

Q1 2023 PERFORMANCE GUIDE

18 May 2023

time™

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Steady Start with Sustained Growth Momentum

Sustained Growth

- Double-digit YoY growth driven by data and data centre revenue, across the Retail and Wholesale segments

Solid Fundamentals

- Solid fundamentals as the Group gears up for investments in core businesses

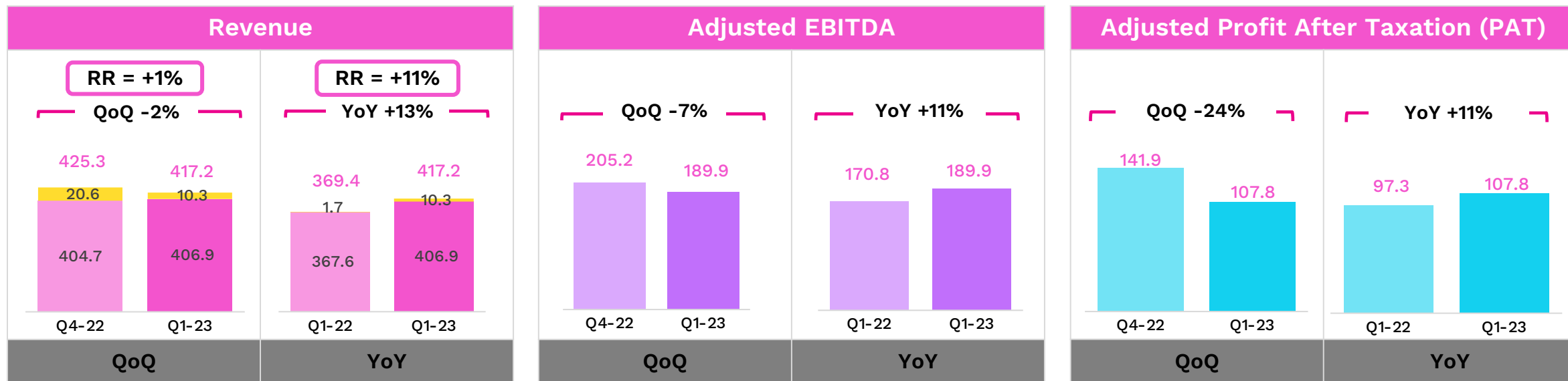
- On 20 April 2023, Time announced the completion of the transaction for the strategic partnership with DigitalBridge to boost the regional expansion of its AIMS data centre business
- The Board has declared a Special Dividend of 54.40 sen per ordinary share (totaling RM1 billion), from the proceeds received



Before we proceed, we wish to highlight the following:

- As at 31 March 2023, the announced divestment of stakes in AIMS Data Centre Holdings Sdn Bhd and AIMS Thailand were disclosed as discontinued operations separately from continuing operations in the financial statements of the Time Group. This is in accordance with MFRS 5 (Non-current Assets Held for Sale and Discontinued Operations). Subsequently, the transaction was completed on 20 April 2023.
- However, for purposes of comparability, this Performance Guide will show the financial performance of the Time Group on a fully consolidated basis.

GROUP PERFORMANCE HIGHLIGHTS



■ One-off non-recurring revenues

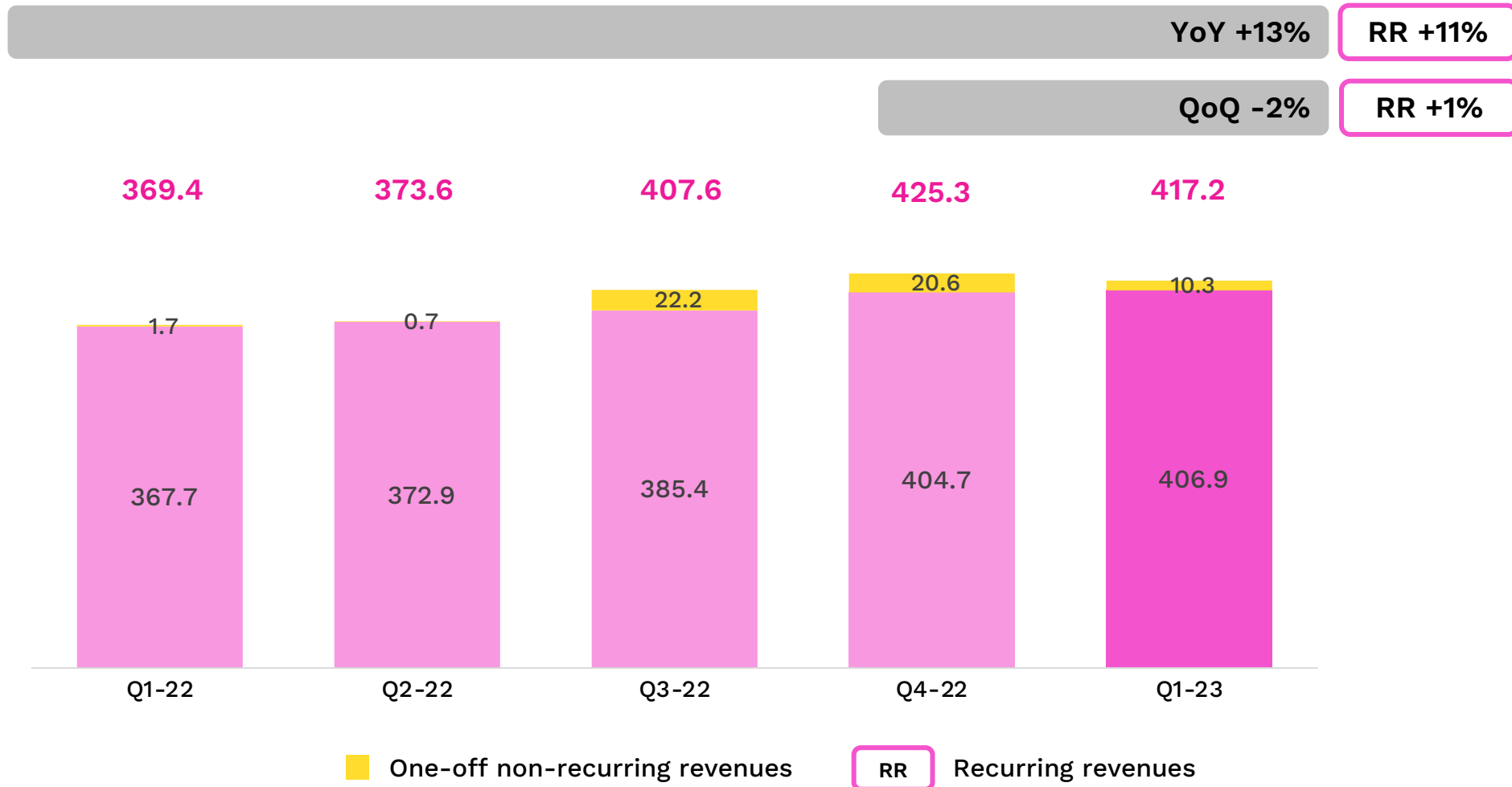
RR Recurring revenues

QoQ

- 1% increase in recurring revenue mainly attributable to increase in data revenue primarily driven by Retail customers
- Adjusted PAT is lower due to higher finance costs, offset by higher share of profit from associates, lower advertising and lower professional fee

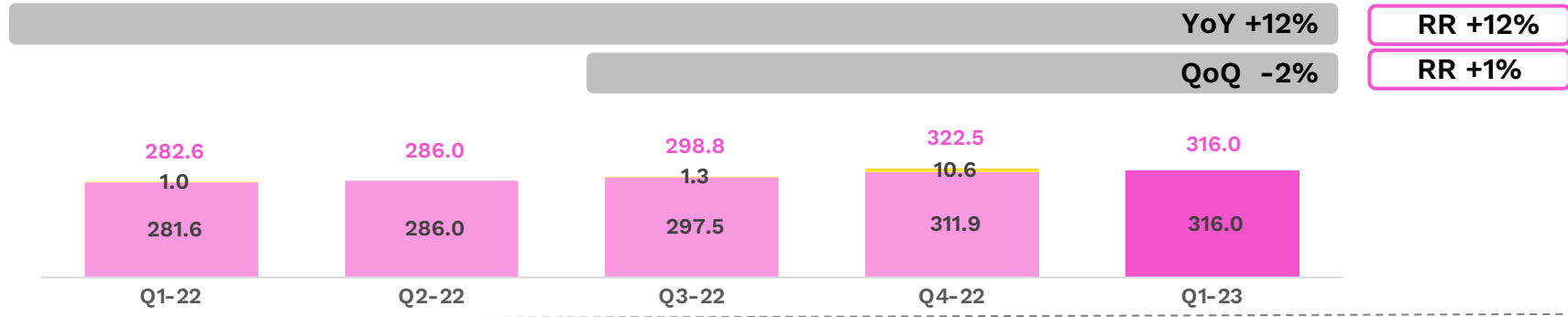
YoY

- 11% increase in recurring revenue due to higher recurring data and data centre revenue from Retail and Wholesale customers
- Adjusted PAT is higher from overall revenue and higher share of profit from associates, offset by higher staff costs, higher depreciation and amortisation charged for property, plant and equipment and right-of-use assets, and higher finance costs

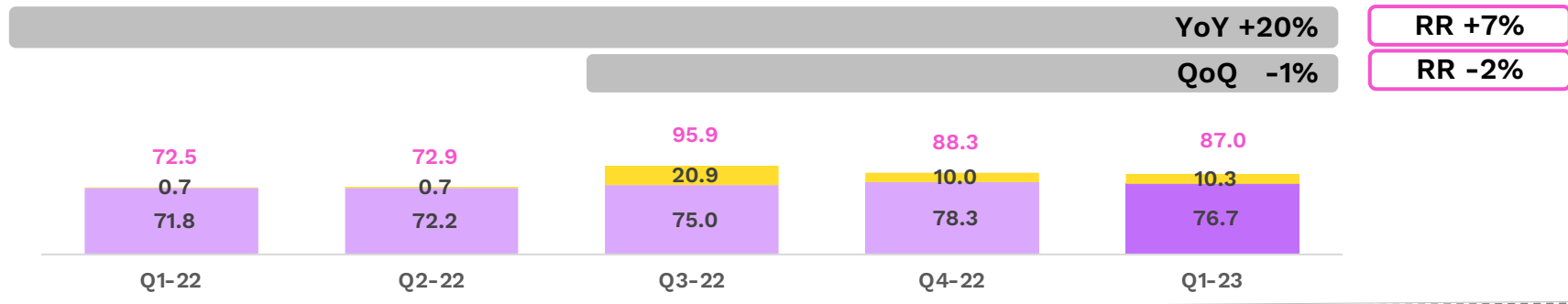


Note: Numbers are in RM' million

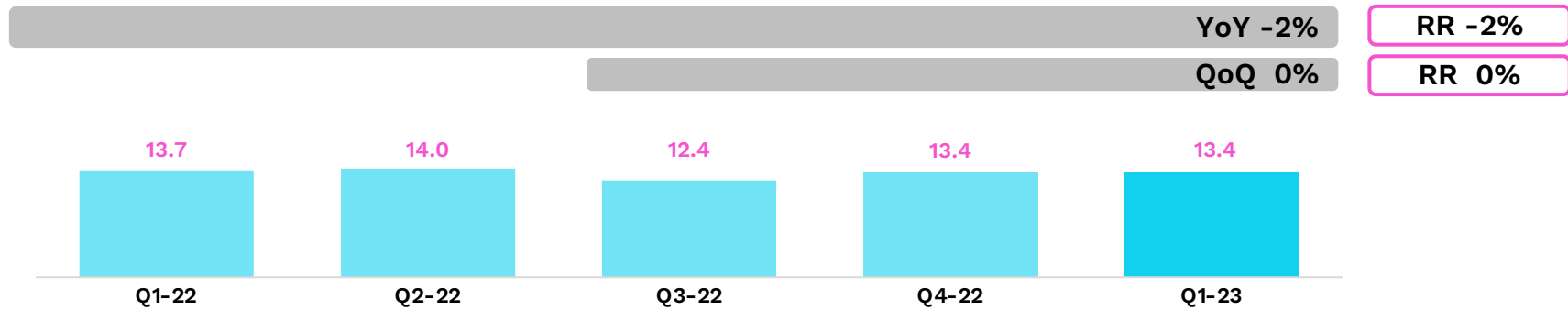
DATA



DATA CENTRE



VOICE

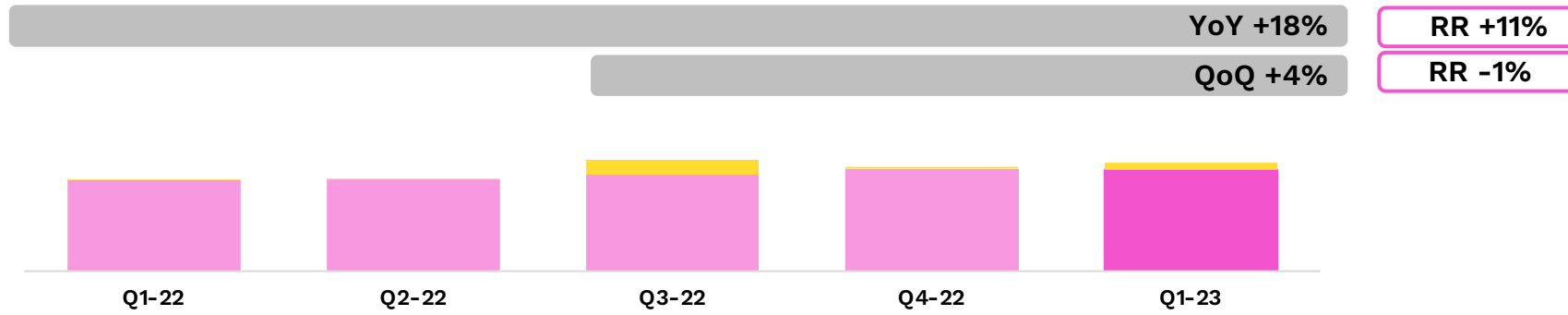


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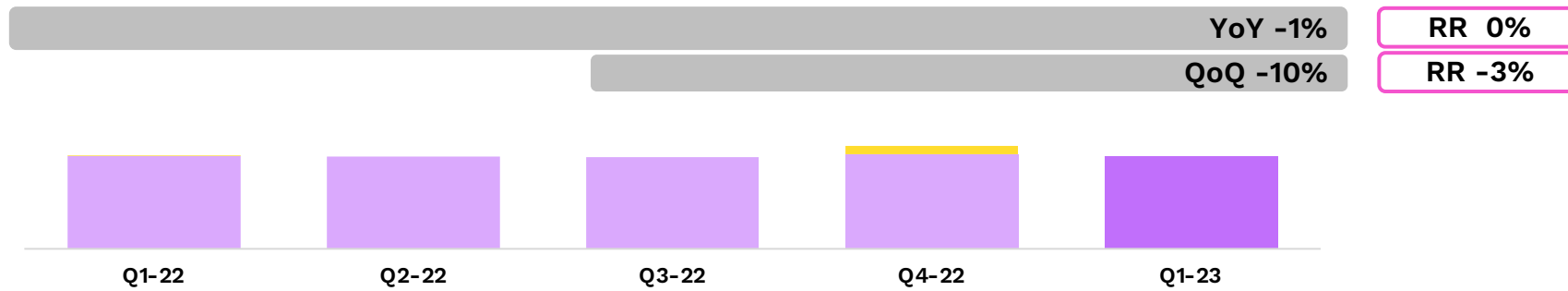
One-off non-recurring revenues

RR Recurring revenues

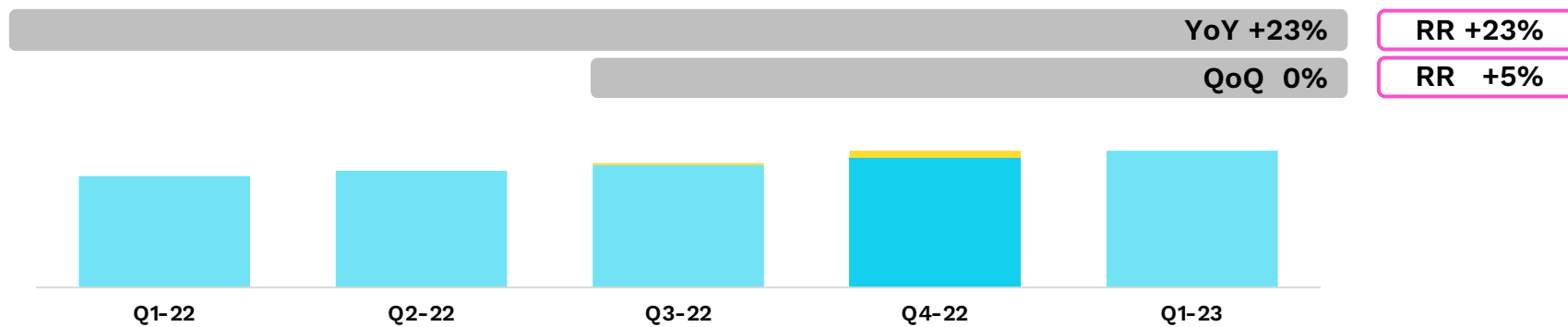
WHOLESALE



ENTERPRISE

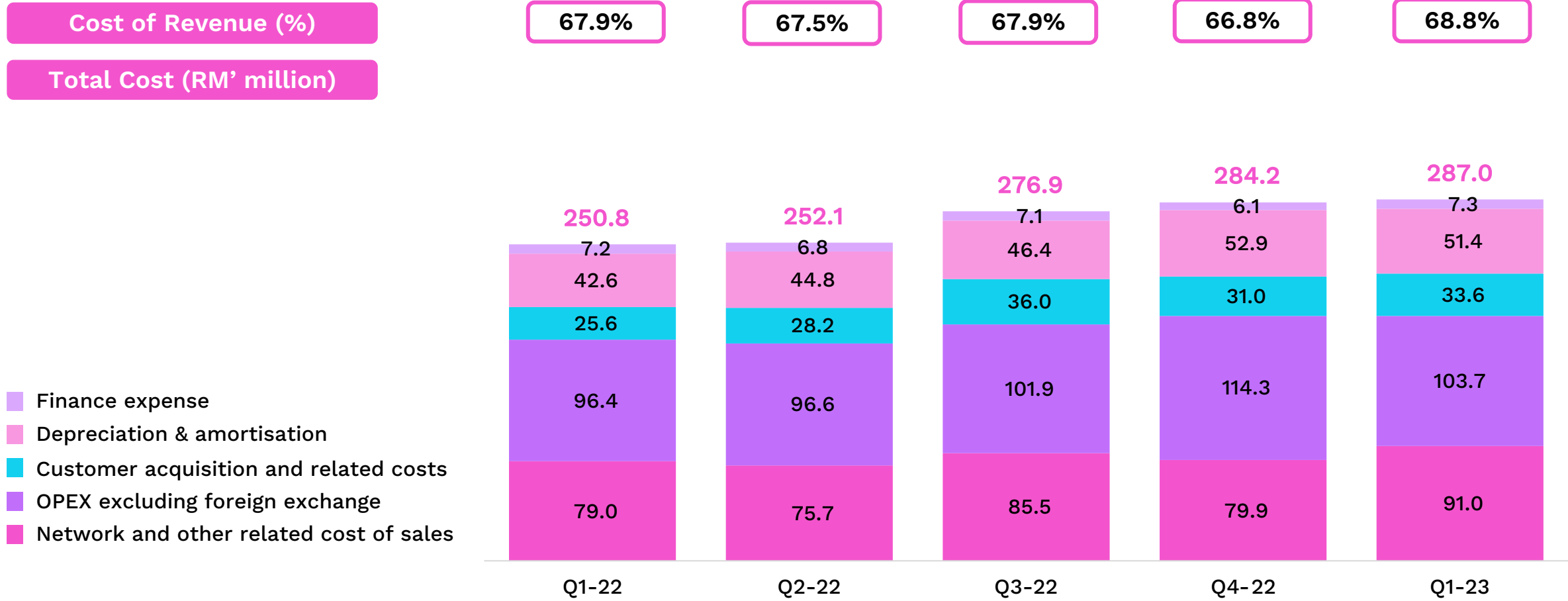


RETAIL



■ One-off non-recurring revenues

RR Recurring revenues



Notes:
 1) The total cost excludes net foreign exchange loss/(gain)
 2) Numbers are in RM' million

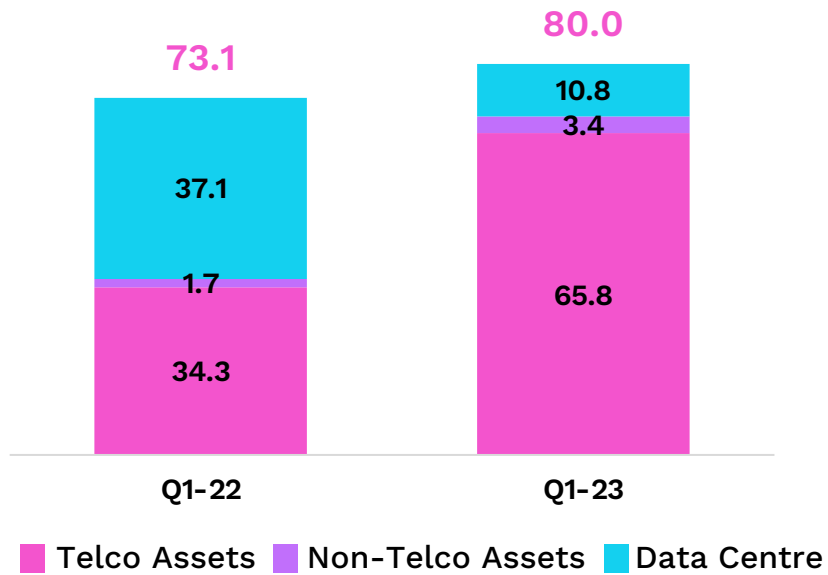
RM' million	Q1-22	Q4-22	Q1-23	QoQ%	YoY%
Revenue	369.4	425.3	417.2	-2%	+13%
EBITDA	164.8	187.6	196.5	+5%	+19%
Adjusted EBITDA	170.8	205.2	189.9	-7%	+11%
PBT	123.3	136.6	147.4	+8%	+20%
Adjusted PBT	129.3	154.2	140.8	-9%	+9%
PAT	91.3	124.3	114.4	-8%	+25%
Adjusted PAT	97.3	141.9	107.8	-24%	+11%

Note: Refer to next page for EBITDA, PBT and PAT adjustments

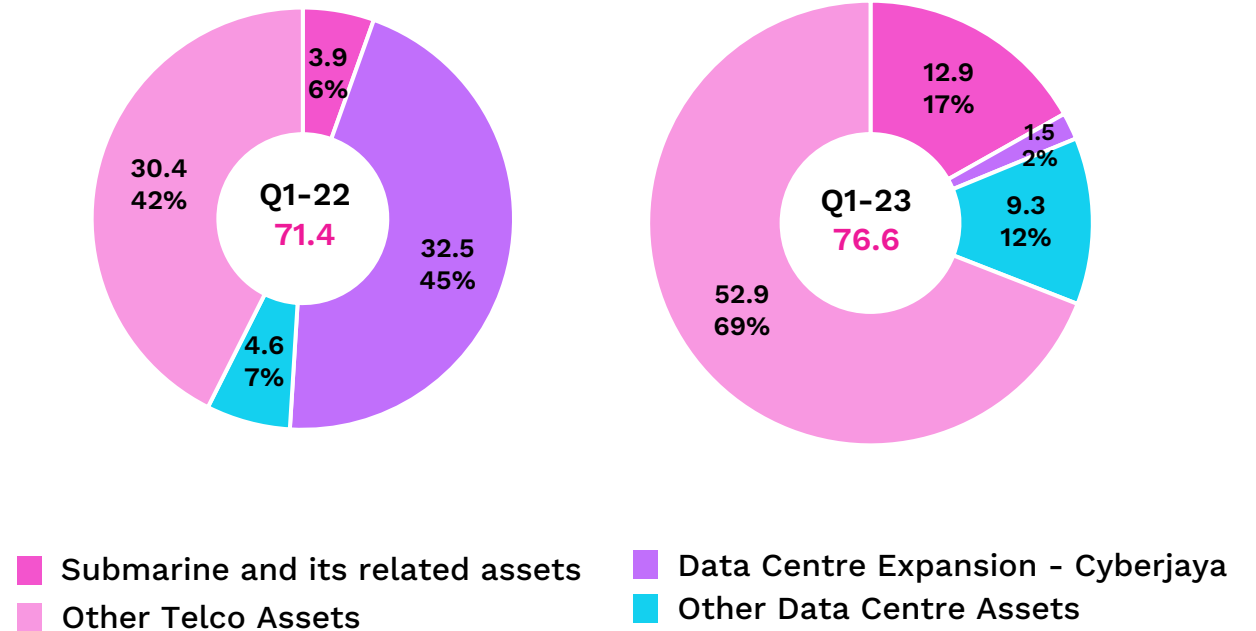
RM' million	Q1-22	Q4-22	Q1-23	QoQ %	YoY%
EBITDA	164.8	187.6	196.5	+5%	+19%
Profit Before Taxation (PBT)	123.3	136.6	147.4	+8%	+20%
Profit After Taxation (PAT)	91.3	124.3	114.4	-8%	+25%
Adjustments on EBITDA					
<i>Donation for flood relief</i>	1.0	-	-		
<i>Forex loss/(gain)</i>	3.9	13.6	(7.1)		
<i>Construction deposit and PPE written off</i>	1.1	1.6	-		
<i>AIMS Transaction Related Fees</i>		2.4	0.5		
Total adjustments on EBITDA	6.0	17.6	(6.6)		
Adjusted EBITDA	170.8	205.2	189.9	-7%	+11%
Adjusted PBT	129.3	154.2	140.8	-9%	+9%
Adjusted PAT	97.3	141.9	107.8	-24%	+11%

Margins	Q1-22	Q4-22	Q1-23	QoQ %	YoY %
EBITDA %	45%	44%	47%	+3 pps	+2 pps
Adjusted EBITDA %	46%	48%	46%	-2 pps	0 pps
Profit Before Taxation %	33%	32%	35%	+3 pps	+2 pps
Adjusted PBT %	35%	36%	34%	-2 pps	-1 pps
Profit After Taxation %	25%	29%	27%	-2 pps	+2 pps
Adjusted PAT %	26%	33%	26%	-7 pps	0 pps
EPS	4.97 sen	6.66 sen	6.23 sen	-0.43 sen	+1.26 sen
Adjusted EPS	5.29 sen	7.61 sen	5.87 sen	-1.74 sen	+0.58 sen

Capex Breakdown



Breakdown of Telco Assets and Data Centre Assets



- 86% of capital expenditure was spent on telco assets to expand domestic network coverage and upgrade Time’s existing network infrastructure including submarine cable related investments
- 14% was spent on data centre, namely on AIMS Cyberjaya and other data centre assets

Note: Numbers are in RM’ millions



RM' million	As at 31 Mar 22	As at 31 Mar 23
Net cash inflow from Operating Activities	133.9	137.6
Net cash used in Investing Activities	(63.3)	(90.6)
Net cash inflow from operating and investing activities	70.6	47.0
Net cash used in Financing Activities ^{N1}	(278.1)	(84.5)
Net increase/(decrease) in cash balance	(207.5)	(37.5)
Exchange effects on cash balance	(0.8)	0.6
Cash balance at beginning of period	796.1	525.0
Cash balance at end of period ^{N2}	587.8	488.1
Acquisition of capex	(65.8)	(92.6)
Free Cash Flow (Operating CF - Capex)	68.1	45.0

Notes:

1) Included in financing activities are dividends paid out in Q1 2022 (RM240.1 million) and Q1 2023 (RM270.1 million)

2) Included in cash balance are assets held for sale of RM12.0 million (as at 31 March 2022) and RM27.1 million (as at 31 March 2023)

RM' million	As at 31 Dec 22	As at 31 Mar 23
ASSETS		
Non-current assets	3,035.5	3,090.9
Current assets (exclude cash)	628.9	696.6
Cash	525.0	488.1
Total assets	4,189.4	4,275.6
EQUITY AND LIABILITIES		
Share capital	1,418.6	1,425.1
Reserves	1,683.2	1,533.7
Total equity attributable to owners of the Company	3,101.8	2,958.8
Non-controlling interest	25.9	25.9
Total equity	3,127.7	2,984.7
Non-current liabilities	613.5	544.8
Current liabilities	448.2	746.1
Total liabilities	1,061.7	1,290.9
Total equity and liabilities	4,189.4	4,275.6
RM' million	As at 31 Dec 22	As at 31 Mar 23
EBITDA ^{N1}	758.1	789.8
Total Debt	120.2	309.7
Net Cash Position	404.8	178.7
Debt / EBITDA (times)	0.2x	0.4x
Debt / Equity (times)	0.0x	0.1x
Current ratio (times)	2.6x	1.6x

		VIETNAM	THAILAND
			
As at 31 Mar 2023		45.27%	46.84%
As Reported by Investee	Revenue	108.2	61.8
	Profit/(Loss) After Tax and Other Comprehensive Income	5.7	9.4
Time's Shares in Proportion To Its Interest	Share of Profit on Investment of Associates	2.6	4.4
Total Share of Profit on Investment of Associates		7.0	

Note: Numbers are in RM' millions

TIME GROUP EXCLUDING AIMS

RM' million	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	QoQ	YoY
Revenue	346.5	351.4	360.7	396.2	368.4	-7%	+6%
EBITDA	144.3	173.2	171.9	162.7	168.4	+4%	+17%
Profit Before Tax (PBT)	112.6	138.4	138.7	127.5	132.2	+4%	+17%
Profit After Tax (PAT)	83.8	105.6	103.4	93.3	103.8	+11%	+24%
Adjustment							
<i>Forex loss/(gain)</i>	3.9	(26.6)	(19.1)	13.5	(6.9)		
Adjusted EBITDA	148.2	146.6	152.8	176.2	161.5	-8%	+9%
Adjusted PBT	116.5	111.8	119.6	141.0	125.3	-11%	+8%
Adjusted PAT	87.7	79.0	84.3	106.8	96.9	-9%	+10%

Note: Adjustment shown above are only limited to foreign exchange loss/(gain)

	RM' million
CASH	
Balance as at 31 Mar 23 (with asset held for sale)	488.1
Add: Proceeds from divestment of AIMS shareholding	2,029.3
Add: Proceeds from repayment of shareholder loan provided to AIMS	212.6
Less: Special interim dividend	(1,000.2)
Adjusted Balance (with asset held for sale)	1,729.8
Less: Cash under asset held for sale	(27.1)
Adjusted Balance (without asset held for sale)	1,702.7

	RM' million
DEBT	
Balance as at 31 Mar 23 (with asset held for sale)	309.7
Less: Debt under asset held for sale	(89.0)
Adjusted Balance (without asset held for sale)	220.6

OUTLOOK & PRIORITIES

Continued Focus on Execution

- Continue to strengthen network quality and expansion of footprint to meet demand
- Enhance operational excellence and innovate to improve customer experience
- Continued vigilance on external risks and its possible impact

Refining Strategic Direction

- Recently completed the strategic partnership with DigitalBridge and announced Special Dividend of 54.4 sen per share
- Ongoing refinement of Group business strategic direction post-completion
- Gearing up to reinvest proceeds into expanding the Group's core businesses

ANY QUESTIONS?

THANK YOU

Should you have any queries, please contact: investor.relations@time.com.my