

Corporate Presentation **9M23 Results**

PT Telkom Indonesia (Persero) Tbk
November 2023

Disclaimer

This document may contain forward-looking statements within the meaning of safe-harbor. Actual results could differ materially from projections, estimations or expectations. These may involve risks and uncertainties and may cause actual results and development to differ substantially from those expressed or implied in the statements. The company does not guarantee that any action, which may have been taken in reliance of this document will bring specific results as expected.

9M23 Results

Telkom in Brief

9M23 Financial and Operational Results

Board of Directors

TELKOM Group



CEO TELKOM GROUP
**RIRIEK
ADRIANSYAH**



DIRECTOR
**HERI
SUPRIADI**



DIRECTOR
**HERLAN
WIJANARKO**



DIRECTOR
**FM
VENUSIANA R**



DIRECTOR
**BUDI
SETYAWANA
WIJAYA**



DIRECTOR
**MUHAMAD
FAJRIN
RASYID**



DIRECTOR
AFRIWANDI



DIRECTOR
**BOGI
WITJAKSONO**



DIRECTOR
**HONESTI
BASYIR**

Telkomsel



CEO TELKOMSEL
**HENDRI
MULYA SYAM**



DIRECTOR
**MOHAMAD
RAMZY**



DIRECTOR
**ADIWINAHYU
BASUKI SIGIT**



DIRECTOR
**DERRICK
HENG**



DIRECTOR
**WONG
SOON NAM**



DIRECTOR
**BHARAT
ALVA**



DIRECTOR
NUGROHO



DIRECTOR
**R. MUHARAM
PERBAWAMUKTI**

Share Ownership

Ownership

52.1%
Government of
Indonesia



47.9%
Public

Listings



Telkom Indonesia is the only dual-listed Indonesian company at Indonesia Stock Exchange (*Bloomberg: TLKM IJ*) and New York Stock Exchange (*TLK US*)

Total Shares

99,062,216,600 shares

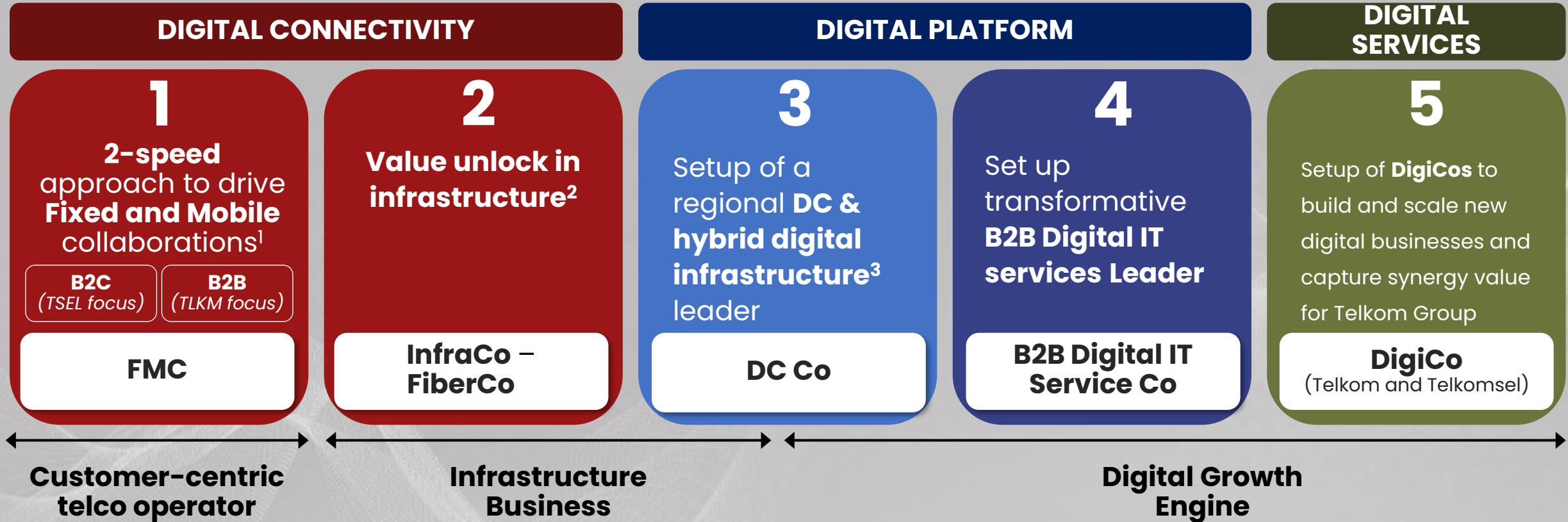
Market Capitalization

Rp346 Tn (USD21.8 Bn)*

*as of 31 October 2023

5 Bold Moves Strategy

Five Bold Moves Framework



1. Needs deeper exercise across multiple strategic dimensions including complexity, regulation, stakeholder, financial impact

2. TowerCo has already completed IPO to unlock value in November 2021

3. DC-related is placed under Digital Platform to accommodate integrated directions and more comprehensive strategies, including Cloud and Tech-giant strategy

9M23 Results

Telkom in Brief

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Performance Highlights

In the nine months of 2023, **Telkom** recorded positive growth of **2.2% YoY** to **Rp111.2 trillion in Revenue** supported by the growth of **Data, Internet & IT Services** at 4.8% YoY to Rp63.4 trillion with increasing **IndiHome** revenue and continuous transition from legacy to data.

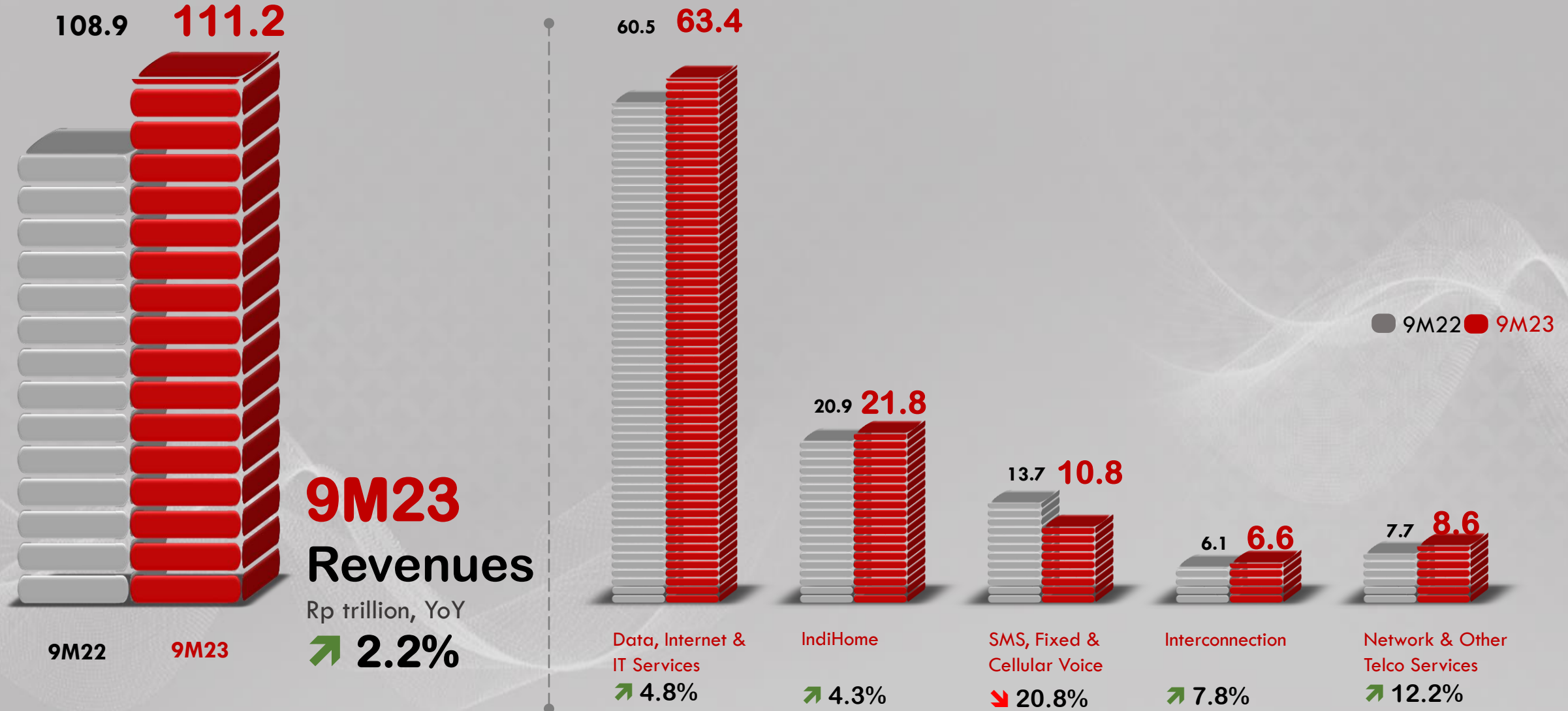
EBITDA stood at **Rp59.1 trillion** with EBITDA **margin 53.1%**, improved from 52.2% in the first half 2023. Meanwhile, **Net Income** grew by **17.6% YoY** to **Rp19.5 trillion** during the period.

Telkom through its Enterprise Segment has launched **Indibiz**, which provides connectivity solution as well as digital platform and service that focuses on securing **Small and Medium Enterprises (SMEs)** and are categorized into Indibiz for Shophouse, Indibiz for Multifinance, Indibiz for School, and Indibiz for Hotel.

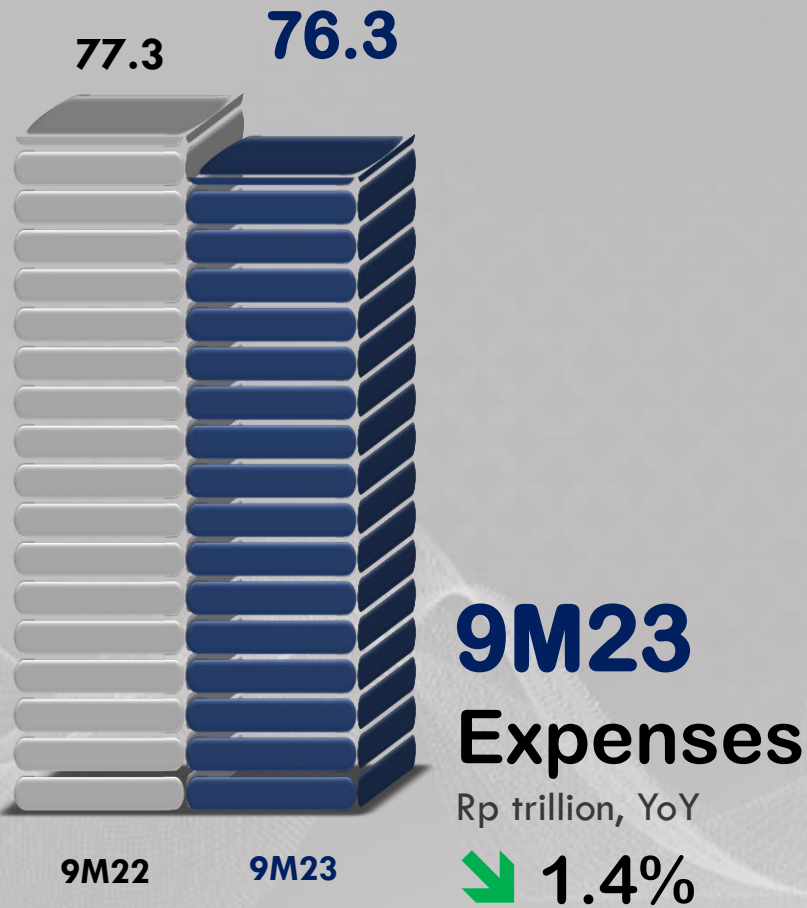
Telkomsel's Digital Business revenue recorded a positive performance of **7.0% YoY** driven by solid **data payload** growth resulting in an increased contribution of mobile revenues to 86.1% from 81.0% in the same period last year. Telkomsel also managed a robust amount of **mobile customer** base at **158.3 million** and acceleration of **additional IndiHome B2C** in the encouraging amount of **205 thousand** customers.

Mitratel continues its leadership in the tower industry, and consistently improves its profitability. In 9M23, **Revenue** grew by **11.9% YoY**, with **EBITDA Margin** expanded 2.1 ppt to **80.6%**, supported by improving **tenancy ratio** to **1.50x** from 1.44x last year.

Revenue



Expenses and Profitability



EBITDA
Rp trillion, YoY
↓ 0.7%

Period	EBITDA (Rp trillion)
9M22	59.5
9M23	59.1

% Margin

Period	% Margin
9M22	54.6
9M23	53.1

Net Income
Rp trillion, YoY
↑ 17.6%

Period	Net Income (Rp trillion)
9M22	16.6
9M23	19.5

% Margin

Period	% Margin
9M22	15.2
9M23	17.5

Note:
Operating Net Income 9M22: Rp19.4 tn, 9M23: Rp19.6 tn, ↑ 1.2% YoY
Operating Net Income Margin 9M22 17.8%, 1H23 17.7%

Legend: 9M22 (Grey), 9M23 (Blue)

Telkomsel

Serving the best customer experience to retain and maintain stickiness

Improved **customer experience** and **accessibility**

One App

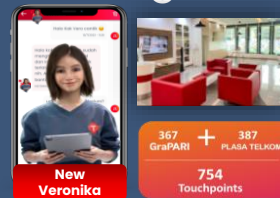
All services and digital lifestyle in one single app, **MyTelkomsel**



> **35** Mn
Monthly
Active
Users

One Cust Care

Enhanced **experience** with the integration



Expanded Channel

More channels to give **customer convenience**



Equitable Access

Every household gets what they need, harnessing the **combined power** of fixed and mobile business



Telkomsel continue to leverage its position as the **House of Payload** with the **largest data traffic share**, by **utilizing digital services as the catalyst** of connectivity

Telkomsel

NPS

*as of Sep 23

50

7.59

CSI

Maintain the highest NPS and CSI as a result of our commitment to a **customer-centric approach**

IndiHome
by Telkomsel

NPS

*as of H1 23

35

Telkomsel

Maintain Rapid Trajectory: Results of initiative to harness the high-speed demand and reliable broadband

Synergy Initiatives

Prioritizing **Cost Optimization**



Reducing > **190 Overlapping Customer Touch Points**

Content Platform Optimization

Converged Customers



Capability to **accelerate additional customers through cross-selling and up-selling**

Leverage **Mobile Channel Muscle**



- 327 GraPARI
- 180 Plasa
- > 350K Outlet



Home Broadband CB

8,474 K

Net Add

205 K



ARPU

257 K



Telkomsel offers broadband services with a **variety of added values, reliable capabilities in one network, the convenience and advantages of Telkomsel Prepaid, Halo, Orbit and IndiHome services in one bill, one app, one touch point, one solution.**

Telkomsel

Managing top-line growth & securing profitability through embracing new strategic initiatives

Data Payload



22,361 PB

~**3x** Avg. Mobile
Payload

Customer Base



158.3 Mn

+3.3% QoQ

Data User



126.0 Mn

+6.8% QoQ

Revenue



2Q23 **+29.6%** 3Q23

22.5 Tn **29.2** Tn

3Q23

Digital Business
 19,636 Bn

IndiHome B2C
 6,602 Bn

Legacy
 2,946 Bn

EBITDA

2Q23

3Q23

12.7 Tn **13.9** Tn

+9.9%

Net Income

2Q23

3Q23

5.4 Tn **5.6** Tn

+4.3%

Fixed Line Business



IndiHome

Revenue (Rp)
21.8tn
↗ 4.3% YoY

EBITDA Margin Relatively stable at around

50%

Total Subscribers

9.8mn
↗ 8.4% YoY

Net Additional Subscribers (Residential & Enterprise)

589k in 9M23



Enterprise Business

Revenue (Rp)
14.6tn
↗ 6.6% YoY

Biggest Solutions Contributors

- ❑ B2B Digital IT Services
- ❑ Enterprise Connectivity

Strengthening the Business

- ❑ Cloud Business
- ❑ Building Strategic Partnership with Global Tech Players

Segment

- ❑ Government
- ❑ SOE
- ❑ Private Enterprise
- ❑ SME: Indibiz



Wholesale & International Business

Revenue (Rp)
12.3tn
↗ 9.1% YoY

Growth Contributors

- ❑ International Wholesale Voice
- ❑ Digital Infrastructure

Revenue (Mitratel stand-alone) **37,091**

Rp6.3tn
↗ 11.9% YoY



Towers
Biggest Towerco in SEA
In terms of towers owned

EBITDA & Net Income Margin **1.50x**
80.6% & 22.8% Tenancy Ratio

32 data centers
27 domestics
5 overseas

42MW
IT Load Capacity

DC&Cloud Revenue

Rp1.4tn



Strategic Initiatives

Fixed-Mobile Convergence (FMC)

FMC was successfully **executed on 1 July 2023** as IndiHome and its commercial aspects were legally integrated to Telkomsel. The reason and purpose of the Spin-Off are to maintain **competitiveness and superiority** of Telkom, facing competition in the Indonesian telecommunication sector.

IndiHome B2C segment has been **smoothly integrated** into Telkomsel and serving existing customers **without any disruption**. This agreement is an important milestone to leverage leadership both in fixed and mobile and become the largest convergence operator nationwide with **unbreakable internet service**.

Data Center Co

Through our subsidiary, PT Telkom Data Ekosistem, with NeutraDC as the brand, we focus on developing business in **Hyperscale Data Center** (HDC) and **Enterprise Data Center** to serve large enterprise needs with various customer segmentations. Meanwhile, our **Edge Data Centers** are aimed to support local government, local ISP, and Small and Medium Enterprise (SMEs) businesses across Indonesia.

As of September 2023, we have a total of **32 data center** facilities (27 domestic and 5 overseas) with average **utilization rate of 70%** that spread over 4 countries (Indonesia, Singapore, Hongkong, and Timor Leste). Our data centers consist of an **IT load capacity of 42 MW**.

InfraCo

InfraCo is expected to serve as Telkom's primary driver for boosting enterprise value by facilitating widespread fiber penetration, providing exceptional services, and fostering enhanced value creation to effectively tackle strong competition.

The strategy focusing on **optimizing network utilization, capex**, increase **market penetration** by enhancing external revenue, and offering **superior network services**.



PT Telkom Indonesia (Persero) Tbk **November 2023**

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