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## **TM Records Stronger 2Q 2023 Financial Performance; Sustaining the Group's Growth Momentum**

### **2Q 2023 Key Highlights (vs 2Q 2022)**

- **Operating Revenue** rose 0.3% to RM3.10 billion, with TM Global contributing the highest revenue growth
- **PATAMI** rose 50.4% from RM378.0 million to RM568.7 million
- **CAPEX** investment for 1H 2023 stood at 15.6% of revenue or RM942.8 million, predominantly for network infrastructure expansion
- **Interim Dividend** of 9.5 sen per share declared, equivalent to RM363.1 million pay-out

**KUALA LUMPUR, 25 August 2023** – Telekom Malaysia Berhad (“TM” or “the Group”) recorded a stronger financial performance in the second quarter of the year that ended 30 June 2023, compared to the same period in the previous year.

Its operating revenue grew 0.3% to RM3.10 billion, propelled by Unifi’s expansion which saw a substantial increase to 3.11 million fixed broadband subscribers. The growth was also due to TM Global’s solid 10.0% revenue growth driven by higher demand for domestic and international data services.

Profit After Tax and Non-Controlling Interest (PATAMI) rose 50.4% from RM378.0 million to RM568.7 million due to lower net finance cost and the recognition of tax credits from unutilised tax losses.

TM’s Capital Expenditure (CAPEX) allocation for the first half of 2023 stood at RM942.8 million, which accounts for 15.6% of the overall revenue for the expansion of network infrastructure to enhance nationwide coverage.

Meanwhile, Earnings Before Interest and Tax (EBIT) was lower by 10.3% at RM630.0 million from RM702.7 million, due to higher preventive maintenance costs to better serve our customers and higher depreciation from revision of asset useful life.

TM declared a higher Interim Dividend of 9.5 sen per share. This is a testament of the Group’s positive financial performance and its ongoing commitment to shareholder value.

Commenting on these results, Amar Huzaimi Md Deris, TM’s Group Chief Executive Officer said, “We are pleased with this quarter’s performance, which is marked by overall positive results across our Lines of Business (“LOBs”). These achievements further strengthen TM’s growth momentum in facing a more competitive market.”

“In the coming months, TM expects to face a more challenging marketplace but remains confident in our overall positive financial performance. The Group remains steadfast to continue strengthening its core business to be commercially sustainable whilst also continuing to contribute to the nation’s growth.

“TM is excited by the huge potential of fixed, mobile and lifestyle convergence in the digital market, as well as digital infrastructure and solutions for MSME, enterprise and government sectors, whilst pursuing to capture opportunities from International partners including hyperscalers.

“We also remain committed to continuously invest in expanding our network to enable the nation’s progress towards a Digital Malaysia. TM will continue to collaborate closely with the Government to serve as the nation’s trusted partner to grow Malaysia’s overall connectivity and digital ecosystem, including 5G,” Amar concluded.

## 2023 Market Guidance

<b>Revenue Growth</b>	Flat
<b>EBIT</b>	RM1.8 bil - RM2.0 bil
<b>CAPEX/Revenue</b>	18% - 20%

## LINES OF BUSINESS PERFORMANCE

### Unifi drives growth with enhanced services and market leadership

Unifi’s revenue increased 0.5% to RM1.41 billion, driven by growth in fixed broadband subscribers reaching 3.11 million from consumer and Micro Small & Medium Enterprises (“MSME”) segments.

Reinforcing its market leadership in fibre broadband services, Unifi unveiled its Ultra Gigabit Broadband Plans with 1Gbps and 2Gbps packages designed to empower digital households and expedite the growth of MSMEs.

Unifi also strengthened its position by introducing innovative Uni5G postpaid and prepaid all-in-one 4G and 5G mobile plans, enhancing its fixed-mobile convergence value proposition.

Unifi’s lifestyle services arm, Unifi TV, continued its pursuit of enriching user experiences by integrating popular streaming apps such as Netflix into its diverse portfolio. This move bolsters Unifi TV’s value proposition and adds to the variety of content available to users.

The availability of a comprehensive convergence proposition encompassing gigabit fixed broadband, innovative 5G mobile packages and lifestyle services is the only offering of its kind in the industry. This is delivered over the best fibre network, superior 4G network coverage and expanding 5G nationwide footprint that offers elevated connectivity experiences at home and on-the-go.

As a market leader, Unifi Business launched its Digital Marketing Solution (“DMS”) to encourage the MSME segment develop stronger brand presence and online visibility. As the latest addition to its line-up of connectivity and business solutions, DMS complements and augments Unifi Business’ existing offerings and will propel digital adoption among businesses.

Earning further accolades, Unifi Business received the “Best Business Fixed Broadband Service Provider” award from PC.com during the period under review.

## **TM One Drives Innovation with Smart Solutions and Private 5G Advancements**

TM One experience a decline in revenue by 11.4% to RM732.0 million in 2Q 2023 as a result of price reductions in connectivity services and lower one-off revenue from customer projects.

To mitigate this, TM One is driving the rapid development of smart innovative solutions for verticals such as smart cities, healthcare, agriculture and industries. As a trusted digital partner for large enterprises and government, TM One is also leading Private 5G propositions and solutions across diverse industries spanning across oil & gas, transportation hubs and manufacturing to drive the country's advancement.

As the largest local cloud provider, TM Cloud Alpha remains the preferred local sovereign hyper-scaled cloud for data residency and locality in Malaysia.

It has also reinforced its role in shaping Malaysia's modern urban landscapes by being the strategic partner for smart city low-carbon initiatives with local councils. Along with its growing local and global partnerships, it has been appointed to implement and support various digital transformation programmes for its customers.

In recognition of its industry excellence across a suite of end-to-end next generation business solutions, TM One received the accolade for "Best Enterprise Telco" from PC.com.

## **TM Global on track to make Malaysia the preferred digital hub for ASEAN**

TM Global recorded a 10.0% solid revenue growth from RM739.9 million to RM813.6 million, contributed by higher demand for both domestic and international data services.

TM Global remains steadfast in solidifying its stature as Malaysia's preferred network infrastructure provider, catalysing digital industry and 4G/5G ecosystem while simultaneously positioning the country to become a digital hub for ASEAN.

TM Global continues to deploy its 4G/5G fibre backhaul rollout and drive greater demand for High Speed Broadband Access (HSBA) ports, reinforcing its commitment to support the Government's aspirations for digital inclusivity in the country.

Beyond borders, TM Global has reinforced its position by enriching the platform play services via strategic collaborations with partners on A2P SMS Gateway in Philippines and Content Delivery Network (CDN) Last Mile Delivery in Thailand.

Additionally, TM Global continued to cater to mega bandwidth requirements with dynamic and customised solutions for hyper-scalers as well as global service providers, cementing its significance on the international stage.

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