

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 30 September 2025.

UNAUDITED CONSOLIDATED INCOME STATEMENT

	3RD QUARTER ENDED		FINANCIAL PERIOD ENDED	
	30/09/2025	30/09/2024	30/09/2025	30/09/2024
	RM Million	RM Million	RM Million	RM Million
OPERATING REVENUE	2,991.9	2,917.1	8,615.3	8,662.0
OPERATING COSTS				
- depreciation, impairment and amortisation	(531.5)	(524.8)	(1,567.1)	(1,601.6)
- net (impairment loss)/reversal of impairment on financial and contract assets	(18.7)	(2.4)	0.8	(12.8)
- other operating costs	(1,939.1)	(1,873.7)	(5,454.1)	(5,358.2)
OTHER OPERATING INCOME (net)	117.2	32.9	215.2	123.3
OPERATING PROFIT BEFORE OTHER GAINS AND FINANCE COST	619.8	549.1	1,810.1	1,812.7
OTHER GAINS/(LOSSES) (net)	140.6	(2.0)	145.6	2.0
OPERATING PROFIT BEFORE FINANCE COST	760.4	547.1	1,955.7	1,814.7
FINANCE INCOME	22.8	32.5	80.3	91.1
FINANCE COST	(62.1)	(70.3)	(284.4)	(233.4)
FOREIGN EXCHANGE GAIN ON BORROWINGS	4.1	158.6	68.9	128.6
NET FINANCE (COST)/INCOME	(35.2)	120.8	(135.2)	(13.7)
ASSOCIATE/JOINTLY CONTROLLED ENTITY				
- share of results (net of tax)	1.2	0.3	1.5	4.8
PROFIT BEFORE TAX AND ZAKAT	726.4	668.2	1,822.0	1,805.8
TAX AND ZAKAT (part B, note 5)	(32.7)	(204.0)	(323.5)	(509.8)
PROFIT FOR THE FINANCIAL PERIOD	693.7	464.2	1,498.5	1,296.0
ATTRIBUTABLE TO:				
- equity holders of the Company	686.3	465.1	1,490.5	1,286.3
- non-controlling interests	7.4	(0.9)	8.0	9.7
PROFIT FOR THE FINANCIAL PERIOD	693.7	464.2	1,498.5	1,296.0
EARNINGS PER SHARE (sen) (part B, note 11)				
- basic	17.9	12.1	38.8	33.5
- diluted	17.9	12.1	38.8	33.5

(The above unaudited consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024)

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3RD QUARTER ENDED		FINANCIAL PERIOD ENDED	
	30/09/2025	30/09/2024	30/09/2025	30/09/2024
	RM Million	RM Million	RM Million	RM Million
PROFIT FOR THE FINANCIAL PERIOD	693.7	464.2	1,498.5	1,296.0
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to income statement:				
- increase in fair value of investments at fair value through other comprehensive income (FVOCI)	0.3	0.4	1.1	0.5
- reclassification adjustments relating to FVOCI investments disposed	#	#	(0.1)	0.2
- increase/(decrease) in fair value of receivables at FVOCI	0.7	(0.1)	0.7	1.3
- cash flow hedge:				
- increase/(decrease) in fair value of cash flow hedge	0.1	(54.9)	(22.9)	(42.5)
- change in fair value of currency basis	(2.8)	(1.2)	(3.7)	(5.6)
- reclassification of foreign exchange (losses)/gains on borrowings	(0.1)	59.3	24.2	48.4
- currency translation differences				
- subsidiaries	(2.2)	(51.8)	(19.1)	(36.4)
- associate	#	(0.5)	4.3	4.5
Other comprehensive loss for the financial period	(4.0)	(48.8)	(15.5)	(29.6)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	689.7	415.4	1,483.0	1,266.4
ATTRIBUTABLE TO:				
- equity holders of the Company	682.3	416.3	1,475.0	1,256.7
- non-controlling interests	7.4	(0.9)	8.0	9.7
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	689.7	415.4	1,483.0	1,266.4

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 2024)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
	(Unaudited) AS AT 30/09/2025 RM Million	(Audited) AS AT 31/12/2024 RM Million
SHARE CAPITAL	4,070.9	4,070.7
OTHER RESERVES	108.4	135.7
RETAINED PROFITS	6,205.7	5,893.3
TOTAL CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	10,385.0	10,099.7
NON-CONTROLLING INTERESTS	160.8	166.2
TOTAL EQUITY	10,545.8	10,265.9
Borrowings	1,867.3	2,109.9
Lease liabilities	1,365.7	1,441.5
Deferred tax liabilities	959.7	920.9
Trade and other payables	106.4	139.0
NON-CURRENT LIABILITIES	4,299.1	4,611.3
	14,844.9	14,877.2
Property, plant and equipment	11,377.2	11,429.3
Intangible assets	782.4	839.5
Right-of-use assets	1,129.4	1,182.9
Associate and jointly controlled entity	318.4	109.8
Equity investments at fair value through other comprehensive income (FVOCI)	138.8	138.8
Investments at fair value through profit or loss (FVTPL)	250.3	111.1
Receivables at FVOCI	59.9	58.1
Other non-current receivables/assets	319.0	332.7
Deferred tax assets	19.9	22.8
NON-CURRENT ASSETS	14,395.3	14,225.0
Inventories	267.7	201.7
Trade and other receivables	2,402.1	2,518.0
Contract assets	829.8	643.9
Contract cost assets	246.5	262.6
Receivables at FVOCI	3.1	3.0
Investments at fair value through other comprehensive income (FVOCI)	76.5	72.9
Investments at fair value through profit or loss (FVTPL)	1.3	0.2
Financial assets at fair value through profit or loss (FVTPL)	2.4	2.5
Derivative financial instruments	-	136.5
Cash and bank balances	1,826.8	3,096.2
CURRENT ASSETS	5,656.2	6,937.5
Trade and other payables	2,938.4	3,270.4
Contract liabilities	1,111.6	1,231.8
Customer deposits	79.3	96.5
Borrowings	514.0	1,381.0
Lease liabilities	252.9	258.4
Tax and zakat	310.4	47.2
CURRENT LIABILITIES	5,206.6	6,285.3
NET CURRENT ASSETS	449.6	652.2
	14,844.9	14,877.2
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (sen)	270.6	263.2

(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 2024)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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	-	-	-	-	-	-	1,490.5	8.0	1,498.5
Items that may be reclassified subsequently to income statement:									
- increase in fair value of investments at fair value through other comprehensive income (FVOCI)	-	1.1	-	-	-	-	-	-	1.1
- reclassification adjustments relating to FVOCI investments disposed	-	(0.1)	-	-	-	-	-	-	(0.1)
- increase in fair value of receivables at FVOCI	-	0.7	-	-	-	-	-	-	0.7
- cash flow hedge:									
- decrease in fair value of cash flow hedge	-	-	(22.9)	-	-	-	-	-	(22.9)
- change in fair value of currency basis	-	-	-	(3.7)	-	-	-	-	(3.7)
- reclassification of foreign exchange gain on borrowings	-	-	24.2	-	-	-	-	-	24.2
- currency translation differences	-	-	-	-	-	(19.1)	-	-	(19.1)
- subsidiaries	-	-	-	-	-	4.3	-	-	4.3
- associate	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the financial period	-	1.7	1.3	(3.7)	-	(14.8)	1,490.5	8.0	1,483.0
Transactions with owners:									
- 2nd interim single-tier cash dividend paid for the financial year ended 31 December 2024 (part A, note 6)	-	-	-	-	-	-	(479.7)	-	(479.7)
- special single-tier dividend paid for the financial year ended 31 December 2024 (part A, note 6)	-	-	-	-	-	-	(230.3)	-	(230.3)
- interim single-tier cash dividend paid for the financial year ended 31 December 2025 (part A, note 6)	-	-	-	-	-	-	(479.7)	-	(479.7)
- dividends paid to non-controlling interests	-	-	-	-	-	-	-	(13.4)	(13.4)
- Long Term Incentive Plan (LTIP):									
- transfer from LTIP reserve upon issuance of shares subsequent to vesting (part A, note 5(a))^	0.2	-	-	-	(0.2)	-	-	-	-
- transfer from LTIP reserve*	-	-	-	-	(11.6)	-	11.6	-	-
Total transactions with owners	0.2	-	-	-	(11.8)	-	(1,178.1)	(13.4)	(1,203.1)
At 30 September 2025	4,070.9	94.4	-	-	-	14.0	6,205.7	160.8	10,545.8

^ 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 2024)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	Attributable to equity holders of the Company							Non-controlling Interests RM Million	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		
At 1 January 2024	4,070.2	89.5	(8.5)	10.9	12.3	37.7	4,950.9	159.6	9,322.6
Profit for the financial period	-	-	-	-	-	-	1,286.3	9.7	1,296.0
Items that may be reclassified subsequently to income statement:									
- increase in fair value of investments at fair value through other comprehensive income (FVOCI)	-	0.5	-	-	-	-	-	-	0.5
- reclassification adjustments relating to FVOCI investments disposed	-	0.2	-	-	-	-	-	-	0.2
- increase in fair value of receivables at FVOCI	-	1.3	-	-	-	-	-	-	1.3
- cash flow hedge:									
- decrease in fair value of cash flow hedge	-	-	(42.5)	-	-	-	-	-	(42.5)
- change in fair value of currency basis	-	-	-	(5.6)	-	-	-	-	(5.6)
- reclassification of foreign exchange gain on borrowings	-	-	48.4	-	-	-	-	-	48.4
- currency translation differences	-	-	-	-	-	(36.4)	-	-	(36.4)
- subsidiaries	-	-	-	-	-	4.5	-	-	4.5
- associate	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the financial period	-	2.0	5.9	(5.6)	-	(31.9)	1,286.3	9.7	1,266.4
Transactions with owners:									
- 2nd interim single-tier dividend paid for the financial year ended 31 December 2023	-	-	-	-	-	-	(402.9)	-	(402.9)
- final single-tier dividend paid for the financial year ended 31 December 2023	-	-	-	-	-	-	(191.9)	-	(191.9)
- interim single-tier cash dividend paid for the financial year ended 31 December 2024	-	-	-	-	-	-	(479.7)	-	(479.7)
- dividends paid to non-controlling interests	-	-	-	-	-	-	-	(15.3)	(15.3)
- Long Term Incentive Plan (LTIP):									
- transfer from LTIP reserve upon issuance of shares subsequent to vesting^	0.5	-	-	-	(0.5)	-	-	-	-
Total transactions with owners	0.5	-	-	-	(0.5)	-	(1,074.5)	(15.3)	(1,089.8)
At 30 September 2024	4,070.7	91.5	(2.6)	5.3	11.8	5.8	5,162.7	154.0	9,499.2

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

(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 2024)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

	FINANCIAL PERIOD ENDED	
	30/09/2025	30/09/2024
	RM Million	RM Million
Receipts from customers	8,090.4	7,981.6
Payments to suppliers and employees	(5,584.6)	(4,881.2)
Receipts from/(Payments to) money held in trust/deposits pledged	16.2	(137.2)
Payments to suppliers for short-term lease and leases of low-value assets	(19.4)	(21.6)
Payments of finance cost	(141.1)	(167.1)
Payments of income taxes and zakat (net)	(128.9)	(192.2)
CASH FLOWS FROM OPERATING ACTIVITIES	2,232.6	2,582.3
Contribution from Government grant for purchase of property, plant and equipment	125.5	252.0
Disposal of property, plant and equipment	1.6	5.2
Purchase of property, plant and equipment and intangible assets	(1,388.4)	(887.1)
Investment in a jointly controlled entity	(207.1)	(1.8)
Disposal/Maturity of current investments at fair value through other comprehensive income	20.7	21.9
Purchase of current investments at fair value through other comprehensive income	(23.5)	(24.6)
Purchase of investments at fair value through profit or loss	(1.1)	(0.9)
Disposal of financial assets at fair value through profit or loss	5.7	4.2
Long term deposits	293.8	(16.6)
Deposit with maturity exceeding 3 months	(268.4)	-
Repayments of loans by employees	11.0	11.8
Loans to employees	(11.6)	(18.7)
Interest/Profit received	71.8	75.2
Dividends received	3.9	3.5
CASH FLOWS USED IN INVESTING ACTIVITIES	(1,366.1)	(575.9)
Repayments of borrowings	(906.8)	(623.6)
Repayments of lease liabilities	(309.4)	(310.8)
Dividend paid to shareholders (part A, note 6)	(1,189.7)	(1,074.5)
Dividend paid to non-controlling interests	(13.4)	(15.4)
CASH FLOWS USED IN FINANCING ACTIVITIES	(2,419.3)	(2,024.3)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,552.8)	(17.9)
EFFECT OF EXCHANGE RATE CHANGES	(1.1)	(68.9)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	2,973.1	2,697.9
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	1,419.2	2,611.1

(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 2024)

TELEKOM MALAYSIA BERHAD
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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

The unaudited interim financial statements for the 3rd quarter and financial period ended 30 September 2025 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 2024. 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 2024 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 2025.

(a) The amendments to published standards that are effective and applicable for the Group’s financial year beginning on 1 January 2025

The amendments to published standards issued by MASB that are effective and applicable for the Group’s financial year beginning on 1 January 2025 are as follows:

Amendments to MFRS 121	Lack of Exchangeability
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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.

(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 2026

Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments Contracts Referencing Nature-dependent Electricity
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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 (continued)

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: (continued)

Effective for annual periods beginning on or after 1 January 2026 (continued)

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)

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

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.

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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 3rd quarter and financial period ended 30 September 2025.

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 3rd quarter and financial period ended 30 September 2025.

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

(a) Long Term Incentive Plan (LTIP)

During the current financial period, the Company issued 33,800 new ordinary shares amounting to RM0.2 million pursuant to the vesting of shares from the Restricted Shares and Performance Shares under the LTIP granted to employees as described in note 14 to the audited financial statements for the financial year ended 31 December 2024.

The new ordinary shares were listed and allotted on the Main Market of Bursa Securities on 27 March 2025. There has been no further grant of new LTIP tranches during the current financial period.

(b) Repayment of Debentures

On 10 August 1995, the Company issued USD300.0 million 7.875% per annum Debentures due in 2025, as disclosed in note 17(c) to the Group's audited financial statements for the year ended 31 December 2024. Subsequently in 2023, USD59.1 million of the Debentures were redeemed ahead of its maturity date and cancelled.

Upon maturity on 1 August 2025, the remaining USD240.9 million of the Debentures were fully redeemed.

6. Dividends Paid

- (a) The 2nd interim single-tier cash dividend of 12.5 sen per share amounting to RM479.7 million and a special single-tier dividend of 6.0 sen per share amounting to RM230.3 million in respect of the financial year ended 31 December 2024, were declared on 25 February 2025 and paid on 28 March 2025.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

6. Dividends Paid (continued)

- (b) An interim single-tier cash dividend of 12.5 sen per share amounting to RM479.7 million in respect of the financial year ending 31 December 2025, was declared on 29 August 2025 and paid on 30 September 2025.

7. Customer Segment Information

Customer segment revenue information for the Group is as follows:

	3rd Quarter Ended		Financial Period Ended	
	30/09/2025	30/09/2024	30/09/2025	30/09/2024
	RM Million	RM Million	RM Million	RM Million
Business-to-Consumer (B2C)	1,415.7	1,396.3	4,178.9	4,178.7
Business-to-Business (B2B)	682.8	710.8	2,022.3	2,124.4
Carrier-to-Carrier (C2C)	857.7	787.0	2,313.0	2,281.3
Others	69.3	65.8	211.4	203.9
Inter-segment	(33.6)	(42.8)	(110.3)	(126.3)
Total	2,991.9	2,917.1	8,615.3	8,662.0

8. Material Events Subsequent to the End of the Quarter

There are no material events subsequent to the reporting date that require disclosure or adjustment to the unaudited interim financial statements.

9. Effects of Changes in the Composition of the Group

There are no changes in the composition of the Group for the 3rd quarter and financial period ended 30 September 2025 save as disclosed below:

(a) VADS Professional Services Sdn. Bhd.

VADS Professional Services Sdn. Bhd. (Company No. 200401029151(667659-V)) a wholly-owned subsidiary of VADS Berhad, which is a wholly-owned subsidiary of Telekom Malaysia Berhad (TM), was dissolved on 10 June 2025 via Member's Voluntary Winding Up.

(b) Multimedia College Sdn. Bhd.

Multimedia College Sdn. Bhd. (MCSB) (Company No. 200901013115 (856169-M)), a wholly-owned subsidiary of Universiti Telekom Sdn. Bhd., which is wholly-owned by TM was dissolved on 25 September 2025 via Member's Voluntary Winding Up.

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

There were no other material contingent liabilities since the audited financial statements of the Group for the financial period ended 30 September 2025.

TELEKOM MALAYSIA BERHAD

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**11. Capital Commitments**

	Group As at 30/09/2025 RM Million	As at 31/12/2024 RM Million
(a) Property, plant and equipment:		
Commitments in respect of expenditures approved and contracted for (excluding commitments with approved Government grants)	810.9	2,249.3
(b) The Group's remaining capital commitment in a technology investment fund (disclosed as part of the Group's Non-current Investments at FVTPL)	11.0	11.6
Refer to note 41(b) to the audited financial statements of the Group for the financial year ended 31 December 2024.		
(c) The Group's remaining committed equity funding in a jointly controlled entity, ST Dynamo DC Sdn. Bhd.	378.8	585.9

Refer to note 41(d) to the audited financial statements of the Group for the financial year ended 31 December 2024.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

12. Related Party Transactions (RPT)

(i) Employees Provident Fund (EPF)

During the financial period ended, the EPF, Malaysia's national retirement savings fund established under the Employees Provident Fund Act 1991, became a related party of TM pursuant to MFRS 124 Related Party Disclosures. EPF held an effective equity interest of approximately 22.71% in TM as at 30 September 2025.

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

(ii) Khazanah Nasional Berhad (Khazanah)

As disclosed in note 40(d) to the Group's audited financial statements for the financial year ended 31 December 2024, Khazanah is a major shareholder of the Group, holding 20.10% equity interest as at 30 September 2025.

Khazanah is a wholly-owned entity of Minister of Finance (Incorporation), which is in turn owned by the Ministry of Finance, a ministry of the Federal Government of Malaysia. Therefore, the Government of Malaysia and bodies controlled or jointly controlled by the Government of Malaysia are also related parties to 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	
	30/09/2025 RM Million	30/09/2024 RM Million	30/09/2025 RM Million	31/12/2024 RM Million
Sales and Receivables	546.5	571.0	134.8	53.9

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 RM24.7 million (YTD September 2024: RM21.0 million). There were no corresponding receivables recorded as at the reporting date (31 December 2024: RM118.7 million).

The Group also has transactions with other Government and EPF related entities for the provision of telecommunication and related services and equipment. 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 2024.

(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 30/09/2025				As at 31/12/2024			
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Assets								
Financial assets at fair value through profit or loss								
- quoted securities	2.4	-	-	2.4	2.5	-	-	2.5
Derivatives accounted for under hedge accounting	-	-	-	-	-	136.5	-	136.5
Investments at fair value through OCI	-	76.5	-	76.5	-	72.9	-	72.9
Investments at fair value through profit or loss	-	94.3	157.3	251.6	-	92.4	18.9	111.3
Equity investments at fair value through OCI	-	-	138.8	138.8	-	-	138.8	138.8
Receivables at fair value through OCI	-	-	63.0	63.0	-	-	61.1	61.1
Total	2.4	170.8	359.1	532.3	2.5	301.8	218.8	523.1

There have not been any changes to the valuation techniques applied for the different financial instruments since 31 December 2024 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 2024, other than below:

	As at 30/09/2025		As at 31/12/2024	
	Carrying amount RM Million	Net fair value RM Million	Carrying amount RM Million	Net fair value RM Million
Liabilities Borrowings	2,381.3	2,507.9	3,490.9	3,555.5

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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

(a) 3rd Quarter 2025 vs 3rd Quarter 2024

(i) Group Performance

The Group's operating revenue for the quarter was RM2,991.9 million, representing a 2.6% increase (RM74.8 million) from RM2,917.1 million in the same period last year. This growth reflects steady performance in core business segments and stronger delivery momentum in 2H25, consistent with the guidance shared.

Operating profit before other gains and finance costs (EBIT) increased by 12.9% (RM70.7 million) to RM619.8 million, compared to RM549.1 million in the corresponding quarter last year. The improvement was driven by lower foreign exchange losses on trade balances and deposits, as well as higher other operating income from network modernisation, which enabled the monetisation of unused copper cables.

Consequently, the Group's Profit After Tax and Non-Controlling Interests (PATAMI) improved by 47.6% (RM221.2 million) to RM686.3 million from RM465.1 million in the corresponding quarter last year. The higher profit was driven by sound performance in the Group's core operation supported by improved fair value gains from the Group's investment in a technology fund, as well as lower tax charges during the quarter.

(ii) Revenue by Customer Segments

Business-to-Consumer (B2C)

B2C's operating revenue stood at RM1,415.7 million in the current quarter, a 1.4% increase (RM19.4 million) from RM1,396.3 million in the same quarter last year. Growth was underpinned by continued traction in converged service bundles and targeted device campaigns with cumulative broadband customer base expanded by 1.3% to 3.2 million.

Business-to-Business (B2B)

B2B recorded operating revenue of RM682.8 million, lower by 3.9% (RM28.0 million) compared to RM710.8 million last year, mainly due to seasonal spending patterns and higher one-off solution revenue in the comparative quarter. The market remains competitive as customers optimise technology spend, with demand shifting towards managed services, cloud, cybersecurity and digital solutions.

Carrier-to-Carrier (C2C)

C2C's operating revenue grew by 9.0% (RM70.7 million) from RM787.0 million in 3rd quarter last year to RM857.7 million in the current quarter mainly supported by stronger performance in 5G mobile backhaul and data services.

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1. Review of Performance (continued)

(b) Year-on-Year

(i) Group Performance

The Group recorded operating revenue of RM8,615.3 million for year-to-date September 2025, compared to RM8,662.0 million in the same period last year, which had included a one-off revenue from an arbitration settlement. Growth in data services and data centre continued to support overall performance, cushioning the impact of a softer consumer market and heightened competition.

EBIT remained stable at RM1,810.1 million, compared to RM1,812.7 million last year, reflecting disciplined cost management amid higher 5G access costs and increased customer acquisition and retention expenses. Performance was also supported by higher other operating income from network modernisation, which enabled the monetisation of unused copper cables, as well as lower depreciation and amortisation.

The Group's PATAMI increased by 15.9% to RM1,490.5 million from RM1,286.3 million in the corresponding period last year. The improvement was driven by sound performance in the Group's core operation supported by improved fair value gains from the Group's investment in a technology fund, as well as lower tax charges during the period.

(ii) Revenue by Customer Segments

Business-to-Consumer (B2C)

B2C recorded operating revenue of RM4,178.9 million for the period ended 30 September 2025, in line with RM4,178.7 million last year. Growth in fixed broadband and bundled services, supported by a 3.2 million broadband customer base, helped offset declines in voice services and ongoing market competition.

Business-to-Business (B2B)

B2B posted operating revenue of RM2,022.3 million for YTD September 2025, compared to RM2,124.4 million last year, which included a one-off revenue from an arbitration settlement. Excluding this item, underlying growth was supported by customer projects, solution-based offerings, as well as ICT and digital solutions.

Carrier-to-Carrier (C2C)

C2C recorded operating revenue of RM2,313.0 million for nine-month period ended 30 September 2025, higher by 1.4% or RM31.7 million from RM2,281.3 million reported in the previous financial period, mainly supported by steady performance in 5G mobile backhaul, data centre and data services.

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2. Comparison with Preceding Quarter's Results

The Group recorded operating revenue of RM2,991.9 million for the quarter, a strong 7.9% increase from RM2,771.9 million in the preceding quarter, reflecting improved delivery momentum in 2H25 as guided, supported by higher contributions from data, internet, and other telecommunication services.

EBIT stood at RM619.8 million, marginally lower than RM640.0 million in the previous quarter, mainly driven by higher manpower costs arising from the Group's ongoing manpower optimisation. This was cushioned by other operating income from network modernisation, which enabled the monetisation of unused copper cables.

Higher other gains from the Group's investment in a technology fund, together with lower net finance costs from debt settlement and lower tax charges, led to an improved PATAMI of RM686.3 million for the quarter.

3. Prospects for the Current Financial Year

Economic Outlook

Malaysia's economy strengthened in 3Q 2025, with GDP growing 5.2%¹, up from 4.4% in 2Q 2025, driven by resilient domestic demand and stable macroeconomic conditions.

The Overnight Policy Rate (OPR) remains at 2.75% aimed at sustaining growth momentum amid global uncertainties. Headline inflation edged up to 1.5% in 3Q 2025 from 1.1% in 2Q 2025, reflecting stable cost conditions and continued policy support. While external risk persists, robust domestic consumption and steady investment activity continue to anchor Malaysia's economic growth.

Business Outlook

TM Group delivered improved performance in 3Q 2025, with revenue increasing by 7.9% quarter-on-quarter, reflecting a stronger performance across core segments supported by subscriber base growth and higher regional connectivity services.

B2C continues to advance convergence adoption through enriched content by the recent launch of Unifi TV 2.0 and Smart Home device bundling, stabilising ARPU in the competitive market environment.

B2B is seeing a recovery in public and enterprise demand, supported by solution-led offerings as the cluster accelerates its shift towards digital services including cloud, cybersecurity, managed services, AI, and Enterprise 5G.

¹ Bank Negara Malaysia (BNM) Quarterly Bulletin 3Q 2025 dated 14 November 2025

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3. Prospects for the Current Financial Year (continued)

Business Outlook (continued)

C2C will continue expanding regional network capacity through participation in international subsea collaborations, reinforcing TM's commitment to resilient digital infrastructure that supports cloud-based and AI-driven innovation.

TM's data centre expansions in the Klang Valley and Iskandar Puteri are progressing into the operational phase, enhancing the Group's readiness to meet the surging demand from hyperscalers for cloud services and data hosting, reinforcing its role as a regional digital powerhouse.

Our joint venture investment, TM Nxera has commenced construction and remains on track for completion in 3Q 2026, marking another significant milestone in our journey to become a Digital Powerhouse.

TM maintains its guidance except for EBIT estimates for the year. We received significant voluntary separation applications from employees. Therefore, the Group is considering these applications as it will have a positive impact to its long-term productivity. Normalising the impact, TM remains on track to achieve the current EBIT 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 3rd quarter and financial period ended 30 September 2025.

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5. Tax

The tax charge for the Group comprises:

	3rd Quarter Ended		Financial Period Ended	
	30/09/2025	30/09/2024	30/09/2025	30/09/2024
	RM Million	RM Million	RM Million	RM Million
Income Tax:				
Current year	(154.7)	(34.4)	(401.0)	(410.5)
Prior year	122.5	(122.9)	122.7	(140.0)
Deferred tax (net)	0.6	(39.8)	(41.8)	51.7
Global minimum top-up tax	#	-	(0.1)	-
Taxation	(31.6)	(197.1)	(320.2)	(498.8)
Zakat	(1.1)	(6.9)	(3.3)	(11.0)
Taxation and Zakat	(32.7)	(204.0)	(323.5)	(509.8)

Amount less than RM0.1 million

The Group's effective tax rate for the current quarter and financial period ended is below the statutory rate, mainly due to reassessment of deferred tax provision.

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 and debt securities is as follows:

	As at 30/09/2025		As at 31/12/2024	
	Short Term Borrowings RM Million	Long Term Borrowings RM Million	Short Term Borrowings RM Million	Long Term Borrowings RM Million
Total Unsecured	514.0	1,867.3	1,381.0	2,109.9

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PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**7. Group Borrowings and Debt Securities (continued)****(b) Foreign currency borrowings and debt securities are as follows:**

Foreign Currency	As at 30/09/2025 RM Million	As at 31/12/2024 RM Million
US Dollar	527.0	1,636.7
Canadian Dollar	1.5	1.6
Total	528.5	1,638.3

- (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 2024) except for repayments of borrowings as they become due and the impact of foreign exchange translation for the financial year ended.

8. Derivative Financial Instruments**(a) Analysis of the Group's Derivative Financial Instruments is as follows:**

		Fair value as at 30/09/2025	Fair value as at 31/12/2024
Derivatives (by maturity)	Contract or notional amount RM Million	Assets RM Million	Assets RM Million
<u>Cross Currency Interest Rate Swaps (CCIRS)</u>			
- matured on 1 August 2025	310.5	-	136.5
Total	310.5	-	136.5

(b) Financial Risk Management Objectives and Policies

There have been no changes since the end of the previous financial year in respect of the following:

- (i) The types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts; and
- (ii) The risk management policies are in place for mitigating and controlling the risks associated with these derivative financial instrument contracts.

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The details on the above, the valuation and the financial effects of derivative financial instruments that the Group has entered into are discussed in notes 4, 19 and 43 to 46 to the Group's audited financial statements for the financial year ended 31 December 2024.

(c) Related Accounting Policies

The related accounting policies of the Group in respect of derivative financial instruments and hedge accounting are disclosed in note 2 to the Group's audited financial statements for the financial year ended 31 December 2024.

(d) Losses Arising from Fair Value Changes of Financial Instruments

The amount of losses arising from fair value changes of derivative financial instruments for the current quarter ended 30 September 2025 are as follows:

Derivatives (by maturity)	Contract or notional value RM Million	Fair value RM Million	Losses arising from fair value changes for the quarter RM Million	Losses arising from fair value changes for the period RM Million
Financial Assets				
<u>Cross Currency Interest Rate Swaps (CCIRS)*</u> - matured on 1 August 2025	310.5	-	(112.6)	(136.5)
Total	310.5	-	(112.6)	(136.5)

* Cash flow hedges accounted for under hedge accounting.

The fair values of existing Interest Rate Swaps (IRS) arise from the changes in present value of their respective future cash flows against the prevailing market interest rates. The fair values of existing forward foreign exchange components of the contracts are determined by comparing forward exchange market rates at the balance sheet date against prevailing foreign exchange rates.

The Mark to Market (MTM) on the IRS is positive when the expectation of relevant future interest rates increases and vice versa. The MTM on a forward contract is positive when the expectation of USD against RM currency is strengthened and vice versa.

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PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**8. Derivative Financial Instruments (continued)****(d) Losses Arising from Fair Value Changes of Financial Instruments (continued)**

The MTM on the CCIRS is positive when the expectation of the relevant foreign currency against RM strengthens or the expectation of future RM interest rate increases and vice versa.

9. Additional Disclosures

The Consolidated Income Statement for the 3rd quarter and financial period ended 30 September 2025 also includes the following:

	3rd Quarter Ended		Financial Period Ended	
	30/09/2025	30/09/2024	30/09/2025	30/09/2024
	RM Million	RM Million	RM Million	RM Million
Inventory charges for write off and obsolescence	(1.7)	(3.8)	(11.0)	(6.5)
(Losses)/Gains on disposal of fixed income securities	#	#	(0.1)	0.3
Losses on foreign exchange on settlements and placements	(4.9)	(104.4)	(47.8)	(76.0)

Amount less than RM0.1 million

10. Material Litigation

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

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

11. Earnings per Share (EPS)

	3rd Quarter Ended		Financial Period Ended	
	30/09/2025	30/09/2024	30/09/2025	30/09/2024
(a) Basic earnings per share				
Profit attributable to equity holders of the Company (RM million)	686.3	465.1	1,490.5	1,286.3
Weighted average number of ordinary shares (million)	3,837.7	3,837.7	3,837.7	3,837.7
Basic earnings per share (sen) attributable to equity holders of the Company	17.9	12.1	38.8	33.5

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.

	3rd Quarter Ended		Financial Period Ended	
	30/09/2025	30/09/2024	30/09/2025	30/09/2024
(b) Diluted earnings per share				
Profit attributable to equity holders of the Company (RM million)	686.3	465.1	1,490.5	1,286.3
Weighted average number of ordinary shares (million)	3,837.7	3,837.7	3,837.7	3,837.7
Adjustment for dilutive effect of Long Term Incentive Plan (million)	-	0.5	#	0.5
Adjusted weighted average number of ordinary shares (million)	3,837.7	3,838.2	3,837.7	3,838.2
Diluted earnings per share (sen) attributable to equity holders of the Company	17.9	12.1	38.8	33.5

Amount less than RM0.1 million

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 2024.

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**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET
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 2024 were not subject to any qualification.

13. Dividends

(a) On 29 August 2025, the Board of Directors declared an interim single-tier cash dividend of 12.5 sen per share for the financial year ending 31 December 2025 (2024: an interim single-tier cash dividend of 12.5 sen per share). The cash dividend was paid on 30 September 2025 to shareholders whose names appear in the Register of Members and Record of Depositors on 18 September 2025.

(b) No dividend is declared for the current quarter ended 30 September 2025.

By Order of the Board

Hamizah Abidin (LS0007096) (SSM PC No. 201908001071)
Group Company Secretary
Kuala Lumpur
24 November 2025