

Q3 2023 PERFORMANCE GUIDE

22 November 2023

time™

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Solid revenue growth and profitability in Time's core business

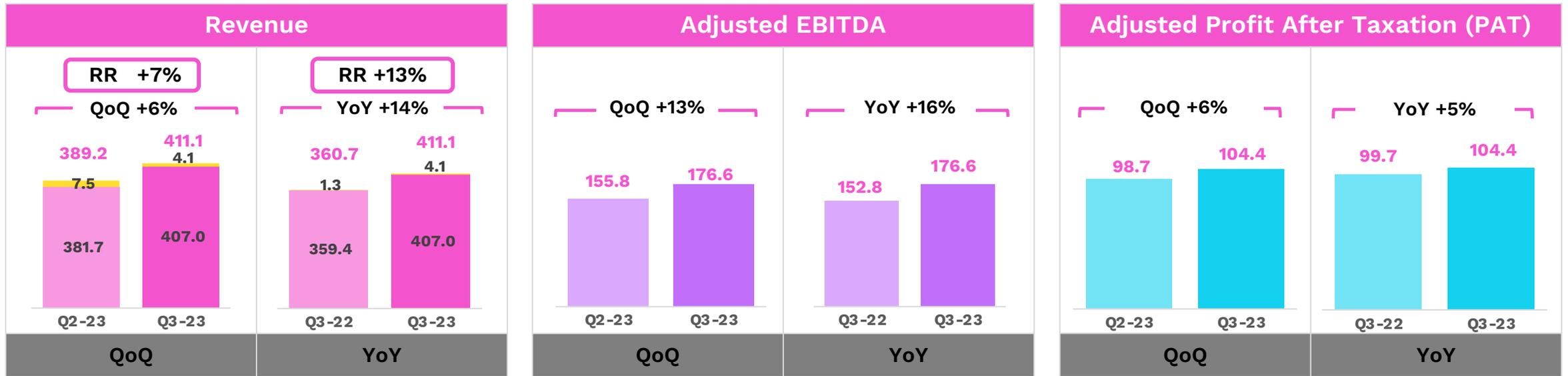
Sustained Growth

- Solid revenue growth across all segments, led by Retail
- Continued strong momentum in Data revenue

Strong Fundamentals

- Sustained profitability despite higher operating expenses
- Strong balance sheet inline with optimisation initiatives

GROUP PERFORMANCE HIGHLIGHTS



■ One-off non-recurring revenues

RR Recurring revenues

QoQ

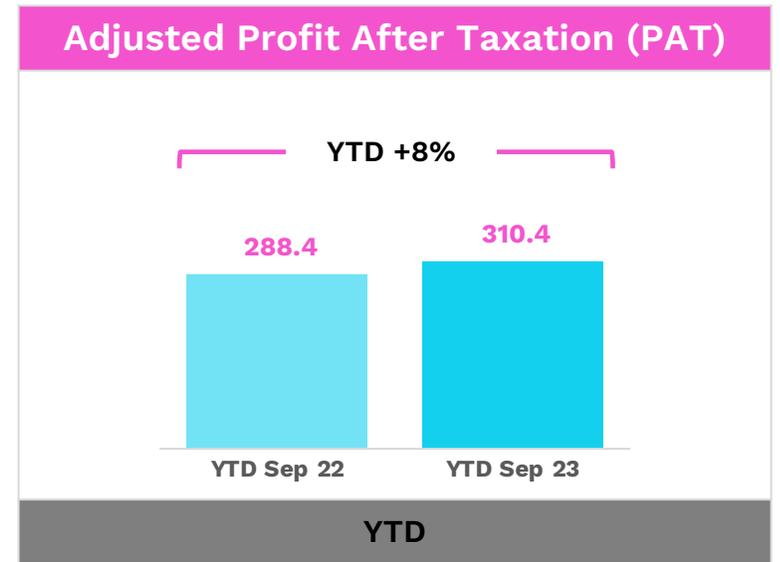
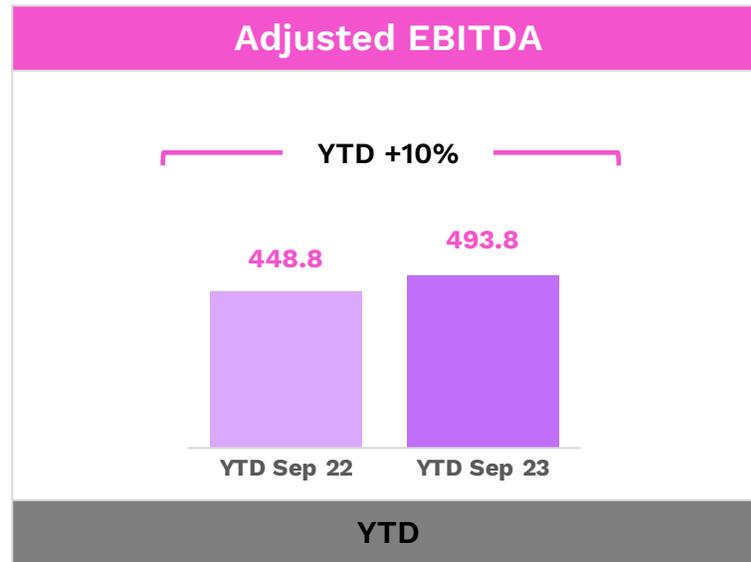
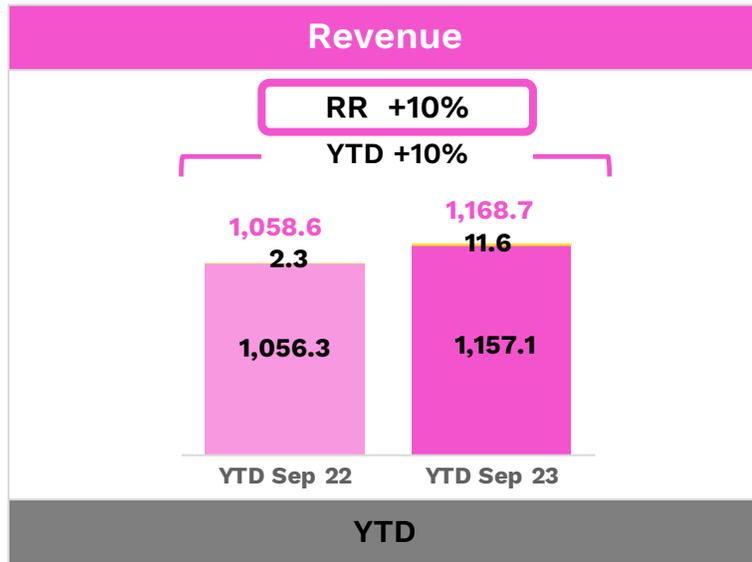
- +7% increase in recurring revenue with growth across all customer groups
- Adjusted PAT increased by 6% attributed to revenue growth, partly offset with higher depreciation, amortisation and tax

YoY

- +13% increase in recurring revenue with growth across all customer groups
- Adjusted PAT increased by 5% mainly due to revenue growth, partly offset with higher network and operating costs, depreciation, amortisation and taxes

Notes:

- 1) The figures for Q3 2022 have been restated for MFRS 5 for discontinued operations
- 2) Numbers are in RM million



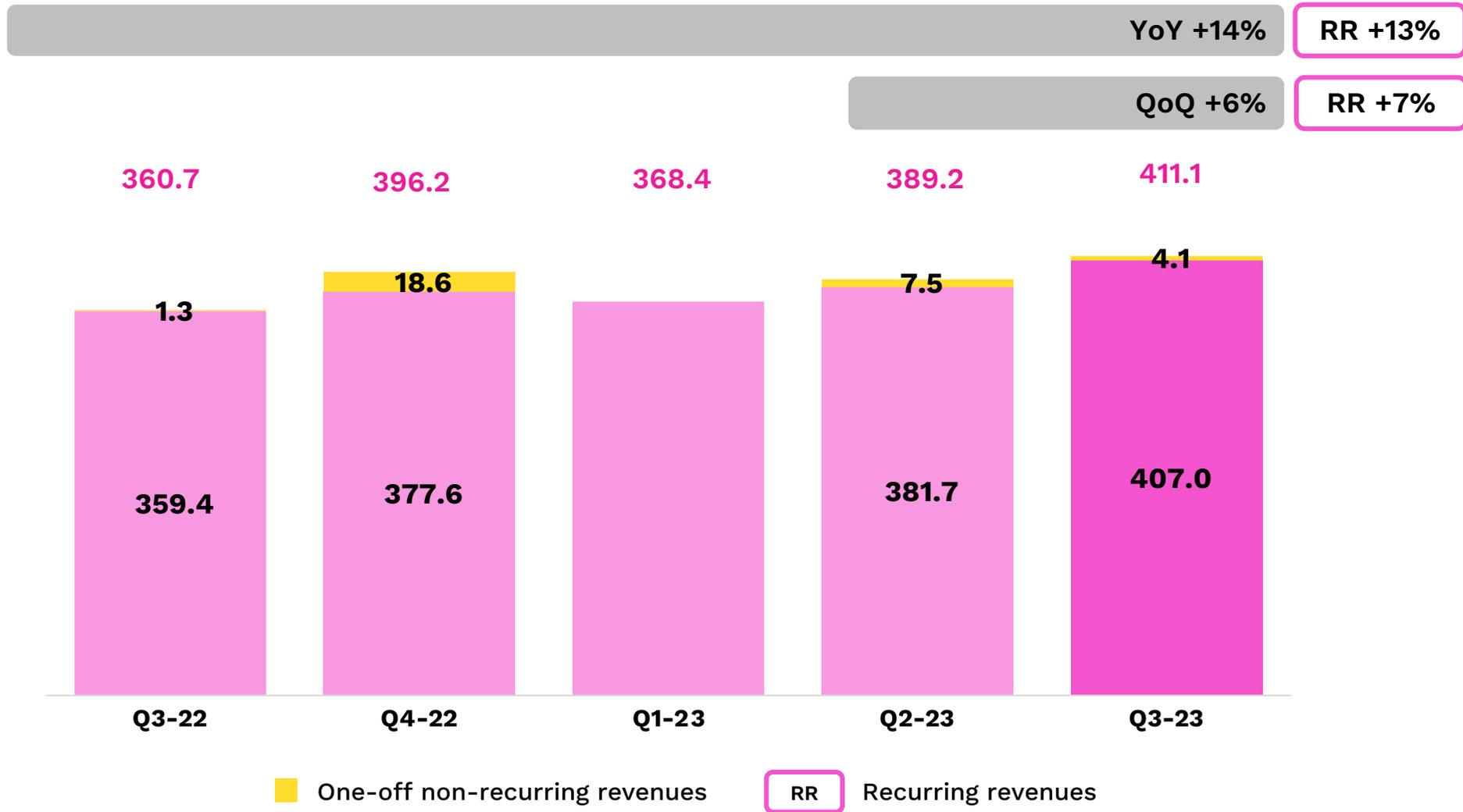
■ One-off non-recurring revenues RR Recurring revenues

YTD

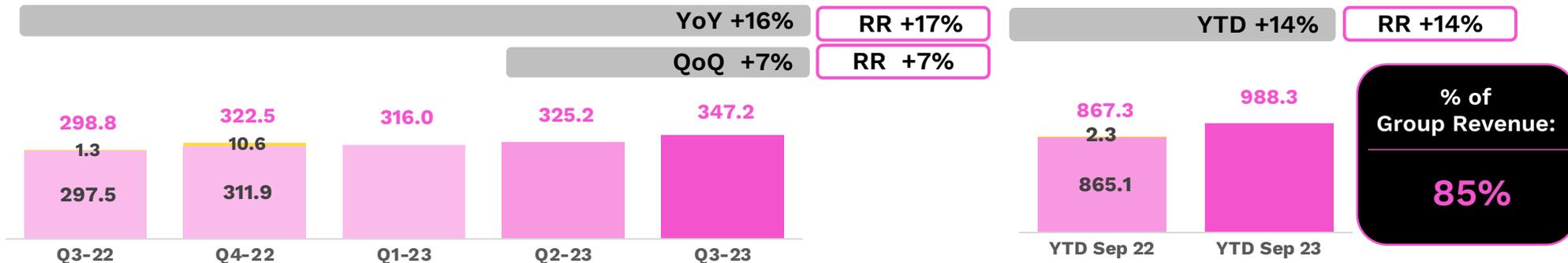
- +10% increase in recurring revenue was primarily driven by Retail, followed by Enterprise and Wholesale customers
- Adjusted PAT increased by 8% mainly due to growth of revenue, higher interest income, and share of profit from associates and joint ventures, partly offset with higher network and operating cost, depreciation and amortisation

Notes:

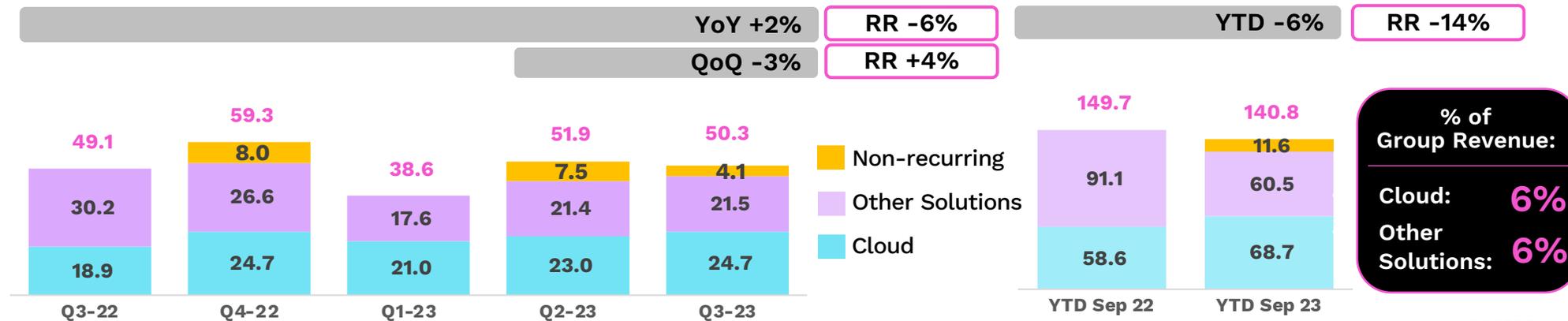
- 1) The YTD Sep 2022 figures have been restated for MFRS 5 for discontinued operations
- 2) Numbers are in RM million



DATA



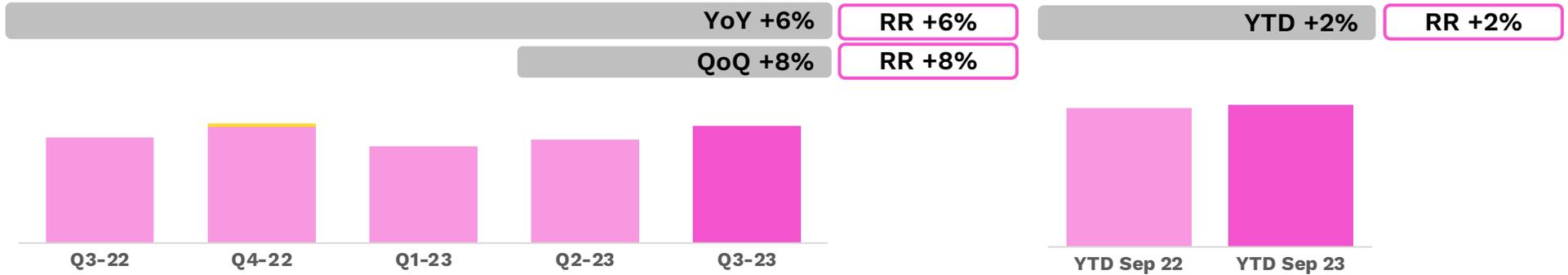
CLOUD & OTHER SOLUTIONS



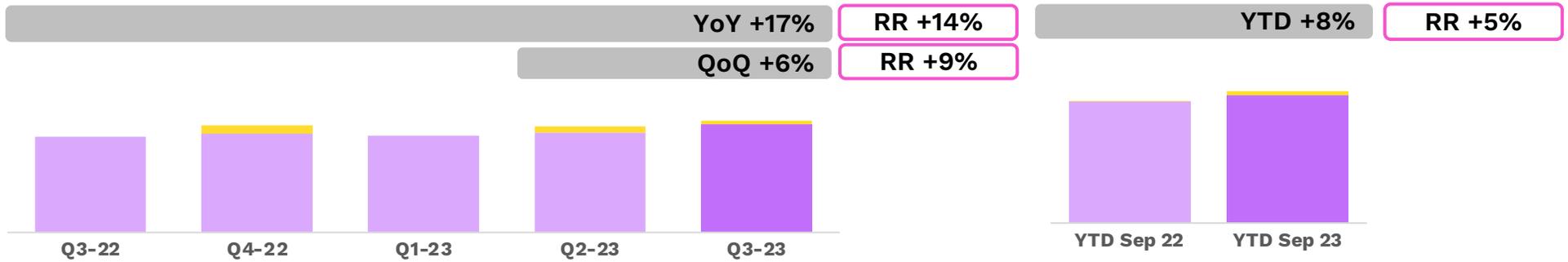
VOICE



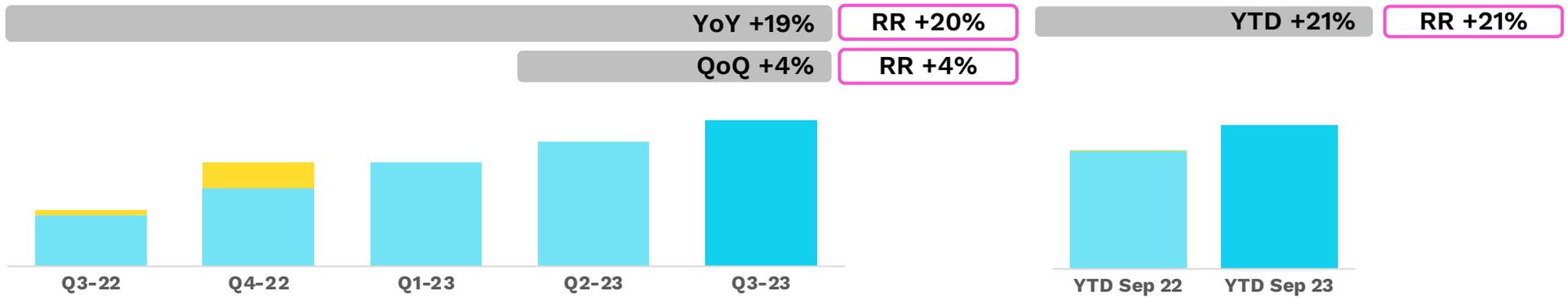
WHOLESALE



ENTERPRISE



RETAIL



Expenses: By Category

Q3 2023 Performance Guide

Cost/Revenue (%)

Total Cost (RM million)

69.4%

65.4%

68.6%

72.0%

69.5%

69.4%

70.0%

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



- Notes:
- 1) The total cost excludes significant one-offs in Q2 2023 and foreign exchange loss/(gain)
 - 2) Numbers are in RM million

RM million	Q3-22	Q2-23	Q3-23	QoQ%	YoY%	YTD Sep 22	YTD Sep 23	YTD%
Revenue	360.7	389.2	411.1	+6%	+14%	1,058.6	1,168.7	+10%
EBITDA	171.9	68.5	180.7	+>100%	+5%	489.5	417.6	-15%
Adjusted EBITDA	152.8	155.8	176.6	+13%	+16%	448.8	493.8	+10%
Profit Before Tax	138.7	35.2	149.8	+>100%	+8%	389.8	317.3	-19%
Adjusted PBT	119.6	128.6	145.7	+13%	+22%	348.9	399.6	+15%
Profit After Tax	118.8	2,264.7	108.5	-95%	-9%	329.3	2,487.5	+>100%
Adjusted PAT	99.7	98.7	104.4	+6%	+5%	288.4	310.4	+8%

Notes:

- 1) Refer to next page for EBITDA, PBT and PAT adjustments
- 2) The comparative figures have been restated

RM million	Q3-22	Q2-23	Q3-23	QoQ%	YoY%	YTD Sep 22	YTD Sep 23	YTD%
EBITDA	171.9	68.5	180.7	+>100%	+5%	489.5	417.6	-15%
Profit Before Taxation (PBT)	138.7	35.2	149.8	+>100%	+8%	389.8	317.3	-19%
Profit After Taxation (PAT)	118.8	2,264.7	108.5	-95%	-9%	329.3	2,487.5	+>100%
Adjustments on EBITDA								
<i>Forex (gain)</i>	(19.1)	(15.7)	(4.1)			(41.8)	(26.8)	
<i>Donation for flood relief</i>	-	-	-			1.3	-	
<i>Construction deposit/PPE/inventory written off</i>	-	21.9	-			1.1	21.9	
<i>Provision for impairment of submarine cable</i>	-	27.7	-			-	27.7	
<i>Adjustment for expired share grant scheme</i>	-	27.3	-			-	27.3	
<i>AIMS transaction related one-offs</i>	-	26.1	-			-	26.1	
<i>Gain on disposal of PPE</i>	-	-	-			(1.3)	-	
Total adjustments on EBITDA	(19.1)	87.3	(4.1)			(40.7)	76.2	
Adjusted EBITDA	152.8	155.8	176.6	+13%	+16%	448.8	493.8	+10%

Note: The comparative figures have been restated

RM' million	Q3-22	Q2-23	Q3-23	QoQ%	YoY%	YTD Sep 22	YTD Sep 23	YTD%
EBITDA	171.9	68.5	180.7	+>100%	+5%	489.5	417.6	-15%
Profit Before Taxation (PBT)	138.7	35.2	149.8	+>100%	+8%	389.8	317.3	-19%
Profit After Taxation (PAT)	118.8	2,264.7	108.5	-95%	-9%	329.3	2,487.5	+>100%
Adjustments on PBT								
<i>Dividend income</i>	-	-	-			(0.2)	-	
<i>Accelerated depreciation</i>	-	6.1	-			-	6.1	
Total adjustments on PBT	-	6.1	-			(0.2)	6.1	
Adjustments on PAT								
<i>AIMS transaction related fees</i>	-	40.2	-			-	40.2	
<i>Gain from divestment of AIMS</i>	-	(2,299.6)	-			-	(2,299.6)	
Total adjustments on PAT	-	(2,259.4)	-			-	(2,259.4)	
Adjusted PBT	119.6	128.6	145.7	+13%	+22%	348.9	399.6	+15%
Adjusted PAT	99.7	98.7	104.4	+6%	+5%	288.4	310.4	+8%

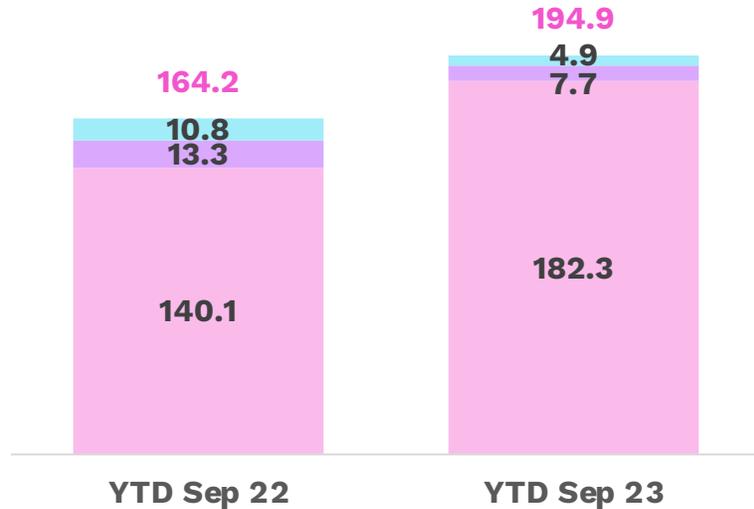
Note: The comparative figures have been restated

Margins	Q3-22	Q2-23	Q3-23	QoQ%	YoY%
EBITDA %	48%	18%	44%	+26 pps	-4 pps
Adjusted EBITDA %	42%	40%	43%	+3 pps	+1 pps
Profit Before Taxation %	38%	9%	36%	+27 pps	-2 pps
Adjusted PBT %	33%	33%	35%	+2 pps	+2 pps
Profit After Taxation %	33%	582%	26%	->100 pps	-7 pps
Adjusted PAT %	28%	25%	25%	0 pps	-3 pps
EPS	6.49 sen	123.08 sen	5.78 sen	-117.30 sen	-0.71 sen
Adjusted EPS	5.44 sen	5.27 sen	5.56 sen	+0.29 sen	+0.12 sen

YTD Sep 22	YTD Sep 23	YTD%
46%	36%	-10 pps
42%	42%	0 pps
37%	27%	-10 pps
33%	34%	+1 pps
31%	213%	+>100 pps
27%	27%	0 pps
17.92 sen	134.98 sen	+117.06 sen
15.69 sen	16.68 sen	+0.99 sen

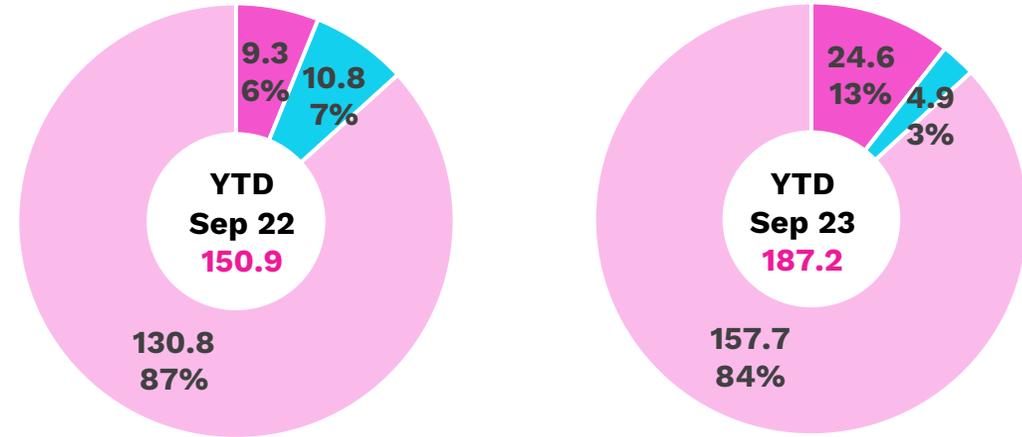
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Capex Breakdown



- Telco Assets
- Non-Telco Assets
- Cloud and other services

Breakdown of Telco Assets



- Submarine and its related assets
- Cloud and other services
- Other Telco Assets

- 84% of capital expenditure was allocated to telco assets to expand domestic and regional network coverage and upgrade Time’s existing network infrastructure
- 13% was dedicated to submarine cables and related investments
- 3% was allocated to Cloud and other services

RM million	As at 30 Sep 22 (Restated)	As at 30 Sep 23
Net cash inflow from Operating Activities	490.6	510.7
Net cash (used in)/generated from Investing Activities	(310.7)	1,746.5
Net cash inflow from Operating and Investing Activities	179.9	2,257.2
Net cash used in Financing Activities ^{N1}	(574.0)	(1,400.3)
Net (decrease)/increase in cash balance	(394.0)	856.9
Exchange effects on cash balance	6.7	4.4
Cash balance at beginning of period	796.1	525.0
Transfer to asset held for sale	(11.8)	-
Cash balance at end of period	396.9	1,386.3
Acquisition of capex	(317.0)	(257.8)
Free Cash Flow (Operating CF - Capex)	173.6	252.9

Note:

1) Included in financing activities are dividends paid out YTD Sep 2022 (RM540.1 million) and YTD Sep 2023 (RM 1,572.3 million)

RM million	As at 31 Dec 22	As at 30 Sep 23
ASSETS		
Non-current assets	2,380.3	3,153.0
Current assets (exclude cash)	1,324.5	676.2
Cash	484.6	1,386.3
Total assets	4,189.4	5,215.5
EQUITY AND LIABILITIES		
Share capital	1,418.6	1,467.4
Reserves	1,683.2	2,625.5
Total equity attributable to owners of the Company	3,101.8	4,092.9
Non-controlling interest	25.9	35.5
Total equity	3,127.7	4,128.4
Non-current liabilities	499.3	574.7
Current liabilities	562.4	512.4
Total liabilities	1,061.7	1,087.1
Total equity and liabilities	4,189.4	5,215.5
RM million	As at 31 Dec 22	As at 30 Sep 23
EBITDA ^{N1}	652.1	580.3
Total Debt	29.6	13.5
Net Cash Position	455.0	1,372.8
Debt / EBITDA (times)	0.0x	0.0x
Debt / Equity (times)	0.0x	0.0x
Current ratio (times)	3.2x	4.0x

Note: 1) Based on EBITDA for last 12 months

				
YTD Sep 23		30.00%	45.27%	46.84%
As Reported by Investee	Revenue	102.1	339.5	192.0
	Profit/(Loss) After Tax and Other Comprehensive Income	8.4	20.9	23.6
Time's Shares in Proportion To Its Interest	Share of Profit on Investment of Associates	2.5	9.5	11.1
Total Share of Profit on Investment of Associates		23.1		

Notes:

1) Regarding AIMS:

- Following the divestment of stakes in AIMS Data Centre Holdings Sdn Bhd and AIMS Thailand, the Group reports AIMS' financial results up to 20 April 2023 as discontinued operations. Thereafter, reported as a share of profits in a joint venture. AIMS's share of profits only reflects from May 2023 onwards
- The 30% holding is the underlying economic interest of Time in AIMS

2) Numbers are in RM millions

OUTLOOK & PRIORITIES

Continued Focus on Execution

- Expanding network footprint to meet demand across all customer groups
- Prioritise operational excellence and innovation to improve customer experience
- Monitor operational and external risks and its possible impact for long-term sustainability

Refining Strategic Direction

- Reinvesting proceeds from divestment into ramping up the Group's core businesses by expanding coverage, strengthening propositions and service quality
- Ongoing refinement of the Group's business strategic direction remains on track

ANY QUESTIONS?

THANK YOU

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