time™

27TH ANNUAL GENERAL MEETING

12 JUNE 2024

DISCLAIMER

This presentation and the discussion following may contain forward looking statements by TIME dotCom Berhad ("Time") related to financial, market or industry trends for a future period.

These forward-looking statements involve known and unknown risks and uncertainties which may cause the actual performance, results and outcomes to be different than that expressed in this presentation.

The statements are made based on facts and information available to Time at the date of the presentation and merely represent an expression of Time management's views, targets and occurrences of future events. They do not in anyway represent a forecast, projection, estimate or guarantee of Time's future performance and neither have they been independently verified.

Accordingly, no representation or warranty, express or implied is made to, and no reliance should be placed on the fairness, accuracy and completeness of such information. Time and its subsidiaries, representatives and officers shall have no liability whatsoever for any loss, damage, costs and expenses arising out of or in connection with this presentation.

2023 Year in Review

- Recorded **robust demand for core data and connectivity** offerings
- Generated **solid revenue and profit growth** from **all customer segments**
- Completed **strategic partnership for AIMS** data centre business to spur regional growth
- Established a **solar company** and invested in an **EV charging company**
- Distributed **RM 1.6 billion in dividends** to shareholders
- Ended the year with a **solid balance sheet** and **RM 1.5 billion of cash** balances

2023 Group Performance

Sustained Momentum with Healthy Growth and Profitability

Growth and Solid Margins

- **9%** revenue growth, reaching **RM1.59 billion**
- PAT growth from core business and gains from the AIMS divestment

Balance Sheet Strength & Return on Assets

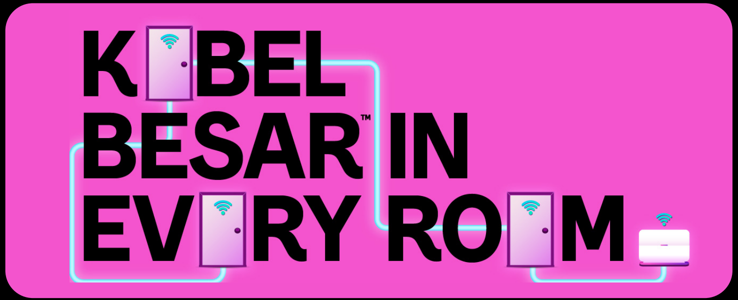
- **RM1.53 billion** cash balance as of 31 December 2023
- Return on Assets of **48%**

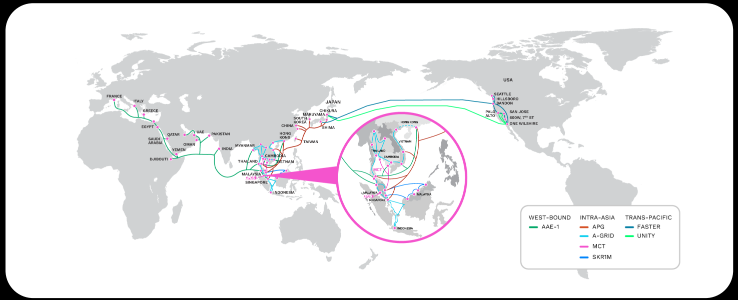
Returns to Shareholders

- Total dividend payout of **85.8 sen** per ordinary share, or **RM1.58 billion**
- Dividend yield of **16%**

2023 Business Review

Continued commitment to innovation and enhancing customer experience





Domestic Network

- Expanded network coverage to **1.54 million premises passed** in FY2023
- Introduced innovative Fibre-to-the-Room product, offering seamless WiFi throughout the home
- Maintained speed, stability and value for money proposition in home broadband market

Global Network

- Maintained exposure to ongoing demand for international bandwidth, fueled by the growth of 5G and the surge in data centre connectivity requirements

Associates & Jointly Controlled Entity

- Benefitted from regional diversification strategy through investments in associates and joint venture
- Generated healthy revenue and earnings, contributing **8% or RM33.6 million** to Group's adjusted PAT in FY2023

Venturing into Renewable Energy

eMITSOLAR™
Powered by Time Energy

Time Energy Sdn Bhd

- Solar Made Simple through subscription model for solar panels
- Savings from Day 1 in offsetting electricity bill
- Completed installation of solar panels in 200 homes, with estimated 1,380 MWh of power generated annually

time™
Charge N Go

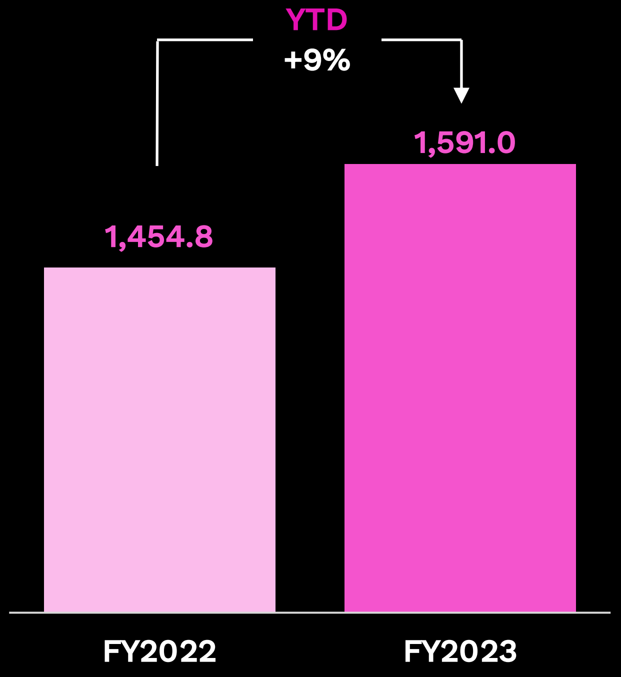
Charge N Go Sdn Bhd

- Charging Made Easy
- Provision of EV charging facilities for residential areas
- Delivering clean energy to carbon-conscious drivers
- Supporting the adoption of renewable energy

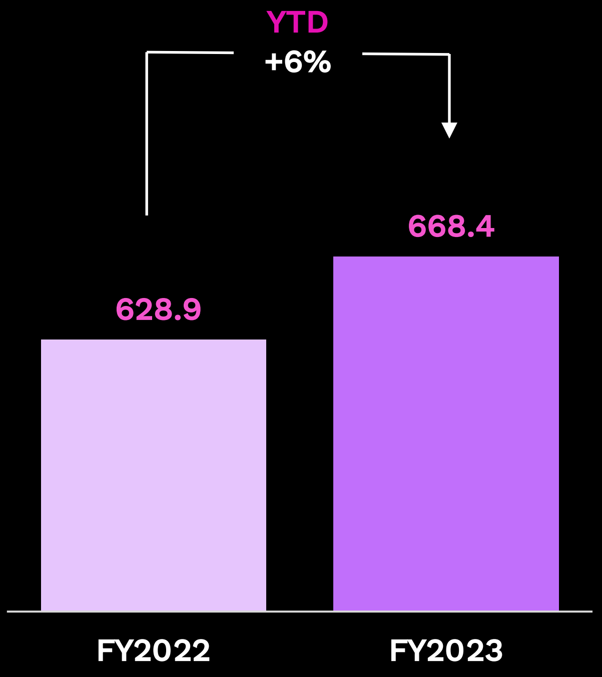
FINANCIAL REVIEW

2023: Time Group Performance Summary

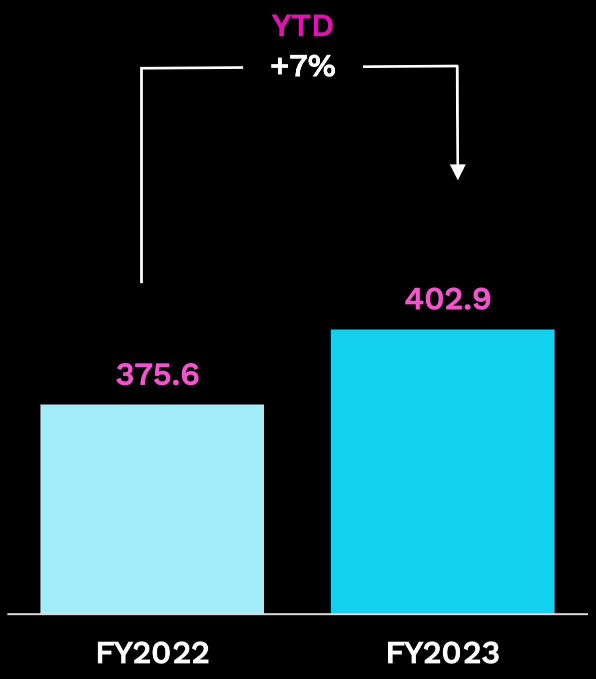
Revenue



Adjusted EBITDA



Adjusted Profit After Tax



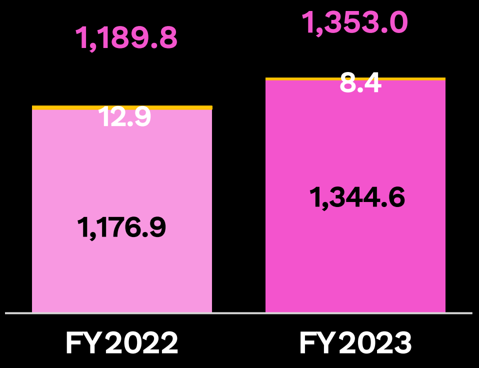
Notes:
1) For FY2023, Time Group reported EBITDA was RM567.3 mil; whilst Profit After Tax was RM2,574.9mil
2) Details of adjustments to arrive at the Adjusted EBITDA and PAT can be found on pages 16 and 17 of the 2023 Annual Report
3) Time completed the partial divestment of AIMS on 20 April 2023. Accordingly, the financials of AIMS in Time's reported financials are presented under discontinued operations for the first 4 months of FY2023, and thereafter, as a share of profits for Time's remaining 30% share in AIMS for the rest of FY2023
4) To facilitate a better performance comparison, the Adjusted PAT is normalised for the first 4 months of FY2023 for AIMS at Time's 30% share.

Revenue: By Product

Strong growth in data driven by resilient demand across all core customer groups

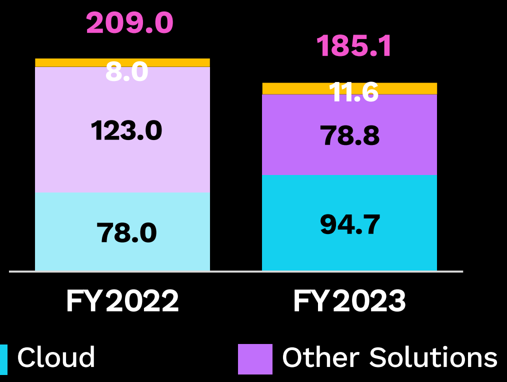
DATA

YTD +14%, CR +14%



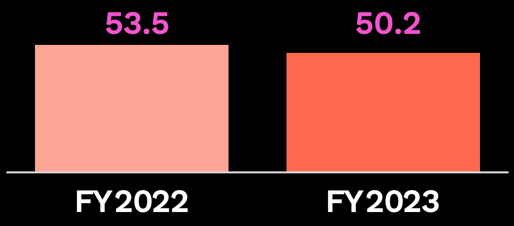
CLOUD & OTHER SOLUTIONS

YTD -11%, CR -14%



VOICE

YTD -6%, CR -6%



One-off Non-recurring Contracts **CR**: Core Revenues

time

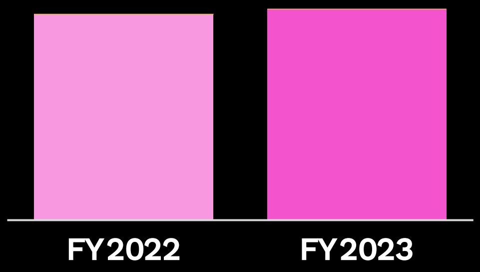
Numbers are in RM millions

Revenue: By Segment

Sustained growth across all core customer groups, with Retail recording the strongest increase

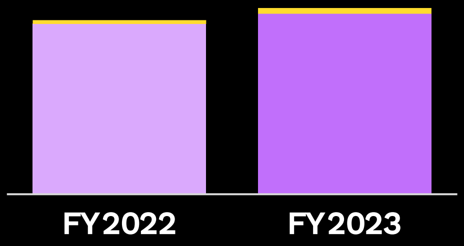
WHOLESALE

YTD +3%, CR +3%



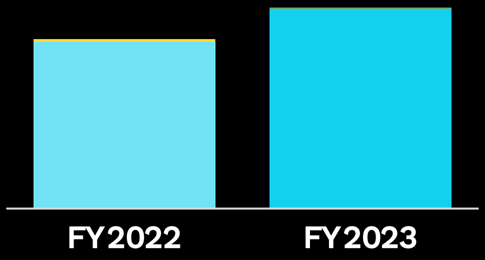
ENTERPRISE

YTD +7%, CR +6%



RETAIL

YTD +19%, CR +20%



One-off Non-recurring Contracts

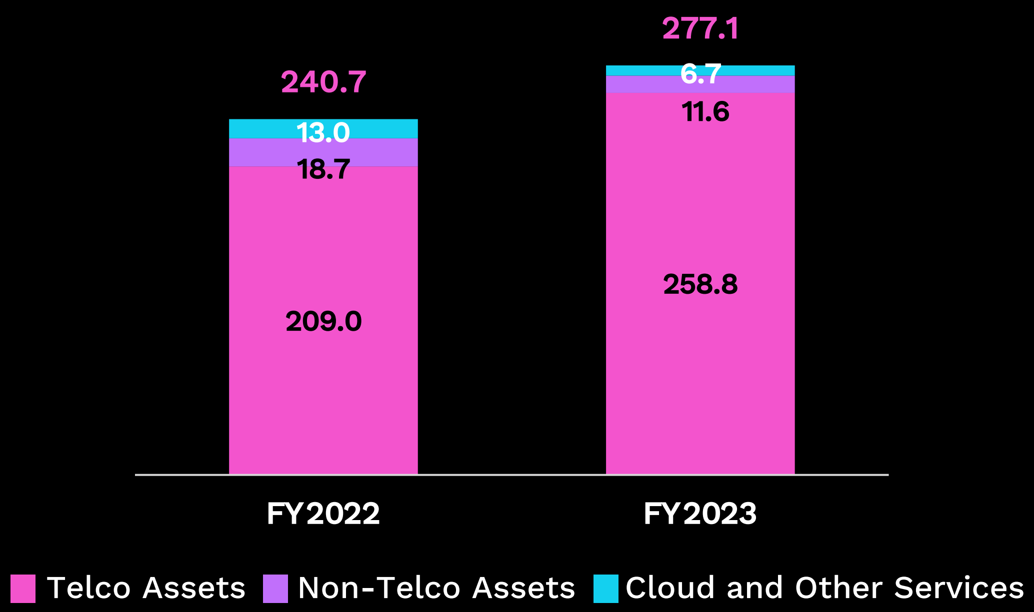
CR: Core Revenues

time

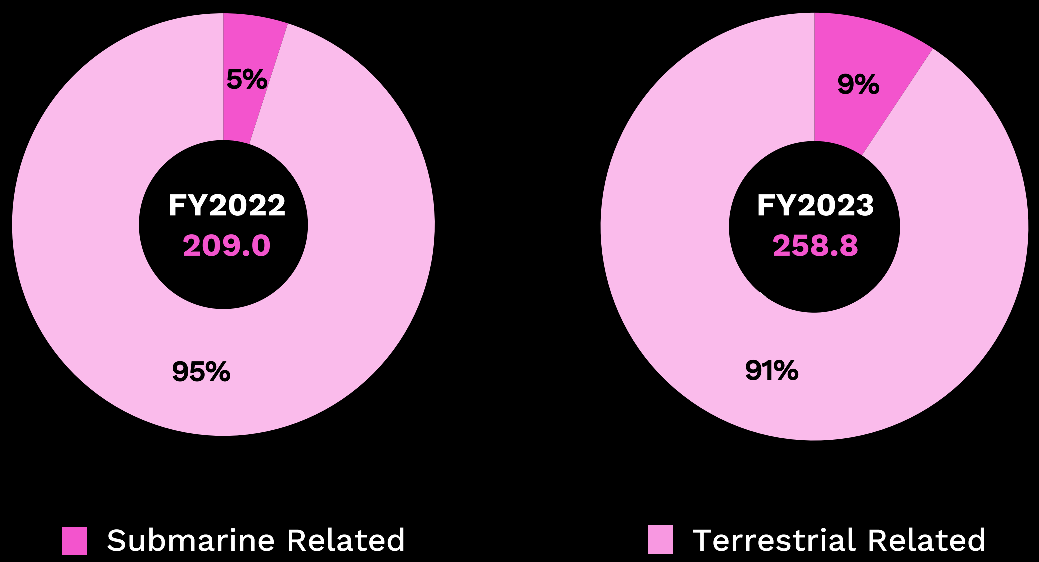
Capital Expenditure

Continued investment in network expansion

Capex Breakdown



Breakdown of Telco Assets



Numbers are in RM millions

SUSTAINABILITY

Sustainability

Progress on sustainability agenda, anchored on its 5 key pillars

Customers	Community	Governance	Environment	People
90% Customer satisfaction score	**RM195,000** Amount invested in community based activities	**100%** Completion for anti-corruption training	**45,796kWh** Generated clean energy through solar panels usage	**80.91%** Employee Satisfaction Index score
4hrs Mean time to respond during outages	**2,965** Beneficiaries of the investment in communities	**99.7%** Proportion of spending on local suppliers	**1,380 MWh** Estimated annual clean energy generated through solar panels at 200 employees' homes	**20,313** Total training hours to ensure robust talent pool
4ms Minimum latency	**1,000** Bubur lambuk giveaway at Program Perumahan Rakyat (PPR)	**Policies improvement** Strengthen ABC & Whistleblowing policies, introduced donation guidelines	**1,000** Mangrove trees planted as part of nature conservation	**LTIP** New share grant plan to reward and retain top performing employees

OUTLOOK & PRIORITIES

Outlook & Priorities

- Expand network coverage to meet sustained customer demand
- Continue enhancing operational efficiency and innovation to deliver the highest quality products and services
- Remain vigilant on external risks, operational impacts, and the competitive landscape
- Streamline Group's organisation to strengthen core businesses

QUESTIONS FROM MSWG

Operational & Financial Matters

time

Question 1

The Group underwent significant changes in FY2023, namely the completion of the AIMS transaction in April 2023, leading to the establishment of a strategic partnership with DigitalBridge that will serve to accelerate the expansion of AIMS (page 10 of Annual Report (AR) 2023).

What specific developments or initiatives have been undertaken by the Group following the establishment of the strategic partnership with DigitalBridge after the completion of the AIMS transaction in April 2023?

Answer 1

The first year of the strategic partnership with DigitalBridge regarding AIMS has been positive. AIMS has successfully expanded its data centre footprint in Malaysia, opening up a new data centre in downtown KL (KL2) and the second block of its Cyberjaya data centre (CBJ2). Construction has recently begun for the third block of its Cyberjaya data centre (CBJ3).

Significant time has also been spent evaluating inorganic growth opportunities for AIMS, both in Malaysia and across the ASEAN region. Whilst none of these opportunities have been completed yet, we remain optimistic that these will further contribute to the growth of AIMS in the coming years. In parallel, AIMS has further strengthened its senior management team and introduced an attractive equity scheme for key employees.

Question 2

The Group refined its strategic direction by reinvesting half of the AIMS proceeds back into the core business with a focus on wider network expansion (page 10 of AR2023).

How will Time plan to use half of the AIMS proceeds, amounting to approximately RM1.0 billion, back into the core business? Please provide a detailed breakdown of the proceeds to be reinvested into each targeted business segment.

Answer 2

The status of utilisation of proceeds up to 31 March 2024, as disclosed in our Quarter 1, 2024 financial report, is as follows:

Purpose	**Timeframe for utilisation from completion of item (a) and (b)**	**Estimated amount as per Circular dated 16 January 2023 (RM'million)**	**Actual amount incurred (RM'million)**	**Balance to utilise (RM'million)**	**Deviation from estimated amount (%)**
Special dividend	within 6 months	1,000.00	1,000.18	(0.18)	0.02%
Capital expenditure	within 36 months	500.00	238.28	261.72	Not fully utilised
General working capital	within 36 months	463.98	463.98	-	Fully utilised
Estimated expenses	within 6 months	45.00	40.20	4.80	Not fully utilised
Total		**2,008.98**	**1,742.64**	**266.34**	

time

Answer 2 (con't)

Time views its core business as the provision of data connectivity services to a broad range of customer segments, mainly via its wholly-owned fibre optic network.

Our utilisation of funds, as set out above in terms of capital expenditure and working capital requirements, has been primarily focused on network expansion and related operating costs, network refresh and maintenance, including building network and operating resiliency.

Since our network serves multiple customer segments, a breakdown by business segments would not be feasible.

Question 3

As stated on Time's official website, the Group acknowledged its lack of communication during the recent network outage on April 15, 2024, the worst in Time Internet's history, affecting about 40% of its customers. The outage was caused by Time's Secure DNS servers failing at 5.38 pm, with both primary and secondary servers offline simultaneously, resulting in a severe disruption. Despite this, Time did not provide an explanation.

A. Kindly clarify the reason behind the downtime of Time's Secure DNS servers.

B. What proactive measures are being implemented to mitigate the likelihood of similar incidents occurring in the future?

C. What considerations led to the decision not to provide compensation or rebates for the outage?

D. What strategies does Time intend to employ to regain customer confidence following the outage?

Answer 3 (con't)

A. The issue was caused by a software problem in some of our DNS servers. The affected customers were promptly switched to a backup DNS system.

B. Amongst the steps taken are:

   (i) Adjusting DNS software and settings to resolve the issues
   (ii) Exploring new DNS systems as an additional option to further enhance the setup.

C. Our focus is to provide the best possible service to our customers at all times. Unfortunately, on this occasion, we failed, and we have doubled down on our efforts to ensure that an outage of this magnitude does not happen again. We believe that reinvesting our money into these efforts will have more value for our customers over the long-term.

D. This was an unusual issue, but we are now better prepared for similar problems with additional preventive measures in place. We are mindful of the fact that our reputation with our customers is one of our key assets.

Question 4

The provision for tax increased significantly from RM2.9 million in FYE2022 to RM46.9 million in FYE2023 (page 112 of AR2023).

What factors contributed to the substantial increase in the provision for tax?

Answer 4

The increase in tax provision in FYE2023 was mainly due to the full utilisation of unabsorbed tax losses and capital allowances by a key subsidiary in FYE2022, and the unavailability of tax incentives to be utilised against chargeable income in FYE2023.

Question 5

The Group's trade receivables and contract assets that were credited impaired and past due by more than 120 days increased significantly from RM95.6 million in FYE2022 to RM119.4 million in FYE2023 (page 213 of AR2023).

Group	Gross RM'000	Loss allowance RM'000	Net RM'000
2023			
Not past due	59,784	(377)	59,407
Past due 1 – 30 days	58,767	(461)	58,306
Past due 31 – 120 days	84,036	(1,298)	82,738
Past due more than 120 days	119,364	(28,213)	91,151
	321,951	**(30,349)**	**291,602**
2022			
Not past due	176,555	(644)	175,911
Past due 1 – 30 days	52,336	(379)	51,957
Past due 31 – 120 days	63,242	(2,001)	61,241
Past due more than 120 days	95,570	(23,794)	71,776
	387,703	**(26,818)**	**360,885**

Question 5 (con't)

A. What difficulties did the Group face in collecting trade receivables that were past due by more than 120 days, resulting in the outstanding amount increasing?

B. Who are the customers in this category (past due 120 days) of the Group's trade receivables in FYE2023 and what are their profiles?

C. To date, how much of the overdue amount has been collected?

Answer 5

The increase in trade receivables past due by more than 120 days are mainly due to the growth in our Wholesale and Enterprise market segments, which are generally subject to longer payment cycles due to product and contract complexities.

To date, a sizable portion of this aging reference has already been recovered.

QUESTIONS FROM MSWG

Sustainability Matters

time

Question 1

In FY2023, the Group received seven whistleblowing reports that have since been resolved (page 43 of AR20230).

Item	FY2021	FY2022	FY2023
No. of Whistleblowing Reports Received	0	4	7
No. of Whistleblowing Reports Resolved	0	4	7

While it is encouraging to witness a surge in reported whistleblowing cases, possibly indicating that the recently revised whistleblowing policy is empowering more individuals to step forward, the uptick in reported cases also raises concerns.

What types of cases are emerging, and should stakeholders be alarmed about potential instances of internal power or position misuse?

Answer 1

The types of cases that have emerged mostly relate to conflict of interest matters at the working levels. The cases are primarily remote and involve a small number of individuals. Proper disciplinary actions have been taken for cases in which individuals have been proven guilty.

Question 2

Energy consumption within Time's premises has seen a slight increase, with most of its workforce returning to the office in FY2023 and the expansion of office space to accommodate the business (pages 58-59 of AR2023).

Given the reliability and speed of Time internet services, as advertised with the promotional tagline 'WFH Without 'Sorry Could You Repeat That?'', what is the Group's stance on remote working? Are there specific operational requirements or Group protocols that necessitate in-office work? If the work is feasible via remote working, why has Time not considered implementing it more broadly, especially considering the potential energy conservation within the Group?

Answer 2

The slight increase in our total energy consumption is in relation to our business growth. Regarding our office energy consumption, in FY2023, we began harnessing solar energy at our office sites, resulting in a yearly reduction for reliance on non-renewable energy sources and a 10.6% decrease in our energy costs. Additionally, the Group formally implemented remote working and flexible working hours in FY2023. Our employees now typically work remotely for at least 1 day a week. However, there are functions that require our employees to be on-site or in the office full-time for operational or business needs.

Question 3

The Group took its commitment to reducing reliance on conventional energy sources a step further by offering solar panel installations to the homes of 200 employees for a period of two years to encourage a shift in mindset towards collectively reducing carbon footprint. There is a high barrier of entry associated with the cost of installing solar panels and the Group hopes to be able to make the transition to solar energy a more financially viable one for its employees (page 59 of AR20230).

How are the fortunate 200 out of 1,300 employees selected to participate in the solar panel installation initiative? How much subsidy has Time provided to make the installation more affordable for employees? And how many employees have availed of this opportunity thus far?

Answer 3

The program was open to all Time employees within the Klang Valley, taking into account the technical and regulatory requirements for installing solar systems in their homes.

With the sizeable order from our vendors, we were able to obtain a generous discount and offer employees an easy payment scheme.

Question 4

Many companies are increasingly focusing on emissions reduction targets, carbon neutrality, and achieving net zero status areas due to growing awareness about climate change and the need for sustainable practices.

As a large telecommunication company, what are the Group's plans regarding emissions reduction targets, carbon neutrality, and achieving net zero status?

Answer 4

We have our sustainability framework in place, which we constantly reassess for enhancement. We are now undertaking an exercise to determine our emissions for scopes 1, 2 and 3 of our operations. More information will be shared in our annual report for FY2024, which will be available next year.

THANK YOU

time