

# EMPOWERING GENERATIONS



INTEGRATED ANNUAL  
REPORT 2025 CORPORATE OVERVIEW



# SUMMARY

As TM marks 80 years of empowering generations, we advance in our journey to become a Digital Powerhouse by 2030. Anchored on our PWR 2030 strategy and sustainability philosophy — Prosperity, Planet and People — we serve as a catalyst powering inclusive and sustainable progress for Malaysia and the region.





# PIONEER

## Pioneering Industry Growth through Digitalisation and Sustainability

As Malaysia's largest digital infrastructure provider, we pioneer the digital backbone that powers the next era of growth. Our superior 5G backhaul, AI-ready data centres and expanding international submarine cable systems are strengthening Malaysia's position as the digital hub for ASEAN, connecting Malaysia to the world and the world to Malaysia. Built on this strong foundation, we unlock advanced digital solutions — from cloud and smart services to AI-powered GPU-as-a-Service — positioning TM as a catalyst for sustainable innovation.

# WIN

## Winning Infrastructure Leadership Position in High-Impact Areas (Communities, Businesses, Government)

We lead the market as Malaysia's Convergence Champion, delivering the country's only quad-play services while serving as a trusted Digital Partner for MSMEs through a comprehensive solutions portfolio. Across enterprises and the public sector, we enable transformation through advanced solutions spanning AI, smart services, cloud and cybersecurity. This is where our role as a digital orchestrator comes to life, bringing together technologies and solutions that empower communities, businesses and the Government to unlock new opportunities in the vibrant digital ecosystem.

# REVITALISE

## Revitalising Talent and Innovation Ecosystem for Malaysia and the Region

People and innovation are at the heart of our transformation. Through Multimedia University IMMU, we nurture the next generation of digital talents for Malaysia. Initiatives such as Jangkau Digital TM and TM Future Skills, alongside programmes supporting the neurodivergent community and national sepak takraw development, reflect our commitment to empowering communities and fostering greater inclusion. Together, these efforts strengthen Malaysia's innovation ecosystem that will power the nation's digital future.



**PROSPERITY**  
Innovative and sustainable solutions towards creating long-term value



**PLANET**  
Environmental stewardship towards achieving net-zero



**PEOPLE**  
Creating positive impact to communities, businesses and the nation through inclusive nation-building efforts

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## 41<sup>ST</sup> ANNUAL GENERAL MEETING

 **19 May 2026 (Tuesday)**  **10:00 a.m.**



**Multi Purpose Hall  
Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur**

**or virtually via the Boardroom Smart Investor  
Portal (BSIP) at**

<https://investor.boardroomlimited.com>

# ABOUT THIS REPORT

This year's Integrated Annual Report 2025 (IAR 2025) presents the principal activities, strategic priorities and operational performance of Telekom Malaysia Berhad (TM or the Group). It provides a comprehensive overview of our business progress, detailing both financial and non-financial achievements, the value created for stakeholders, as well as the key risks and opportunities that shape our journey. The IAR 2025 outlines the outcomes of our initiatives for the year, offering shareholders an objective, transparent and holistic view of TM's performance and long-term sustainability.

## OUR REPORTING SUITE

Our reporting suite is presented in two comprehensive publications:

### Corporate Overview



### Financial Statements



**Corporate Overview** aligns with Bursa Malaysia Securities Berhad's Main Market Listing Requirements and the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards. By adopting the IFRS Sustainability Disclosure Standards this year, the Corporate Overview enhances reporting practices and incorporates our Sustainability Statement, providing an integrated narrative of our strategy, business and sustainability progress and performance. This combined approach demonstrates how we embed integrated thinking into our operations to deliver sustainable outcomes for our stakeholders.

**Financial Statements** comprise the Group's complete financial report including the audited financial statements.

## Corporate Overview

The Corporate Overview comprises the following:

### 1 Setting the Context

#### Operating Landscape

##### What is happening in the market?

Market trends, emerging technologies, economic conditions and regulatory developments are among the key factors shaping our operating landscape. Successfully navigating these dynamics is essential to sustaining our growth and creating long-term value for our stakeholders.

For more information, please refer to pages 54 to 57.

#### Stakeholder Engagement

##### What do our stakeholders need?

Our long-term success depends on the trust and support of our stakeholders. We engage with them regularly to understand and address their evolving needs, encompassing both financial and non-financial considerations.

For more information, please refer to pages 40 to 44.

#### Risks and Opportunities

##### What may impact our growth and value?

Our business is exposed to various risks and opportunities that may influence long-term value creation. We systematically identify and assess these factors to guide decision-making in alignment with our strategic objectives and risk appetite.

For more information, please refer to pages 58 to 64.

### 2 Strategy in Action

#### Strategic Direction

##### Where are we heading?

We aim to become a Digital Powerhouse by 2030 while positioning Malaysia as the digital hub for the region. Our commitment to driving digital innovation aligns with the nation's aspiration for a fully integrated digital society.

For more information, please refer to pages 65 to 71.

### 3 Sustainability Statement: Empowering the Future Together

"Empowering the Future Together" reflects our continued commitment to strengthening the sustainability reporting as we advance our transition to the IFRS Sustainability Disclosure Standards. In 2025, we further enhanced our approach by conducting a comprehensive Double Materiality Assessment, building our ongoing efforts in driving greater transparency, accountability and value-based decision-making.

This enhanced double materiality assessment enables us to evaluate systematically:

- **Financial Materiality:** how sustainability-related risks and opportunities influence our financial performance and long-term enterprise value;
- **Impact Materiality:** how our operations create value across Prosperity, Planet and People, reflecting the value we create through responsible and sustainable practices.

For the materiality assessment process, please refer to pages 121 to 123.  
For the list of material matters and priority ranking, please refer to page 107.

## Financial Statements

The Financial Statements present the Group's financial performance and position as at the reporting date.

## ABOUT THIS REPORT

### SCOPE AND BOUNDARIES

TM's IAR is published annually, covering the full calendar year from 1 January to 31 December 2025 for financial information and extending to 9 March 2026 for non-financial updates.

It encompasses all our operations and activities, detailing key strategic plans, the outcomes of implemented initiatives and insights into our financial and non-financial performance. This report also highlights the material matters within our sustainability pillars, the associated risks and opportunities and our efforts in creating value for stakeholders.

### REPORTING PRINCIPLES

Our disclosures are guided by the following principles to:

- 
**Transparency**  
 Provide accurate and reliable information for stakeholder assessment.

---

- 
**Stakeholder Inclusiveness**  
 Address the evolving needs and expectations of stakeholders.

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- 
**Materiality**  
 Focus on economic, environmental, social and governance (EESG) matters.

---

- 
**Balance**  
 Provide a fair representation of positive and negative aspects for fair decision-making.

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- 
**Comparability**  
 Enable performance tracking through historical data.

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- 
**Potential**  
 Highlight the current performance and potential future growth of TM.

### REPORTING FRAMEWORKS

This IAR is prepared in accordance with the following global and local standards, guidelines and best practices:

- Integrated Reporting (IR) Framework
- Bursa Malaysia Securities Berhad's Main Market Listing Requirements (Main LR)
- Malaysian Code on Corporate Governance (MCCG)
- Companies Act 2016
- Malaysian Financial Reporting Standards (MFRS)
- Bursa Malaysia Sustainability Reporting Guide (3<sup>rd</sup> Edition)
- Global Reporting Initiative (GRI) Standards 2021
- United Nations Sustainable Development Goals (UN SDGs)
- ISO 26000:2010 Guidance on Social Responsibility

- International Financial Reporting Standards (IFRS) S1 and S2
- National Sustainability Reporting Framework (NSRF)

### INDEPENDENT ASSURANCE

To enhance the credibility and reliability of this report, the data and disclosures have been independently reviewed and verified, covering financial information up to 31 December 2025 and non-financial information up to 9 March 2026.

### FORWARD-LOOKING STATEMENTS

This IAR contains forward-looking statements relating to our future priorities, strategies and growth prospects. These statements are based on current expectations and assumptions and subject to risks and uncertainties beyond our control. Therefore, they should not be regarded as conclusive and have not been reviewed by auditors.

### LEADERSHIP ROLE

The integrated reporting process at TM is governed by the Board of Directors, led by Management and supported through group-wide collaboration. This governance structure ensures the integrity, consistency and quality of the report.

#### Reach Out to Us

We are committed to continuously improving our reporting practices and welcome your feedback on our integrated annual report. Please share your questions or suggestions via:



**Email:** [stratcomms@tm.com.my](mailto:stratcomms@tm.com.my)

### STATEMENT FROM THE BOARD OF DIRECTORS

The Board of TM acknowledges its responsibility for ensuring the integrity and accuracy of TM's IAR 2025. We confirm that, to the best of our knowledge, this report comprehensively addresses all issues material to our business and stakeholders. It provides a balanced and fair assessment of TM's integrated performance, encompassing both financial and non-financial aspects during the reporting period.

### COMMITMENT TO SUSTAINABILITY

In line with our environmental responsibility, we are committed to reducing the carbon footprint associated with the production of our printed IAR. We encourage shareholders to access our digital reports at [www.tm.com.my/iar2025](http://www.tm.com.my/iar2025).







**Dato' Zainal Abidin Putih**

Chairman (on behalf of the Board of Directors)

**HOW TO NAVIGATE THIS REPORT**

Throughout this IAR, icons are used to illustrate the relationship between different elements of our business, including:

**CAPITALS**

-  Financial
-  Manufactured
-  Intellectual
-  Human
-  Social & Relationship
-  Natural

**STAKEHOLDERS**

-  Employees
-  Government & Regulators
-  Shareholders & Investors
-  Business Partners
-  Media
-  Communities
-  Unions
-  Customers
-  Suppliers

**SUSTAINABILITY PILLARS**

-  Prosperity
-  Planet
-  People

**STRATEGIC PILLARS**





**MATERIAL MATTERS**

**PROSPERITY**

-  M1 Innovation & Technology
-  M2 Customer Experience
-  M3 Network Stability & Quality
-  M4 Sustainable Value Chain
-  M5 Responsible Communication
-  M6 Cyber Resilience
-  M7 Good Governance






**PLANET**

-  M8 Environmental Management
-  M9 Climate Change

**PEOPLE**

-  M10 Labour Practices & Human Rights
-  M11 Learning & Development
-  M12 Health & Safety
-  M13 Digital Inclusion
-  M14 Community Empowerment


**RISK CATEGORIES**

-  Strategic
-  Technology/System
-  Sustainability
-  Financial
-  Operational

**RELATED UN SDGs**



**Cross-references**

 Cross-references guide readers to relevant sections within the report. A QR code is provided to give readers access to downloadable materials from our website at [www.tm.com.my](http://www.tm.com.my).

## SUMMARY

We are pleased to present TM's Integrated Annual Report (IAR) 2025. This report is a testament to our commitment to providing stakeholders with a comprehensive understanding of our financial and non-financial achievements. It is designed to enable an assessment of the value we have created and delivered throughout the year.

## TOTAL DIVIDEND PAYOUT

**RM1.2 billion**  
31.0 sen per share

# 2025

### FINANCIAL HIGHLIGHTS

TOTAL REVENUE

**RM11.9 billion**

PATAMI

**RM1.7 billion**

EBIT

**RM2.0 billion**

### BUSINESS HIGHLIGHTS

**>750,000 km**

Domestic fibre cables

**>400,000 km\***

across **39** submarine cable systems


**6 Data Centres**

(5 in Malaysia and 1 in Hong Kong)

**26**

Points of Presence (PoPs)

**Drove hybrid cloud-adoption for large-scale enterprises**

 \* Details of the submarine cable systems can be found on pages 16 to 19.

## OUR CUSTOMERS



### Business-to-Consumer (B2C)

**3.2 million**

Fixed broadband customers\*

**>400,000**

MSME customers

**>1.1 million**

Fixed broadband customers subscribing to mobile and content services^



### Business-to-Business (B2B)

**>2,000**

Government customers

**>5,000**

Enterprises



### Carrier-to-Carrier (C2C)

**194**

Domestic customers

**580**

International customers

\* Comprises B2C, B2B and C2C segments.

^ Customers can opt to subscribe to mobile, content or both. This is in line with our market position as Malaysia's Convergence Champion.

# SNAPSHOT

## OUR PEOPLE

**17,300**

Warga TM

**>1.1 million hours**

Total training hours by employees

**33%**

Women on the Board

**36%**

Women in Senior Management

## CORPORATE HIGHLIGHTS

### ARTIFICIAL INTELLIGENCE



**1<sup>st</sup>** telco in Malaysia to receive SIRIM Artificial Intelligence Management System (AIMS) Certification

### SUSTAINABILITY

**S&P Global ESG**

**57/100**

Highest in the telco industry



3.8



C



A



4 out of 4 stars

**RM3.6 billion**

Spent on local suppliers

**RM57.4 million**

Invested in community impact programmes

# WHO WE ARE AND WHERE WE ARE HEADING

As Malaysia's Convergence Champion and digital technology provider, TM remains at the forefront of Malaysia's digital transformation, advancing technology while strengthening the country's position on the global digital stage. As we mark our 80<sup>th</sup> anniversary, we continue to build on a legacy of nation-building, guided by a greater purpose to enable inclusive digital progress that benefits all Malaysians.

We were established in 1946 as the Malayan Telecommunications Department. Since then, we have played a pivotal role in shaping Malaysia's telecommunications landscape and accelerating the growth of the digital economy through future-ready digital infrastructure and advanced digital solutions, with a strong focus on customer experience.

Guided by our sustainability philosophy of Prosperity, Planet and People (3Ps), we create long-term value by balancing economic growth with environmental responsibility and positive social impact. Central to this is our commitment to *Warga TM's* growth and well-being, while strengthening a collaborative ecosystem of partners, suppliers and industry stakeholders across the value chain.

Guided by our greater purpose, we will continue to empower communities, businesses and the nation—while accelerating our journey to become a Digital Powerhouse by 2030.



## VISION

To shape a Digital Malaysia through technology that empowers communities, businesses and the government.

## MISSION

Humanising technology and making it accessible to all Malaysians in a sustainable manner.

### For Communities

We enrich everyday moments by enabling converged lifestyle solutions.

### For Businesses

We drive growth through integrated solutions and strategic partnerships that accelerate transformation.

### For the Government

We accelerate the nation's journey towards becoming a Digital Malaysia, providing comprehensive connectivity, platforms and digital solutions.

## VALUES

We are guided by our KRISTAL values:

- Total commitment to customers
- Uncompromising integrity
- Respect and care

## STRATEGY



We are driven by our PWR 2030 strategy to achieve our aspiration of becoming a Digital Powerhouse by 2030. It is anchored in three (3) strategic pillars:

**P Pioneer**

**W Win**

**R Revitalise**

## SUSTAINABILITY

Our journey is guided by our Triple Bottom Line of Prosperity, Planet and People (3Ps) to ensure long-term value for all stakeholders:



Prosperity



Planet



People

## DIGITAL INFRASTRUCTURE AND SOLUTIONS

### DIGITAL INFRASTRUCTURE



Domestic Fibre Cables



Submarine Cables



Data Centres



4G/5G Mobile Backhaul



Content Delivery Network (CDN)



Edge Data Centres



Points of Presence (PoPs)

### CONVERGED SOLUTIONS



Fixed Broadband



Mobile



TV Content



Lifestyle Solutions (Smart Home and Smart Devices)



Unifi Business Solutions



Voice and Messaging

### DIGITAL SOLUTIONS



Cloud



Cybersecurity



Smart Services



GPU-as-a-Service (GPUaaS)



AI Solutions



ICT Solutions

ARTICLE:

## TM 80<sup>TH</sup> ANNIVERSARY

# EMPOWERING GENERATIONS: EIGHT DECADES OF CONNECTING MALAYSIA

Since its beginnings in 1946 as the Telecommunications Department of Malaya, TM has grown alongside the nation it serves. From the early years of rebuilding communications infrastructure after the war, the network began to stretch across towns, cities and rural communities, quietly weaving connections that would bring Malaysians closer together.

Across the decades, those connections became part of everyday life. The first telephone calls carried voices across distance, linking families, businesses and government offices. Later, broadband networks opened doors to new knowledge and opportunity, enabling students to learn beyond the classroom, workers to collaborate across borders, and small businesses to reach customers far from their neighbourhoods.

As Malaysia's economy expanded and industries modernised, connectivity became more than a convenience. It became an essential foundation for national progress. Enterprises built new capabilities around digital networks, government services moved increasingly online, and entire sectors of the economy emerged around information, technology and innovation. Today, this digital ecosystem is supported by fibre networks, submarine cables, data centres and cloud platforms, alongside emerging technologies such as artificial intelligence.

Along the way, the organisation itself has continually renewed and reinvented its role. From a government department to a corporatised entity and later a publicly listed company, each transformation reflected the changing needs and ambitions of the nation. The opening of Menara TM, inspired by the 'rebung' or bamboo shoot, stands as a symbol of that journey: growth, resilience and renewal reaching upward with every generation.

Today, as TM marks its 80th anniversary, its purpose remains rooted in the same aspiration that guided its earliest pioneers – connecting people and possibilities. Across eight decades, the networks built by generations past continue to empower the generations to come.

**1946 - Telecommunications Department Established**  
 The Telecommunications Department of Malaya is formed to rebuild and operate the nation's communications network.



**1946**



**1961**

**1961 - JT Emblem Introduced**  
 The Jabatan Telekom (JT) emblem is introduced, reflecting localisation and the growing Malaysian leadership in telecommunications.



**1990**

**1990 - Telekom Malaysia Listed on Bursa Malaysia**  
 Telekom Malaysia Berhad is listed on Bursa Malaysia, strengthening its ability to invest in nationwide telecommunications.

**2022 - National Cloud Introduced**  
 TM launches Credence - a cloud and digital services company delivering trusted cloud solutions to accelerate digital transformation and power a smarter, connected future.



**2023**

**2023 - Single Operating Entity**  
 Consolidates TM's core operations into one entity (TM Technology Services) to drive convergence, efficiency, operational excellence and enhance customer experience.



**1957**

**1957 - Connecting a Newly Independent Nation**  
 Telecommunications infrastructure expands rapidly following Merdeka, supporting administration, commerce and national integration.



**1986**

**1986 - Corporatisation of Telecommunications**  
 Jabatan Telekom is corporatised as Syarikat Telekom Malaysia, marking the transition to a commercial telecommunications entity.



**2005**

**2005 - The New Brand Introduced**  
 TM launches its new corporate identity, signalling its evolution into a broadband and digital services provider.

**2025 - TM Nxera Established**

Expanding TM's capabilities into next-generation data centres to support AI, cloud and the nation's digital future.

**2026 - 80 Years of Connecting Malaysia**

TM marks eight decades of connecting communities, businesses and institutions while advancing Malaysia's digital future.



**2026 80<sup>th</sup> Anniversary**



# AWARDS AND ACCOLADES: CELEBRATING EXCELLENCE

## 2025

### JANUARY 2025

17 January 2025

- **PUTRA BRAND AWARDS**

- Platinum (Communication Networks) – Unifi
- Gold (Education & Learning) – MMU

24 January 2025

- **MIP PLANNING EXCELLENCE AWARDS 2024**

- Smart City Category

### FEBRUARY 2025

20 February 2025

- **ASIAN TELECOM AWARDS 2025**

- Telecom Company of the Year – Malaysia – TM Global
- Infrastructure Initiative of the Year – Malaysia – TM Global
- Customer Service Initiative of the Year – Malaysia – (Bill Verification Initiative)

### MARCH 2025

20 March 2025

- **MALAYSIA TECHNOLOGY EXCELLENCE AWARDS 2025**

- AI – Environmental Services category (TM R&D's Smart Urban Forestry innovation)

### APRIL 2025

10 April 2025

- **ASIAN LEGAL BUSINESS (ALB) MALAYSIA LAW AWARDS 2025**

- Technology, Media and Telecommunications In-House Team of the Year

22 April 2025

- **EMPLOYERS' CHOICE OF UNIVERSITY AWARDS**

- Employers' Choice of University - MMU
  - Champion – Animation
  - 6-Star Ratings – Arts & Design
  - 6-Star Ratings – Communication & Broadcasting
  - 6-Star Ratings – Computing & IT
  - 6-Star Ratings – Economics
  - 6-Star Ratings – Engineering (Mechanical)
  - 6-Star Ratings – Law

### MAY 2025

5 May 2025

- **MICROSOFT MALAYSIA COPILOT CHAT PROMPT-A-THON**

- 1<sup>st</sup> Prize (Champion)

27 May 2025

- **ANUGERAH SYARIKAT HARMONI 2025**

- Kategori Syarikat Besar – Anugerah Syarikat Harmoni 2025

### JUNE 2025

13 June 2025

- **HASHTAG ASIA AWARDS**

- Best Social Commerce Campaign – Silver
- Best Use of Live Streaming – Bronze

16 June 2025

- **DTW IGNITE 2025**

- TM Forum Open API Conformance

17 June 2025

- **CARRIER COMMUNITY GLOBAL AWARDS 2025**

- Best Regional Internet Exchange Provider – TM Global

### JUNE 2025

20 June 2025

- **MARKies**

- Most Effective Use – Social Commerce – Gold
- Most Creative – Social Commerce – Gold
- Most Creative – Silver
- Most Creative Interactive Storytelling – Silver
- Most Creative – B2B Marketing – Bronze

### JULY 2025

16 – 17 July 2025

- **ANUGERAH PENGIKTIRAFAN PASUKAN TINDAK BALAS KECEMASAN & BENCANA (ERDT) SEMPENA BENGKEL PASCA MONSUN TIMUR LAUT 2024/2025**

24 July 2025

- **ASEAN CORPORATE GOVERNANCE CONFERENCE AND AWARDS (ASEAN CGCA) 2025**

- Recognised among the 250 ASEAN Asset Class companies based on the ASEAN Corporate Governance Scorecard (ACGS) assessment

### AUGUST 2025

8 August 2025

- **ASIA HUMAN RESOURCE DEVELOPMENT (ASIA HRD) AWARDS 2025**

- Movers & Shakers Award – Khaidhir Elias, Chief Human Capital Officer

- **AI HORIZON CONFERENCE 2025**

- AI Talent Development Award

28 August 2025

- **THE MALAYSIA EDUCATION & TVET AWARDS 2025 (META 2025)**

- Social Impact Award – Yayasan TM

### SEPTEMBER 2025

10 September 2025

- **PIKOM DIGITAL EXCELLENCE AWARDS**

- Outstanding Digital Transformation Project

- **DIGITAL EXCELLENCE AWARDS 2025**

- Digital Infrastructure B2B2C Infrastructure

23 September 2025

- **THE EDGE BILLION RINGGIT CLUB 2025 AWARDS**

- Highest Growth in Profit After Tax Over Three Years (Telecommunications & Media Category)

24 September 2025

- **PC.COM READERS' CHOICE AWARDS & BUSINESSTODAY INDUSTRY CHOICE AWARDS 2025**

- PC.com Readers' Choice Awards 2025
  - Unifi Best Home Broadband Service Provider
- BusinessToday Industry Choice Awards 2025
  - Unifi Business Best SME Connectivity Provider
  - TM One Best Digital Transformation Enabler



## SEPTEMBER 2025

25 September 2025

- **MARKETING EXPERTS' CHOICE AWARDS**
  - Top 10 Merdeka TVC Edition 2025

## OCTOBER 2025

10 October 2025

- **THE DRAGONS OF ASIA**
  - Virtual Intelligence Creator – Silver
  - Business – Bronze
  - Social Media – Merit
  - Brand Trial or Sales Generation – Merit

31 October 2025

- **MARKETING INTERACTIVE EXCELLENCE AWARD**
  - Excellence in Marketing Specific Audience – Gold
  - Excellence in AI-Powered Storytelling – Gold
  - Excellence in Integrated Marketing – Gold
  - Excellence in Live Streaming Marketing – Gold
  - Excellence in B2B Marketing – Bronze
  - Excellence in Loyalty Marketing – Bronze
  - Excellence in Performance Marketing – Bronze

## NOVEMBER 2025

3 – 6 November 2025

- **50<sup>TH</sup> INTERNATIONAL CONVENTION ON QUALITY CONTROL CIRCLES (ICQCC)**
  - Gold Award for Quality Control Circle
  - Gold Award for TM VISE and eLOREX Initiatives

4 November 2025

- **QS ASIA UNIVERSITY RANKINGS 2026**
  - Ranked 148 in Asia (the highest standing in MMU's history)

12 November 2025

- **MALAYSIA'S LEADING GRADUATE EMPLOYERS' AWARDS 2025 (M100 AWARDS)**
  - Ranked among the Top 100 Most Popular Graduate Employers of 2025
- **CIO100 ASEAN AWARDS 2025**
  - Individual Award Winners – Ivan Chong, Chief Information Officer

20 November 2025

- **THE INTERDISCIPLINARY SCIENCE RANKINGS 2026**
  - Ranked 124<sup>th</sup> in the world (Top 3 in Malaysia; best among private universities)

27 November 2025

- **NATIONAL ANNUAL CORPORATE REPORT AWARDS (NACRA) 2024**
  - Excellence Award for Companies With a Market Capitalisation of Over RM10 billion (Silver)
  - Best Annual Report Design (Silver)



- **TOP EMPLOYER AWARD 2025**
  - Top HR Team of the Year (Silver)
  - Top Employer of the Year (Bronze)
  - Top Employer of Best Workplace (Bronze)
  - Top Employer of Graduate Choice (Bronze)

## DECEMBER 2025

1 December 2025

- **THE FAST MODE AWARDS 2025**
  - Openness & Collaboration Leader – Performance (Telco | Global/ Wholesale)
  - Edge Tech Champion – Innovation (Solution Provider)
  - Woman Leader of the Year (APAC | Telco) – Khairul Liza Ibrahim, EVP TM Global

3 December 2025

- **GRADUAN BRAND AWARDS 2025**
  - Technology: Software Development – 1<sup>st</sup> Runner-up
  - Telecommunications – 2<sup>nd</sup> Runner-up

4 December 2025

- **HR ASIA BEST COMPANIES TO WORK FOR IN ASIA 2025**

5 December 2025

- **W.MEDIA CLOUD & DATACENTER AWARDS**
  - Innovation in Data Center Engineering for GPUaaS (Southeast Asia Region) - TM Global

# 2026

## JANUARY 2026

8 January 2026

- **UN GLOBAL COMPACT NETWORK MALAYSIA & BRUNEI ESG Select List 2025**
  - 3-Star Lister 2025
    - ESG Trailblazer – Establishment of the Global Business Services (GBS) centre in Malaysia's East Coast
    - ESG Breakthrough Innovation – Deployment of D-RAN (Distributed Radio Access Network)
    - Purposeful Partnership – Smart Urban Forestry Solutions

22 January 2026

- **NATIONAL CORPORATE GOVERNANCE & SUSTAINABILITY AWARDS 2025 (NACGSA)**
  - 7<sup>th</sup> place in the Overall Excellence Award (Top 10) category
  - The Industry Excellence Award for Telecommunications & Media

23 January 2026

- **2025 PUTRA BRAND AWARDS**
  - Brand of the Year Award – Unifi
  - Platinum in Communications Network of the Year Award – Unifi
  - Gold in Education & Learning – MMU

26 January 2026

- **CISCO ASEAN PARTNER OF THE YEAR 2025 – TM ONE**

29 January 2026

- **FORWARD FASTER SUSTAINABILITY AWARDS (FFSA) BY UN GLOBAL COMPACT NETWORK MALAYSIA & BRUNEI (UNGCMYB)**
  - UNGCMYB Forward Faster Chief Sustainability Officer Award 2025 (Large Corporate) – Nor Fadhliah Mohd Ali, Chief Corporate Officer

## FEBRUARY 2026

3 February 2026

- **GLOBAL SOCIAL PPP PROJECT OF THE YEAR**
  - NG MERS 999 – TM ONE

20 February 2026

- **RESPONSIBLE AI LEADERSHIP**
  - ISO/IEC 42001:2023 Artificial Intelligence Management System (AIMS) Certification
  - First Malaysian telco certified by SIRIM QAS International

# OUR ROLE AS A THOUGHT LEADER

TM plays an active role in shaping Malaysia's digital and sustainability agenda by contributing strategic industry insights across policy platforms, regulatory dialogues and ASEAN-wide forums, in support of innovation and inclusive digital growth for the nation.

## AI GOVERNANCE AND DIGITAL LEADERSHIP

### NATIONAL AI OFFICE (NAIO), MALAYSIA

#### Panellist

- Advancing National AI Leadership**

As a member of the AI Advisory Working Group, we provided guidance on responsible AI adoption, governance alignment and cross-sector implementation to ensure secure and commercially viable AI deployment.

#### UN SDGs



### PERSIDANGAN KETUA PEGAWAI DIGITAL SEKTOR AWAM 2025 (CDO CONVEX 2025)

- Digital Leadership: A Deep Dive Into Strategy, Challenges and Transformation**

We shared insights on digital leadership within the Whole-of-Government framework, focusing on enterprise transformation, cross-agency integration and data-driven governance.

#### UN SDGs



### INTERNATIONAL DIGITAL ECONOMY CONFERENCE SARAWAK 2025 (IDEC 2025)

We shared insights on scaling smart and sustainable urban solutions, highlighting interoperable platforms, resilient backbone connectivity and citizen-centric infrastructure to support inclusive digital ecosystems.

#### UN SDGs



### INTERNATIONAL CONFERENCE AND EXHIBITION ON POST-QUANTUM CRYPTOGRAPHY TECHNOLOGIES (ICE PQC) 2025

We provided perspectives on post-quantum migration strategies, emphasising proactive risk assessment, hybrid encryption models and long-term infrastructure readiness to safeguard national digital assets.

#### UN SDGs



## TELECOMMUNICATIONS AND DIGITAL CONNECTIVITY LEADERSHIP

### KL SUSTAINABILITY SUMMIT

#### Panellist

- The Gigawatt Challenge: Ensuring Digital Growth Fuels Sustainability**

We addressed the energy demands of digital growth, highlighting renewable sourcing, energy-efficient modernisation and green data centre strategies to balance expansion with climate commitments.

#### UN SDGs



### CONVERGED TELECOMMUNICATIONS POLICY & REGULATIONS (CTPR) MASTERCLASS 2025

#### Panellist

- The Evolution of Converged Services in Malaysia's Telecommunications Landscape**

We shared regulatory and operational perspectives on converged services, emphasising agile policy frameworks that enable innovation while protecting consumers and sustaining investment.

#### UN SDGs



### THE STAR ESG POSITIVE IMPACT AWARDS POWER BREAKFAST 2025

#### Speaker

- Powering Responsible Innovation: Leveraging Malaysia's AI-Ready Infrastructure for a Green Digital Economy**

We presented sustainable and AI-ready data centre strategies, highlighting resilient connectivity, ESG-aligned operations and responsible infrastructure development.

#### UN SDGs



### INTERNATIONAL TELECOMS WEEK (ITW) US

#### Panellist

- Ecosystem Powering Regional Expansion: Building Resilient, Scalable Digital Infrastructure for a Connected Southeast Asia**

We shared perspectives on resilient cross-border connectivity, hyperscale readiness, investment trends and AI-driven infrastructure expansion to position Malaysia as a regional digital hub.

#### UN SDGs



### JOHOR INTERCONNECT WORLD FORUM 2025

#### Panellist

- The Future of Connectivity in Johor: Building a Robust Digital Infrastructure**

We highlighted fibre expansion, peering ecosystems and hyperscaler partnerships, supporting Johor's emergence as a digital infrastructure hub.

#### UN SDGs



### SCHNEIDER ELECTRIC INNOVATION DAY 2025

#### Panellist

- Empowering Smart Cities and Connected Economies Through Sustainable Data Centres**

We discussed sustainable data centre development, integrating energy efficiency, resilience and smart city enablement.

#### UN SDGs



DCD>CONNECT | APAC, BALI 2025

Panellist

• **APAC DC Deals: What's Driving M&A, JVs, Valuations & Strategy?**

We shared insights on APAC data centre investment trends, partnerships and sustainable growth models amidst rising AI demand.

UN SDGs



DATA CENTRE WORLD ASIA, SINGAPORE 2025

Panellist

• **Beyond 5G: The Evolution in Data Centre Networking**

We discussed advanced networking, intelligent automation and hyper-connected infrastructure supporting AI and edge workloads.

UN SDGs



MALAYSIA CLOUD & DATACENTER CONVENTION 2025

Panellist

• **From Overflow to Epicentre: Navigating Malaysia's Data Centre Investment Surge**

We addressed Malaysia's data centre investment surge, emphasising scalable infrastructure, regulatory alignment and balanced growth.

UN SDGs



6TH ANNUAL BLOOMBERG ASEAN BUSINESS SUMMIT 2025

Panellist

• **Data Centre Operators: On the Front Lines**

TM Nxera discussed expansion strategies and sustainable hyperscale operations to position Malaysia as a competitive regional hub.

UN SDGs



EMPOWERING SMES AND MSMES THROUGH DIGITALISATION

ASEAN SME ECONOMIC CONFERENCE 2025

Panellist

• **A Blueprint for SMEs of the Future: Building Brand Equity - What Is Your Brand Story?**

We shared perspectives on strengthening SME competitiveness through structured digital adoption and future-ready infrastructure to enhance resilience, productivity and driving inclusive growth within ASEAN's evolving digital economy.

UN SDGs



MCMC CASHLESS SOCIETY SCALING UP PROGRAMME

Speaker

We supported nationwide digital payment adoption, contributing connectivity and trust infrastructure to advance financial inclusion.

UN SDGs



CTOS SME BIZ DAY 2025

Speaker

• **Financial Readiness & Digital Trust in the SME Ecosystem**

We highlighted the role of secure connectivity and trusted infrastructure in strengthening SME financial readiness, compliance and investor confidence.

UN SDGs



BRAND AND DIGITAL ENGAGEMENT LEADERSHIP

DIGITAL MARKETING WORLD FORUM 2025, SINGAPORE

Panellist

• **The Keys to Creator and Influencer Success**

We shared best practices in data-led marketing, creator partnerships and trust-driven digital engagement strategies, emphasising authenticity and measurable ROI to support sustainable digital brand growth.

UN SDGs



MARKETECH APAC 2025

Panellist

• **Global Conversations, Local Impact: Mastering Regional Communication Strategies**

We discussed data-led regional communication strategies that drive meaningful engagement and business outcomes.

UN SDGs



TELECOMSWORLD ASIA 2025, BANGKOK

Panellist

• **Sitting on a Goldmine: Raw Data + Smart Insights = Big Revenue**

We highlighted how AI-driven analytics and intelligent insights enhance customer experience, operational efficiency and revenue growth.

UN SDGs



# WHERE WE OPERATE — TM'S DOMESTIC COVERAGE

TM has an extensive operational footprint across Malaysia and internationally, supported by a robust network of domestic and international submarine cable systems, data centres and edge data centres.



**Intelsat 20**  
68.5°E



**ABS2**  
75.0°E



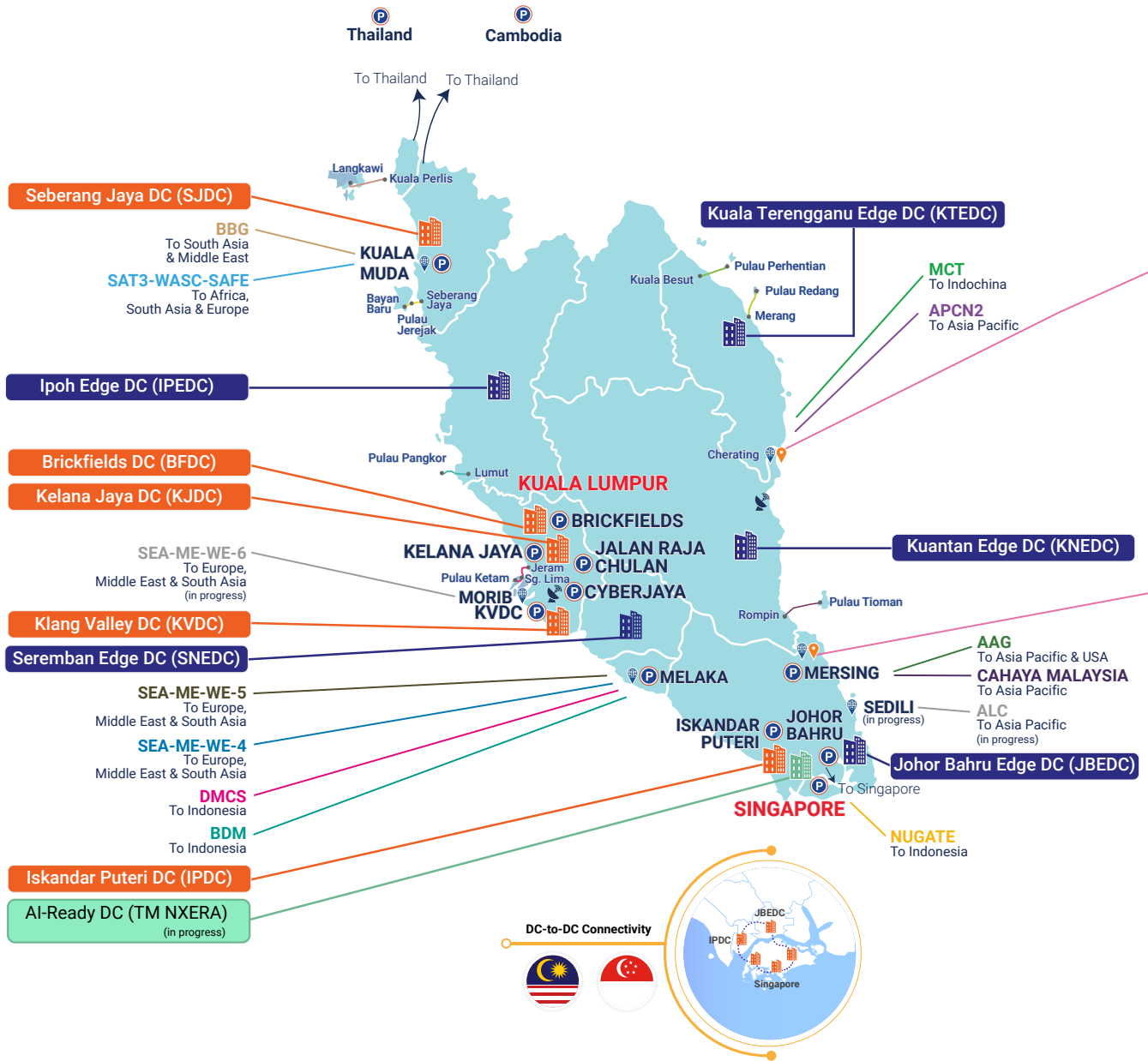
**ABS2A**  
75.0°E










**Apstar 7**  
76.5°E










**Measat-3d**  
91.5°E



### LEGEND

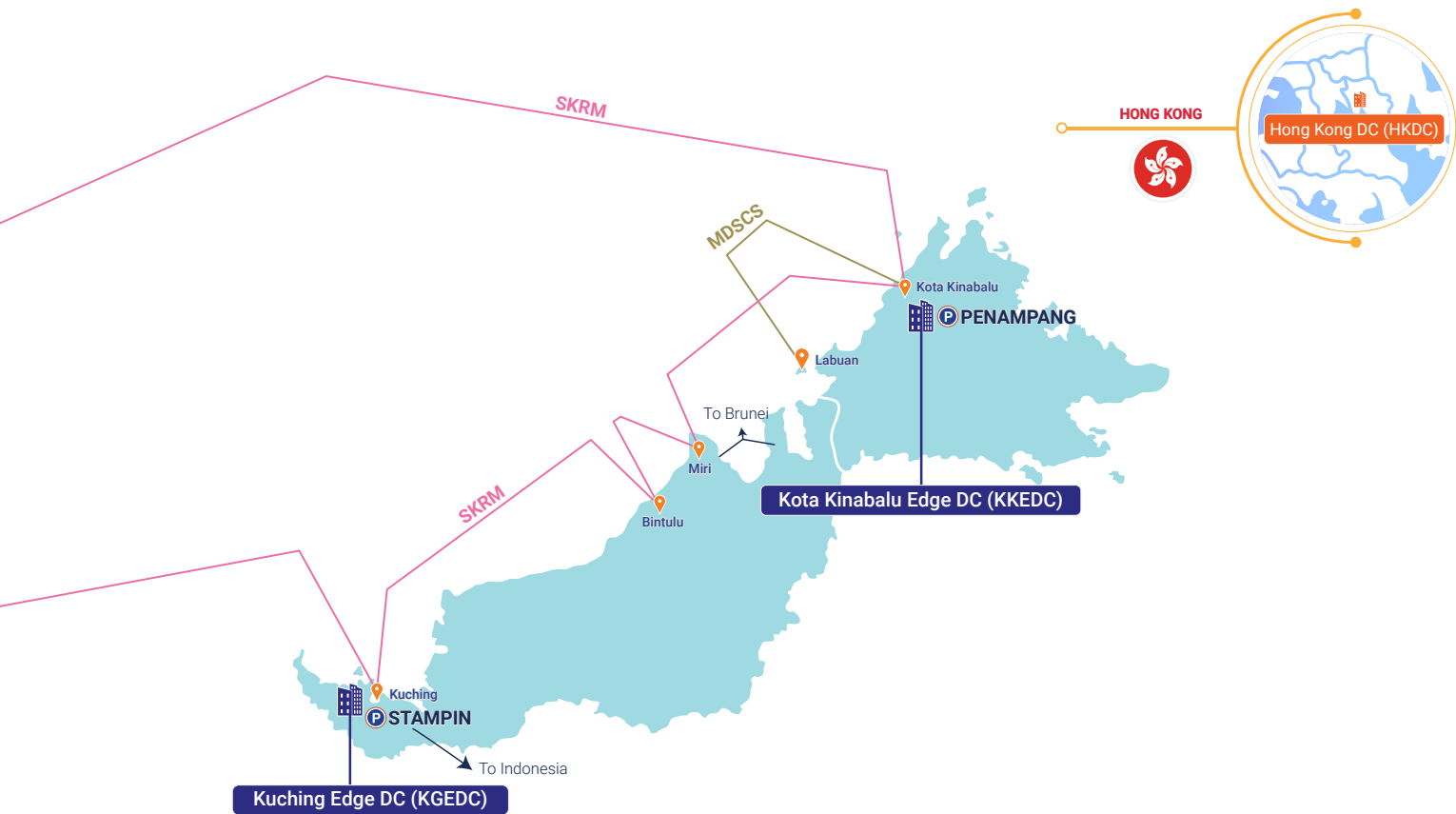
-  Satellite
-  Trunk Connectivity to International
-  Earth Station
-  Points of Presence (PoP)
-  International Cable Landing Station
-  Domestic Cable Landing Station
-  Data Centre
-  Edge Data Centre
-  AI-Ready Data Centre

### DOMESTIC SUBMARINE CABLE SYSTEMS\*

 Bayan Baru to Pulau Jerejak to Seberang Jaya	 Merang to Pulau Redang
 Kuala Besut to Pulau Perhentian	 Kuala Rompin to Pulau Tioman
 Jeram to Sg. Lima to Pulau Ketam	 Sistem Kabel Rakyat Malaysia (SKRM)
 Langkawi to Kuala Perlis	
 Lumut to Pulau Pangkor	
 Malaysian Domestic Submarine Cable System (MDSCS)	

## WHERE WE OPERATE — TM'S DOMESTIC COVERAGE

<b>Asiasat 5</b> 100.5°E	<b>Asiasat 7</b> 105.5°E	<b>Asiasat 9</b> 122.0°E	<b>Intelsat 18</b> 138.0°E	<b>Intelsat 19</b> 166.0°E
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### INTERNATIONAL SUBMARINE CABLE SYSTEMS\*

<b>AAG</b>	Asia-America Gateway	<b>MCT</b>	Malaysia-Cambodia-Thailand
<b>APCN 2</b>	Asia Pacific Cable Network 2	<b>NUGATE</b>	Nusantara Gateway
<b>BBG</b>	Bay of Bengal Gateway	<b>SAT3-WASC-SAFE</b>	South Atlantic 3 / West Africa Submarine Cable / South Africa Far East
<b>BDM</b>	Batam-Dumai-Melaka	<b>SEA-ME-WE-4</b>	South East Asia-Middle East-Western Europe 4
<b>CAHAYA MALAYSIA</b>	Cahaya Malaysia	<b>SEA-ME-WE-5</b>	South East Asia-Middle East-Western Europe 5
<b>DMCS</b>	Dumai-Melaka Cable System	<b>SEA-ME-WE-6</b>	South East Asia-Middle East-Western Europe 6 (in progress)
		<b>ALC</b>	Asia Link Cable (in progress)

\* This list reflects submarine cable systems owned by TM and is not exhaustive; leased capacity and third-party systems are excluded.

# WHERE WE OPERATE — TM'S GLOBAL COVERAGE

With robust submarine cable systems, global data centre interconnectivity and cross-border infrastructure, we are positioning Malaysia as a vital gateway for seamless digital exchange across ASEAN and beyond.



**IntelSat 20**  
68.5°E



**ABS2**  
75.0°E



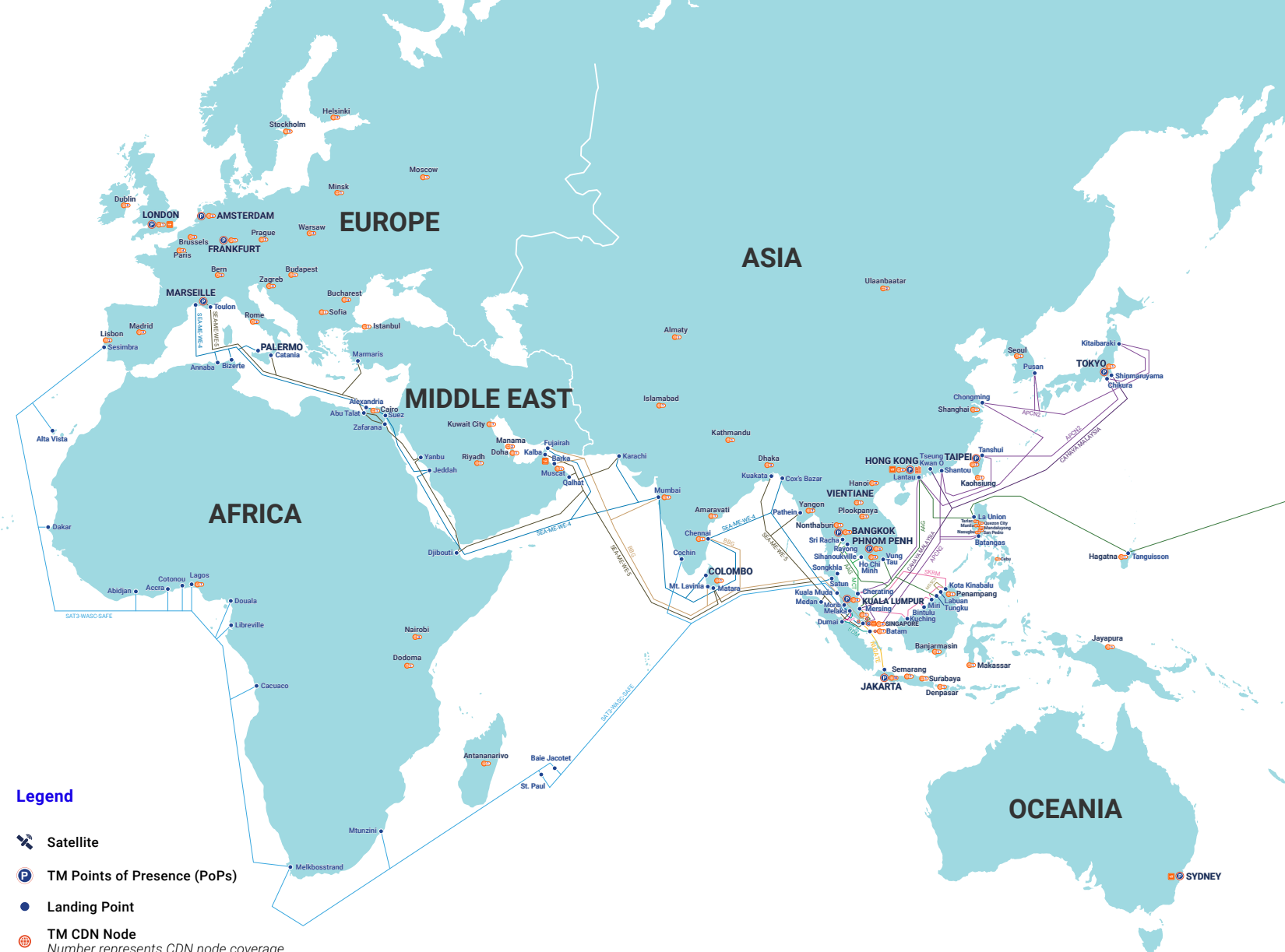
**ABS2A**  
75.0°E









**Apstar 7**  
76.5°E












**Measat-3d**  
91.5°E



### Legend

-  Satellite
-  TM Points of Presence (PoPs)
-  Landing Point
-  TM CDN Node  
*Number represents CDN node coverage*
-  Regional Data Centre
-  Regional Office

### DOMESTIC SUBMARINE CABLE SYSTEMS\*

- |   |   |
|---|---|
|  Bayan Baru to Pulau Jerejak to Seberang Jaya      |  Merang to Pulau Redang              |
|  Kuala Besut to Pulau Perhentian                   |  Kuala Rompin to Pulau Tioman        |
|  Jeram to Sg. Lima to Pulau Ketam                  |  Sistem Kabel Rakyat Malaysia (SKRM) |
|  Langkawi to Kuala Perlis                          |   |
|  Lumut to Pulau Pangkor                            |   |
|  Malaysian Domestic Submarine Cable System (MDSCS) |   |

### INTERNATIONAL SUBMARINE CABLE SYSTEMS\*

- |  |                              |
|--|------------------------------|
|  <b>AAG</b>             | Asia-America Gateway         |
|  <b>APCN 2</b>          | Asia Pacific Cable Network 2 |
|  <b>BBG</b>             | Bay of Bengal Gateway        |
|  <b>BDM</b>             | Batam-Dumai-Melaka           |
|  <b>CAHAYA MALAYSIA</b> | Cahaya Malaysia              |
|  <b>DMCS</b>            | Dumai-Melaka Cable System    |

\* This list reflects submarine cable systems owned by TM and is not exhaustive; leased capacity and third-party systems are excluded.

WHERE WE OPERATE —  
TM'S GLOBAL COVERAGE

<b>Asiasat 5</b> 100.5°E	<b>Asiasat 7</b> 105.5°E	<b>Asiasat 9</b> 122.0°E	<b>Intelsat 18</b> 138.0°E	<b>Intelsat 19</b> 166.0°E
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- **MCT** Malaysia-Cambodia-Thailand
- **NUGATE** Nusantara Gateway
- **SAT3-WASC-SAFE** South Atlantic 3 / West Africa Submarine Cable / South Africa Far East
- **SEA-ME-WE-4** South East Asia-Middle East-Western Europe 4
- **SEA-ME-WE-5** South East Asia-Middle East-Western Europe 5
- **SEA-ME-WE-6** South East Asia-Middle East-Western Europe 6 (*in progress*)
- **ALC** Asia Link Cable (*in progress*)

**6** Regional Offices (RO) globally  
Australia, U.A.E, Hong Kong, Singapore, U.K and U.S.A

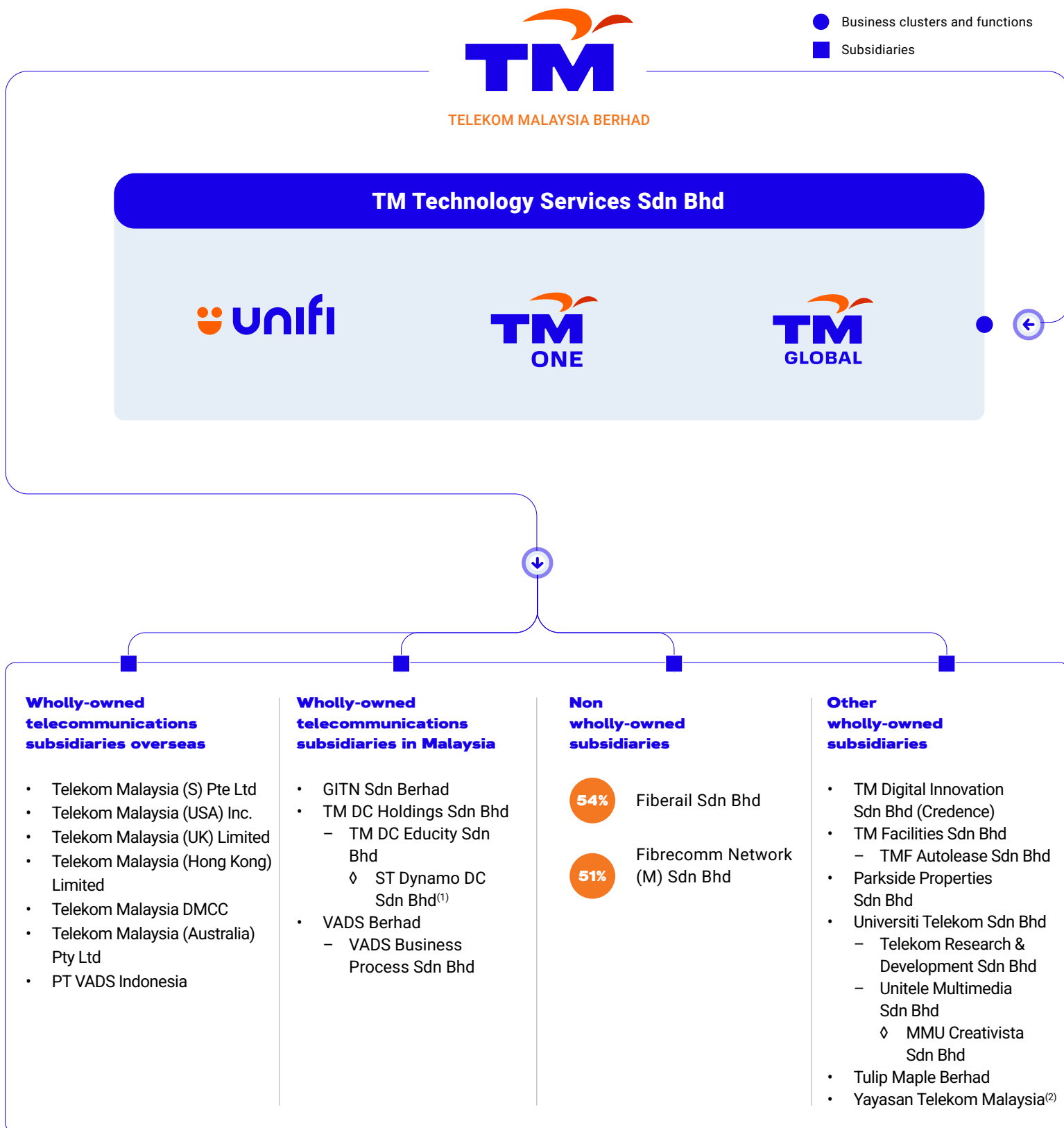
**26** Points of Presence (PoPs) worldwide

**39** Submarine Cable Systems  
spanning over 400,000 km worldwide

**153** Content Delivery Network (CDN) nodes worldwide

*PoPs and CDN nodes post migration to cloud*

# GROUP CORPORATE STRUCTURE



**Notes:**

<sup>(1)</sup> Jointly controlled entity with 51% holding via TM DC Educity Sdn Bhd.

<sup>(2)</sup> Yayasan Telekom Malaysia (YTM) is a charitable trust established under the Trustee (Incorporation) Act 1952.

# GROUP ORGANISATION STRUCTURE



TELEKOM MALAYSIA BERHAD

## AMAR HUZAIMI MD DERIS Group Chief Executive Officer

Steers the Group's overall business growth and strategic direction, ensuring long-term value creation for shareholders, customers, employees and all other stakeholders, with a strong commitment to sustainability anchored in PWR 2030



# CHAIRMAN'S STATEMENT

## 80 YEARS OF PURPOSE, PROGRESS AND POSSIBILITIES

As TM marks its 80<sup>th</sup> anniversary, we are humbled and proud to have been part of Malaysia's story of progress across generations.

Established as the Telecommunications Department of Malaya in 1946 with the mission of rebuilding national communications infrastructure after the war, TM has evolved alongside Malaysia's ambitions. From telephony to broadband and now to digital platforms, data centres and artificial intelligence (AI), the organisation has continually adapted to meet the nation's changing needs. This evolution reinforces our resolve to operate as a world-class organisation, grounded in long-term stewardship with a clear commitment to value creation and customer experience.

Against this backdrop, the Board maintained close oversight of the Group's strategic execution in 2025. Reflecting the Group's performance and strong fundamentals, the Board declared a total dividend of 31.0 sen per share for FY2025, representing a 69% payout ratio – the highest since 2018. Market confidence also strengthened, with TM's share price appreciating approximately 21% over the year. These outcomes underscore our commitment to sustainable shareholder returns while safeguarding future growth.

As TM enters its ninth decade, the Board remains steadfast in its stewardship to guide the organisation towards its aspiration of becoming a Digital Powerhouse by 2030, advancing our greater purpose of ensuring inclusive digital progress, while creating enduring value for generations to come.

**DATO' ZAINAL ABIDIN PUTIH**

*Chairman*



**Q How did the Board assess the macroeconomic and policy landscape in 2025 and what were the key implications for TM?**

**A** The Board approached 2025 with the understanding that the global and national environment was evolving rapidly. Accordingly, we maintained close oversight of economic developments, policy direction and industry trends to ensure TM remained resilient and well-positioned for long-term growth.

Globally, geopolitical tensions, evolving trade dynamics and technology-related export restrictions continued to create uncertainty. Nevertheless, according to Bank Negara Malaysia, Malaysia's economy grew by 5.2% in 2025, on account of strong domestic demand and favourable exports. Malaysia's ASEAN Chairmanship further strengthened the regional digital agenda, with TM leading the way as a Strategic Technology Partner.

Domestically, initiatives under Ekonomi MADANI and the 13<sup>th</sup> Malaysia Plan highlighted the importance of trusted digital infrastructure, AI adoption and innovation-led industries – areas where TM plays an important role. At the industry level, the shift towards a dual 5G network model continued to shape collaboration and infrastructure partnerships. At the same time, demand for connectivity and digital solutions remained strong across consumer and enterprise segments as digital adoption accelerated across the economy.

“ These developments underscored a key insight for the Board; TM's future will be shaped not only by market competition, but also by its ability to enable Malaysia's digital ambitions. This perspective guided the Board's strategic priorities throughout the year. ”

**Q Reflecting on 2025, what were the most significant Board-level discussions that shaped TM's strategic direction?**

**A** In 2025, the Board's discussions focused on how TM can continue strengthening its position in Malaysia's evolving digital landscape, particularly as AI and digital technologies gain momentum.

“ A key area of focus was reinforcing TM's role as a trusted digital infrastructure provider, supporting Malaysia's digital ambitions and regional connectivity. As demand for data-intensive services and cross-border connectivity continued to grow, the Board carefully evaluated strategic investments in international submarine cable systems and data centres. ”

The Board also discussed the importance of ecosystem collaboration, recognising that partnerships are increasingly essential in delivering integrated digital solutions. At the same time, attention was given to initiatives aimed at improving customer experience, ensuring TM continues to evolve alongside changing customer expectations.

Another important theme was organisational readiness to support this transformation. Discussions therefore covered leadership development, succession planning and strengthening organisational agility. Recognising that talent development must extend beyond the organisation itself, the Board viewed initiatives such as TM Future Skills and the establishment of the Faculty of Artificial Intelligence and Engineering (FAIE) at MMU, TM's education arm, as important steps in strengthening Malaysia's AI talent ecosystem.



**Prime Minister Dato' Seri Anwar Ibrahim officiating the launch of the Faculty of Artificial Intelligence and Engineering (FAIE) at TM's education arm, Multimedia University (MMU) — Malaysia's first private university — marking a significant milestone in strengthening the nation's AI talent pipeline and digital ecosystem.**

## CHAIRMAN'S STATEMENT

**Q Strong governance remains a cornerstone of TM's long-term success. What governance priorities did the Board focus on most in 2025?**

**A** The Board remains committed to ensuring TM continues to be guided by strong governance while remaining prepared for the future of the digital economy.

A significant development during the year was the appointment of two (2) new women Directors, bringing the total number of women on the Board to four. This reflects our continued commitment to diversity, balanced representation and inclusive leadership. The Board also held structured discussions to ensure leadership continuity and organisational stability, recognising that strong leadership is essential to sustaining TM's long-term growth.

In parallel, the Board continued strengthening its collective expertise, particularly in areas such as digital innovation, emerging technologies and sustainability, enabling the Directors to exercise more informed oversight and forward-looking guidance.

**Q Sustainability continues to shape the expectations of leading organisations. How does the Board view sustainability in guiding TM's long-term value creation?**

**A** The Board views sustainability as fundamental to TM's long-term resilience and value creation. Guided by the Triple Bottom Line of Prosperity, Planet and People (3Ps), sustainability is embedded into how the Board evaluates strategy, risk and investment decisions.

Under Prosperity, the Board ensures that growth initiatives such as network modernisation and digital infrastructure investments are pursued with financial discipline and a clear focus on long-term competitiveness.

Under Planet, environmental considerations are integrated into infrastructure design, capital allocation and risk oversight. TM's commitment to reducing Scope 1 and Scope 2 emissions by 62% by 2030 reflects a structured approach to managing climate-related risks while contributing to Malaysia's broader Net Zero 2050 ambition.

Under People, the Board emphasises inclusive digital progress that strengthens communities and develops future talent. Initiatives such as *Jangkau Digital* TM, TM Future Skills, support for the neurodivergent community and national sports development reflect this broader responsibility and our greater purpose as a nation builder.

Through this approach, the Board remains committed to ensuring that TM's progress advances hand in hand with sustainability, strengthening both the organisation and the nation it serves.

**Q As TM marks its 80<sup>th</sup> year, how does the Board envision the next chapter of TM's journey?**

**A** **“As we mark eight decades of service to the nation, the Board reflects with deep appreciation on the legacy built by generations who shaped the country's journey.”**

Looking ahead, the digital landscape will continue to evolve at a pace never seen before, bringing new challenges and new opportunities to create value for society. Yet, even as technology advances, the principles that have sustained TM remain unchanged – stewardship, integrity and nation-building. The Board remains confident that by staying grounded in these values, TM will continue to navigate transformation with resilience and clarity.



**TM AI Park at the ASEAN AI Summit 2025, showcasing TM's digital infrastructure and real-world AI solutions powering Malaysia's digital future.**

# MAJLIS ANUGERAH BIASISWA FUTURE LEADERS YAYASAN TM 2025



In 2025, Yayasan TM awarded RM25 million in scholarships, supporting students across Malaysia while nurturing the next generation of talent for the nation's digital future.



## Closing and Appreciation

On behalf of the Board, I extend our sincere appreciation to the Ministry of Communications and the Malaysian Communications and Multimedia Commission (MCMC), as well as our stakeholders and partners, for their continued support and collaboration in advancing Malaysia's digital agenda.

In 2025, we were pleased to welcome Dr. Tunku Alina Raja Muhd Alias and Cik Shahnaz Al-Sadat Abdul Mohsein, who joined the Board as Independent Non-Executive Directors on 3 June 2025. Meanwhile, Encik Iszad Jeffri Ismail concluded his role as Alternate Director to Datuk Dr. Shahrazat Hj Ahmad on 6 August 2025, and the Board records its appreciation for his contributions and service. Encik Syaiful Hafiz Moamat Mastam was subsequently appointed as Alternate Director to Datuk Dr. Shahrazat Hj Ahmad on the same date.

Datuk Siti Zauyah Md Desa, who has diligently served on the Board since 10 June 2020, will not be seeking re-election at the upcoming 41<sup>st</sup> Annual General Meeting and will retire upon the conclusion of the meeting. The Board expresses its sincere gratitude for her service and valuable contributions to TM.

Finally, to our customers and *Warga TM*, your trust, dedication and commitment remain the foundation of our progress. As we enter the next chapter, we do so with humility for the past, confidence in the present and optimism for the future, committed to shaping a digital Malaysia that is inclusive, sustainable and built to endure for generations to come.

**DATO' ZAINAL ABIDIN PUTIH**  
Chairman

# GCEO'S STATEMENT



For eight decades, TM has grown alongside Malaysia's journey of nation-building. What began in 1946 as the nation's telecommunications service has evolved into a digital orchestrator connecting communities, businesses and institutions across the country. Today, as Malaysia enters a new phase of digital growth and transformation, TM continues to play a strategic role in strengthening the nation's connectivity foundations and enabling progress across the economy and society.

Built on these strong foundations, we are now accelerating our role in enabling new growth frontiers such as data centres, cloud, cybersecurity, GPU-as-a-Service (GPUaaS), artificial intelligence (AI) and smart solutions. Through these capabilities, we support Malaysia's transition to an AI-enabled digital economy while strengthening our position as a convergence champion and a leading digital infrastructure provider for the nation.

As we expand into these future-focused growth areas, we remain equally committed to delivering superior customer experiences while advancing our greater purpose of ensuring that digital progress is inclusive and meaningful for all Malaysians.

Our journey is guided by the Pioneer, Win and Revitalise (PWR 2030) strategy, anchored in our sustainability philosophy – Prosperity, Planet and People (3Ps). Together, they advance our aspiration to become a Digital Powerhouse by 2030, while positioning Malaysia as the digital hub for ASEAN.

**AMAR HUZAIMI MD DERIS**

*Managing Director/Group Chief Executive Officer  
(MD/GCEO)*

**Q** How has TM advanced its PWR 2030 journey in 2025, and how is this impacting the growth of the company?

**A** We embarked on the PWR 2030 journey in 2024 as a long-term strategy to strengthen the Group's foundation, resilience and growth trajectory. The period from 2024 to 2026 represents the Defend and Build phase, focused on protecting our core business while advancing digital solutions and building platform ecosystems. This phase lays the groundwork for the next stage of the journey – Grow and Replicate – where successful ventures will be scaled across Malaysia and the region.

Under Defend, we continued strengthening Malaysia's digital backbone. Our fibre network now spans more than 750,000 km, complemented by 400,000 km of submarine cable systems that connect Malaysia to the world and the world to Malaysia. At the same time, we continued enhancing network resilience and security to ensure reliable and trusted connectivity that supports the growing demands of cloud adoption and AI-driven workloads.

In parallel, the Build agenda accelerated the expansion of digital solutions that extend TM's role beyond connectivity and open new avenues for growth. These include data centres, cloud, cybersecurity, GPUaaS, AI and smart solutions – capabilities developed on TM's infrastructure to serve businesses, enterprises, the public sector, hyperscalers and the broader digital ecosystem. These strategic initiatives uniquely position TM as a digital orchestrator for Malaysia, enabling the platforms and capabilities that power the nation's digital economy.

At the same time, we continued strengthening customer experience through proactive engagement, AI-enabled human-centric service and continuous operational improvements, reinforcing our commitment to delivering world-class experiences while raising service standards across the organisation.

By executing Defend and Build in tandem, we continue to protect our core business while laying the foundations for future growth. More importantly, it allows us to play a meaningful role in advancing Malaysia's digital ambitions, ensuring that our digital infrastructure, solutions and capabilities continue to support innovation, economic progress and opportunities for the nation.

**“ We continued strengthening Malaysia's digital backbone. Our fibre network now spans more than 750,000 km, complemented by 400,000 km of submarine cable systems that connect Malaysia to the world and the world to Malaysia. ”**

**Q** TM has continued to demonstrate financial discipline throughout the transformation journey. How has the Group sustained its financial resilience in 2025 and enhanced shareholder value?

**A** FY2025 was a year where we demonstrated our ability to grow while maintaining strong execution discipline in a competitive environment.

Group revenue for FY2025 increased 1.4% year-on-year to RM11.9 billion, supported by stronger contributions from the Carrier-to-Carrier (C2C) segment, an expanded Business-to-Consumer (B2C) customer base surpassing 3.2 million subscribers and improved quarterly performance in the Business-to-Business (B2B) segment. Across all these segments, we saw solid execution, reinforcing TM's market position in convergence, digital solutions and regional connectivity.

**“ We remain focused on disciplined execution of our strategic priorities to accelerate growth while delivering sustainable returns for shareholders. ”**

As we accelerate our transition to a more digital and technology-driven organisation, we remained attentive to the evolving aspirations of our workforce. During the year, we received a notable number of voluntary separation requests from employees who wished to pursue early retirement or embark on new personal and professional pathways. Through *Prihatin* initiative, TM provided a supportive pathway for employees with fair and attractive transition packages. This reflects our commitment to caring for our people in line with the social pillar of our sustainability framework, while progressively aligning the organisation with the capabilities required for a more digital and future-ready TM.

This has resulted in moderated reported EBIT year-on-year. However, adjusting for *Prihatin*, foreign exchange movements and selected non-recurring items, underlying earnings showed growth, reflecting our strong fundamentals. At the same time, we maintained disciplined investment, with CAPEX for 2025 at approximately RM1.9 billion, or 16.1% of revenue, well within our guidance as we continue to support key growth initiatives.

In line with the Group's performance and commitment to delivering sustainable returns to shareholders, the Board declared total dividend of 31.0 sen per share for FY2025. This amounts to approximately RM1.2 billion or 69% of reported PATAMI, the highest payout ratio since 2018.

As we look ahead, we will continue to focus on disciplined execution of our strategic priorities in accelerating the growth of the company while delivering sustainable returns to shareholders.

## GCEO'S STATEMENT

### Q What were the key achievements across TM's core business segments in 2025, and how did these contribute to the Group's overall progress of its Defend and Build agenda while ensuring superior customer experience?

A In 2025, TM's Lines of Business – B2C through Unifi, B2B through TM One and Credence as well as C2C through TM Global – delivered outcomes that directly improved how Malaysians connect, how businesses operate and how the nation participates in the digital ecosystem. Across all segments, the focus was not only on defending core businesses, but on translating new growth areas into new revenue generation for the company, while enhancing customer experiences.

#### B2C Unifi: Strengthening convergence leadership for consumers and MSMEs

##### How We Defend

In 2025, we remained focused on deepening our convergence proposition with enhanced **Unifi UniVerse offerings**, integrating home, mobile, content and lifestyle solutions to meet the diverse needs of today's digital customers. This is translated in the growth of our fixed broadband customer base by 1.6% to 3.2 million subscribers, reinforcing our position as Malaysia's convergence champion with the only quad-play services in Malaysia. Our **Unifi Mobile** showed healthy growth trajectory. Attractive bundles, such as the introduction of Malaysia's first postpaid mobile plan bundled with Netflix in 2025, further delivered greater value for our mobile customers.

As the preferred partner to more than 400,000 MSMEs nationwide, we continued accelerating their digital transformation by applying the same convergence-led approach through **Unifi Business**. This included combining connectivity with practical digital solutions, such as Digital Marketing Solution, e-Commerce Hub, Go Bookit, cybersecurity and cloud storage. We delivered initiatives such as IMPAK Biz, providing a digital maturity assessment tool to help MSMEs identify digital gaps and receive focused, actionable recommendations to improve operations, boost productivity and reach more customers. Meanwhile, the Usahawan Digital @TM initiative enabled B40 and underserved entrepreneurs with connectivity, digital tools and skills.

##### How We Build

A key milestone was the launch of **Unifi TV 2.0**, which marked the evolution of our entertainment platform into an app-based, multiscreen experience. Through a single interface, customers now enjoy seamless access to more than 70 premium Unifi TV channels, alongside over 20 leading streaming applications. The new platform has seen encouraging adoption, with over one (1) million Malaysians downloading the app within the first month of launch. This transition to a platform model enables greater flexibility for customers, while positioning Unifi as a gateway to a richer digital entertainment ecosystem.

At the same time, we expanded our **Smart Home and Smart Device offerings**, enabling customers to integrate connectivity with intelligent home solutions that enhance convenience, security and everyday living. These initiatives reflect our broader ambition to deepen engagement within the household by extending Unifi's role beyond broadband to a trusted digital lifestyle companion.

##### How We Elevate Customer Experience

Customer experience continues to be a defining differentiator for our B2C segment and remains central to how we strengthen customer trust and long-term loyalty.

Our **zero broken-promise commitment** reinforces our accountability in service delivery, ensuring customers receive installations and services within the timeframes promised, while improving overall service assurance and reliability.

In parallel, we expanded the **Elite Crew service standards**, which elevated the in-home service experience through highly trained service personnel who delivered installations and support with greater professionalism, attentiveness and customer care. This hospitality-inspired approach reflects our aspiration to deliver a more premium and personalised experience under the Unifi brand.

At the same time, we continued transforming the **Unifi Contact Centre** through the adoption of AI and automation to enable faster resolutions, smarter customer insights and more seamless end-to-end service journeys. The growing adoption of digital self-care channels has also empowered customers to manage their services more conveniently, while enabling TM to optimise cost-to-serve and support more sustainable operations.

**B2B** TM One: Defending trusted connectivity while building national digital platforms**How We Defend**

We continued to defend our market position in enterprise and Government connectivity by strengthening partnerships while expanding next-generation connectivity solutions. This included the renewal of key enterprise and public sector contracts, the continued expansion of **SD-WAN** deployments and **enterprise 5G** solutions to support increasingly data-intensive and mission-critical operations. At the same time, we strengthened cyber resilience capabilities through platforms such as the **TM Cyber Defence Centre**, enabling organisations to better detect, manage and respond to evolving cybersecurity threats as digital adoption accelerates.

In 2025, TM One continued to support critical national infrastructure and public sector digitalisation efforts. This includes the delivery of SchoolNet, providing reliable connectivity to approximately 8,000 schools nationwide, as well as the successful renewal of StateNet projects across four (4) states, ensuring continued connectivity for state Government operations. We also supported emerging connectivity needs across industries, including connected mobility solutions such as SIM-enabled vehicle connectivity for national automobile manufacturer and other enterprise deployments.

Internally, we focused on strengthening business hygiene by reinforcing account planning discipline, sharpening our sales culture, as well as simplifying operational structures and processes to improve execution speed and customer responsiveness.

**How We Build**

We accelerated our B2B growth by expanding our role beyond connectivity into integrated digital platforms that combine cloud, cybersecurity, applied AI and smart services. These capabilities support enterprises and public sector organisations in modernising their operations and advancing their digital transformation journeys.

Through **Cloud Alpha Edge (CAE)**, we enabled Government and enterprise customers to securely migrate workloads to the cloud while meeting requirements for data residency, regulatory compliance and service reliability.

Across key industry sectors, we delivered solutions that strengthen operational efficiency and digital resilience. For example, our Phase 2 collaboration with NCT Group supported the development of smart industrial park solutions nationwide. Meanwhile, we partnered with SIRIM Academy, combining TM's managed **cybersecurity** expertise with SIRIM's certification and training programmes to support stronger organisational cybersecurity readiness. We also secured a sizable contract with a foreign bank shifting its data hosting infrastructure to Malaysia, reaffirming the strong demand for our data centre offerings for the enterprise segment.

In addition, we introduced **AI-enabled solutions** that demonstrate how data analytics and AI can be applied to real-world applications. Initiatives such as Smart Urban Forestry enhanced the monitoring and management of urban forest ecosystems through data-driven insights. Separately, the Pahang AI Tourism solution enriches tourism experiences through improved visitor insights, crowd management and destination planning. We also signed a Memorandum of Understanding with a leading port operator in East Malaysia to support its long-term digitalisation roadmap, reflecting growing confidence in TM's ability to deliver mission-critical digital infrastructure and solutions for large-scale operators.

**How We Elevate Customer Experience**

Customer experience remained a key focus across our B2B operations as we embedded a more proactive approach to customer engagement and service delivery. We introduced the Customer Insights 360 Dashboard to strengthen visibility of customer needs and service performance. In addition, we enhanced network resilience and our service for customer platforms, while strengthening customer engagement. These efforts contributed to stronger customer confidence, reinforcing trust in our ability to deliver reliable, mission-critical digital solutions.

## GCEO'S STATEMENT

C2C

TM Global: Defending cross-border connectivity and scaling digital infrastructure



### How We Defend

In 2025, we continued strengthening TM Global's role as the country's largest wholesale connectivity provider to support hyperscalers, cloud providers, content platforms and mobile operators seeking low-latency, high-resilience routes into and through the region.

We enhanced international connectivity and route diversity through strategic investments in regional submarine cable systems. For example, our participation in the **CANDLE submarine cable systems** consortium, spanning 8,000 km, contributed to strengthening the digital links connecting Malaysia, ASEAN and Japan in meeting the increasing demand for data communications driven by 5G and AI. We also unveiled our new **open cable landing station (CLS)** in Morib, Selangor. Strategically located along the Straits of Malacca, it serves as an ideal landing point offering direct international access and improved route diversity. Its proximity to Klang Valley's data centre clusters further supports seamless network integration, optimising end-to-end data transmission efficiency.

At the same time, we supported the national 5G ambition through wholesale backhaul partnerships, deploying a cumulative 7,600 **5G backhaul** sites nationwide.



### How We Build

We continued expanding our digital infrastructure to support the growing demand for AI and high-performance computing workloads. During the year, we strengthened our data centre portfolio through capacity expansion at the **Iskandar Puteri Data Centre (IPDC)** and **Klang Valley Data Centre (KVDC)**, delivering a combined additional 20 MW of IT load. The completion of IPDC Block 2 in October 2025 further strengthened our ability to support enterprise and hyperscale demand, achieving more than 40% of immediate market take-up, reflecting the strong demand for our data centre offerings.

We also progressed the development of the **TM Nxera Data Centre** in Johor, a hyper-connected, AI-ready facility designed to serve hyperscalers and next-generation digital workloads across the region, with capacity designed to scale up to 200 MW. Strategically located in Johor with close proximity to submarine cable links between Malaysia and Singapore, it is well-placed to support the increasing demand from both countries' digitalisation and development initiatives. It is also built on sustainability-by-design principles, incorporating energy-efficient architecture, advanced cooling technologies and water management systems to support large-scale computing while minimising environmental impact.

In parallel, we expanded our **GPUaaS** offering, providing scalable compute capacity hosted within Malaysia to support hyperscalers and enterprises for AI-driven applications and requirements. To enrich wholesale engagement, we also launched **MYNE (MY Network Engine)**, Malaysia's first fully digital infrastructure marketplace, enabling partners to procure bandwidth with real-time provisioning and transparent pricing. By combining connectivity, data centre infrastructure and advanced compute capabilities, we continue to power Malaysia's evolving digital economy.



### How We Elevate Customer Experience

Customer experience remained a key focus for TM Global as we strengthened engagement with wholesale partners through more accessible and responsive account management. Equipped with deeper product knowledge and closer collaboration across technical and service delivery teams, we enabled faster alignment on solutions and more proactive support for international customers, reinforcing TM Global's role as a trusted regional connectivity provider.

**Morib CLS, a carrier-neutral facility enabling multiple service providers to interconnect and exchange connectivity and data traffic seamlessly.**



**Q How is TM positioning itself as an enabler of Malaysia's AI and digital ecosystem?**

**A** AI is rapidly becoming a defining driver of organisational and national competitiveness. At TM, we view AI as both a technology and catalyst for new growth – built on secure infrastructure, governed responsibly and scaled in ways that benefit businesses, communities and the government. Our approach to AI focuses on three (3) key pillars: infrastructure to build AI-ready foundations, solutions that translate intelligence into real-world outcomes and talent development to enhance the nation's competitiveness in the digital world.

TM's AI ecosystem is underpinned by AI-ready infrastructure designed to operate at national scale. Our Uptime Tier III, green-certified data centres, combined with nationwide fibre connectivity, provide the secure, resilient and scalable foundation necessary for AI workloads. This foundation is further enhanced by TM's AI Foundry, which leverages locally hosted, high-performance GPU infrastructure to develop and deploy AI solutions within a secure and well-governed environment. The GPU infrastructure is interconnected with our cloud ecosystem and edge platforms, including our Cloud Alpha Edge (CAE), enabling enterprises and government agencies to deploy AI solutions that meet strict regulatory, latency and governance requirements.

Beyond infrastructure, TM plays an active role in operationalising AI through applied solutions that deliver measurable outcomes. TM has enabled AI use cases across sectors, from AI-powered tourism that enhances visitor experience and state-level planning, to predictive water management for utilities and urban analytics supporting smart city applications. These deployments demonstrate TM's role as a digital orchestrator, providing not only the platforms on which AI runs, but the integration, governance and scalability required to deliver productive AI solutions that support adoption in everyday operations.


At the same time, we recognise that the long-term success of AI depends on AI-competent talent. Internally, TM has strengthened organisational readiness to operate in an AI-driven, platform-based environment. Following the establishment of our AI Centre of Excellence (AI CoE), we implemented a Group-wide AI Governance Framework aligned with ISO/IEC 42001:2023, ensuring AI systems are deployed ethically, securely and responsibly. TM is the first telecommunications company in Malaysia to be certified under ISO/IEC 42001:2023, reinforcing stakeholder confidence towards our responsible AI adoption. Programmes such as AI@Work have further embedded AI capabilities across the organisation to increase productivity, while initiatives such as the internal Large Language Model (LLM) League encourage experimentation and innovation among employees.


Beyond the organisation, we are also contributing to the nation's AI talent pipeline. The launch of Malaysia's first Faculty of Artificial Intelligence and Engineering (FAIE) by MMU, TM's education arm, strengthens the alignment between academia, research and industry needs, ensuring Malaysia develops the capabilities required to sustain long-term AI growth.

Ultimately, responsible AI remains central to this journey. By embedding strong governance, data protection and transparency into every stage of AI development, we ensure innovation progresses with integrity and trust, while positioning TM as the orchestrator to Malaysia's evolving AI and digital ecosystem.


**Q How is TM advancing its sustainability agenda?**

**A** Sustainability is not an afterthought – it is a core expression of who we are as an entity committed to nation-building and sustainable progress for Malaysia. Guided by our sustainability philosophy Prosperity, Planet and People (3Ps), we embed sustainability into how we operate, invest and grow while aligning with global megatrends impacting industry and society.

 **Prosperity** reflects how we create sustainable economic value through our digital infrastructure, innovation and responsible business practices. As Malaysia's leading digital infrastructure provider, we continue strengthening our digital backbone through connectivity and ongoing network modernisation. At the same time, we are accelerating the generation of new revenue streams via new growth areas, such as data centres, cloud, GPUaaS and AI. Equally important is ensuring that this ecosystem operates on a foundation of trust. Therefore, cybersecurity, data protection and cyber risk management remain embedded within our governance frameworks to safeguard critical infrastructure and customer data.

 **Planet** reflects our commitment to environmental stewardship as we support Malaysia's transition to a lower-carbon future. We continue advancing energy efficiency across our network and data centre operations while progressively integrating cleaner energy solutions and responsible resource management practices.

**“ These efforts reflect our long-term commitment to achieving Net Zero emissions by 2050, while ensuring that digital growth progresses alongside environmental considerations. ”**

 **People** are at the heart of our sustainability journey and this reflect TM's greater purpose in nation-building. Apart from developing our workforce and strengthening future-ready capabilities within the organisation, we remain committed to ensuring that digital progress is inclusive and accessible to all Malaysians. Through initiatives such as *Jangkau Digital TM* and *TM Future Skills*, we expand access to connectivity, empower MSMEs and nurture digital talent to participate more meaningfully in the digital economy. At the same time, our support for the neurodivergent community and national sepak takraw sports development reflects our commitment to nurturing youth potential while strengthening social inclusion and community empowerment.

Our sustainability efforts continue to gain strong recognition across national and international ESG benchmarks. This includes a four-star rating under the FTSE4Good Bursa Malaysia Index, an improved S&P Global ESG score of 57 – the highest in the local telco industry, a strengthened FTSE Russell rating of 3.8, while maintaining our MSCI rating of A.

Together, these efforts ensure that innovation and growth advance hand in hand with sustainability, strengthening Malaysia's journey towards a more resilient and inclusive digital future.

## GCEO'S STATEMENT

### Q How did TM strengthen its people and organisational capabilities to support execution and prepare for the next phase of growth?

**A** As TM advances through its PWR 2030 journey, we recognise that the organisation can only progress as its people progress. The next phase of growth therefore requires three (3) critical foundations: a workforce that is digitally capable and AI-ready, leaders who can guide transformation with both conviction and humility and a culture where our people remain energised, resilient and motivated to perform.

#### Digital Capability: Building a workforce ready for a digital and AI-driven future

Strengthening digital capability across the organisation remains fundamental to TM's transformation. Throughout 2025, we continued deepening expertise in critical areas such as cloud, data analytics, AI, cybersecurity and digital solutions, while expanding digital conversance across the broader workforce through structured learning programmes, enterprise-wide e-learning and platforms such as LinkedIn Learning.

We also strengthened digital talent mobility through the Talent Marketplace, enhancing the visibility of more than 3,300 digital-competent talents, thus enabling internal mobilisation to support priority growth and transformation initiatives. This approach allowed us to deploy the right capabilities quickly to where it mattered most, strengthening organisational agility while accelerating execution across the Group.

#### Leadership: Developing leaders who can drive transformation with clarity and empathy

Transformation requires leaders who can navigate complexity, drive performance and inspire confidence during change. In 2025, we continued investing in leadership development at all levels, from the TM Graduate

Programme (TMGP) that nurtures early talent, to Catalyst for middle managers, LEAD (Lead, Excel and Deliver) for senior leaders and ASPIRE to strengthen the pipeline of future women leaders.

Beyond capability development, we place strong emphasis on leadership qualities grounded in humility, adaptability, integrity and empathy. These attributes are essential for leaders who must guide teams through change, building trust and alignment across the organisation as TM marches ahead towards PWR 2030.

#### Well-being and Motivation: Sustaining energy, resilience and a healthy workforce

As TM evolves, sustaining the level of motivation, well-being and resilience of our workforce remains equally important. We continue strengthening initiatives that support holistic well-being while fostering a positive and energising work environment.

Flexible work arrangements, organisation-wide health initiatives such as the BMI Challenge, group fitness programmes and digital well-being tools encourage healthier lifestyles and help build a more resilient and productive workforce. At the same time, initiatives such as Spark the PWR trainings continue to nurture an entrepreneurial mindset across the organisation, encouraging our people to embrace innovation, the One TM spirit and boldness in execution.

By continuing to invest in these foundations, we are building an organisation that is not only ready to execute today's priorities, but also confident and resilient in leading TM into its next phase of growth and transformation.



Looking ahead, digital services including smart home solutions will unlock new growth opportunities for us, while enhancing everyday living of Malaysians.

**Q What is the next phase of transformation in advancing the national digital agenda?**

**A** As TM enters its 80<sup>th</sup> year, it is a moment of reflection and resolute commitment to advancing our future. From our earliest days, TM was built with a clear purpose: to connect the nation and enable progress. What began as basic telecommunications infrastructure evolved into the digital backbone that empowers how Malaysians live, work and grow today. That nation-building role has remained constant, even as the technologies and expectations around us are changing.

Looking ahead, TM's transformation enters a more defining phase. Having spent the past years strengthening our foundations and building new digital capabilities, the focus now is on deepening impact – translating what we have built into enduring value for our stakeholders and for Malaysia. In doing so, we will continue to strengthen our role as a digital orchestrator bringing together infrastructure, solutions, platforms and technologies to empower growth and progress for future generations.

We remain committed to advancing this next phase guided by our PWR 2030 strategy, anchored in our sustainability philosophy – Prosperity, Planet and People – and our greater purpose of ensuring that digital progress is inclusive for all Malaysians.

I would like to extend my appreciation to our newly appointed and outgoing Board members, and to the Board as a whole for its guidance and stewardship, as well as to our shareholders for their continued trust and confidence. Above all, I thank our people, whose commitment, professionalism and belief in TM's purpose have carried us through every chapter of this journey.

With a stronger foundation and expanding digital capabilities, we are confident in advancing our aspiration to become a Digital Powerhouse by 2030, while positioning Malaysia as the digital hub for ASEAN.



**AMAR HUZAIMI MD DERIS**  
Managing Director/Group Chief Executive Officer (MD/GCEO)



First Malaysian telco certified by SIRIM QAS International for AI Governance ISO/IEC 42001:2023 AI Management System (AIMS).



Recognised as a 3-Star Lister 2025 by the United Nations Global Compact Network Malaysia and Brunei (UNGCMYB) ESG Select List.

# GCFO'S REVIEW



As we advance our Digital Powerhouse aspiration, our financial priorities remain focused on sustaining resilient revenue growth, protecting earnings quality, preserving balance sheet strength and ensuring disciplined capital allocation. At the same time, we continue integrating sustainability considerations directly into capital planning and financial governance.

**AHMAD FAIRUS RAHIM**

*Group Chief Financial Officer (GCFO)*

**Q** What were TM's key financial highlights in FY2025?

**A** In 2025, TM delivered resilient financial performance despite operating in a competitive environment. We delivered topline growth and strengthened momentum across all business segments, particularly in the second half and exited the year on firmer footing.

Group revenue increased by 1.4% year-on-year to RM11.9 billion. The growth was supported by stronger contributions from Carrier-to-Carrier (C2C), which benefited from increased international capacity demand and the mobile fibre backhaul; a steady increase in the B2C fixed customer base, which surpassed 3.2 million subscribers and improved traction in Business-to-Business (B2B), driven by growth in smart services, cloud, cybersecurity and Information and Communications Technology (ICT). Reported Earnings Before Interest and Tax (EBIT) stood at RM2.0 billion and Profit After Tax and Minority Interests (PATAMI) amounted to RM1.7 billion.

The moderation in reported earnings was primarily due to the *Prihatin* initiative undertaken during the year following voluntary separation requests from employees, foreign exchange movement and non-recurring items. This reflects the resilience of our core operating performance, with stronger second-half momentum providing a clearer indication of our earnings trajectory.

Supported by healthy cash flow generation, the Board declared a total dividend of 31.0 sen per share, comprising 27.0 sen interim dividend and a 4.0 sen special dividend, bringing the total dividend payout to 69% of reported PATAMI, in line with our commitment to sustainable shareholder returns.

TM's share price performance also reflected improved market confidence, closing the year at RM8.05, underscoring market recognition of our strong fundamentals and clear growth prospects.

**Q** What were the key cost and operational drivers that shaped the FY2025 results?

**A** Financial discipline remained central to our operating approach. In 2025, we continued balancing growth investments with prudent cost management, ensuring operational efficiency supported long-term growth and value creation.

The full-year 2025 cost-to-revenue profile reflected deliberate operational choices as we continued investing to support business growth while maintaining cost discipline.

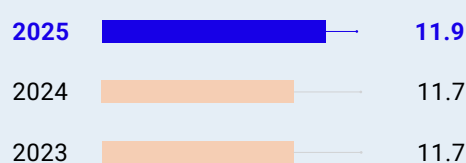
Direct costs increased in line with revenue-generating activities, reflecting subscriber-related investments and higher mobile-related costs to support convergence initiatives. The increase also included international outpayments aligned with growth in our C2C business. These cost movements were strategic in nature and revenue-accretive.

Manpower costs increased, reflecting the *Prihatin* initiative undertaken during the year. While this resulted in one-off impacts to reported earnings in 2025, it underscores our commitment to caring for our people, in line with the social pillar of our sustainability framework, while progressively aligning the organisation with the capabilities required for a more digital and future-ready TM.

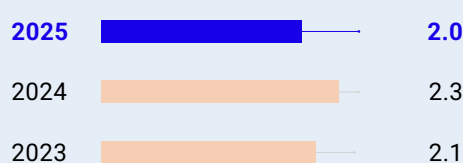
Operational costs declined, driven by lower professional fees and impairment reversals, reflecting improved collections and credit quality. Meanwhile, depreciation and amortisation increased in line with higher planned asset capitalisation compared to 2024.

Overall, TM's structurally strong operations continued to support resilient margins despite operating in a competitive environment.

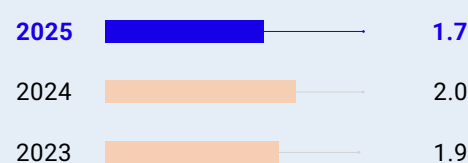
**Revenue** (RM billion)



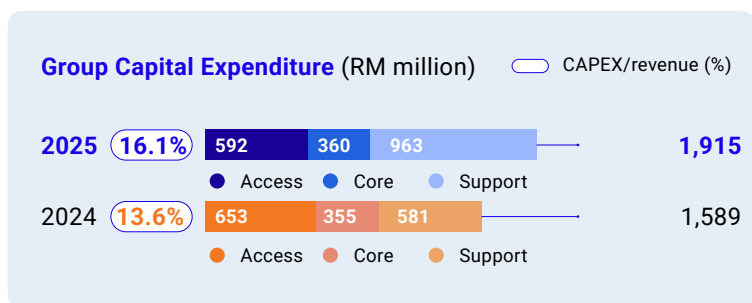
**EBIT** (RM billion)



**PATAMI** (RM billion)



GCFO'S  
REVIEW



**Q How did TM approach capital allocation and investment in FY2025?**

**A** Our capital investments in 2025 were strategically aligned with our growth priorities, balancing disciplined capital management with targeted investments to support long-term value creation. Group capital expenditure (CAPEX) amounted to RM1.9 billion, representing 16.1% of revenue.

In terms of allocation, approximately 31% of CAPEX was directed towards fibre network expansion and connectivity infrastructure, 19% towards network modernisation and 50% towards digital enhancements to strengthen scalable platforms supporting future growth. These investments helped sustain rising data demand, enhanced network reliability and improved customer experience across segments.

Overall, CAPEX intensity remained within guidance despite a 21% year-on-year uplift, reflecting execution cadence on selective strategic investments, including the completion of data centre expansions and submarine cable projects, alongside continued investments to strengthen the Group's digital infrastructure capabilities.

Through this approach, capital allocation continued to prioritise value-accretive opportunities while maintaining sufficient investment to sustain and strengthen our core infrastructure, positioning the Group to capture future digital and connectivity demand.

**Q How resilient is TM's cash flow and balance sheet position?**

**A** The Group maintained a healthy financial position despite a more investment-intensive year. Cash and cash equivalents stood at RM2.5 billion at year-end. Free cash flow amounted to RM1.6 billion, reflecting increased CAPEX investment during the year, coupled with moderation in operating cash flows and scheduled borrowing repayments.

Despite these factors, operating cash flow generation remained healthy, providing capacity to support shareholder distributions and future growth initiatives. Our recurring revenue base continued to underpin stable cash generation.

Return on Invested Capital (ROIC) moderated primarily due to the impact of the *Prihatin* initiative. Despite this, ROIC continued to exceed the Weighted Average Cost of Capital (WACC), indicating ongoing value creation. Importantly, after normalising non-recurring items during the year, ROIC improved compared with 2024, reflecting sustained value creation.

Overall, our balance sheet remained strong, providing sufficient headroom for future investments while maintaining our dividend commitments. This positions the Group to fund future growth while maintaining a balanced financial profile.

TM maintained strong credit ratings of AAA from RAM Rating Services, A3 from Moody's Ratings and A- from S&P Global Ratings, underscoring our disciplined financial management, resilient cash flow profile and prudent capital structure. These ratings reinforce investor confidence and position the Group well to support future growth initiatives.

**RAM Rating Services**

**AAA**

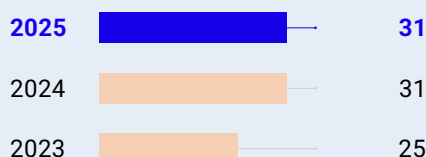
**S&P Global Ratings**

**A-**  
(Standalone Credit Profile "a")

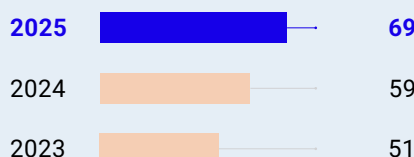
**Moody's Ratings**

**A3**  
(Baseline Credit Assessment of baa1)

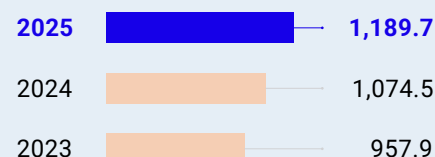
**Dividend Per Share (sen)**



**Dividend Payout Ratio (%)**



**Total Dividend Amount (RM million)**



**Q** How is sustainability integrated into TM's financial stewardship and capital allocation approach?

**A** Beyond financial performance, we continued to embed sustainability into the way we allocate capital and manage operations, ensuring that growth remained resilient and sustainable over the long term.

We invested approximately RM22.6 million in training initiatives encompassing digital upskilling, leadership readiness and employee well-being. These investments strengthen organisational productivity, support talent mobility and reinforce a workforce aligned with TM's digital growth ambitions.

Environmental stewardship also remained integral to our infrastructure expansion strategy. During the year, we committed approximately RM3.4 million towards energy optimisation and renewable initiatives across network, facilities and data centre operations. These measures contributed to estimated energy cost savings of RM7.1 million. As digital infrastructure expands, disciplined energy management is increasingly important in managing operating costs and improving long-term operational efficiency.

**Q** FY2025 marks an important milestone in TM's sustainability disclosure journey with the adoption of IFRS S1 and IFRS S2. How is the Group strengthening ESG governance and financial oversight?

**A** Building on the integration of sustainability into our operational and capital allocation decisions, we are also strengthening governance and disclosure through the adoption of IFRS S1 and IFRS S2 under Malaysia's National Sustainability Reporting Framework.

These standards enhance transparency by linking sustainability-related risks and opportunities with financial oversight and enterprise value. Climate-related considerations are progressively incorporated into financial planning, risk management and investment evaluation to support more informed long-term decision-making.

The three-year transition relief allows TM to implement these requirements in a structured and phased manner. During this period, the Group will continue strengthening reporting systems, governance processes and data architecture while maintaining baseline disclosures, including Scope 1 and Scope 2 emissions.

Through this approach, we aim to strengthen transparency and ensure that sustainability considerations are systematically integrated into financial governance and long-term value creation.

**Q** What is TM's financial outlook for 2026?

**A** We have announced our 2026 market guidance, projecting a low single-digit revenue increase, EBIT at a similar level to 2025 and CAPEX intensity of between 18% and 20% of revenue. This reflects continued investment in digital infrastructure, including fibre network, data centre expansion and digital solutions, while maintaining disciplined financial management.

As we advance our Digital Powerhouse aspiration, our financial priorities remain focused on sustaining resilient revenue growth, protecting earnings quality, preserving balance sheet strength and ensuring disciplined capital allocation. At the same time, we continue integrating sustainability considerations directly into capital planning and financial governance.

By embedding responsible financing, prudent investment and transparent reporting into our financial strategy, we reinforce the foundation for long-term value creation for shareholders and other stakeholders alike.



# VALUE CREATION MODEL

OUR CAPITALS...

...ENABLE VALUE-ADDING

BUSINESS ACTIVITIES THAT CREATE...

INPUTS

BUSINESS OVERVIEW



## FINANCIAL

- **RM30.9 billion** market capitalisation
- **RM20.5 billion** total assets
- **RM1.6 billion** free cash flow
- **RM1.9 billion** CAPEX



## MANUFACTURED

- **>750,000 km** domestic fibre optic cables nationwide
- **>400,000 km** across **39** submarine cable systems
- **6** data centres (including 1 in Hong Kong)
- **7** edge data centres
- **26** Points of Presence (PoPs)
- **153** Content Delivery Network (CDN)



## INTELLECTUAL

- AI Centre of Excellence
- Multimedia University (MMU) as education arm
- TM R&D with **RM55 million** investment value in R&D
- **167** total number of researchers
- TM Learning & Development
- TM Digital Academy
- TM One Innovation Lab & Enterprise 5G Lab



## HUMAN

- **17,300** Warga TM
- **RM22.6 million** invested in training and development



## SOCIAL & RELATIONSHIP

- **>1,800** active suppliers with **RM3.6 billion** spent on local suppliers
- **RM57.4 million** invested in community development including scholarships, humanitarian efforts and social impact programmes
- **506** TM-managed NADI centres nationwide



## NATURAL

- **480,521 MWh** of energy consumed
- **1,681** megalitres of water drawn from municipal water supplies
- **96,587** MWh of renewable energy through Green Energy Tariff

### Market Trends

- Driving Digital Economy
- Expanding Digital Infrastructure
- Orchestrating Digital Ecosystem
- Embedding Sustainability

For more information, please refer to pages 54 to 57.

### Risks and Associated Opportunities

- |  |  |
|--|--|
| <b>1</b> Geopolitical Uncertainties                          | <b>6</b> IT and Digital Resilience                                   |
| <b>2</b> Infrastructure Readiness for Future Business Growth | <b>7</b> Anti-Corruption and Integrity Practices                     |
| <b>3</b> Mobile Business Growth                              | <b>8</b> Climate Change Impact                                       |
| <b>4</b> Regulatory Compliance                               | <b>9</b> Workforce Development for New Technologies                  |
| <b>5</b> Cybersecurity Threats                               | <b>10</b> Artificial Intelligence (AI) Adoption and Governance (New) |

For more information, please refer to pages 58 to 64.

## BUSINESS ACTIVITIES

BUSINESS-TO-CONSUMER (B2C)



BUSINESS-TO-BUSINESS (B2B)



CARRIER-TO-CARRIER (C2C)



EDUCATION AND NATION-BUILDING



AI-DRIVEN

**PWR 2030:  
DIGITAL POWERHOUSE  
FOR MALAYSIA  
AND THE REGION**

For more information, please refer to pages 65 to 71.

### Material Matters

#### PROSPERITY

- M1** Innovation & Technology
- M2** Customer Experience
- M3** Network Stability & Quality
- M4** Sustainable Value Chain
- M5** Responsible Communication
- M6** Cyber Resilience
- M7** Good Governance

#### PLANET

- M8** Environmental Management
- M9** Climate Change

#### PEOPLE

- M10** Labour Practices & Human Rights
- M11** Learning & Development
- M12** Health & Safety
- M13** Digital Inclusion
- M14** Community Empowerment

...VALUE FOR OUR STAKEHOLDERS

OUTPUTS/  
OUTCOMES

ACTIONS TO ENHANCE OUTCOMES

STRATEGIC  
TRADE-OFFS

UN SDGs



- Total dividend payout: **RM1.2 billion**
- Return on Equity (ROE): **14.2%**
- Return on Invested Capital (ROIC): **12.3%**
- Share Price Growth: **21.05%**

For details, please refer to pages 3 and 4 of the Financial Statements

- Drive sustained revenue growth across lines of business (LOB)
- Improve cost efficiency to boost profitability
- Optimise cost of capital to maximise shareholder value and returns

Financial Capital is channelled into Manufactured, Intellectual, Human, Social & Relationship and Natural Capitals through investments in digital infrastructure, innovation, talent and sustainability. While this may temporarily reduce Financial Capital, it strengthens earnings resilience, operational efficiency and long-term value.



- 3.2 million** fixed broadband customers
- >1.1 million** fixed broadband customers subscribing to mobile and content services
- >400,000** MSME customers
- >2,000** government customers
- >5,000** enterprise customers
- 194** domestic customers
- 580** international customers

- Strengthen network resilience and capabilities
- Enhance convergence offerings as well as MSME digital solutions and trainings
- Strategic investments and partnerships in future-ready digital infrastructure

Investments in network expansion, resilience and next-generation digital infrastructure require upfront capital and ongoing cost commitments. While impacting near-term Financial Capital, these investments enhance service quality, scalability, customer growth, long-term competitiveness, while ensuring long-term revenue for the company.



- MMU's new **Faculty of AI and Engineering (FAIE)** established
- First Malaysian telco to be certified under **ISO/IEC 42001:2023 AI Management Systems (AIMS)**
- 1,217** SCOPUS research publications
- 92** Intellectual Property Rights (IPRs)
- Introduced **new smart solutions** such as Vision AI

- Strengthen capabilities in digital innovation and research
- Foster industry-academia collaboration to advance knowledge and talent development
- Strategic investments in R&D

Investments in R&D, AI capabilities and talent development to build a strong innovation pipeline may have immediate financial impact and longer gestation periods. However, they enhance TM's ability to develop proprietary solutions, strengthen research output and intellectual property, and drive continuous innovation to support long-term growth while supporting national talent development.



- 100%** *Warga TM* trained in data governance, digital products and cybersecurity
- A total of **1,118,761** training hours delivered with **11,078** training sessions concluded
- Onboarded **3,534** Digital Competent talents in the Talent Marketplace Platform

- Continue equipping *Warga TM* with the skills and mindset to enhance digital capabilities through structured training and development programmes

Investments in workforce upskilling, digital capabilities and organisational development may initially impact Financial Capital in the short term. Nevertheless, they build a more agile, productive and future-ready workforce, supporting execution excellence and sustained performance.



- 104** active vendors in TM's Bumiputera Vendor Development Programme (BVDP)
- 225,830** beneficiaries including communities, students and general public
- Rolled out of flagship community programmes such as *Jangkau Digital TM*, *TM Future Skills*, as well as support for national sepak takraw development and neurodivergent community

- Empower suppliers through capability-building initiatives
- Support local entrepreneurs through empowerment initiatives and industry-relevant training
- Continue to strengthen community empowerment programmes

Investments in supplier development, ecosystem enablement and community initiatives require dedicated financial resources without immediate financial returns. Over time, these efforts strengthen stakeholder trust, expand market access, support inclusive growth and reinforce TM's nation-building role.



- TM's carbon emissions reduction improved by **34%** from the 2019 baseline
- Strengthened water disclosure from **8** sites in 2024 to **60** sites in 2025
- Implemented rainwater harvesting for non-essential use

- Reduce energy consumption through partnerships with solar power producers (SPP) and network modernisation and optimisation
- Reduce water reliance on municipal supplies through improved water management and technology use

Investments in energy transition, resource efficiency and environmental management involve upfront capital and operational adjustments. While impacting short-term Financial Capital, they reduce long-term environmental risks, improve efficiency, support regulatory alignment and strengthen stakeholder confidence.



IMPACTED STAKEHOLDERS/SUSTAINABILITY AND RELATED UN SDGs