4	96.5	3,366.9
Customer deposits	96.5	(96.5)	-
Borrowings	1,381.0	258.4	1,639.4
Lease liabilities	258.4	(258.4)	-

Other than the above, there is no impact to other line items in the Group's statement of financial position as at 31 December 2025 and 1 January 2025.

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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**2. Seasonal or Cyclical Factors**

The operations of the Group were not materially affected by any seasonal or cyclical factors.

**3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the 1st quarter and financial period ended 31 March 2026.

**4. Material Changes in Estimates**

There were no material changes in estimates reported in the prior financial year that may have given rise to a material impact on the financials reported by the Group for the 1st quarter and financial period ended 31 March 2026.

**5. Issuances, Repurchases and Repayments of Debt and Equity Securities**

**(a) Repayment of Multi-Currency Euro Medium-Term Notes (EMTN Sukuk)**

On 25 February 2016, Tulip Maple Berhad, a wholly-owned subsidiary of the Group issued a 10-year USD50.0 million EMTN Sukuk due on 25 February 2026. The Sukuk carried a fixed periodic distribution rate of 3.7% per annum.

On 25 February 2026, the Sukuk was repaid in full upon its maturity date.

**(b) Drawdown of Revolving Credit (RC)**

During the 1st quarter and financial period ended 31 March 2026, the Group drew down RM200.0 million from its RC facilities entered into during the same period, at financing rates ranging from 3.64% to 3.78%. The facilities are unsecured and maturing on 11 June 2026.

**6. Dividends Paid**

The 2nd interim single-tier cash dividend of 14.5 sen per share amounting to RM556.5 million and a special single-tier dividend of 4.0 sen per share amounting to RM153.5 million in respect of the financial year ended 31 December 2025, were declared on 25 February 2026 and paid on 27 March 2026.

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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**7. Customer Segment Information**

Customer segment revenue information for the Group is as follows:

	<b>1st Quarter and Financial Period Ended</b>	
	<b>31/03/2026</b>	<b>31/03/2025</b>
	<b>RM Million</b>	<b>RM Million</b>
Business-to-Consumer (B2C)	1,457.2	1,386.4
Business-to-Business (B2B)	671.5	668.7
Carrier-to-Carrier (C2C)	776.6	760.9
Others	71.4	74.3
Inter-segment	(42.0)	(38.8)
<b>Total</b>	<b>2,934.7</b>	<b>2,851.5</b>

**8. Material Events Subsequent to the End of the Quarter**

The Group refers to its announcement released to Bursa Malaysia Securities Berhad on 20 May 2026 in relation to charges filed by the United States Department of Justice against three former employees of Telekom Malaysia (USA) Inc., a wholly-owned subsidiary of TM. Based on the Group's current assessment, the matter is not expected to have any material impact on the Group's operations or financial position.

Save for the above, there are no other material events subsequent to the reporting date that require disclosure or adjustment to the unaudited interim financial statements.

**9. Effects of Material Changes in the Composition of the Group**

There were no material changes in the composition of the Group for the 1st quarter and financial period ended 31 March 2026, other than as disclosed below:

**Packet One (L) Ltd. (POL)**

Packet One (L) Ltd. (POL), a wholly-owned subsidiary of TM Technology Services Sdn. Bhd. which in turn is a wholly-owned subsidiary of Telekom Malaysia Berhad was dissolved on 22 February 2026 via Member's Voluntary Winding Up.

**10. Changes in Contingent Liabilities Since the Last Annual Balance Sheet Date**

For the financial period ended 31 March 2026, there were no material contingent liabilities, consistent with the disclosure in note 47 to the Group's audited financial statements for the financial year ended 31 December 2025.

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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**11. Capital Commitments**

	<b>Group</b>	
	<b>As at 31/03/2026</b>	<b>As at 31/12/2025</b>
	<b>RM Million</b>	<b>RM Million</b>
<b>(a) Property, plant and equipment:</b> Commitments in respect of expenditures approved and contracted for (excluding commitments with approved Government grants)	<b>2,137.3</b>	<b>2,349.3</b>
<b>(b)</b> The Group's remaining capital commitment in a technology investment fund (disclosed as part of the Group's Non-current Investments at FVTPL)	<b>10.4</b>	<b>10.6</b>
<b>(c)</b> The Group's remaining committed equity funding in a jointly controlled entity, ST Dynamo DC Sdn. Bhd.	<b>353.3</b>	<b>353.3</b>

Refer to note 41(b) to the audited financial statements of the Group for the financial year ended 31 December 2025.

Refer to note 41(d) to the audited financial statements of the Group for the financial year ended 31 December 2025.

**12. Related Party Transactions (RPT)**

As disclosed in note 40(d) to the Group's audited financial statements for the financial year ended 31 December 2025, Employee Provident Fund (EPF) and Khazanah Nasional Berhad (Khazanah) are major shareholders of the Group.

**(i) EPF**

EPF is Malaysia's national retirement savings fund, established under the Employee Provident Fund Act 1991. EPF held an effective equity interest of 23.07% in TM as at 31 March 2026.

EPF and its controlled entities and joint ventures (excluding associates) are deemed related parties of TM. During the financial period, there were no related party transactions with EPF or its related entities that were material, either individually or in aggregate.

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**12. Related Party Transactions (RPT) (continued)**

**(ii) Khazanah**

Khazanah is wholly-owned by the Government of Malaysia (Government) through the Minister of Finance (Incorporated), with one share held by the Federal Lands Commissioner (Incorporated). Khazanah is a major shareholder of the Group, holding 20.10% equity interest as at 31 March 2026.

Accordingly, the Government and entities controlled or jointly controlled by the Government are deemed related parties of the Group.

**(iii) RPT Disclosures**

The individually significant transactions that the Group entered into with identified related parties and their corresponding balances for the provision of telecommunications-related services as of the respective reporting dates are as follow:

	Total amount of individually significant transactions for the financial period ended		Corresponding outstanding balances as at	
	31/03/2026 RM Million	31/03/2025 RM Million	31/03/2026 RM Million	31/12/2025 RM Million
<b>Sales and Receivables</b>	<b>180.7</b>	185.0	<b>134.3</b>	32.9

The Group has individually significant contracts with other Government-related entities where the Group was provided funding for projects of which the amortisation of grants to the income statement in the current financial period was RM9.8 million (YTD March 2025: RM7.3 million). There were no outstanding balances as at the reporting date and the comparative period.

The Group also has transactions with other Government and EPF related entities for the provision of telecommunication and related services. These transactions are not individually significant but are collectively important and occur in the normal course of business.

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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**13. Fair Value**

The disclosure should be read in conjunction with note 44 of the Group's audited financial statements for the financial year ended 31 December 2025.

**(a) Financial Instruments Carried at Fair Value**

The following table presents the Group's financial assets that are measured at fair value as at the respective reporting date. There were no liabilities measured at fair value at the end of the period ended and comparative year.

	As at 31/03/2026				As at 31/12/2025			
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>Assets</b>								
Investments								
Financial assets at FVTPL								
- quoted securities	1.8	-	-	1.8	1.8	-	-	1.8
Investments at FVOCI	-	64.3	-	64.3	-	77.1	-	77.1
Investments at FVTPL	-	95.0	17.3	112.3	-	94.8	14.1	108.9
Equity investments at FVOCI	-	-	145.4	145.4	-	-	145.4	145.4
Receivables at FVOCI	-	-	61.5	61.5	-	-	61.3	61.3
<b>Total</b>	<b>1.8</b>	<b>159.3</b>	<b>224.2</b>	<b>385.3</b>	<b>1.8</b>	<b>171.9</b>	<b>220.8</b>	<b>394.5</b>

There have not been any changes to the valuation techniques applied for the different financial instruments since 31 December 2025 and there were no transfers of any instruments between level 1, 2 and 3 of the fair valuation hierarchy during the financial period.

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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**13. Fair Value (continued)**

**(b) Financial Instruments Other Than Those Carried at Fair Value**

There have not been any significant changes in the differences between the carrying amount and fair value of financial instruments carried at other than fair value from the disclosures in note 44(b) of the Group's audited financial statements for the financial year ended 31 December 2025, other than below:

	As at 31/03/2026		As at 31/12/2025	
	Carrying amount RM Million	Net fair value RM Million	Carrying amount RM Million	Net fair value RM Million
<b>Liabilities</b>				
Borrowings (excluding lease liabilities)	<b>2,052.1</b>	<b>2,121.6</b>	2,061.8	2,119.3

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### PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### 1. Review of Performance

##### 1st Quarter 2026 vs 1st Quarter 2025

##### (i) Group Performance

The Group's operating revenue for the quarter stood at RM2,934.7 million, a 2.9% (RM83.2 million) increase from RM2,851.5 million recorded in the corresponding quarter last year. The improvement was supported by higher contributions from data, internet and other telecommunications related services.

Operating profit before other gains and finance costs (EBIT) was RM430.6 million for the quarter, compared to RM550.3 million in the corresponding quarter last year. The year-on-year variance was mainly driven by the RM127.3 million one-off write-down of unutilised prepaid capacity of 5G Multi-Operator Core Network (MOCN), following the notice of termination issued to Digital Nasional Berhad in February 2026. Higher mobile network infra sharing costs and foreign exchange losses on operations further contributed to the lower EBIT.

Consequent to the lower EBIT, the Group's Profit After Tax and Non-Controlling Interests (PATAMI) for the quarter was RM321.5 million, compared to RM401.2 million in the corresponding quarter last year, mainly due to lower EBIT, partially offset by lower net finance costs as well as lower tax and zakat.

##### (ii) Revenue by Customer Segments

##### Business-to-Consumer (B2C)

B2C recorded operating revenue of RM1,457.2 million during the current quarter, a 5.1% (RM70.8 million) year-on-year increase compared to RM1,386.4 million last year. The overall growth in broadband services was supported by the expansion in the customer base of 3.2 million and higher adoption of converged service bundles.

##### Business-to-Business (B2B)

B2B recorded operating revenue of RM671.5 million in the current quarter, remaining stable compared to RM668.7 million in the corresponding quarter last year. The performance reflects continued traction in ICT services, including cloud and smart services.

##### Carrier-to-Carrier (C2C)

C2C operating revenue grew 2.1% (RM15.7 million) year-on-year to RM776.6 million, up from RM760.9 million, underpinned by sustained momentum in international data and mobile backhaul services. The segment continues to benefit from rising global connectivity demand and TM's expanding global footprint.

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**2. Comparison with Preceding Quarter's Results**

The Group's operating revenue for the quarter was RM2,934.7 million, compared to RM3,256.7 million in the preceding quarter, reflecting softer contributions across all lines of business.

EBIT improved to RM430.6 million from RM215.5 million in the previous quarter, driven by lower employee-related costs following significant voluntary separation requests in the preceding quarter.

PATAMI for the current quarter increased by 44.5% (RM99.0 million) to RM321.5 million from RM222.5 million in the preceding quarter, reflecting the impact of improved EBIT. This was partially offset by lower contributions from other gains and higher taxation during the current quarter.

**3. Prospects for the Current Financial Year**

**Economic Outlook**

Malaysia's economic outlook remains supportive, with GDP growth at 5.4%<sup>1</sup> in 1Q 2026 (4Q 2025: 6.3%), underpinned by firm domestic demand and a stable labour market.

Headline inflation stood at a moderate 1.6%<sup>1</sup> in 1Q 2026, while monetary policy remains accommodative with the Overnight Policy Rate (OPR) held at 2.75%<sup>2</sup>.

**Business Outlook**

TM Group's revenue grew 2.9% year-on-year to RM2.93 billion, supported by contributions across the B2C, B2B and C2C segments. This reflects sustained demand for connectivity, digital and wholesale services, alongside targeted customer acquisition initiatives and disciplined execution across the Group.

**B2C** further strengthened its position as a convergence champion, driven by higher content uptake and encouraging traction from mobile bundle campaigns. The convergence proposition was enhanced through exclusive HBO content and streaming offerings on Unifi TV, deepening customer engagement.

**B2B** sustained its recovery momentum, supported by ongoing demand for internet and ICT services as the segment accelerates its shift toward higher-value digital solutions, including cloud, managed services, cybersecurity and AI.

<sup>1</sup> Bank Negara Malaysia (BNM) Quarterly Bulletin 1Q 2026 dated 15 May 2026

<sup>2</sup> Monetary Policy Statement by Bank Negara Malaysia (BNM) published on 7 May 2026

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**3. Prospects for the Current Financial Year (continued)**

**Business Outlook (continued)**

C2C delivered steady growth, supported by rising hyperscaler demand for international connectivity and capacity services. Continued deployment of managed wavelength and submarine cable systems strengthens network capability and positions TM to capture growth opportunities arising from data centre expansion, AI workloads and GPU-as-a-Service in the accelerating digital economy.

The Group continues to monitor the current global geopolitical developments, including those in the Middle East, and their potential implications for operations.

Overall, TM maintains a measured outlook amid prevailing uncertainties and remains focused on delivering its FY2026 guidance.

**4. Variance of Actual Profit from Forecast Profit/Profit Guarantee**

The Group has not provided any profit forecast or profit guarantee in any public document in respect of the 1st quarter and financial period ended 31 March 2026.

**5. Tax**

The tax charge for the Group comprises:

	<b>1st Quarter and Financial Period Ended</b>	
	<b>31/03/2026</b>	<b>31/03/2025</b>
	<b>RM Million</b>	<b>RM Million</b>
<b>Income Tax:</b>		
Current year	(122.9)	(110.7)
Prior year	1.8	-
<b>Deferred tax (net)</b>	<b>20.5</b>	<b>(19.4)</b>
<b>Taxation</b>	<b>(100.6)</b>	<b>(130.1)</b>
<b>Zakat</b>	<b>(2.1)</b>	<b>(1.1)</b>
<b>Taxation and Zakat</b>	<b>(102.7)</b>	<b>(131.2)</b>

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**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****6. Status of Corporate Proposals**

There are no corporate proposals announced and not completed as at the date of this announcement.

**7. Group Borrowings and Debt Securities**

(a) **Analysis of the Group's borrowings, including lease liabilities and debt securities, is as follows:**

	As at 31/03/2026		As at 31/12/2025	
	Short Term RM Million	Long Term RM Million	Short Term RM Million	Long Term RM Million
Secured - Lease Liabilities	255.2	1,225.5	257.0	1,360.5
Unsecured - Borrowings	501.2	1,550.9	510.9	1,550.9
<b>Total Borrowings</b>	<b>756.4</b>	<b>2,776.4</b>	<b>767.9</b>	<b>2,911.4</b>

(b) **Foreign currency borrowings, including lease liabilities and debt securities, are as follows:**

	As at 31/03/2026 RM Million	As at 31/12/2025 RM Million
<b>Foreign Currency</b>		
US Dollar	306.8	514.1
Others	11.4	8.7
<b>Total</b>	<b>318.2</b>	<b>522.8</b>

(c) There have not been any significant changes in the Group's borrowings since the end of the previous financial year (as disclosed in note 17 of the Group's audited financial statements for financial year ended 31 December 2025) except for repayments of borrowings as they become due, drawdowns of revolving credit facilities and the impact of foreign exchange translation for the financial period ended.

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**8. Derivative Financial Instruments**

**(a) Financial Risk Management Policy**

There have been no changes in the Group's financial risk management policies or the types of derivative financial instruments entered into during the financial period ended 31 March 2026.

**(b) Fair Value Changes**

There were no fair value gains or losses recognised by the Group during the financial period ended 31 March 2026.

**9. Additional Disclosures**

The Consolidated Income Statement for the 1st quarter and financial period ended 31 March 2026 also includes the following:

	<b>1st Quarter and Financial Period Ended</b>	
	<b>31/03/2026</b>	<b>31/03/2025</b>
	<b>RM Million</b>	<b>RM Million</b>
Inventory charges for write off and obsolescence	(0.5)	(5.5)
Gains/(Losses) on disposal of fixed income securities	0.1	(0.1)
Losses on foreign exchange on settlements and placements	(20.7)	(7.8)

**10. Material Litigation**

Neither TM nor its subsidiaries are engaged in any material litigation.

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**11. Earnings per Share (EPS)**

	<b>1st Quarter and Financial Period Ended</b>	
	<b>31/03/2026</b>	<b>31/03/2025</b>
<b>(a) Basic earnings per share</b>		
Profit attributable to equity holders of the Company (RM million)	<b>321.5</b>	401.2
Weighted average number of ordinary shares (million)	<b>3,837.7</b>	3,837.7
Basic earnings per share (sen) attributable to equity holders of the Company	<b>8.4</b>	10.5

Basic earnings per share was calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of issued and paid-up ordinary shares during the financial period.

	<b>1st Quarter and Financial Period Ended</b>	
	<b>31/03/2026</b>	<b>31/03/2025</b>
<b>(b) Diluted earnings per share</b>		
Profit attributable to equity holders of the Company (RM million)	<b>321.5</b>	401.2
Weighted average number of ordinary shares (million)	<b>3,837.7</b>	3,837.7
Adjustment for dilutive effect of Long Term Incentive Plan (million)	-	0.1
Adjusted weighted average number of ordinary shares (million)	<b>3,837.7</b>	3,837.8
Diluted earnings per share (sen) attributable to equity holders of the Company	<b>8.4</b>	10.5

Diluted earnings per share for the current quarter and financial period ended were calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of issued and paid-up ordinary shares adjusted for potential conversion of all dilutive ordinary shares from shares granted to employees under the Group's LTIP, as disclosed in note 14 to the Group's audited financial statements for financial year ended 31 December 2025.

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LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**12. Qualification of Preceding Audited Financial Statements**

The audited financial statements for the financial year ended 31 December 2025 were not subject to any qualification.

**13. Dividends**

Following the revision in dividend policy announced by the Group on 24 April 2026 which sets the Group's dividend commitment at a minimum payout of 75% of reported PATAMI, with quarterly distributions effective from 1Q 2026, the Board of Directors has declared a 1st interim single-tier dividend of 6.5 sen per share (1Q 2025: nil) amounting to approximately RM249.5 million for the financial year ending 31 December 2026.

The dividend will be paid on 25 June 2026 to shareholders whose names appear in the Register of Members and Record of Depositors on 11 June 2026.

**By Order of the Board**

Hamizah Abidin (LS0007096) (SSM PC No. 201908001071)  
Group Company Secretary  
Kuala Lumpur  
21 May 2026