

# GAINING GROUND

17<sup>th</sup> Annual General Meeting  
5<sup>th</sup> June 2014

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TIME

2013 At a Glance  
2014 Expectations  
MSWG Questions

2013

Performance

# Performance Indicators

REVENUE OF RM

**548.3**

MILLION FYE'13  
UP 31% FROM RM419.1M IN FYE'12

EBITDA OF RM

**193.2**

MILLION FYE'13  
UP 40% FROM RM137.9M IN FYE'12

OPERATING PROFIT OF RM

**118.0**

MILLION FYE'13  
UP 61% FROM RM73.5M IN FYE'12

EARNINGS PER SHARE (EPS)\* RM

**↑ 0.16**

FROM RM0.35 IN FYE'12 TO  
RM0.51 IN FYE'13

RETURN ON EQUITY (ROE)\* %

**↑ 7**<sub>pps</sub>

FROM 8% IN FYE'12 TO  
15% IN FYE'13

RETURN ON ASSETS (ROA)\* %

**↑ 5**<sub>pps</sub>

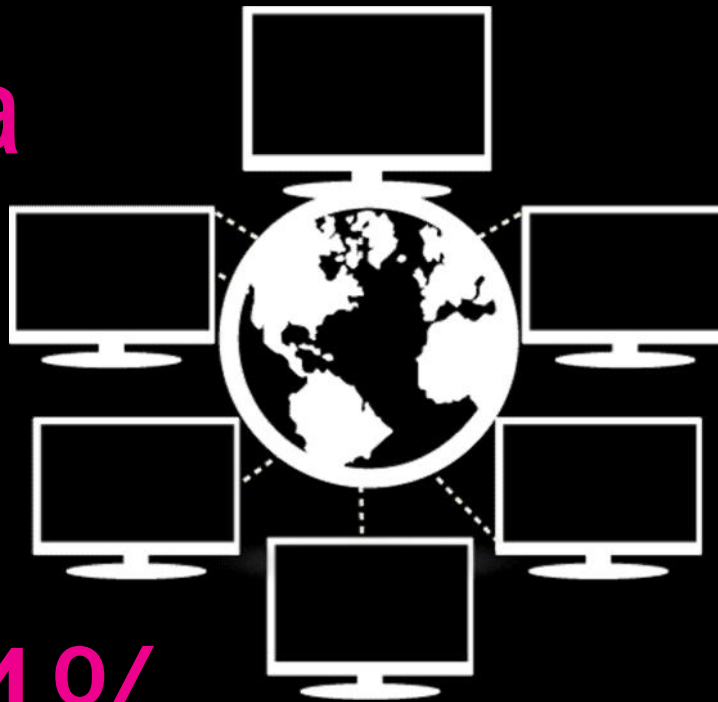
FROM 7% IN FYE'12 TO  
12% IN FYE'13

Note:

\* Adjusted to exclude realisation of fair value gain from available-for-sale reserve for comparison purposes.

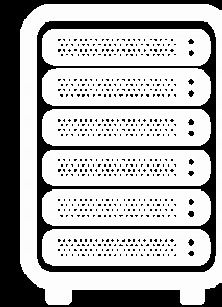
# Revenue by Product

Data



+34%

Growth YoY



Data Centre

+75%

Growth YoY



Voice

Change YoY -4%

Note:

Data includes revenue from Global Transit Companies.

The comparative revenue by product segment has been reclassified to be consistent with the current year presentation.

# 2013 at a glance



**NETWORK  
ENHANCEMENTS**



**100%  
FIBRE**



**REGIONAL  
ADVANCEMENTS**

LANDING OF  
**APG Cable**



**>130,000** FIBERISED  
PREMISES

Distributed  
**DIVIDEND-IN-SPECIE**  
June 2013



**\$\$\$\$**  
FIRST-EVER  
**DIVIDEND  
POLICY**



**PEOPLE  
DEVELOPMENT**



**DATA  
CENTRE**  
EXPANDED  
CAPACITY



Menara Aik Hua is now  
**MENARA AIMS**

NEW  
**Global PoPs**



# Domestic Network Enhancements



100%  
FIBRE

Our 100% fibre optic network now reaches over **130,000 premises**



Constructed a full-fledged **cable landing station in Kuantan**



Received the highly-respected **Information Security Management Systems (ISMS) ISO/IEC 27001:2005** certification

Built our **3<sup>rd</sup> route to Kuantan** in our effort to position Kuantan as our Eastern gateway

# Regional Advancements



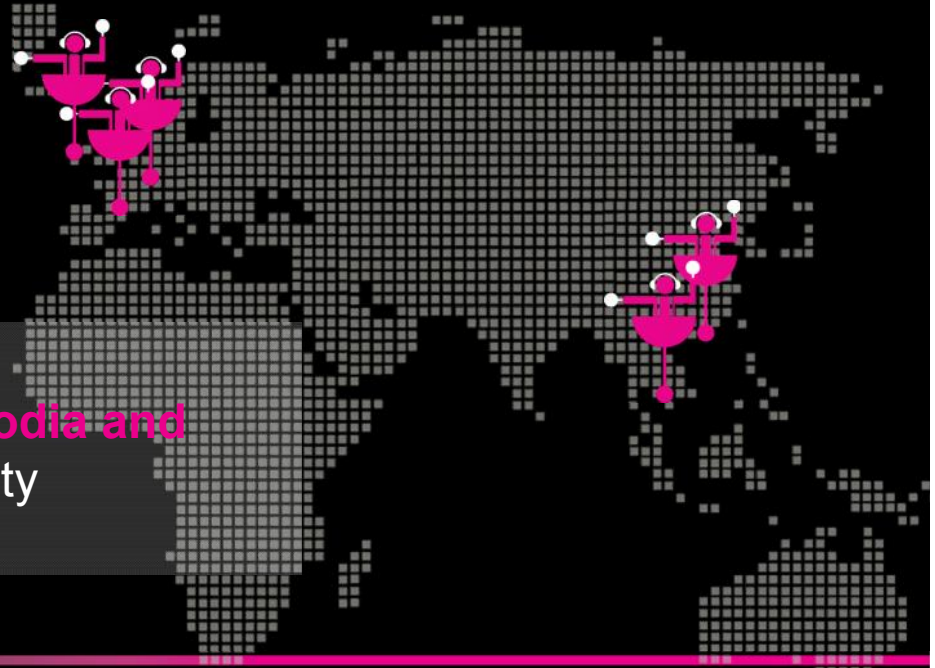
Landmark landing of **APG Cable** in Kuantan, completing our Malaysia to USA connectivity

KTN

JPN

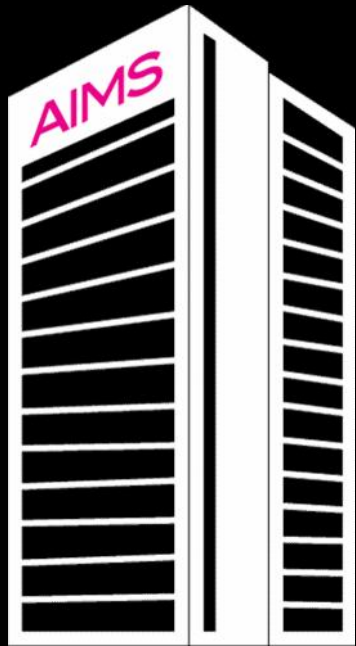
USA

Added new Point of Presence (PoPs) in **London, Frankfurt, Amsterdam, Cambodia and Hong Kong**, expanding global connectivity (Asia-World-Asia strategy)

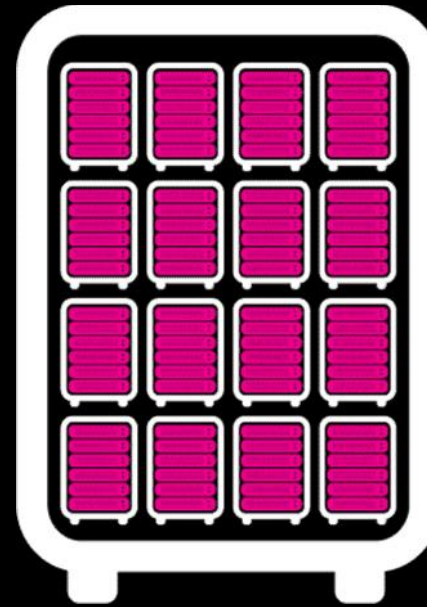




# Data Centre Growth



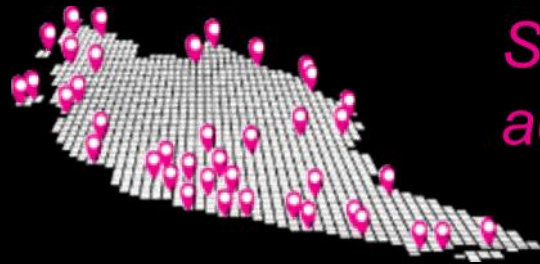
Renamed Menara Aik Hua to **Menara AIMS**, cementing long-term presence in KL



Expanded data centre capacity at Menara AIMS by an additional **6,000 square feet**

# 2014 Expectations

# 2014 Another Year of Continuing Growth



*Strengthening fibre optic network  
across Malaysia*

## Continuing Demand

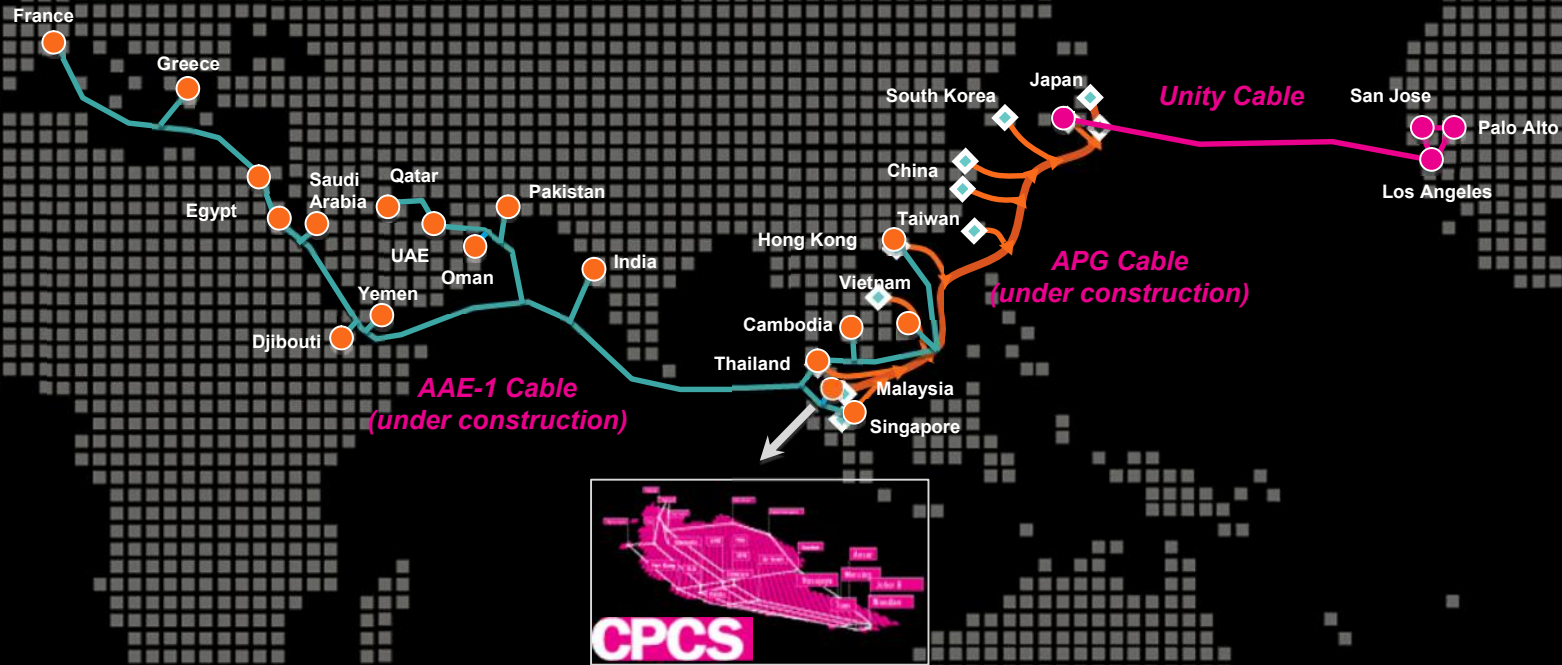
*expected from mobile operators for their  
network modernisation and  
LTE network rollouts*



## Going Regional

- *Expanding data centre businesses*
- *Establish more international PoPs*
- *To capture Indochina increasing bandwidth demand via APG cable system*
- *Expand network to Europe via investment in AAE-1 cable system*

# TIME GLOBAL NETWORK



With the inclusion of the AAE-1 cable system, our network footprint and customer base has expanded from a pure Malaysian presence to include US, Asia, Middle East, Africa and Europe. A major step for TIME's Asia-World-Asia strategy.

# MSWG Questions

# Strategic & Financial Matters

Q1)

In the Chairman's Statement, it was stated that sales from the Group's data grew 34% to RM411.6 million during the financial year on the back of improved revenues from Wholesale, Enterprise and SME & Consumer segments, which climbed 43%, 21% and 16% respectively.

Q1) (i)

Which segment was the main contributor to the Group in 2013?

A. Wholesale and enterprise segments were the main contributors to the Group in 2013.

Q1) (ii)

Which segment would remain the key driver for revenue in 2014?

A. The Group expects that the wholesale and enterprise segments would continue to drive growth in 2014.



Q1) (iii)

What would be the expected CAPEX for FY2014?

A. The Group CAPEX for 2014 is estimated at RM270 million. A large portion of the said CAPEX will be incurred for the Group's new submarine cable investments, Asia Pacific Gateway (APG) and Asia-Africa-Europe-1 (AAE-1) cable systems.

Q2)

It was stated in the Review of Operations that stiff competition and price erosion have become a concern due to new entrants and landscape changes in the wholesale telecommunications space.

Q2) (i)

Who are these competitors and new entrants?

A. Our competitors include all licensed fixed-line operators and global service providers who provide similar products and services as us. New entrants in recent years have been smaller local telecommunication companies which have been granted license to operate in the country.

Q2) (ii)

How has the price erosion affected the overall industry and the Group?

- A. The Group and the industry as a whole has had to refocus its energies and double its efforts to improve execution, efficiency and effectiveness and provide more value added and superior services in order to differentiate themselves with each other in the marketplace. The Group is also managing this by taking on a more integrated view of the telecommunication's value chain to expand its market reach and open up new potential avenues for growth.

Q2) (iii)

Could the Board elaborate on the landscape changes as mentioned in the Review of Operations?

- A. The traditional telecommunication's wholesale market boundaries have begun to blur with the emergence of technologies that provide cheaper alternative access to the internet which may lead to cannibalisation of traditional wholesale offerings. This has to a large extent accelerated price erosion in the wholesale telecommunication space. To counter this, the Group offers competitive pricing, good pre- and post- sales support, as well as improved quality and network reliability to enable continued growth in the wholesale segment.

Q3)

It was also stated in the Review of Operations that the SME and Consumer segment experienced respectable growth for 2013.

Q3) (i)

What was the subscriber growth rate and what was the churn rate compared to the previous year?

A. SME and consumer segments recorded a 16% growth rate in 2013 whilst the churn recorded is in line with the increase in revenue.

### Q3) (ii)

Given that there are other operators offering high-speed broadband packages, how does the company differentiate themselves from these competitors?

- A. The Group continues to compete on all fronts by continuing to deliver innovative products and service offerings via its 100% fibre optic network while adopting competitive pricing policies to increase market share. As mentioned earlier, the Group is also taking on a more integrated view of the telecommunication's value chain to expand its market reach in an effort to open new potential avenues for growth and stay competitive.



# Corporate Governance (CG)

Q1)

We would like to encourage the Board to publish the Minutes or the Summary of Minutes of the AGM on the Company's website to be in line with the spirit of transparency and good Corporate Governance practices based on the ASEAN CG Scorecard which is being used to assess the level of CG standards of PLCs in Malaysia by MSWG.

A. The outcome of general meetings is announced to Bursa Malaysia Securities Berhad on the same day after the conclusion of the general meetings as required by the Listing Requirements of Bursa Malaysia Securities Berhad. This includes whether or not the resolutions were carried and if the resolution is decided on a poll, the announcement will include the total number of votes cast on the poll and the percentage in favour of and against the resolution.

Shareholders of the Company have the right to receive notice and attend the Company's general meetings and to speak and vote thereat. Pursuant thereto, shareholders have the right to inspect the minutes of general meetings and may request in writing for a copy of the minutes of the general meetings at a nominal sum.

# Thank you

Should you have any queries, please contact::

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