FROST & SULLIVAN

TM ONE

2022
COMPANY OF THE YEAR

MALAYSIA CYBERSECURITY SERVICES INDUSTRY

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. TM One excels in many of the criteria in the Malaysian cybersecurity services space.

AWARD CRITERIA

Visionary Innovation & Performance	Customer Impact
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Addressing Unmet Needs and Leadership Focus

In 2021, organizations in Malaysia invested more in cybersecurity as business operations drastically changed when digital transformation accelerated because of the COVID-19 pandemic. With local businesses utilizing various digital technology solutions to meet rapidly evolving business and customer needs, the threat landscape in Malaysia has evolved because of the increasing vulnerability points in the digital space. Business environments, regardless of their maturity level, are finding it increasingly more complex to ensure the security posture of their information technology (IT), operational technology (OT), and cloud infrastructure, especially with the shortage of in-house security expertise, professionals, and tools. Many organizations in Malaysia, therefore, are looking to outsource their security operations to managed security service providers (MSSPs) to ensure the security posture of their infrastructure and, most importantly, to enhance their capabilities in threat detection and response, thus managing cyber risks better.

As an enterprise and government sector business solutions arm of Telekom Malaysia Berhad (TM), which is a Malaysian telecommunications company founded in 1984, TM One offers managed and professional security services under its TM One Cyber Defense Centre (CYDEC). TM One CYDEC's comprehensive cybersecurity services portfolio includes managed security services (MSS), such as managed unified threat management (MUTM), endpoint detection and response (EDR), managed security operations center (MSOC), managed detection and response (MDR), cyber threat intelligence (CTI), managed anti-DDoS,

managed web application firewall (MWAF), vulnerability management, capture the flag (CTF) service, cyber deception service (CDS), and digital risk protection. In addition, TM One CYDEC's portfolio includes professional security services (PSS), such as security posture assessment (SPA), vulnerability assessment and penetration testing (VAPT), red teaming, ISMS compliance through risk assessments, and secure infrastructure services. The company offers effective end-to-end cybersecurity services to customers by combining its capabilities with the local resources of its parent company under a single entity to help local business address security against the current complex technological landscape.

> *"TM One stands out from its close competitors based on its extensive cybersecurity capabilities and resources. With a full suite of cybersecurity services and infrastructure, coupled with a deep understanding of the Malaysian market landscape, TM One continues to address local customers' security needs effectively."*
>
> *– Ying Ting Neoh,*
> *Research Analyst*

Powered by TM One's Cybersecurity operations center (CSOC) and centralized cybersecurity platform, TM One CYDEC offers advanced technologies, such as predictive analytics and machine learning, to help customers cope with evolving cyberattacks on-premises and on the cloud. The extensive cybersecurity services portfolio, which moves beyond legacy cybersecurity services, allows TM One to customize its cybersecurity service solutions based on customers' needs across different organization sizes. Additionally, enhanced professional service capabilities, which are a part of TM One CYDEC's cybersecurity offering, help public and private sector organizations address industrial requirements when migrating from on-premises to hosted cloud environments. By working closely with customers in assessing their security posture, technology maturity, and business needs through its consulting capabilities and other value-added services, TM One sets itself apart from competitors that offer MSS as their core offering.

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Implementation of Best Practices

In line with the Malaysia Digital Economy Blueprint (MyDIGITAL) and other digital plans introduced by the Malaysian Government to enhance digital connectivity and digital infrastructure that will propel the nation toward becoming a digital economy by 2030, TM One supports the nation's digital transformation journey through its TM One CYDEC solution, helping local businesses and organizations build their cybersecurity resilience. Leveraging its parent company, TM, which is the sole Malaysian cloud service provider (CSP), and TM's network and global intelligence, TM One CYDEC has good visibility and comprehensive security tools to tackle cyberthreats promptly.

With seven data centers, four of which are certified by Uptime Institute, as Tier III/ Rated 3 data centers that provide world-class cloud services, artificial intelligence, and advanced cybersecurity, TM One continues to implement best practices through its investments in local data centers, infrastructure, and services, all of which ensure data is locally managed, with all services independent of third-party policies

and foreign regulations, thus supporting the Malaysian government's efforts in supervising citizens' data and ensuring data sovereignty.

Furthermore, TM One made significant investments to strengthen its cybersecurity solutions through its TM One CYDEC Programme to enhance its capability in securing businesses, especially the Critical National Information Infrastructure (CNII) in Malaysia. TM One CYDEC's cybersecurity services include MSS, such as cyber threat intelligence (CTI) services, active cyber Defense (ACD), and 24/7 cybersecurity operations center (CSOC), to protect government and public data. In addition, PSS covers the complete range of cybersecurity posture assessment, consulting and advisory services, compromised assessment and Cybersecurity Governance, Risk & Compliance Advisory, which assist customers to comply with regulatory requirements, such as Risk Management in Technology (RMiT) and Personal Data Protection Act (PDPA).

With its implementation of best practices, TM One has earned company endorsements and collaborations from local cyber authorities, such as Cybersecurity Malaysia and National Cyber Security Agency (NACSA) of Malaysia, to protect the data privacy of Malaysians while ensuring a world-class infrastructure backed by experts. Frost & Sullivan commends TM One's steadfast efforts in providing cybersecurity services that exemplify the implementation of best practices, which have benefited customers tremendously.

Visionary Scenarios through Mega Trends

The distributed workforce during the COVID-19 pandemic has expanded the attack surface of organizations in Malaysia. While legacy managed and professional security services that focus on meeting compliance requirements, asset security monitoring, and reporting remain relevant, organizations have shifted their cybersecurity approach from prevention to a more proactive approach by investing in cybersecurity services that can detect, respond to, and mitigate incidents effectively. Customers, therefore, are increasingly demanding DR services that offer cybersecurity experts who can perform threat hunting and risk mitigation for customers. TM One envisioned this market shift and has thus prepared itself by incorporating MDR in its TM One CYDEC cybersecurity services to help customers strengthen their cyber resilience.

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The market for managed and professional services has witnessed a rising number of organizations embarking on their digital transformation journey through their cloud migration process; however, the increasing adoption of hybrid cloud and multi-cloud has created a complex environment for organizations to protect against sophisticated cyberattacks. Understanding that cloud security is becoming a growing customer concern, TM One, as a local CSP and telco in Malaysia, has partnered with Cloud Connect to provide TM One's customers with cloud design planning, migration services, and workload optimization services, in addition to offering the flexibility to customize the needed services. TM One's other initiatives include enhancing its professional cloud service capabilities in assessment, prioritization, and migration, from on–premises to

hosted environments, as well as offering consulting capabilities to help customers achieve business and security outcomes during cloud migration.

These initiatives set TM One apart from other MSSPs that do not offer value-added cybersecurity services in their portfolios. In addition, TM One has strengthened its partnership ecosystem, which includes companies from various security domains, to diversify its offerings and coverage. In 2021, TM One partnered with Korea-based FNS Value Co. Limited (FNSV) as the sole distributor of its Blockchain Secure Authentication (BSA) solution in Malaysia, further strengthening the advanced managed security services offered to Malaysians and solving customers' cybersecurity concerns, in terms of digital transactions, such as credential attack and hijack, given that businesses continue to head toward the digital space.

TM One's initiatives in broadening its cybersecurity services portfolio to provide customers with cutting-edge security services showcase the company's visionary efforts in leveraging Mega Trends to tackle some of the most pressing cybersecurity concerns faced by customers.

Financial Performance

With the increasing adoption of digital technologies and the complexity of cyberattacks, organizations across Asia-Pacific (APAC), including Malaysia, have been increasingly receptive to working with MSSPs for their cybersecurity services, to tackle the evolving cyberattacks. TM One's cybersecurity services have benefited from this demand, as reflected by the company's robust year-on-year (YoY) growth of 25% in Malaysia, with a market share of approximately 20% in 2021.

In addition to existing local MSSPs, a rising number of regional and international MSSPs are looking to expand their business presence in Malaysia; therefore, the MSS and PSS markets have become highly competitive in the country. Despite stiff competition in these markets, TM One remains the market leader and is the largest MSSP in Malaysia, mainly based on its strong brand reputation as a leading local telco in Malaysia and its extensive local customer base through TM Wholesale, Unifi, and other TM businesses. By working closely with other subsidiaries of its parent company, TM One can extend TM One CYDEC's customer reach by, for example, bundling its cybersecurity services with TM's networking deals or as part of a digital transformation project.

In 2021, TM One's strong reputation and brand value in the country continued to drive solid growth across verticals, such as banking, financial services, and insurance (BFSI) and government. In the same year, the company successfully outpaced other key market contenders in the country because of its broad portfolio of cybersecurity services and its understanding of the local cybersecurity landscape and regulations, thereby gaining local customers' trust in the supervision and management of their security posture.

Customer Ownership Experience and Customer Service Experience

Adopting established frameworks, such as MITRE Adversarial Tactics, Techniques and Common Knowledge (MITRE ATT&CK®) and National Institute of Standards and Technology (NIST), TM One CYDEC provides a real-time, holistic view of an organization's security landscape visibility through its predictive analysis across private and public networks. TM One CYDEC is a software-as-a-service (SaaS)-based solution that provides customers with greater visibility capabilities, access to detailed reporting, and

personalized services, whereby customers of different security maturity levels and with different security needs can tailor the levels of security services to suit their business requirements.

Furthermore, TM One partners with managed service providers in the market, such as Telefónica Tech in 2021 to enhance its capabilities in detecting and eliminating cyber threats while offering world-class level cybersecurity services to enterprise and public sectors in Malaysia. In addition to receiving endorsements from local cybersecurity authorities, TM One CYDEC is backed by 17 certified experts in various cybersecurity portfolios, while the company holds ISO 27001 certification, InfoRisk 360° Professional Training certification, Cisco Certified Network Associate (CCNA), and Ethical Hacking and Countermeasures Expert (EHCE) for its cybersecurity services. These certifications further prove the company's expertise and deep understanding of the local cybersecurity landscape and client requirements.

Frost & Sullivan commends TM One for its pool of security professional and managed security services that make its cybersecurity services accessible to different market segments and for implementing solutions that are aligned with customers' goals. TM One's commendable customer service has allowed the company to establish trusting relationships with local customers, further strengthening its leadership position in the cybersecurity industry in Malaysia.

Conclusion

With a stellar business performance in 2021, TM One has gained a strong leadership position in Malaysia. In addition to its steady revenue growth in 2021, the company leverages its deep understanding of the Malaysian market landscape and cutting-edge security capabilities by continually diversifying its cybersecurity offerings to ensure its growth pipeline.

Through its diversified range of offerings, TM One has successfully captured market share amid the COVID-19 pandemic while continuously upholding a strong reputation in delivering customizable cybersecurity services based on customers' needs. Overall, with its steadfast commitment in technological innovations and its go-to-market strategies, TM One is the leader in the cybersecurity services industry in Malaysia.

With its strong overall performance, TM One earns Frost & Sullivan's 2022 Malaysian Company of the Year Award in the cybersecurity services industry.

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What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends: Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

The Growth Pipeline Company™

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at http://www.frost.com.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.
Learn more.

Key Impacts:

- **Growth Pipeline:** *Continuous Flow of Growth Opportunities*
- **Growth Strategies:** *Proven Best Practices*
- **Innovation Culture:** *Optimized Customer Experience*
- **ROI & Margin:** *Implementation Excellence*
- **Transformational Growth:** *Industry Leadership*

The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- Mega Trend (MT)
- Business Model (BM)
- Technology (TE)
- Industries (IN)
- Customer (CU)
- Geographies (GE)