

# Q2 2021 PERFORMANCE GUIDE

27<sup>th</sup> AUGUST 2021

**TINE**<sup>TM</sup>


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## STEADY REVENUE GROWTH AND PROFIT TRAJECTORY, WITH SOLID FUNDAMENTALS

### **CORE PERFORMANCE**

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Strong revenue across  
all product lines and  
in the  
Retail and Enterprise  
segments

### **CONTINUED EXPANSION**


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Completion of  
AIMS@Cyberjaya  
increases data centre  
capacity

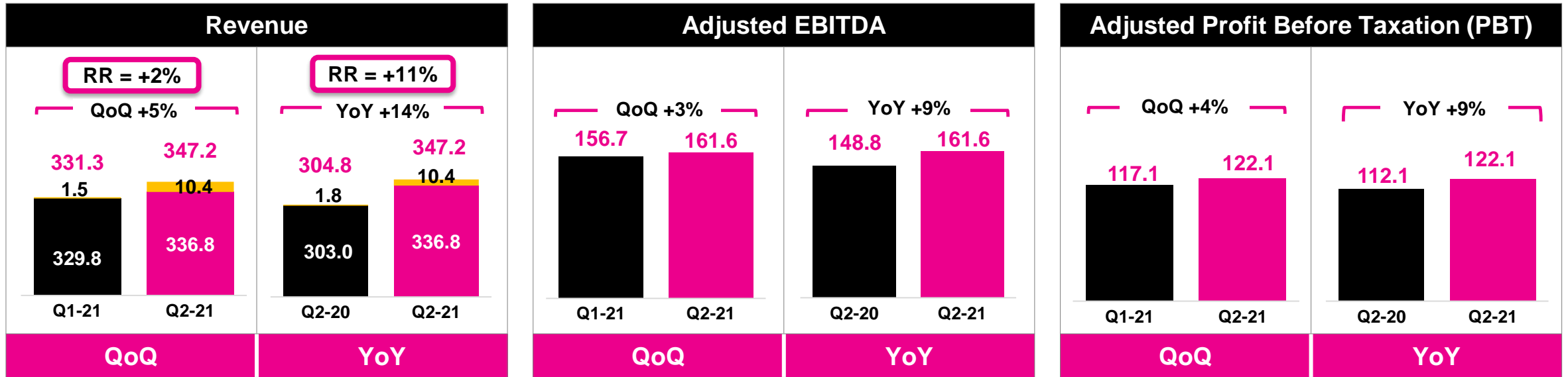
### **SOLID FUNDAMENTALS**

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Sustained  
profitability, strong  
balance sheet



# TIME Q2 2021: Financial Highlights



■ One-off non-recurring contracts    RR Recurring revenues

## QoQ

- 5% higher revenue driven by higher sales across all products
- 4% higher adjusted PBT mainly due to higher overall revenue; offset by higher doubtful debts

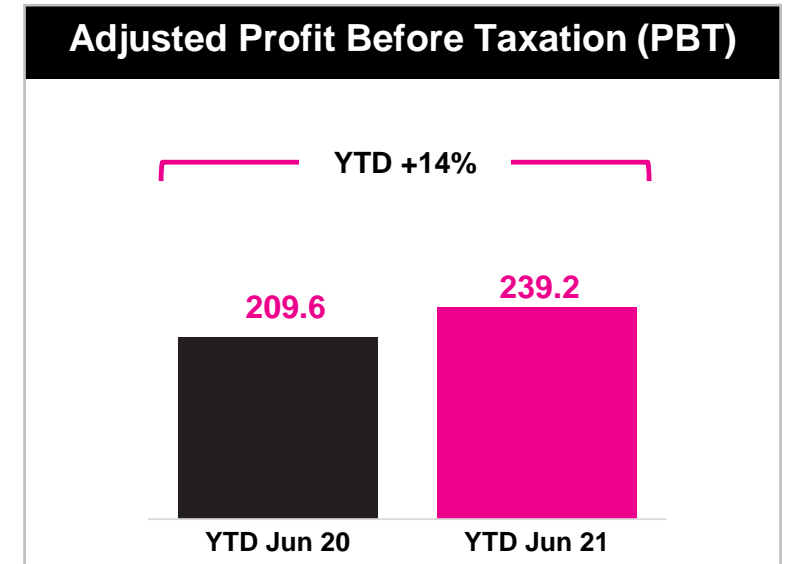
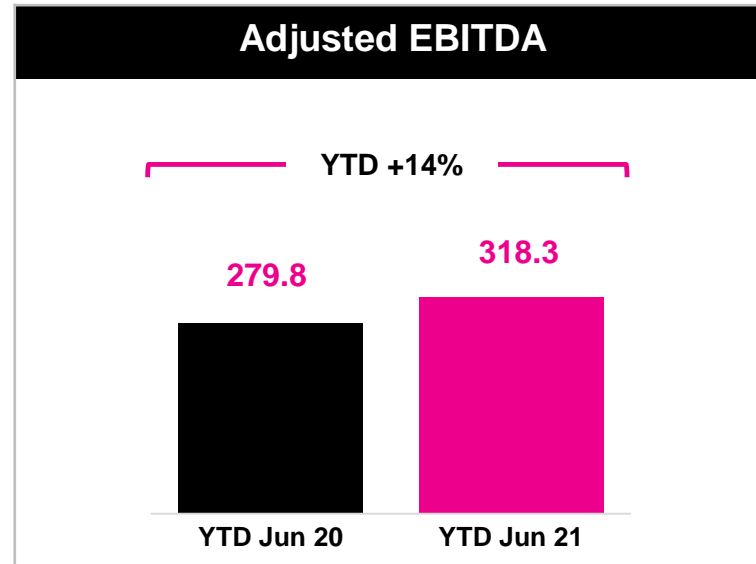
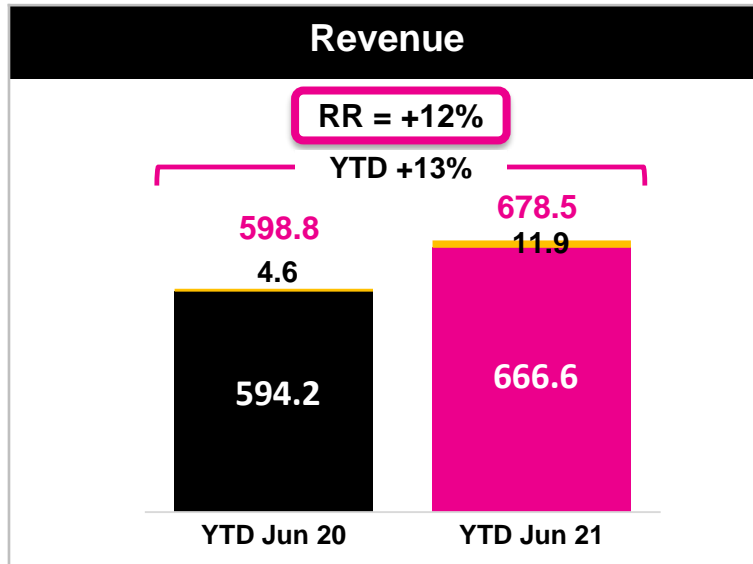
## YoY

- 14% higher revenue due to increase in recurring data centre and data revenue
- 9% higher adjusted PBT due to higher overall revenue, offset by higher depreciation & amortisation as well as higher allowance for doubtful debts

Note: Numbers are in RM millions

# TIME YTD June 2021: Financial Highlights

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■ One-off non-recurring contracts    RR    Recurring revenues

## YTD

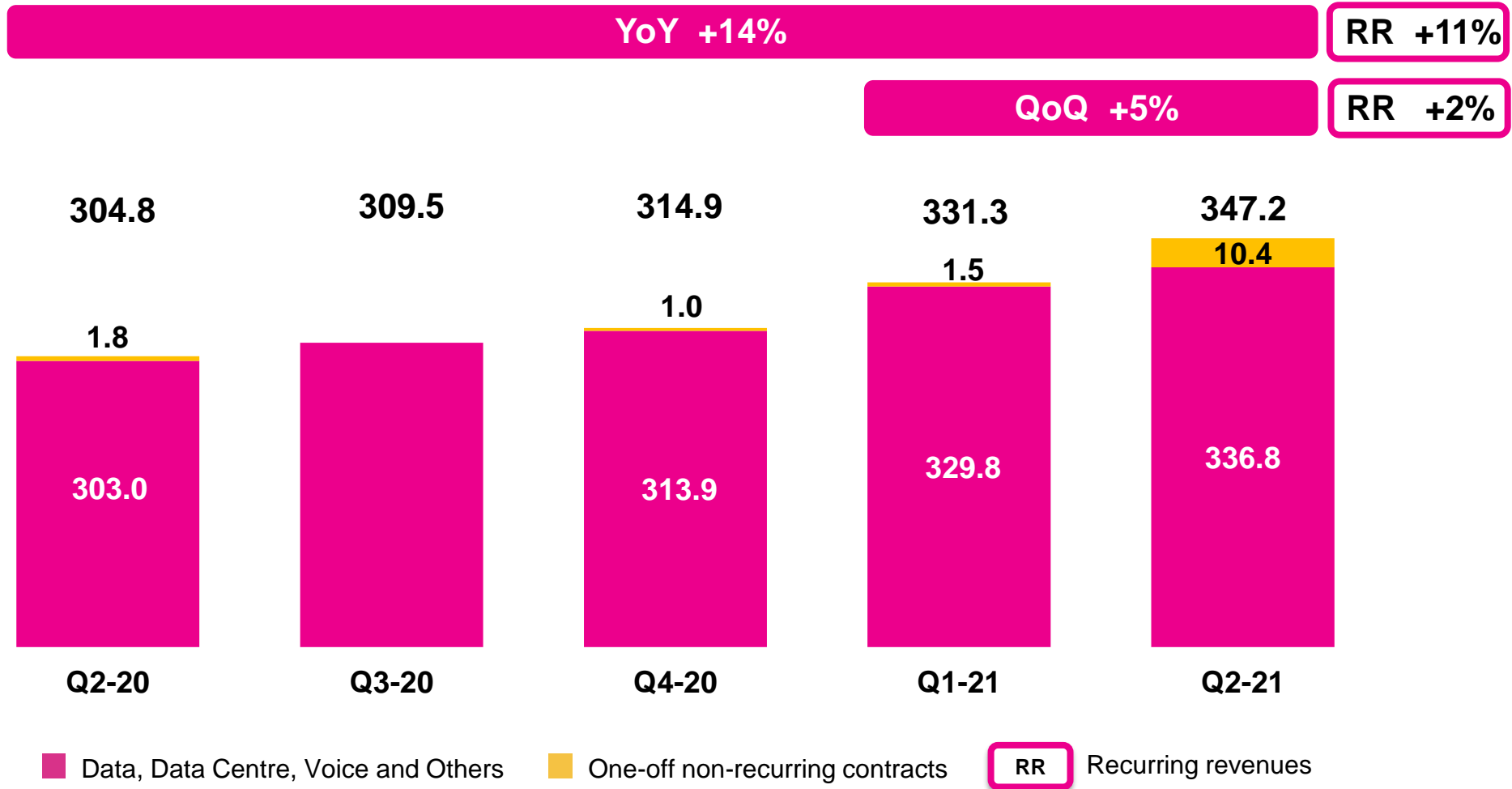
- 13% higher revenue driven by higher data centre sales and data revenue, led by contributions from Retail and Enterprise customers
- 14% higher adjusted PBT mainly due to higher overall revenue including revenue from one-off non recurring contracts, higher share of profit from associates and higher interest income

Note: Numbers are in RM millions

# GROUP PERFORMANCE HIGHLIGHTS

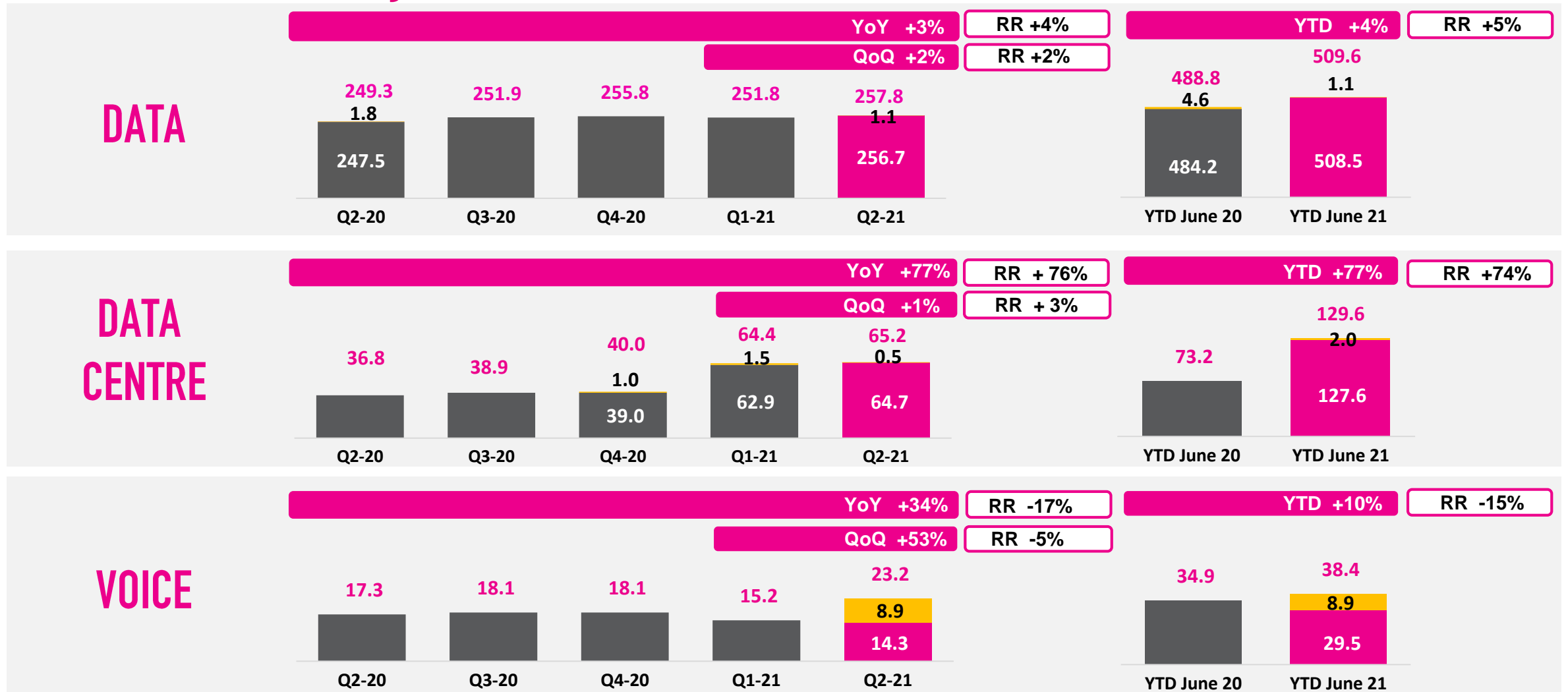
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# Revenue Growth: Recurring By Quarter



Note: Numbers are in RM millions

# Revenue Growth: By Product

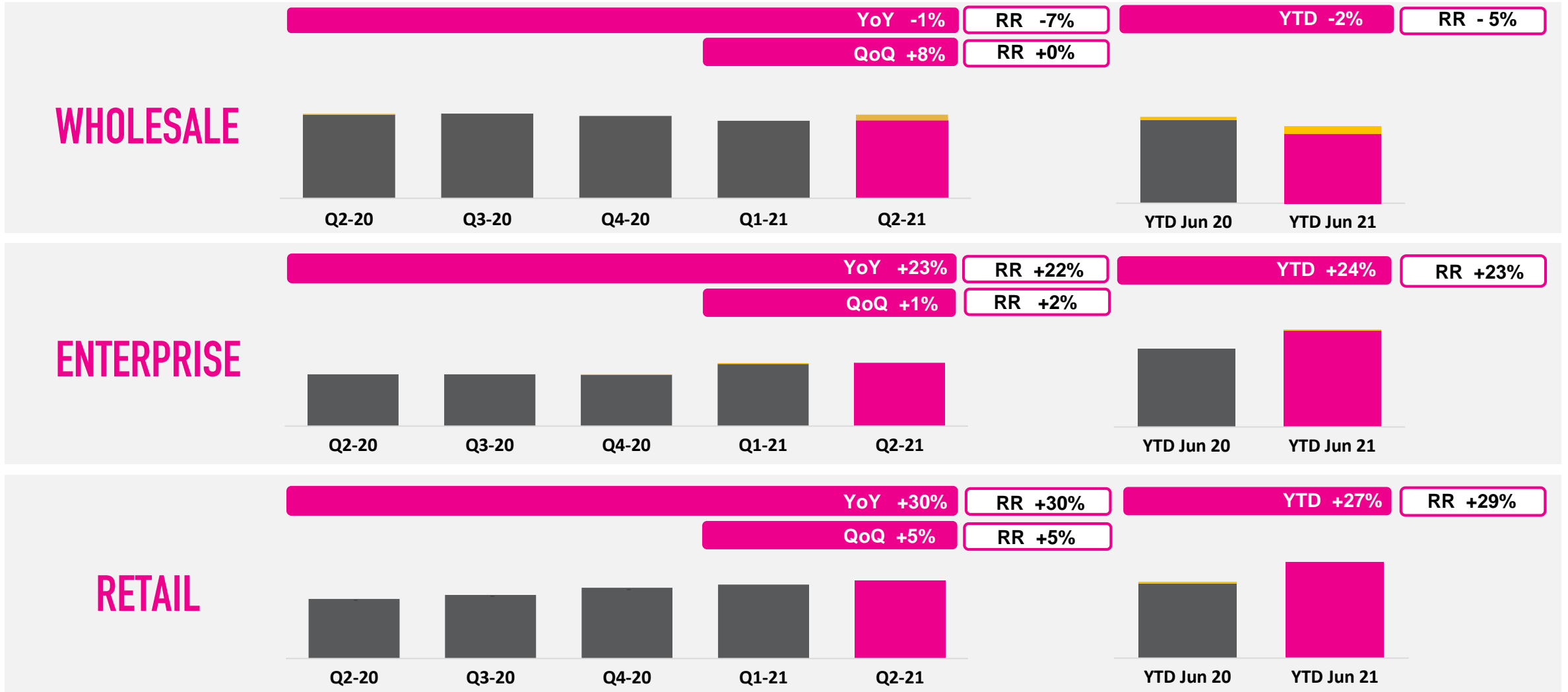


Note: Numbers are in RM millions

Recurring 
  Non-recurring 
 RR Recurring revenues



# Revenue Growth: By Segment



Note: Numbers are in RM millions

Recurring 
  Non-recurring 
 RR Recurring revenues

# Expenses: By Category

Cost of Revenue (%)

65.6%

67.0%

66.8%

67.8%

66.9%

Total Cost

200.0

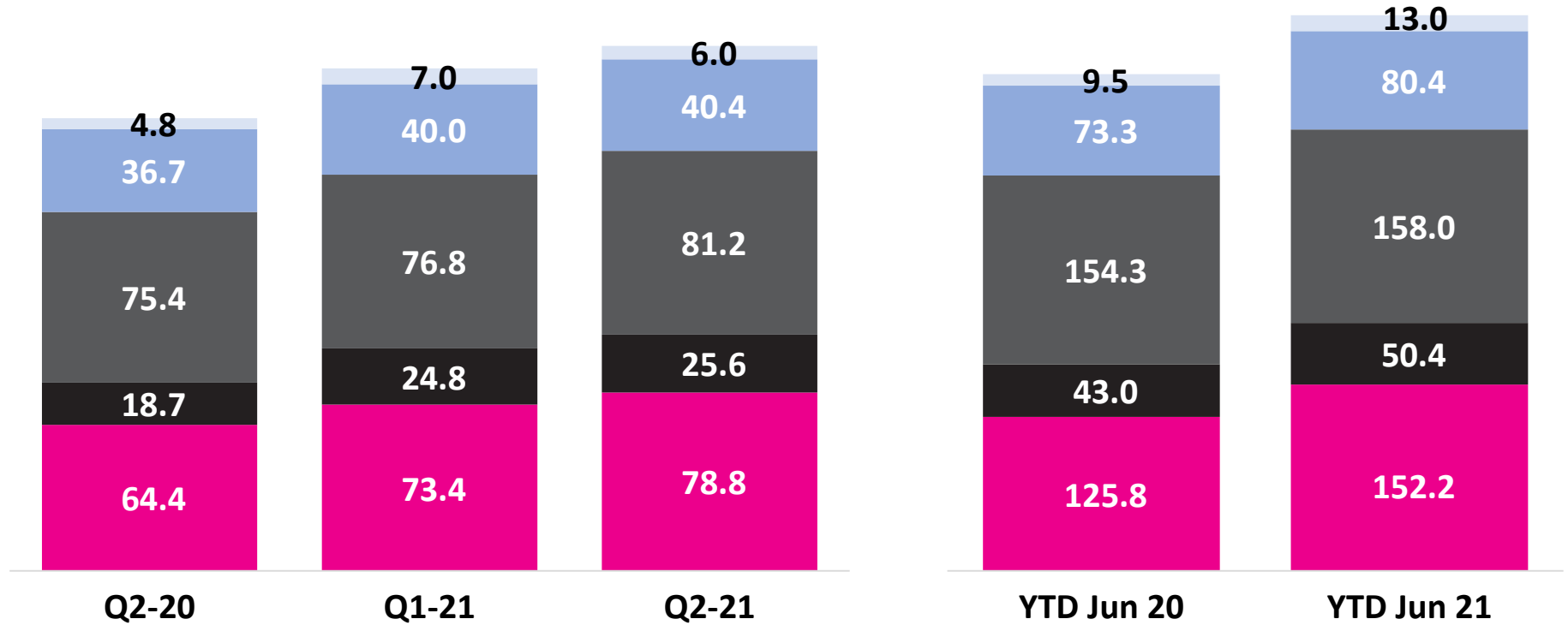
222.0

232.0

405.9

454.0

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



Note: Numbers are in RM millions

# Summary Income Statement

RM' million	Q2-20	Q1-21	Q2-21	QoQ %	YoY %
Revenue	304.8	331.3	347.2	+5%	+14%
EBITDA	134.6	165.0	165.0	+0%	+23%
Adjusted EBITDA	148.8	156.7	161.6	+3%	+9%
Profit Before Taxation (PBT)	97.9	125.4	125.5	+0%	+28%
Adjusted PBT	112.1	117.1	122.1	+4%	+9%
Profit After Taxation (PAT) <sup>N1</sup>	69.8	91.4	92.7	+1%	+33%
Adjusted PAT <sup>N1</sup>	84.0	83.1	89.3	+7%	+6%

YTD Jun 20	YTD Jun 21	YTD %
598.8	678.5	+13%
291.1	330.0	+13%
279.8	318.3	+14%
223.5	250.9	+12%
209.6	239.2	+14%
167.7	184.0	+10%
153.8	172.3	+12%

Note:

- 1) PAT refers to Profit After Taxation excluding Non-controlling interest
- 2) Refer to next page for EBITDA/PBT adjustments

# EBITDA, PBT & PAT Adjustments

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RM' million	Q2-20	Q1-21	Q2-21	QoQ %	YoY %	YTD Jun 20	YTD Jun 21	YTD %
<b>EBITDA</b>	134.6	165.0	165.0	+0%	+23%	291.1	330.0	+13%
<b>Profit Before Taxation (PBT)</b>	97.9	125.4	125.5	+0%	+28%	223.5	250.9	+12%
<b>Profit After Taxation (PAT) <sup>N1</sup></b>	69.8	91.4	92.7	+1%	+33%	167.7	184.0	+10%
<b>Adjustments on EBITDA</b>								
<i>Donation for fight against COVID-19</i>	-	-	-			1.7	-	
<i>PPE written off</i>	1.9	-	-			1.9	-	
<i>Forex loss/(gain)</i>	12.3	(8.3)	(3.4)			(14.9)	(11.7)	
<b>Total adjustments on EBITDA</b>	<b>14.2</b>	<b>(8.3)</b>	<b>(3.4)</b>			<b>(11.3)</b>	<b>(11.7)</b>	
<b>Adjustments on PBT/PAT</b>								
<i>Dividend income</i>	-	-	-			(2.6)	-	
<b>Total adjustment on PBT/PAT</b>	<b>14.2</b>	<b>(8.3)</b>	<b>(3.4)</b>			<b>(2.6)</b>	<b>-</b>	
<b>Adjusted EBITDA</b>	<b>148.8</b>	<b>156.7</b>	<b>161.6</b>	<b>+3%</b>	<b>+9%</b>	<b>279.8</b>	<b>318.3</b>	<b>+14%</b>
<b>Adjusted PBT</b>	<b>112.1</b>	<b>117.1</b>	<b>122.2</b>	<b>+4%</b>	<b>+9%</b>	<b>209.6</b>	<b>239.2</b>	<b>+14%</b>
<b>Adjusted PAT <sup>N1</sup></b>	<b>84.0</b>	<b>83.1</b>	<b>89.3</b>	<b>+7%</b>	<b>+6%</b>	<b>153.8</b>	<b>172.3</b>	<b>+12%</b>

Note: 1) PAT refers to Profit After Taxation excluding Non-controlling interest

# Summary of Margins & EPS

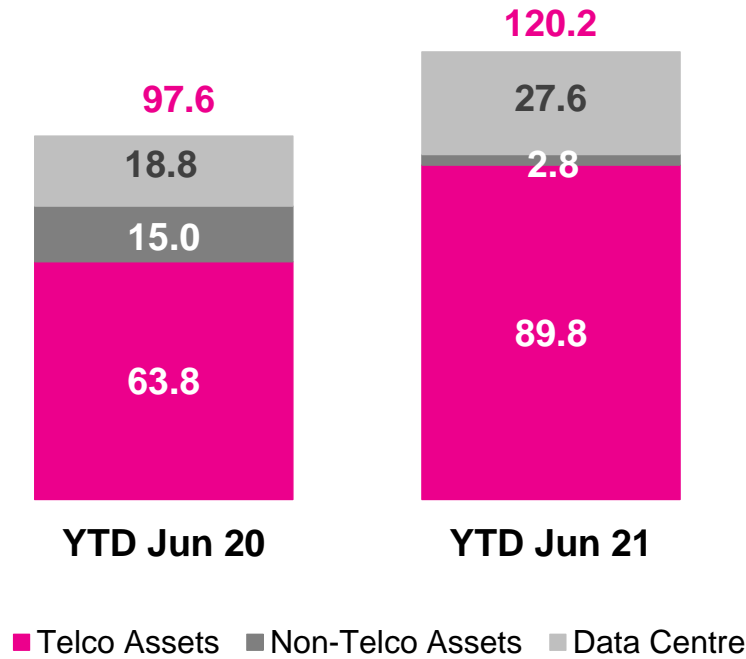
Margins	Q2-20	Q1-21	Q2-21	QoQ %	YoY %
<b>EBITDA %</b>	44%	50%	48%	-2 pps	+4 pps
<b>Adjusted EBITDA %</b>	49%	47%	47%	+0 pps	-2 pps
<b>Profit Before Taxation %</b>	32%	38%	36%	-2 pps	+4 pps
<b>Adjusted PBT %</b>	37%	35%	35%	+0 pps	-2 pps
<b>Profit After Taxation % <sup>N1</sup></b>	23%	28%	27%	-1 pps	+4 pps
<b>Adjusted PAT % <sup>N1</sup></b>	28%	25%	26%	+1 pps	-2 pps
<b>EPS</b>	11.63 sen	15.12 sen	15.33 sen	+0.21 sen	+3.70 sen
<b>Adjusted EPS</b>	14.00 sen	13.74 sen	14.77 sen	+1.03 sen	+0.77 sen

YTD Jun 20	YTD Jun 21	YTD %
49%	49%	+0 pps
47%	47%	+0 pps
37%	37%	+0 pps
35%	35%	+0 pps
28%	27%	-1 pps
26%	25%	-1 pps
28.30 sen	30.44 sen	+2.14 sen
25.95 sen	28.51 sen	+2.56 sen

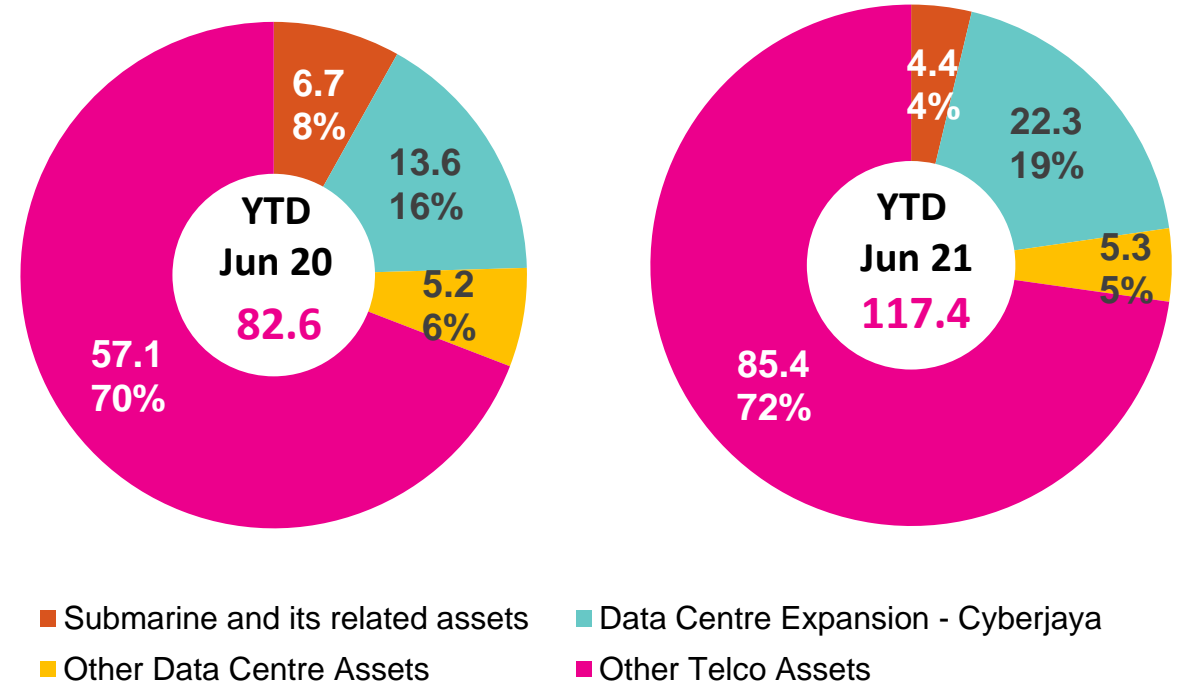
Note: 1) PAT refers to Profit After Taxation excluding Non-controlling interest

# Capital Expenditure

Capex Breakdown



Breakdown of Telco Assets and Data Centre Assets



- 76% 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
- 24% was spent on Data Centre assets, namely on AIMS @ Cyberjaya

Note: Numbers are in RM millions

# Cashflow Statement

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CASH FLOW		
RM' million	YTD Jun 20	YTD Jun 21
Net cash inflow from Operating Activities	211.8	284.2
Net cash used in Investing Activities	(110.1)	(183.7)
<b>Net cash inflow from operating and investing activities</b>	<b>101.7</b>	<b>100.5</b>
Net cash used in Financing Activities	(130.9)	(104.3)
<b>Net decrease in cash balance</b>	<b>(29.2)</b>	<b>(3.8)</b>
Exchange effects on cash balance	2.4	2.5
Cash balance at beginning of period	507.0	748.8
<b>Cash balance at end of period</b>	<b>480.2</b>	<b>747.5</b>
Acquisition of capex	(116.8)	(149.3)
Free Cash Flow (Operating CF - Capex)	95.0	134.9

- Note : 1) Included in financing activities are RM200.0 million of dividend paid out in Q1 2021 and RM170.0 million in Q1 2020  
 2) Included in investing activities is RM40.2 million for AVM Cloud acquisition in Q1 2021  
 3) As at June 2021, cash balance of RM747.5 million includes bank overdraft of RM0.2 million

# Balance Sheet And Ratios

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BALANCE SHEET		
RM' million	As at 31 Dec 20	As at 30 Jun 21
<b>ASSETS</b>		
Non-current assets	2,698.2	2,750.9
Current assets (exclude cash)	453.6	537.1
Cash	748.8	747.7
<b>Total assets</b>	<b>3,900.6</b>	<b>4,035.7</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	1,340.5	1,345.1
Reserves	1,704.4	1,698.7
<b>Total equity attributable to owners of the Company</b>	<b>3,044.9</b>	<b>3,043.8</b>
Non-controlling interest	5.4	19.5
<b>Total equity</b>	<b>3,050.3</b>	<b>3,063.3</b>
Non-current liabilities	463.8	560.6
Current liabilities	386.5	411.8
<b>Total liabilities</b>	<b>850.3</b>	<b>972.4</b>
<b>Total equity and liabilities</b>	<b>3,900.6</b>	<b>4,035.7</b>
EBITDA <sup>N1</sup>	567.1	605.9
Total Debt	46.8	141.3
Net Cash Position	702.0	606.4
Debt / EBITDA (times)	0.1x	0.2x
Debt / Equity (times)	0.0x	0.0x
Current ratio (times)	3.1x	3.1x

Note: 1) Based on EBITDA for last 12 months



## VIETNAM

## THAILAND



YTD Jun 2021		45.27%	49.00%	46.84%
As reported by investee	Revenue	168.7	6.2	93.1
	Profit/(Loss) After Tax & Other comprehensive Income	13.5	(1.6)	7.8
TIME's shares in proportion to its interest	Share of Profit on Investment of Associates	6.1	- <sup>N1</sup>	3.7
Total Share of Profit on Investment of Associates		9.8		

Note: 1) The Group no longer shares losses from KIRZ since Q2 2018 when the investment value was fully impaired

# OUTLOOK & PRIORITIES

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1

## Navigating Continued Challenges from the Pandemic

- Expect challenges to persist in the near term from pandemic's cascading effects
- Hopeful of recovery and gradual reopening of economic sectors
- Continue to monitor conditions to mitigate any potential risks

2

## Operational Priorities to Ensure Sustainability

- Network availability and stability remains top priority
- Continue to be vigilant on health and safety of employees and stakeholders
- Continue to provide high quality and meaningful solutions & services across all segments

3

## Longer-term Strategic Focus

- Continue to support JENDELA and MyDIGITAL by strengthening domestic fibre network infrastructure and expanding coverage footprint
- Solidify the Group's strategic position in the cloud and data centre segments to seize new opportunities
- Focus on tapping into demand for cross-border connectivity and data centres in ASEAN

# THANK YOU

Should you have any queries, please contact:  
[investor.relations@time.com.my](mailto:investor.relations@time.com.my)

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