

FY 2020 PERFORMANCE GUIDE

26th FEBRUARY 2021

TIME[™]

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FY 2020 HIGHLIGHTS

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RESILIENCE AND STRENGTH IN AN UNPRECEDENTED YEAR

RESILIENCE

Sustained Growth In
All Core Customer
Segments

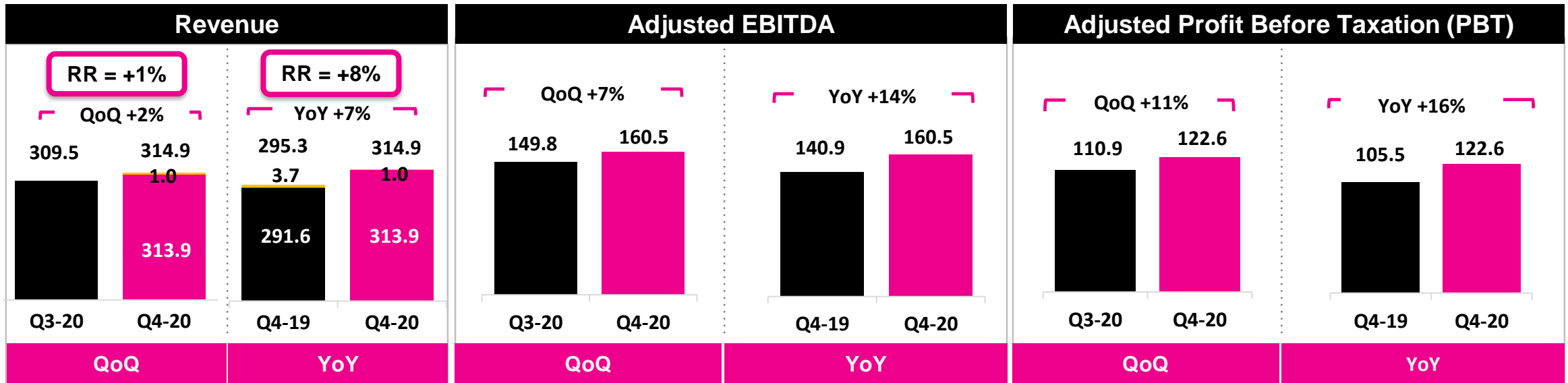
HEALTHY FUNDAMENTALS

Strong
Profitability

SHAREHOLDER RETURN

Interim dividend of
12.5 sen per share
and special interim
dividend of 20.6
sen per share

TIME Q4 2020: Financial Highlights



■ One-off non-recurring contracts

QoQ

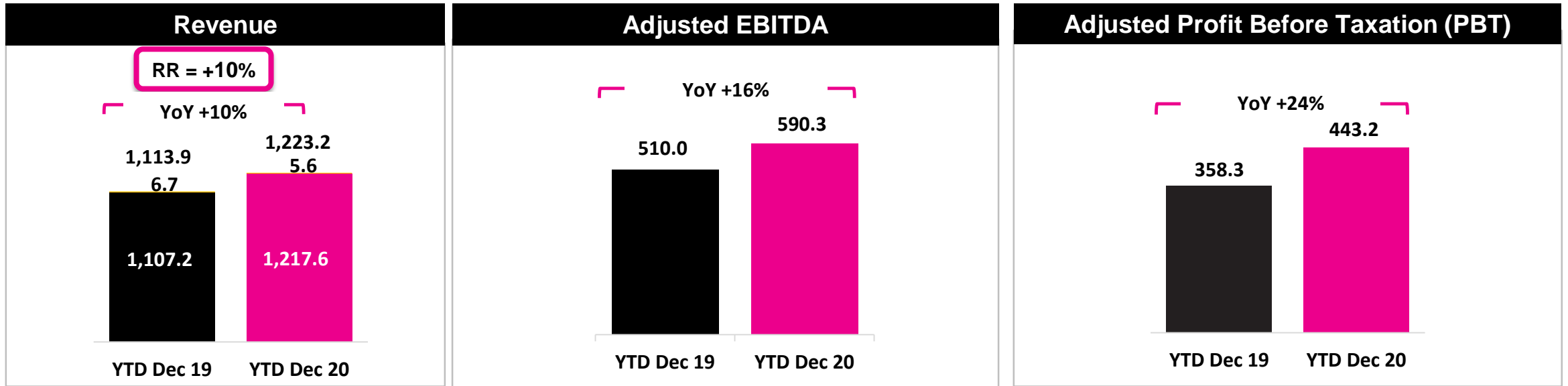
- 2% higher revenue driven by higher data and data centre sales
- 11% higher Adjusted PBT mainly from higher revenue growth, lower net provision for doubtful debt, higher interest income, and higher share of profit from investments in associates and offset by higher advertising & promotion as well as finance expenses

YoY

- 7% higher overall revenue with strong recurring revenue across all customer groups with the largest growth seen coming from retail customers
- 16% higher Adjusted PBT from higher overall revenue, lower operating cost (staff related cost, A&P) and higher share of profit from investments in associates, offset by higher depreciation, finance expenses, lower interest income and higher allowance for adjusted doubtful debts

TIME FY 2020 : Financial Highlights

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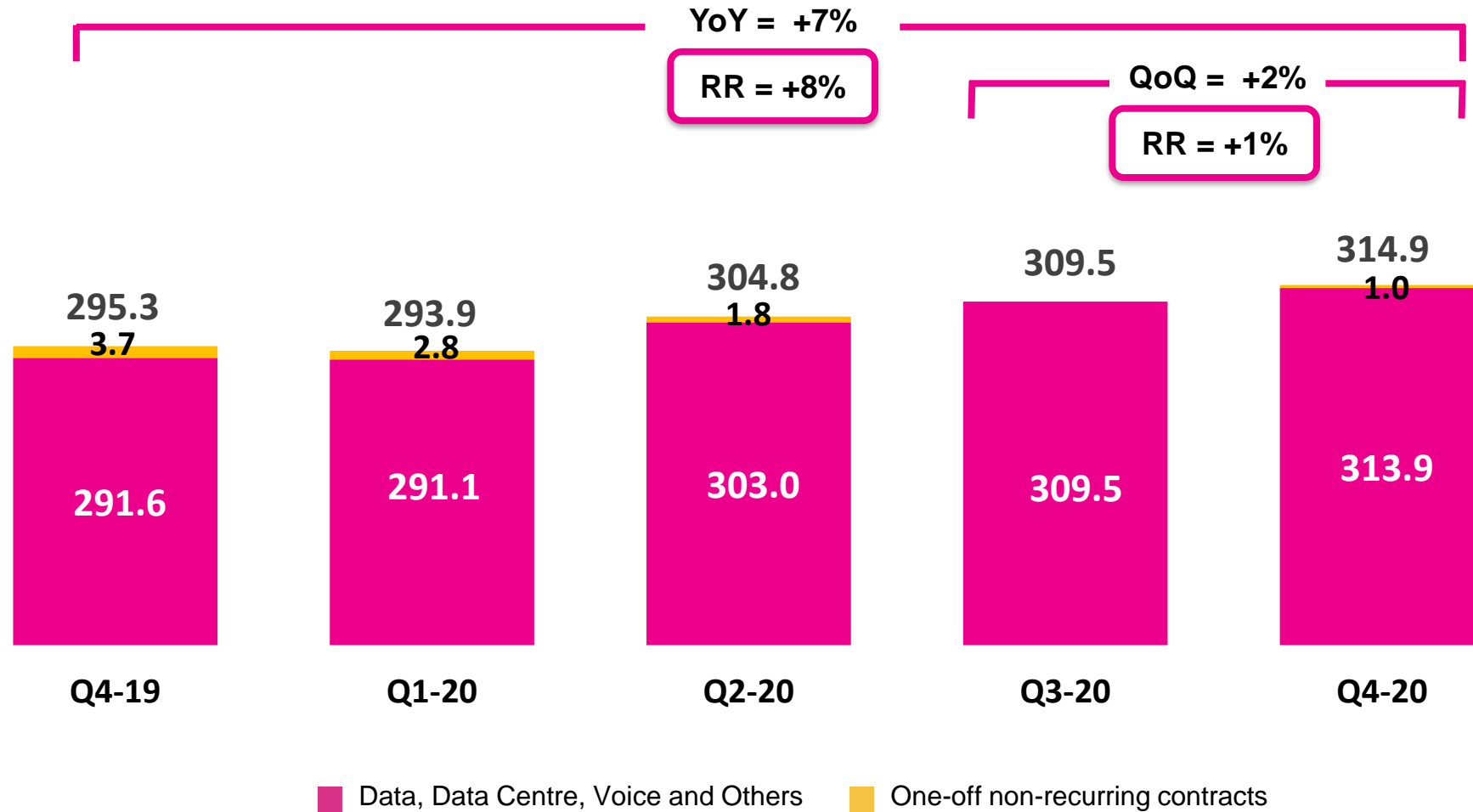


■ One-off non-recurring contracts

YTD

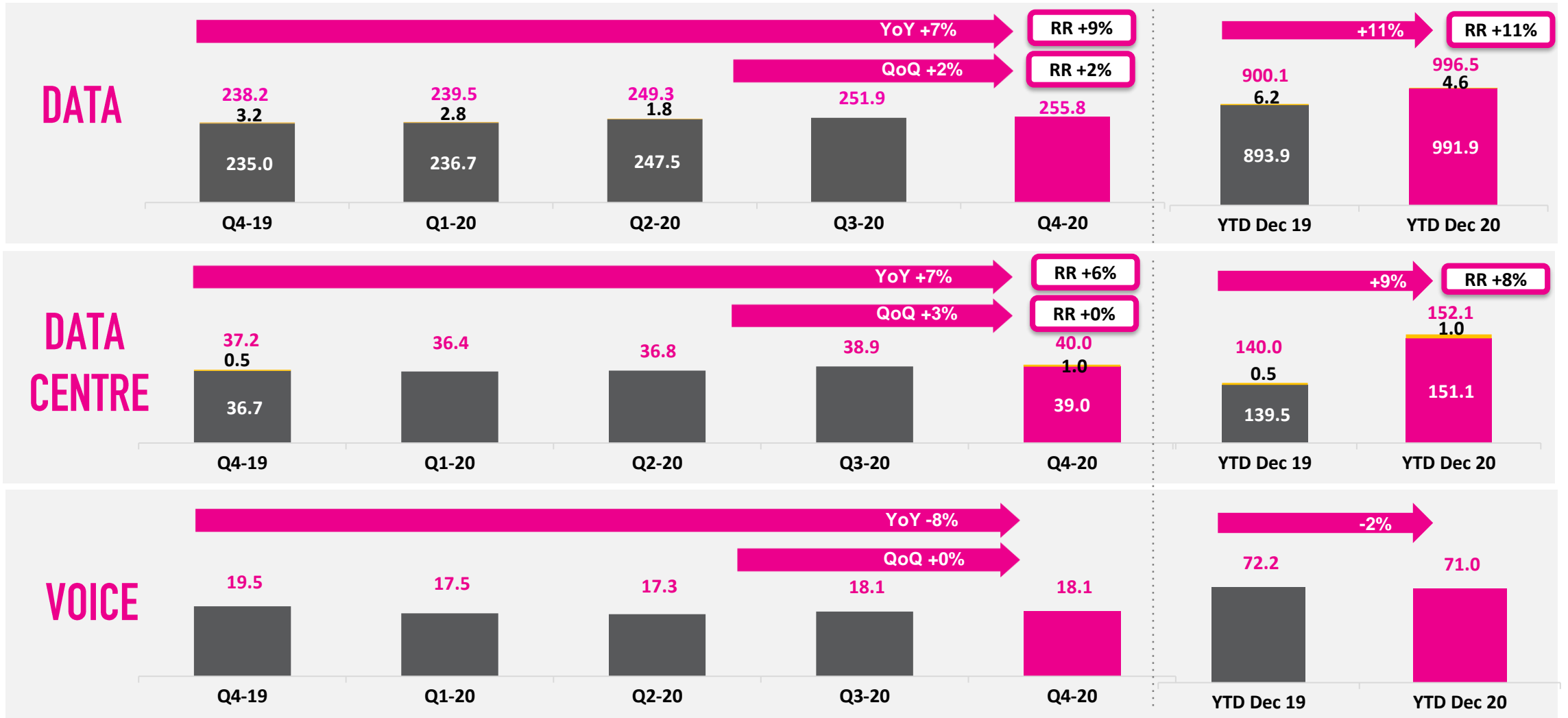
- Overall revenue expanded by 10% mainly from data and data centre sales, and across all our customer segments
- Adjusted PBT grew by 24% on the back of higher revenue growth (despite lower one-off non-recurring contracts revenue), higher share of profit from investment in associates, lower finance expenses and off set by higher depreciation charges and amortisation of property, plant and equipment, lower interest income and higher allowance for doubtful debts

Revenue Growth: Recurring By Quarter



RR: Recurring revenues

Revenue Growth: By Product



Note: Numbers are in RM millions

RR : Recurring Revenues

Legend : Recurring Non-recurring

Revenue Growth: By Segment

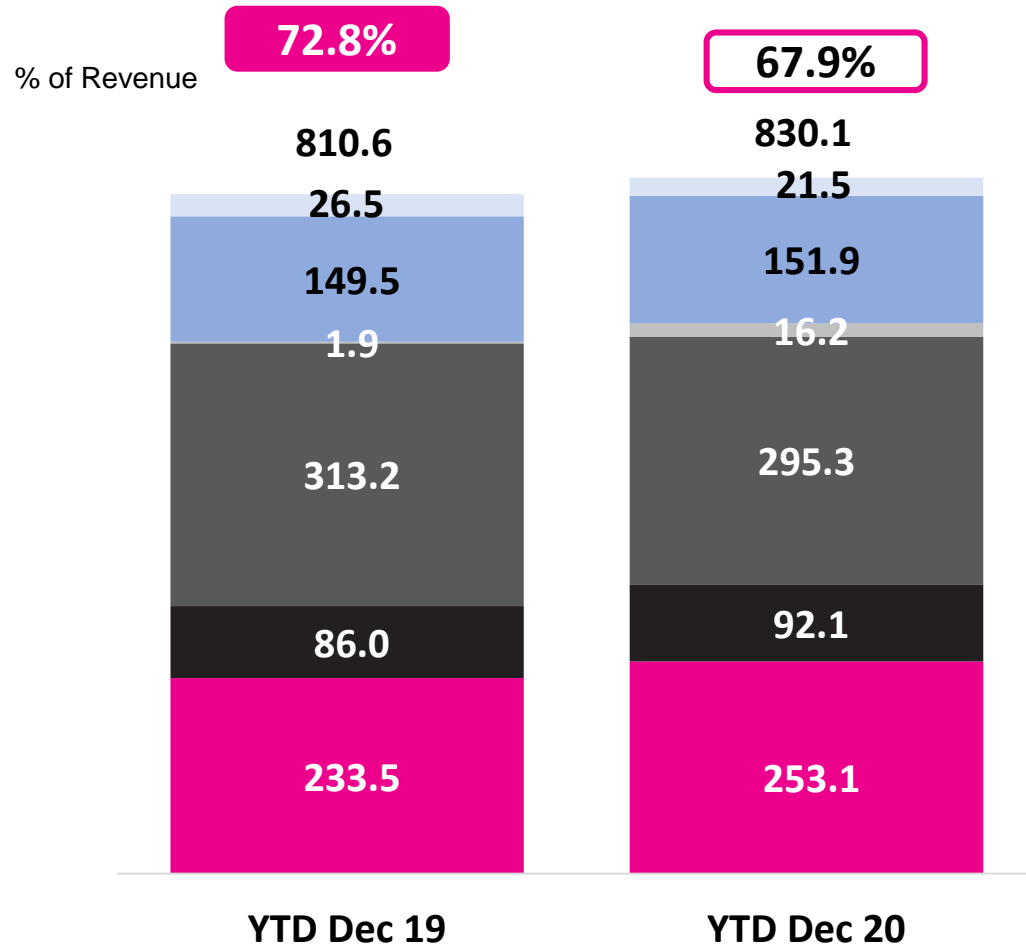


Note: Numbers are in RM millions

RR : Recurring Revenues

Legend : Recurring Non-recurring

Expenses: By Category



- Excluding impact of foreign exchange loss in YTD Dec 2020, adjusted Cost to Revenue % would have been 66.5%, compared to 72.6% for YTD Dec 2019, mainly due to lower finance expense as well as lower spending due to MCO (i.e travel, advertising & promotion)

- Finance expense
- OPEX excluding foreign exchange
- Depreciation & amortisation
- Customer acquisition and related costs
- Net foreign exchange loss
- Network and other related cost of sales

Note: Numbers are in RM millions

Summary Income Statement

RM' million	Q4-19	Q3-20	Q4-20	QoQ %	YoY%	YTD Dec 19	YTD Dec 20	YoY%
Revenue	295.3	309.5	314.9	+2%	+7%	1,113.9	1,223.2	+10%
EBITDA	115.3	129.2	146.7	+13%	+27%	479.8	567.1	+18%
Adjusted EBITDA	140.9	149.8	160.5	+7%	+14%	510.0	590.3	+16%
Profit Before Taxation (PBT)	79.9	90.3	109.3	+21%	+37%	328.1	423.1	+29%
Adjusted PBT	105.5	110.9	122.6	+11%	+16%	358.3	443.2	+24%
Profit After Tax (PAT)	75.4	65.9	93.2	+41%	+24%	314.0	326.9	+4%
Adjusted PAT	101.0	86.5	106.5	+23%	+5%	344.2	347.0	+1%

Note: 1) Refer to next page for EBITDA/PBT adjustments.

2) Adjusted PBT for Q42020 grew by 16% YoY and YTD Dec 2020 grew by 24%, while adjusted PAT grew by 5%, and 1% for Q4 2020 and YTD Dec 2020 respectively, mainly due to higher income tax expense as a result of higher deferred tax expense. The higher deferred tax expense arises as the Group has now recognised most of its previously unrecognised deferred tax assets (e.g. unrecognised tax losses and unrecognised capital allowances). The availability of such unrecognised deferred tax assets in prior periods allowed the Group to recognise deferred tax income in the past.

EBITDA & PBT Adjustments

RM' million	Q4 19	Q3 20	Q4 20	QoQ %	YoY%	YTD Dec 19	YTD Dec 20	YoY%
EBITDA	115.3	129.2	146.7	+13%	+27%	479.8	567.1	+18%
Profit Before Taxation (PBT)	79.9	90.3	109.3	+21%	+37%	328.1	423.1	+29%
Adjustments on EBITDA								
<i>Allowance for doubtful debts for advances to associate</i>	6.5	-	-			6.5	-	
<i>Donation for fight against COVID-19</i>	-	-	1.0			-	2.7	
<i>Gain on disposal of PPE</i>	(0.1)	-	-			(0.1)	-	
<i>Construction deposit & PPE written off</i>	1.6	-	2.4			5.8	4.3	
<i>Provision for financial guarantee</i>	16.1	-	-			16.1	-	
<i>Forex loss</i>	1.5	20.6	10.4			1.9	16.2	
Total adjustments on EBITDA	25.6	20.6	13.8			30.2	23.2	
Adjustment on PBT								
<i>Dividend income</i>	-	-	(0.5)			-	(3.1)	
Total adjustment on PBT	-	-	(0.5)			-	(3.1)	
Adjusted EBITDA	140.9	149.8	160.5	+7%	+14%	510.0	590.3	+16%
Adjusted PBT	105.5	110.9	122.6	+11%	+16%	358.3	443.2	+24%

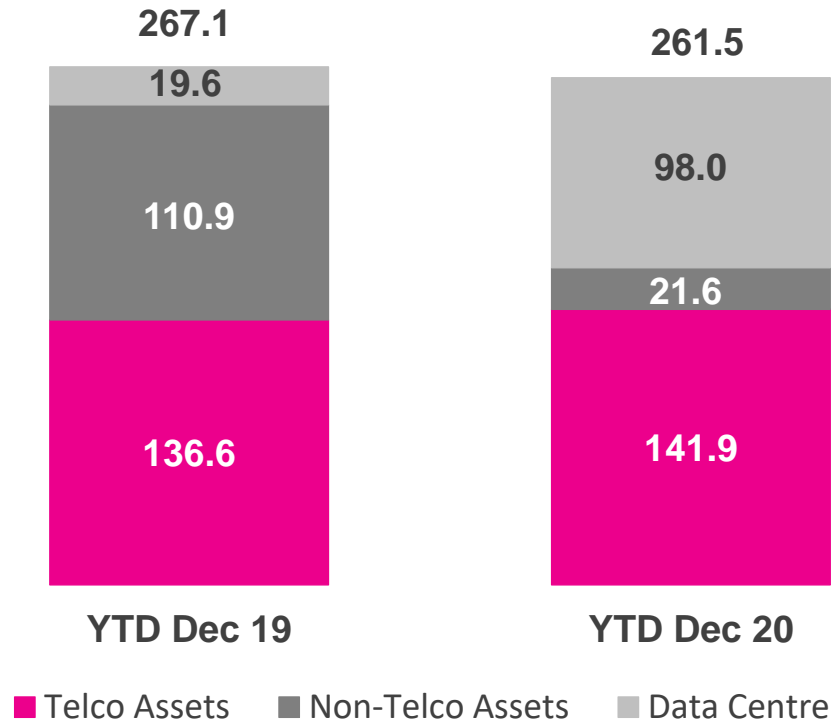
Summary of Margins & EPS

Margins	Q4-19	Q3-20	Q4-20	QoQ %	YoY%
EBITDA %	39%	42%	47%	+5 pps	+8 pps
Adjusted EBITDA %	48%	48%	51%	+3 pps	+3 pps
Profit Before Taxation %	27%	29%	35%	+6 pps	+8 pps
Adjusted PBT %	36%	36%	39%	+3 pps	+3 pps
Profit After Taxation %	26%	21%	30%	+9 pps	+4 pps
Adjusted PAT %	34%	28%	34%	+6 pps	0 pps
EPS	12.88 sen	10.92 sen	15.61 sen	+4.69 sen	+2.73 sen
Adjusted EPS	17.26 sen	14.33 sen	17.81 sen	+3.48 sen	+0.55 sen

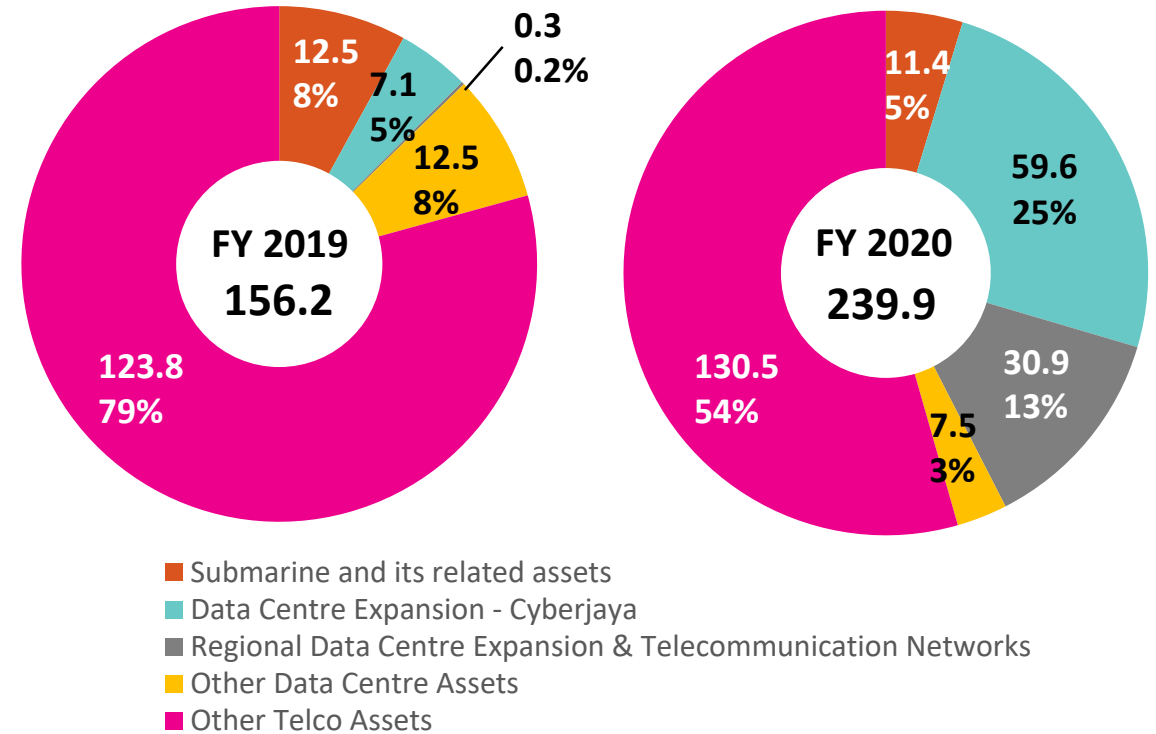
YTD Dec 19	YTD Dec 20	YoY%
43%	46%	+3 pps
46%	48%	+2 pps
29%	35%	+6 pps
32%	36%	+4 pps
28%	27%	-1 pps
31%	28%	-3 pps
53.73 sen	54.82 sen	+1.09 sen
58.90 sen	58.18 sen	-0.72 sen

Note: 1) Adjusted PBT for YTD Dec 2020 grew YoY while adjusted EPS declined, mainly due to higher income tax expense as a result of higher deferred tax expense. The higher deferred tax expense arises as the Group has now recognised most of its previously unrecognised deferred tax assets (e.g. unrecognised tax losses and unrecognised capital allowances). The availability of such unrecognised deferred tax assets in prior periods allowed the Group to recognise deferred tax income in the past.

Capital Expenditure



Breakdown of Telco Assets and Data Centre Assets



- 54% of capital expenditure was spent on telco assets to expand domestic network coverage and upgrade TIME's existing network infrastructure
- 38% was spent on Data Centre assets, namely AIMS @ Cyberjaya and data centre in Thailand
- Non telco asset additions include IT-related investments and land for cable landing station

Note: Numbers are in RM'million

CASH FLOW		
RM' million	YTD Dec 19	YTD Dec 20
Net cash inflow from Operating Activities	610.2	641.2
Net cash used in Investing Activities	(301.7)	(264.1)
Net cash inflow from operating and investing activities	308.5	377.1
Net cash used in Financing Activities	(188.3)	(131.4)
Net increase in cash balance	120.2	245.7
Exchange effects on cash balance	(2.7)	(3.8)
Cash balance at beginning of period	389.4	506.9
Cash balance at end of period	506.9	748.8
Acquisition of capex	(318.4)	(282.6)
Free Cash Flow (Operating CF - Capex)	291.8	358.6

Note : Included in financing activities are RM170.0 million of dividend paid out in Q1 2020 and RM120.0 million in Q1 2019.

Balance Sheet And Ratios

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BALANCE SHEET		
RM' million	As at 31 Dec 19	As at 31 Dec 20
ASSETS		
Non-current assets	2,617.4	2,698.2
Current assets (exclude cash)	396.3	453.6
Cash	507.0	748.8
Total assets	3,520.7	3,900.6
EQUITY AND LIABILITIES		
Share capital	1,200.1	1,340.5
Reserves	1,566.7	1,704.4
Total equity attributable to owners of the Company	2,766.8	3,044.9
Non-controlling interest	-	5.4
Total equity	2,766.8	3,050.3
Non-current liabilities	357.4	463.8
Current liabilities	396.5	386.5
Total liabilities	753.9	850.3
Total equity and liabilities	3,520.7	3,900.6
EBITDA	479.8	567.1
Total Debt	113.4	46.8
Net Cash Position	393.6	702.0
Debt / EBITDA (times)	0.2x	0.1x
Debt / Equity (times)	0.0x	0.0x
Current ratio (times)	2.3x	3.1x

		VIETNAM	THAILAND	
YTD Dec 2020		45.27%	49.00%	46.84%
As reported by investee	Revenue	283.1	14.3	176.5
	Profit/(Loss) After Tax & Other comprehensive Income	25.2^{N1}	(3.8)	14.2^{N2}
TIME's shares in proportion to its interest	Share of Profit on Investment of Associates	11.4	-^{N3}	6.6
Total Share of Profit on Investment of Associates		18.0		

Note : 1) Includes prior year end audit adjustments which reduced PAT by RM1.3mil

2) Includes prior year end audit adjustments which increased PAT and OCI by RM1.7mil

3) The Group no longer shares losses from KIRZ since Q2 2018 when the investment value was fully impaired

OUTLOOK

TIME™

1

Persistent macroeconomic challenges in the near term

- Expected continuance of uncertainties and challenges stemming from the pandemic
- Remain vigilant of developments and impact to customer groups and overall ecosystem
- Close observation of inherent challenges within the industry

2

Maintain resilience with strong fundamentals whilst positioning ourselves in growth areas

- Focus on strong balance sheet to navigate the changing landscape
- Strengthen product offerings to cater to changing customer needs and increased segment demands
- Seize opportunities that may arise from increased digitalisation

3

Unwavering commitment to our strategic priorities

- Ensure network availability and stability
- Minimise risk of disruption to operations by ensuring the health and safety of our employees
- Expand domestic footprint in support of the Government's connectivity aspirations
- Ensure continued delivery of high quality solutions and services to customers
- Establish ourselves as a key data centre player in the region with upcoming data centre assets
- Tap into the increasing demand for cross border connectivity across the region

THANK YOU

Should you have any queries, please contact::

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