

TELEKOM MALAYSIA BERHAD

Reg. No.: 198401016183 (128740-P)

(Incorporated in Malaysia)

The Board of Directors of Telekom Malaysia Berhad is pleased to announce the following unaudited results of the Group for the 2nd quarter ended 30 June 2022.

UNAUDITED CONSOLIDATED INCOME STATEMENT

	2ND QUARTER ENDED		FINANCIAL PERIOD ENDED	
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	RM Million	RM Million	RM Million	RM Million
OPERATING REVENUE	3,089.3	2,762.9	5,981.7	5,572.6
OPERATING COSTS				
- depreciation, impairment and amortisation	(621.7)	(602.8)	(1,225.2)	(1,178.3)
- net impairment (loss)/reversal on financial and contract assets	(13.6)	10.1	3.9	8.0
- other operating costs	(1,763.5)	(1,821.4)	(3,528.8)	(3,482.7)
OTHER OPERATING INCOME (net)	12.2	38.8	31.5	57.7
OTHER LOSSES (net)	(4.9)	(5.6)	(11.8)	(12.0)
OPERATING PROFIT BEFORE FINANCE COST	697.8	382.0	1,251.3	965.3
FINANCE INCOME	16.5	13.3	33.7	40.0
FINANCE COST	(103.2)	(102.8)	(198.8)	(274.6)
FOREIGN EXCHANGE LOSS ON BORROWINGS	(70.0)	(3.1)	(81.4)	(37.0)
NET FINANCE COST	(156.7)	(92.6)	(246.5)	(271.6)
ASSOCIATE				
- share of results (net of tax)	3.9	3.7	7.4	6.4
PROFIT BEFORE TAX AND ZAKAT	545.0	293.1	1,012.2	700.1
TAX AND ZAKAT (part B, note 5)	(165.7)	(76.5)	(293.2)	(160.1)
PROFIT FOR THE FINANCIAL PERIOD	379.3	216.6	719.0	540.0
ATTRIBUTABLE TO:				
- equity holders of the Company	378.0	218.5	717.9	544.0
- non-controlling interests	1.3	(1.9)	1.1	(4.0)
PROFIT FOR THE FINANCIAL PERIOD	379.3	216.6	719.0	540.0
EARNINGS PER SHARE (sen) (part B, note 11)				
- basic	10.0	5.8	19.0	14.4
- diluted	9.9	5.7	18.9	14.3

(The above unaudited consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2ND QUARTER ENDED		FINANCIAL PERIOD ENDED	
	30/06/2022 RM Million	30/06/2021 RM Million	30/06/2022 RM Million	30/06/2021 RM Million
PROFIT FOR THE FINANCIAL PERIOD	379.3	216.6	719.0	540.0
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified				
subsequently to income statement:				
- (decrease)/increase in fair value of investments at fair value through other comprehensive income (FVOCI)	(1.5)	1.1	(4.4)	(5.6)
- reclassification adjustments relating to FVOCI investments disposed	0.2	#	0.1	0.4
- (decrease)/increase in fair value of receivables at FVOCI	(0.9)	0.1	1.0	(3.9)
- cash flow hedge:				
- increase in fair value of cash flow hedge	23.4	7.8	15.1	12.0
- change in fair value of currency basis	(5.3)	(12.1)	(4.2)	(6.6)
- reclassification of foreign exchange loss on borrowings	(18.6)	(1.0)	(21.9)	(10.6)
- currency translation differences				
- subsidiaries	8.2	(0.1)	9.8	3.0
- associate	0.1	0.6	0.1	0.6
Other comprehensive gain/(loss) for the financial period	5.6	(3.6)	(4.4)	(10.7)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	384.9	213.0	714.6	529.3
ATTRIBUTABLE TO:				
- equity holders of the Company	383.6	214.9	713.5	533.3
- non-controlling interests	1.3	(1.9)	1.1	(4.0)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	384.9	213.0	714.6	529.3

Amount less than RM0.1 million

(The above unaudited consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
	AS AT 30/06/2022 RM Million	AS AT 31/12/2021 RM Million
SHARE CAPITAL	3,729.0	3,729.0
OTHER RESERVES	299.9	283.2
RETAINED PROFITS	3,981.8	3,490.3
TOTAL CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	8,010.7	7,502.5
NON-CONTROLLING INTERESTS	(179.8)	(174.6)
TOTAL EQUITY	7,830.9	7,327.9
Borrowings	5,419.6	5,338.4
Lease liabilities	1,508.6	1,553.4
Derivative financial instruments	-	4.6
Deferred tax liabilities	1,560.2	1,499.0
Deferred income	1,615.3	1,649.8
Trade and other payables	23.6	24.3
NON-CURRENT LIABILITIES	10,127.3	10,069.5
	17,958.2	17,397.4
Property, plant and equipment	13,329.0	13,356.1
Intangible assets	642.8	665.4
Right-of-use assets	1,159.5	1,208.2
Associate	89.9	89.9
Equity investments at fair value through other comprehensive income (FVOCI)	141.7	141.6
Investments at fair value through profit or loss (FVTPL)	311.2	306.0
Receivables at FVOCI	283.0	282.0
Other non-current receivables	420.0	441.1
Derivative financial instruments	151.7	145.4
Deferred tax assets	22.2	22.2
NON-CURRENT ASSETS	16,551.0	16,657.9
Inventories	137.9	176.9
Trade and other receivables	2,854.2	2,050.8
Contract assets	926.3	719.6
Contract cost assets	423.8	379.2
Receivables at FVOCI	16.0	15.9
Investments at fair value through other comprehensive income (FVOCI)	66.0	82.3
Investments at fair value through profit or loss (FVTPL)	6.6	12.5
Financial assets at fair value through profit or loss (FVTPL)	2.1	2.2
Cash and bank balances	1,966.4	2,733.8
CURRENT ASSETS	6,399.3	6,173.2
Trade and other payables	3,443.9	3,633.7
Contract liabilities	883.7	857.4
Customer deposits	216.0	221.4
Borrowings	79.1	381.6
Lease liabilities	284.2	330.3
Tax and zakat	85.2	9.3
CURRENT LIABILITIES	4,992.1	5,433.7
NET CURRENT ASSETS	1,407.2	739.5
	17,958.2	17,397.4
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (sen)	212.3	198.8

(The above unaudited consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	Attributable to equity holders of the Company								Total Equity RM Million
	Share Capital RM Million	FVOCI Reserve RM Million	Hedging Reserve RM Million	Cost of Hedging Reserve RM Million	Long Term Incentive Plan Reserve RM Million	Currency Translation Differences RM Million	Retained Profits RM Million	Non- controlling Interests RM Million	
At 1 January 2022	3,729.0	94.0	13.5	22.7	127.9	25.1	3,490.3	(174.6)	7,327.9
Profit for the financial period	-	-	-	-	-	-	717.9	1.1	719.0
Other comprehensive income									
Items that may be reclassified subsequently to income statement:									
- decrease in fair value of investments at fair value through other comprehensive income (FVOCI)	-	(4.4)	-	-	-	-	-	-	(4.4)
- reclassification adjustments relating to FVOCI investments disposed	-	0.1	-	-	-	-	-	-	0.1
- increase in fair value of receivables at FVOCI	-	1.0	-	-	-	-	-	-	1.0
- cash flow hedge:									
- increase in fair value of cash flow hedge	-	-	15.1	-	-	-	-	-	15.1
- change in fair value of currency basis	-	-	-	(4.2)	-	-	-	-	(4.2)
- reclassification of foreign exchange loss on borrowings	-	-	(21.9)	-	-	-	-	-	(21.9)
- currency translation differences									
- subsidiaries	-	-	-	-	-	9.8	-	-	9.8
- associate	-	-	-	-	-	0.1	-	-	0.1
Total comprehensive (loss)/income for the financial period	-	(3.3)	(6.8)	(4.2)	-	9.9	717.9	1.1	714.6
Transactions with owners:									
- final interim dividend paid for the financial year ended 31 December 2021 (part A, note 6)	-	-	-	-	-	-	(226.4)	-	(226.4)
- dividend declared to non-controlling interests	-	-	-	-	-	-	-	(6.3)	(6.3)
- Long Term Incentive Plan (LTIP):									
- ordinary shares granted*	-	-	-	-	21.1	-	-	-	21.1
Total transactions with owners	-	-	-	-	21.1	-	(226.4)	(6.3)	(211.6)
At 30 June 2022	3,729.0	90.7	6.7	18.5	149.0	35.0	3,981.8	(179.8)	7,830.9

* The apportionment over the vesting period of the fair value of the Group's granting of TM shares made to eligible employees of TM and its subsidiaries subject to fulfilment of relevant vesting conditions.

(The above unaudited consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	Attributable to equity holders of the Company								Total Equity RM Million
	Share Capital RM Million	FVOCI Reserve RM Million	Hedging Reserve RM Million	Cost of Hedging Reserve RM Million	Long Term Incentive Plan Reserve RM Million	Currency Translation Differences RM Million	Retained Profits RM Million	Non- controlling Interests RM Million	
At 1 January 2021	3,728.6	97.7	16.6	31.1	89.1	19.2	3,142.3	(149.3)	6,975.3
Profit/(loss) for the financial period	-	-	-	-	-	-	544.0	(4.0)	540.0
Other comprehensive income									
Items that may be reclassified subsequently to income statement:									
- decrease in fair value of investments at fair value through other comprehensive income (FVOCI)	-	(5.6)	-	-	-	-	-	-	(5.6)
- reclassification adjustments relating to FVOCI investments disposed	-	0.4	-	-	-	-	-	-	0.4
- decrease in fair value of receivables at FVOCI	-	(3.9)	-	-	-	-	-	-	(3.9)
- cash flow hedge:									
- increase in fair value of cash flow hedge	-	-	12.0	-	-	-	-	-	12.0
- change in fair value of currency basis	-	-	-	(6.6)	-	-	-	-	(6.6)
- reclassification of foreign exchange loss on borrowings	-	-	(10.6)	-	-	-	-	-	(10.6)
- currency translation differences									
- subsidiaries	-	-	-	-	-	3.0	-	-	3.0
- associate	-	-	-	-	-	0.6	-	-	0.6
Total comprehensive (loss)/income for the financial period	-	(9.1)	1.4	(6.6)	-	3.6	544.0	(4.0)	529.3
Transactions with owners:									
- final interim dividend paid for the financial year ended 31 December 2020	-	-	-	-	-	-	(283.0)	-	(283.0)
- dividends paid to non-controlling interests	-	-	-	-	-	-	-	(8.0)	(8.0)
- Long Term Incentive Plan (LTIP):									
- ordinary shares granted*	-	-	-	-	17.5	-	-	-	17.5
- transfer from LTIP reserve upon issuance of shares on vesting^	0.4	-	-	-	3.9	-	-	-	4.3
Total transactions with owners	0.4	-	-	-	21.4	-	(283.0)	(8.0)	(269.2)
At 30 June 2021	3,729.0	88.6	18.0	24.5	110.5	22.8	3,403.3	(161.3)	7,235.4

* The apportionment over the vesting period of the fair value of the Group's granting of TM shares made to eligible employees of TM and its subsidiaries subject to fulfilment of relevant vesting conditions.

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

(The above unaudited consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

	FINANCIAL PERIOD ENDED	
	30/06/2022	30/06/2021
	RM Million	RM Million
Receipts from customers	4,910.2	4,876.3
Payments to suppliers and employees	(3,383.4)	(3,552.7)
Payments to suppliers for short term lease and leases of low value assets	(27.1)	(22.9)
Payments of finance cost	(143.8)	(223.9)
Payments of income taxes and zakat (net)	(162.4)	(138.4)
CASH FLOWS FROM OPERATING ACTIVITIES	1,193.5	938.4
Contribution for purchase of property, plant and equipment	50.0	128.7
Disposal of property, plant and equipment	1.9	7.9
Purchase of property, plant and equipment and intangible assets	(1,217.6)	(937.3)
Disposal/Maturity of current investments at fair value through other comprehensive income	25.2	20.8
Purchase of current investments at fair value through other comprehensive income	(13.1)	(28.9)
Purchase of investments at fair value through profit or loss	(14.6)	(22.4)
Disposal of financial assets at fair value through profit or loss	6.7	0.8
Long term deposits	(8.3)	(8.3)
Placement of deposits with maturity exceeding 3 months*	(238.8)	-
Maturity of deposit with maturity exceeding 3 months*	161.9	-
Repayments of loans by employees	13.3	21.9
Loans to employees	(8.7)	(18.8)
Interests received	27.2	36.7
Dividends received	-	12.3
CASH FLOWS USED IN INVESTING ACTIVITIES	(1,214.9)	(786.6)
Proceeds from borrowings	-	40.0
Repayments of borrowings	(324.6)	(2,000.1)
Repayments of lease liabilities	(253.5)	(247.4)
Dividend paid to shareholders (part A, note 6)	(226.4)	(283.0)
Dividend paid to non-controlling interests	(3.9)	(6.0)
CASH FLOWS USED IN FINANCING ACTIVITIES	(808.4)	(2,496.5)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(829.8)	(2,344.7)
EFFECT OF EXCHANGE RATE CHANGES	10.3	20.8
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	1,880.0	4,146.4
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	1,060.5	1,822.5

* During the current financial period ended, the Group had placements of deposits with financial institutions with maturity tenures of between 3 to 6 months

(The above unaudited consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

The unaudited interim financial statements for the 2nd quarter and financial period ended 30 June 2022 of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (MFRS) 134 “Interim Financial Reporting” issued by Malaysian Accounting Standards Board (MASB), paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2021. The accounting policies, method of computation and basis of consolidation applied in the unaudited interim financial statements are consistent with those used in the preparation of the 2021 audited financial statements except for the changes arising from the adoption of the amendments to MFRS issued by MASB that are effective for the Group’s financial year beginning on 1 January 2022.

(a) The amendments to published standards that are effective and applicable for the Group’s financial year beginning on 1 January 2022

The amendments to published standards issued by MASB that are effective and applicable for the Group’s financial year beginning on 1 January 2022 are as follows:

Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 9	Annual Improvements to MFRS Standards 2018-2020

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

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation (continued)

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

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

Effective for annual periods beginning on or after 1 January 2023

Amendments to MFRS 101	i) Classification of Liabilities as Current or Non-current ii) Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective for annual periods to be announced by MASB

Amendments to MFRS 10 and 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The adoption of the above annual improvements and amendments to published standards are not expected to have a material impact on the financial statements of the Group.

2. Seasonal or Cyclical Factors

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

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the 2nd quarter and financial period ended 30 June 2022.

4. Material Changes in Estimates

There were no unusual items affecting assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the 2nd quarter and financial period ended 30 June 2022.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

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

a) Repayment of Islamic Medium Term Notes (IMTN)

On 10 June 2022, the Group repaid in full, at its nominal value, the RM300.0 million IMTN at 4.23% per annum upon its maturity date. The IMTN was issued as part of the RM3.0 billion IMTN Programme disclosed in note 17(b) of the Group's audited financial statements for the financial year ended 31 December 2021.

6. Dividends Paid

The final interim single-tier cash dividend of 6.0 sen per share amounting to RM226.4 million in respect of the financial year ended 31 December 2021 declared on 25 February 2022, was paid on 31 March 2022.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

7. Segmental Information

Segmental information for the Group are as follows:

By Business Segment

All amounts are in RM Million

2nd Quarter Ended

30 June 2022

Operating Revenue

	unifi ^{>}	TM One	TM Wholesale	Shared Services /Others [^]	Elimination	Total
Total operating revenue	1,413.2	929.7	761.2	129.2		3,233.3
Inter-segment @	(10.6)	(75.1)	(21.3)	(37.0)		(144.0)
External operating revenue	1,402.6	854.6	739.9	92.2		3,089.3

Results

Earnings before interest and taxation (EBIT)	433.7	202.1	163.8	(96.3)	(0.6)	702.7
Other losses (net)						(4.9)
Finance income						16.5
Finance cost						(103.2)
Foreign exchange loss on borrowings						(70.0)
Associate - share of results (net of tax)						3.9
Profit before tax and zakat						545.0
Tax and zakat						(165.7)
Profit for the financial period						379.3

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

7. Segmental Information (continued)

Segmental information for the Group are as follows:

By Business Segment

All amounts are in RM Million

2nd Quarter Ended 30 June 2021	unifi ^o	TM One	TM Wholesale	Shared Services /Others [^]	Elimination	Total
Operating Revenue						
Total operating revenue	1,297.8	900.8	602.2	121.6		2,922.4
Inter-segment @	(25.8)	(80.1)	(16.9)	(36.7)		(159.5)
External operating revenue	1,272.0	820.7	585.3	84.9		2,762.9
Results						
EBIT	292.9	232.1	69.8	(179.7)	(27.5)	387.6
Other losses (net)						(5.6)
Finance income						13.3
Finance cost						(102.8)
Foreign exchange loss on borrowings						(3.1)
Associate - share of results (net of tax)						3.7
Profit before tax and zakat						293.1
Tax and zakat						(76.5)
Profit for the financial period						216.6

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

7. Segmental Information (continued)

Segmental information for the Group are as follows:

By Business Segment

All amounts are in RM Million

Financial Period Ended	unifi ^o	TM One	TM Wholesale	Shared Services /Others [^]	Elimination	Total
30 June 2022						
Operating Revenue						
Total operating revenue	2,792.6	1,786.5	1,400.7	259.6		6,239.4
Inter-segment @	(12.7)	(138.2)	(35.7)	(71.1)		(257.7)
External operating revenue	<u>2,779.9</u>	<u>1,648.3</u>	<u>1,365.0</u>	<u>188.5</u>		<u>5,981.7</u>
Results						
EBIT	854.5	377.1	250.5	(242.1)	23.1	1,263.1
Other losses (net)						(11.8)
Finance income						33.7
Finance cost						(198.8)
Foreign exchange loss on borrowings						(81.4)
Associate - share of results (net of tax)						<u>7.4</u>
Profit before tax and zakat						1,012.2
Tax and zakat						<u>(293.2)</u>
Profit for the financial period						<u><u>719.0</u></u>

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

7. Segmental Information (continued)

Segmental information for the Group are as follows:

By Business Segment

All amounts are in RM Million

Financial Period Ended	unifi ^o	TM One	TM Wholesale	Shared Services /Others [^]	Elimination	Total
30 June 2021						
Operating Revenue						
Total operating revenue	2,544.9	1,826.0	1,234.1	256.0		5,861.0
Inter-segment @	(29.2)	(147.4)	(36.4)	(75.4)		(288.4)
External operating revenue	<u>2,515.7</u>	<u>1,678.6</u>	<u>1,197.7</u>	<u>180.6</u>		<u>5,572.6</u>
Results						
EBIT	573.0	471.7	214.0	(287.2)	5.8	977.3
Other losses (net)						(12.0)
Finance income						40.0
Finance cost						(274.6)
Foreign exchange loss on borrowings						(37.0)
Associate - share of results (net of tax)						<u>6.4</u>
Profit before tax and zakat						700.1
Tax and zakat						<u>(160.1)</u>
Profit for the financial period						<u><u>540.0</u></u>

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

7. Segmental Information (continued)

- @ Inter-segment operating revenue relates to inter-company revenue and has been eliminated at the respective segment operating revenue. These inter-segment trading arrangements are subject to periodic review. The inter-company revenue was entered into in the normal course of business.
- ^ Expenses incurred by corporate divisions such as Human Capital Management, Finance, Strategy and Regulatory, Company Secretary, Procurement and special purpose entities and foreign exchange differences arising from the translation of foreign currency placements which were not allocated to a particular business segment are disclosed as part of shared services/others. These are considered non-operating segments.
- > unifi segment for the current quarter, period and comparatives include financial information of Webe Digital Sdn Bhd (webe) and its subsidiaries, reflective of webe's current customer profile in aligning to the Group's overall operational segmentation.

Information on segmental assets and liabilities has not been included in the disclosure in alignment with the information used internally to discuss segment performance and allocate resources. Significant portions of the Group's assets and liabilities are maintained and monitored at each entity level. Consistently across the Group, network assets are maintained and economically utilised and monitored as a single network at each entity level respectively, in generating the portfolio of products offered by each entity. The corresponding liabilities, including financing, are also similarly monitored.

The prior year comparatives have been restated for better comparability with alignment to current business structure. This includes the movement of TM Info-Media Sdn Bhd previously under Others to unifi, Medium Enterprise Business (MEB) customers from TM One to unifi and Global Service Providers (GSP) division from TM One to TM Wholesale.

8. Material Events Subsequent to the End of the Quarter

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

9. Effects of Changes in the Composition of the Group

There are no changes in the composition of the Group for the 2nd quarter and financial period ended 30 June 2022 save as disclosed below:

(a) TM Digital Innovation Sdn Bhd (TMDI)

On 14 February 2022, TM Digital Innovation Sdn Bhd (TMDI) was incorporated as a wholly owned subsidiary of Telekom Malaysia Berhad (TM) with its initial two (2) ordinary shares currently held by TM. TMDI was established as the operating company for TM's digital services business.

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9. Effects of Changes in the Composition of the Group (continued)

(b) P1.Com Sdn Bhd (P1SB) and RuumzNation Sdn Bhd (RSB)

Following the applications to strike off P1SB and RSB pursuant to Section 551(1) of Companies Act 2016 (CA2016), P1SB and RSB were officially struck-off from the Register of Companies effective 13 April 2022, based on the final notification from Companies Commission of Malaysia (CCM) via Gazette Number 9242 issued on the same date.

(c) VADS Digital Sdn Bhd (VDSB)

Following the application to strike off VDSB pursuant to Section 551(1) of CA2016, VDSB was officially struck-off from the Register of Companies effective 9 June 2022, based on the final notification from CCM via Gazette Number 13882 issued on the same date.

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

Other than the material litigation disclosed in part B, note 10 of this announcement, there were no other material changes in contingent liabilities since the audited financial statements of the Group for the financial year ended 31 December 2021.

11. Capital Commitments

(a)

	Group	
	As at 30/06/2022	As at 31/12/2021
	RM Million	RM Million
Property, plant and equipment:		
Commitments in respect of expenditures approved and contracted for	1,427.9	2,273.6

(b)

	Group	
	As at 30/06/2022	As at 31/12/2021
	RM Million	RM Million
The Group's remaining capital commitment in a Technology Investment Fund (disclosed as part of the Group's Non-Current Investments at FVTPL)	20.2	33.1

Refer to note 30(c) of the audited financial statements of the Group for the financial year ended 31 December 2021.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**12. Related Party Transactions**

Khazanah Nasional Berhad (Khazanah) is a major shareholder with a 20.1% equity interest as at 30 June 2022 and is a related party of the Group. Khazanah is a wholly-owned entity of MOF Inc, which is in turn owned by the Ministry of Finance, a ministry of the Federal Government of Malaysia. Therefore, the Government of Malaysia and bodies controlled or jointly controlled by the Government of Malaysia are also related parties to the Group.

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

	Total amount of individually significant transactions for the financial period ended		Corresponding outstanding balances as at	
	30/06/2022 RM Million	30/06/2021 RM Million	30/06/2022 RM Million	31/12/2021 RM Million
Sales and Receivables	438.8	401.0	112.7	104.3

The Group also has individually significant contracts with other Government-related entities where the Group was provided funding for projects of which the amortisation of grants to the income statement in the current financial period was RM166.6 million (YTD June 2021: RM172.9 million) with corresponding receivables of RM200.0 million (31 December 2021: RM200.0 million).

In addition to the above, the Group has transactions in the normal course of business, that are collectively, but not individually significant with other Government-related entities in respect of the provision of telecommunications related services as well as procurement of telecommunications and related equipment and services.

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13. Fair Value

The following should be read in conjunction with note 48 of the Group's audited financial statements for the financial year ended 31 December 2021.

(a) Financial Instruments Carried at Fair Value

The following table presents the Group's financial assets and liabilities that are measured at fair value as at the respective reporting date.

	As at 30/06/2022				As at 31/12/2021			
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Assets								
Financial assets at fair value through profit or loss								
- quoted securities	2.1	-	-	2.1	2.2	-	-	2.2
Derivatives accounted for under hedge accounting	-	151.7	-	151.7	-	145.4	-	145.4
Investments at fair value through OCI	-	66.0	-	66.0	-	82.3	-	82.3
Investments at fair value through profit or loss	-	236.8	81.0	317.8	-	243.2	75.3	318.5
Equity investments at fair value through OCI	-	-	141.7	141.7	-	-	141.6	141.6
Receivables at fair value through OCI	-	-	299.0	299.0	-	-	297.9	297.9
Total	2.1	454.5	521.7	978.3	2.2	470.9	514.8	987.9
Liabilities								
Derivatives accounted for under hedge accounting	-	-	-	-	-	4.6	-	4.6
Total	-	-	-	-	-	4.6	-	4.6

There have not been any changes to the valuation techniques applied for the different financial instruments since 31 December 2021 and there were no transfers of any instruments between level 1, 2 and 3 of the fair valuation hierarchy during the financial period.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

13. Fair Value (continued)

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

There have not been any significant changes in the differences between the carrying amount and fair value of financial instruments carried at other than fair value from the disclosures in note 48(b) of the Group's audited financial statements for the financial year ended 31 December 2021, other than below:

	As at 30/06/2022		As at 31/12/2021	
	Carrying amount RM Million	Net fair value RM Million	Carrying amount RM Million	Net fair value RM Million
Liabilities				
Borrowings	5,498.7	5,809.1	5,720.0	6,215.6

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

1. Review of Performance

(a) 2nd Quarter 2022 vs 2nd Quarter 2021

(i) Group Performance

The Group's operating revenue increased by 11.8% (RM326.4 million) to RM3,089.3 million compared to RM2,762.9 million in the same quarter last year with increase in revenue from all lines of services, particularly data and Internet services.

The strong performance in revenue against continuing controlled spending led to the Group recording an 82.7% (RM315.8 million) increase in operating profits before finance cost which was RM697.8 million for the 2nd quarter of 2022 compared to RM382.0 million in the same quarter last year.

Correspondingly, the Group reported profit after tax and non-controlling interests (PATAMI) of RM378.0 million for the quarter ended, a 73.0% (RM159.5 million) increase from the RM218.5 million recorded in the 2nd quarter of 2021 at the back of higher foreign exchange loss on borrowings as well as higher effective tax rate as the Group applies the 33% Cukai Makmur statutory tax rate accordingly for the current quarter.

(ii) Segment Performance

unifi

Revenue increased by 8.9% (RM115.4 million) from RM1,297.8 million to RM1,413.2 million in the current quarter ended, driven by increase from Internet and voice services.

The higher revenue against stable operating costs contributed to a 48.1% (RM140.8 million) improvement in earnings before interest and taxation (EBIT), recorded at RM433.7 million for the current quarter ended, compared to RM292.9 million in the corresponding quarter last year.

TM One

TM One recorded a 3.2% (RM28.9 million) increase in revenue from RM900.8 million to RM929.7 million in 2nd quarter of 2022 mainly due to higher other telecommunication related services revenue from customer projects.

Reported EBIT decreased by 12.9% (RM30.0 million) to RM202.1 million in the current quarter from RM232.1 million in the same quarter last year due to higher direct and operating expenditure in current quarter.

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1. Review of Performance (continued)

(a) 2nd Quarter 2022 vs 2nd Quarter 2021 (continued)

(ii) Segment Performance (continued)

TM Wholesale

TM Wholesale revenue of RM761.2 million for the current quarter increased by 26.4% (RM159.0 million) from RM602.2 million in 2nd quarter last year, mainly contributed by higher revenue from voice and data services.

The strong revenue performance against a lower percentage increase in operating cost between the quarters year on year subsequently led to a 134.7% (RM94.0 million) EBIT increase from RM69.8 million last year to RM163.8 million in this quarter.

(b) Year-on-Year

(i) Group Performance

For the financial period under review, the Group's operating revenue increased by 7.3% (RM409.1 million) to RM5,981.7 million from RM5,572.6 million recorded during the financial period, with revenue increase from all lines of products namely Internet which is driven by the 14.1% increase in fixed broadband customer base, as well as data services.

The strong year-on-year revenue growth against operating costs that has increased at a lower rate compared to revenue, resulted in a 29.6% (RM286.0 million) increase in the Group's operating profit before finance cost of RM1,251.3 million compared to RM965.3 million in the first half of 2021.

Although dampened by the higher effective tax rate from Cukai Makmur in the current year and higher foreign exchange loss on borrowings, the Group's RM717.9 million PATAMI was a 32.0% (RM173.9 million) increase from RM544.0 million in the 1st half of last year.

(ii) Segment Performance

unifi

unifi recorded a strong 9.7% (RM247.7 million) increase in revenue from RM2,544.9 million during the 1st half of 2021 to RM2,792.6 million in the current period ended 30 June 2022 with an increase from Internet and voice services.

Stable operating cost against the revenue increase led to a 49.1% (RM281.5 million) increase in profit at EBIT level for the current financial period, at RM854.5 million compared to RM573.0 million during the same period last year.

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1. Review of Performance (continued)

(b) Year-on-Year (continued)

(ii) Segment Performance (continued)

TM One

TM One recorded a 2.2% (RM39.5 million) decrease in revenue from RM1,826.0 million to RM1,786.5 million in the 1st half of 2022 due to a decline in data services with impact from price revisions upon contract renewals and lower voice usage, amongst others.

Reported EBIT declined by 20.1% (RM94.6 million) to RM377.1 million in the current year from RM471.7 million in the corresponding last year with the decrease in operating revenue and higher operating expenditure in current year.

TM Wholesale

TM Wholesale reported a consolidated revenue of RM1,400.7 million for the period, a 13.5% (RM166.6 million) growth from RM1,234.1 million total revenue reported for the same period last year. This is the result of higher voice and data services revenue.

The increase in revenue led to a 17.1% (RM36.5 million) increase in EBIT from RM214.0 million in the same period last year to RM250.5 million in the current year.

2. Comparison with Preceding Quarter's Results

The Group recorded a 6.8% (RM196.9 million) increase in revenue from RM2,892.4 million in the preceding quarter to RM3,089.3 million in the current quarter ended, with the increase in revenue from all lines of products apart from non-telecommunication related services.

Corresponding lower increase in operating costs compared to the increase in revenue in the current quarter led to a 26.1% (RM144.3 million) increase in operating profit before finance costs from the RM553.5 million recorded in the preceding quarter to RM697.8 million in the current quarter ended.

This resulted in an 11.2% (RM38.1 million) increase in Group PATAMI, from RM339.9 million in the preceding quarter to RM378.0 million in the current quarter.

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3. Prospects for the Current Financial Year

Economic Outlook

Malaysia's economy continue to recover with strong growth of 8.9%¹ in Gross Domestic Product (GDP) for the second quarter of 2022 against second quarter of 2021, amidst improving domestic demand. Bank Negara is maintaining its 2022 GDP growth forecast at 5.3% – 6.3%¹ (actual 2021: 3.1%), whilst the World Bank projects a 5.5%² annual GDP growth for Malaysia in 2022, driven by a strong rebound in consumption, with caution on external headwinds and global uncertainties.

Business Outlook

TM's overall business is gaining momentum from the progressive economic landscape. The Group continues its thrust in pursuing business growth from the key customer segments of Business-to-Consumer (B2C) or Retail, Business-to-Business (B2B) and Carrier-to-Carrier (C2C).

unifi continues enhancing Convergence lifestyle for the B2C segment driven by growth in fibre broadband, with more attractive content that can be viewed at home as well as on the mobile. Concentrated focus is also extended to local SME business with month-long campaign of #BelanjaDiSME, to propel Malaysia's economic recovery. With the SME Digitalisation Grant (SDG), entrepreneurs can benefit up to 50% savings for their digital connectivity and solutions.

TM One, as the sole Malaysian provider for the Government's MyGovCloud has also invested in enhancing its data security capabilities through Cyber Defence Centre (CYDEC). This shall mitigate potential risk of cyberattack and guarantee data sovereignty and privacy for the Malaysian Government services.

In line with TM's commitment to power a Digital Malaysia, Credence was recently launched to deliver more digital capabilities and tech skills for its customers. Credence as a new cloud and digital services company is focused on B2B segments and plays the role of a solutions partner to accelerate the digital transformation journey for large enterprise customers, as well as public sector.

For the C2C segment, TM Wholesale continues to offer a comprehensive suite of communication services and solutions for both domestic and global telcos, including hyperscalers. A collaborative agreement was established with Globe Telecom to enable its customers to enjoy greater gaming experiences, powered by TM Wholesale's global connectivity and infrastructure. TM Wholesale has also signed an MoU with Telin, a subsidiary of Telkom Indonesia, to explore strategic submarine cables network expansion as part of its commitment in providing reliable connectivity across the region.

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3. Prospects for the Current Financial Year (continued)

Business Outlook (continued)

TM is supportive of the Government's 5G deployment under the Single Wholesale Network (SWN) model. 5G expands opportunities and growth areas across all customers segments for TM, strengthening the Group's convergence proposition and digital services.

In support of the Government's Penghijauan Malaysia (Greening Malaysia) programme as well as the United Nation's Sustainable Development Goals and the Paris Agreement, TM recently has launched an initiative - Program Kelestarian Hari Esok TM: Kempen Penanaman Pokok (TM Towards A Sustainable Tomorrow: Tree Planting Campaign). This campaign demonstrates TM's continuous ESG commitment focusing on the environment; targeting to plant 12,000 trees throughout the country by end of 2022 to offset greenhouse gas emissions and slow down the impact of climate change.

On Course For the Second Half of the Year

Progressing further in 2022, TM will continue to power a digital nation by delivering Customer Experience, Solutions and Connectivity Excellence through delivery from its core execution engine; the employees or "Warga TM" towards a more Digital Malaysia. Based on TM's current performance momentum, the Group is on track to achieve its 2022 market guidance.

¹Sourced from Bank Negara Malaysia's Second Quarter 2022 Economic Performance Report

²Sourced from World Bank's Malaysia Economic Monitor, June 2022

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

The Group has not provided any profit forecast or profit guarantee in any public document in respect of the 2nd quarter and financial period ended 30 June 2022.

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The tax charge for the Group comprises:

	2nd Quarter Ended		Financial Period Ended	
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	RM Million	RM Million	RM Million	RM Million
<u>Malaysia</u>				
Income Tax:				
Current year	124.1	79.2	223.2	145.5
Prior year	0.6	2.6	(2.4)	1.5
Deferred tax (net)	34.1	(14.1)	61.4	(2.7)
	158.8	67.7	282.2	144.3
<u>Overseas</u>				
Income Tax:				
Current year	5.3	1.6	6.7	7.2
Prior year	0.3	5.6	0.3	5.6
Deferred tax (net)	#	0.2	#	0.2
	5.6	7.4	7.0	13.0
Taxation	164.4	75.1	289.2	157.3
Zakat	1.3	1.4	4.0	2.8
Taxation and Zakat	165.7	76.5	293.2	160.1

Amount less than RM0.1 million

6. Status of Corporate Proposals

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

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(a) Analysis of the Group's borrowings and debt securities is as follows:

	As at 30/06/2022		As at 31/12/2021	
	Short Term Borrowings RM Million	Long Term Borrowings RM Million	Short Term Borrowings RM Million	Long Term Borrowings RM Million
Total Secured	2.9	8.7	2.9	10.2
Total Unsecured	76.2	5,410.9	378.7	5,328.2
Total Borrowings	79.1	5,419.6	381.6	5,338.4

(b) Foreign currency borrowings and debt securities are as follows:

Foreign Currency	As at 30/06/2022 RM Million	As at 31/12/2021 RM Million
US Dollar	2,088.7	1,985.2
Canadian Dollars	2.2	2.2
Total	2,090.9	1,987.4

(c) There have not been any significant changes in the Group's borrowings since the end of the previous financial year (as disclosed in note 17 of the Group's audited financial statements for financial year ended 31 December 2021) except for the impact of foreign exchange translation for the financial period ended.

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

Derivatives (by maturity)	Contract or notional amount RM Million	Fair value as at 30/06/2022		Fair value as at 31/12/2021	
		Assets RM Million	Liabilities RM Million	Assets RM Million	Liabilities RM Million
<u>Interest Rate Swap (IRS)</u> - 1 year to 3 years	220.1	2.4	-	-	4.6
	220.1	2.4	-	-	4.6
<u>Cross Currency Interest Rate Swaps (CCIRS)</u> - more than 3 years	310.5	149.3	-	145.4	-
	310.5	149.3	-	145.4	-
Total	530.6	151.7	-	145.4	4.6

(b) Financial Risk Management Objectives and Policies

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

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

The details on the above, the valuation and the financial effects of derivative financial instruments that the Group has entered into are discussed in notes 4, 20 and 47 to 50 to the Group's audited financial statements for the financial year ended 31 December 2021.

(c) Related Accounting Policies

The related accounting policies of the Group in respect of derivative financial instruments and hedge accounting are disclosed in note 2 to the Group's audited financial statements for the financial year ended 31 December 2021.

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The amount of gains/(losses) arising from fair value changes of derivative financial instruments for the current and cumulative quarters ended 30 June 2022 are as follows:

Derivatives (by maturity)	Contract or notional value RM Million	Fair value RM Million	Gains/(Losses) arising from fair value changes for the quarter RM Million	Gains/(Losses) arising from fair value changes for the period RM Million
Financial Assets				
<u>Interest Rate Swap (IRS)*</u>				
- 1 year to 3 years	220.1	2.4	0.9	7.0
<u>Cross Currency Interest Rate Swaps (CCIRS)*</u>				
- more than 3 years	310.5	149.3	17.2	3.9
Total	530.6	151.7	18.1	10.9

* Cash flow hedges accounted for under hedge accounting.

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

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

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

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Additional disclosures of items not disclosed elsewhere in this announcement, which have been included in the Consolidated Income Statement for the 2nd quarter and financial period ended 30 June 2022:

	2nd Quarter Ended		Financial Period Ended	
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	RM Million	RM Million	RM Million	RM Million
Inventory (charges)/reversal for write off and obsolescence	(1.2)	1.7	(1.6)	0.9
Loss on disposal of fixed income securities	(0.2)	#	(0.1)	(0.4)
Gain/(Loss) on foreign exchange on settlements and placements	47.7	(35.9)	58.1	(3.4)

Amount less than RM0.1 million

10. Material Litigation

The following is the update on the Group's existing material litigation as disclosed in note 51 to the Group's audited financial statements for the year ended 31 December 2021, subsequent to the financial year end:

(a) In the Matter of Arbitration between Vodoke Pte Ltd (VPL) and Telekom Malaysia Berhad (TM)

The Award on liability has been approved by SIAC on 6 July 2022 and is released to the parties on 7 July 2022, as follows:

- (i) VPL's Claims are dismissed;
- (ii) TM's counterclaims that VPL was liable for inducing or procuring a breach of the agreement between Vodoke Nusantara Pte Ltd and TM and/or VPL was liable to TM for the debts owed by Vodoke Nusantara Pte Ltd to TM, are dismissed; and
- (iii) TM's counterclaim that VPL was liable for actionable misrepresentation is allowed. It is ordered that there be an assessment of TM's loss and damage so suffered.

As for item (iii) above, the parties are still waiting for further direction from the Arbitrator on the commencement of the second stage of the Arbitral Proceedings, namely, the assessment of damages as ordered in the said Award.

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10. Material Litigation (continued)

(b) In the Matter of Arbitration between MYTV Broadcasting Sdn Bhd (MYTV) and Telekom Malaysia Berhad (TM)

On 25 February 2022, TM announced to Bursa Securities that on 24 February 2022, TM received a Notice of Arbitration (Notice) from MYTV, referring the dispute with TM in relation to a Service Agreement for the Provision of Digital Terrestrial Television (DTT) Broadcasting Infrastructure, Network Facilities and Related Services dated 14 November 2016 (Service Agreement), to arbitration at the Asian International Arbitration Centre, Kuala Lumpur, pursuant to the Kuala Lumpur Regional Centre for Arbitration Rules. The details of the Notice were announced concurrently.

On 25 March 2022, TM filed its Response to the Notice (Response) and its Counterclaim whereby TM denies all allegations and claims made by MYTV, including the reliefs sought by MYTV in the Notice.

The details of the Response and the Counterclaim are announced to Bursa Securities concurrently.

The Directors, based on legal advice, are of the view that TM has a good chance of success in dismissing the claim.

Save as disclosed above, neither TM nor its subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on TM's and/or its subsidiaries' financial position or business of TM Group and TM Board is not aware of any proceedings, pending or threatened against TM and/or its subsidiaries, or of any facts likely to give rise to any proceedings which may materially affect TM's and/or its subsidiaries' financial position or business of TM Group.

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11. Earnings per Share (EPS)

	2nd Quarter Ended		Financial Period Ended	
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
(a) Basic earnings per share				
Profit attributable to equity holders of the Company (RM million)	378.0	218.5	717.9	544.0
Weighted average number of ordinary shares (million)	3,773.7	3,773.7	3,773.7	3,773.7
Basic earnings per share (sen) attributable to equity holders of the Company	10.0	5.8	19.0	14.4

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

	2nd Quarter Ended		Financial Period Ended	
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
(b) Diluted earnings per share				
Profit attributable to equity holders of the Company (RM million)	378.0	218.5	717.9	544.0
Weighted average number of ordinary shares (million)	3,773.7	3,773.7	3,773.7	3,773.7
Adjustment for dilutive effect of Long Term Incentive Plan (million)	31.4	34.9	31.4	35.1
Weighted average number of ordinary shares (million)	3,805.1	3,808.6	3,805.1	3,808.8
Diluted earnings per share (sen) attributable to equity holders of the Company	9.9	5.7	18.9	14.3

Diluted earnings per share for the current quarter and financial period ended were calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of issued and paid-up ordinary shares adjusted for potential conversion of all dilutive ordinary shares from shares granted to employees under the Group's Long Term Incentive Plan (LTIP), as disclosed in note 14 to the Group's audited financial statements for financial year ended 31 December 2021.

TELEKOM MALAYSIA BERHAD

Reg. No.: 198401016183 (128740-P)

(Incorporated in Malaysia)

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

12. Qualification of Preceding Audited Financial Statements

The audited financial statements for the financial year ended 31 December 2021 were not subject to any qualification.

13. Dividends

The Board of Directors has declared an interim single-tier dividend of 9.0 sen per share for the financial year ending 31 December 2022 (2021: an interim single-tier cash dividend of 7.0 sen per share).

The Board of Directors has also determined that the Dividend Reinvestment Scheme (DRS), as disclosed in note 13(b) of the Group's audited financial statements for financial year ended 31 December 2021, will apply to the interim dividend in which an electable portion of 9.0 sen per ordinary share can be elected to be reinvested into new ordinary shares of Telekom Malaysia Berhad (New TM Shares).

The DRS is subject to Bursa Malaysia Securities Berhad's (Bursa Securities) approval for the listing and quotation of the New TM Shares to be issued pursuant to the DRS in respect of the interim dividend, on the Main Market of Bursa Securities.

Pursuant to Section 8.26 of the Main Market Listing Requirement of Bursa Securities, the interim dividend will be paid no later than three (3) months from the date of declaration.

The Book Closure Date will be announced by the Group at a later date.

By Order of the Board

Hamizah Abidin (LS0007096) (Practising Certificate No. 201908001071)

Company Secretary

Kuala Lumpur
24 August 2022