



NEWS RELEASE
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TM Delivers Strong Performance Amidst Challenging Market Conditions in 3Q 2023

3Q 2023 Key Highlights (vs 3Q 2022)

- **Operating Revenue** declined 2.6% to RM3.08 billion, due to market challenges
- **PATAMI** grew 102.9% from RM265.2 million to RM538.2 million
- **CAPEX** investment stood at 15.1% of revenue or RM1.38 billion, mainly for network infrastructure expansion

KUALA LUMPUR, 23 November 2023 – Telekom Malaysia Berhad (“TM” or “the Group”) demonstrates resilience in the face of challenging market dynamics, delivering stronger financial performance in the third quarter ended 30 September 2023 (3Q 2023), compared to the corresponding period last year. This steadfast momentum solidifies TM’s position in the local and global telecommunications landscape.

The Group’s Profit After Tax and Non-Controlling Interest (PATAMI) experienced a surge of 102.9% from RM265.2 million to RM538.2 million, against a revenue of RM3.08 billion primarily attributed to a lower tax impact and reduced net finance costs.

The strong performance of two of TM’s lines of business, Unifi and TM Global played a pivotal role in this growth. Unifi’s fixed broadband subscription increased 4.6% reaching 3.12 million, while TM Global’s revenue increased due to heightened demand for both domestic and international data services.

The Group’s year-to-date (YTD) Capital Expenditure (CAPEX) investment stood at RM1.38 billion or 15.1% of the overall revenue. This strategic allocation of resources is directed towards the nationwide network infrastructure expansion and enhancement of its regional submarine cable system.

Reflecting on the 3Q 2023 performance, Amar Huzaimi Md Deris, TM’s Group Chief Executive Officer said, “I am pleased to announce the significant strides we have made amidst intensified competition. Our commitment to advancing quad-play convergence services, coupled with the introduction of attractive and competitive packages, enabled us to retain and expand our customer base, solidifying our portfolio as the true convergence champion.

“Our relentless pursuit of improving mobile coverage nationwide aligns with our dedication to inclusivity, bridging the digital divide, and fostering widespread digital adoption. By ensuring our services are accessible to all, we contribute to creating a more connected and inclusive society.

“Simultaneously, our aggressive expansion of data and network infrastructure is strategically positioned to meet the growing demands of our domestic market and attract more international players. This is a crucial step towards positioning Malaysia as a digital hub for the region, contributing significantly to the creation of a globally connected digital economy.

“TM supports the recently launched New Industrial Master Plan (NIMP) 2030 and we are well positioned to unlock technological opportunities whilst driving innovation for the nation and key economic sectors. As we continue our journey towards humanising technologies, our commitment extends beyond services to the development and refinement of smart innovative solutions. It is not just about technological advancement and improving business outcomes but also about enhancing lives, bringing positive impact to the environment and society.

“In summary, these initiatives underscore our goals to foster digitalisation and emerging technologies. Our comprehensive approach reflects TM’s position as a trailblazer in the ever-evolving landscape, with a clear focus on driving positive change and shaping the future of digital connectivity”, added Amar.

LINES OF BUSINESS PERFORMANCE

Unifi Drives Innovation and Maintains Growth Trajectory

Unifi recorded 0.7% revenue growth reaching RM1.41 billion, propelled by effective convergence campaigns and robust customer retention activities.

As leader of converged offerings, Unifi continues to elevate connectivity at home and on-the-go through the country’s best fibre network, superior 4G coverage and an expanding 5G nationwide footprint. Driven by vibrant content offerings, improved mobile coverage and competitive new packages, Unifi caters to diverse consumer lifestyles and digital experiences for Malaysians. Unifi received the Open Signal 5G Global Awards 2023, recognising it as one of the fastest 5G telcos in the world.

Unifi Business serves close to 400,000 MSMEs nationwide and further strengthened its position as a preferred digital partner. Its diverse digital solutions help MSMEs build stronger brand presence and online visibility, enhanced by ultra-speed broadband internet and 5G mobile to empower their business.

Looking ahead, Unifi is solidifying its true convergence leadership and powering the MSME digital ecosystem, driving continuous innovation for the nation’s connectivity needs.

TM One Navigates Challenges, Continues to Drive Smart Innovation

Despite intense competition, TM One remains a resilient and trusted partner for enterprises and the public sector. Recently, TM One forged a successful collaboration with the Selangor government to launch the Selangor Government Data Exchange (SelGDX) portal, positioning Selangor as the first state in Malaysia to develop a data-sharing platform across its 48 agencies and departments. The portal facilitates secure, fast, and accurate data sharing and processing with enhanced efficiency while fostering transparency and good governance.

In August, CyberSecurity Malaysia recognised TM One for its role in safeguarding the Critical National Information Infrastructure through its Security Operations Centre and Network Operations Centre. The award reinforces TM One's commitment to protecting data and devices across all network environments, contributing significantly to national security and opens the door to new cybersecurity solution opportunities.

Moving forward, TM One maintains its focus on managed converged next-gen connectivity, smart services, cloud and cybersecurity while remaining steadfast in providing fit-for-purpose solutions to enable industry digital transformation and economic growth. TM One is well positioned to support the recently launched NIMP 2030, dedicated to enabling innovative solutions for the nation and key sectors, spurring new opportunities and driving continuous innovation.

TM Global Strengthens Malaysia position as the Preferred Digital Hub for ASEAN

TM Global reported a 5.0% revenue increase to RM808.6 million from RM769.9 million, driven by encouraging demand for both domestic and international data services.

TM Global actively contributed to Malaysia's digital transformation through continuous deployment of 5G infrastructure, HSBB access and edge facilities nationwide. These facilities set the foundation for industry players to offer new innovative 5G solutions and industry specific use cases. Despite market challenges, TM Global mitigated the risk through strong collaborations with industry players in promoting wholesale broadband solutions to drive internet inclusivity for the nation.

TM Global signed a Memorandum of Understanding with SK Telecom for the joint development of Multi-Access Edge Computing and participated in the Asia Link Cable System to enhance submarine cable capacity from Malaysia to Asia, amplifying inbound traffic, laying a solid foundation for the future of Malaysia's digital landscape.

Looking ahead, TM Global remains focused on advancing 5G and broadband infrastructure, whilst expanding its submarine cable system and building regional scale in Content Delivery Network. It will further expand its edge and data centre capabilities, positioning Malaysia as the preferred digital hub for ASEAN.

2023 Market Guidance

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

The Group is on track to achieve its 2023 market guidance, reinforcing its commitment to powering a digital future.

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