

Corporate Presentation **1H23 Results**

PT Telkom Indonesia (Persero) Tbk
August 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.

1H23 Results

Telkom in Brief

1H23 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
SETYAWAN
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

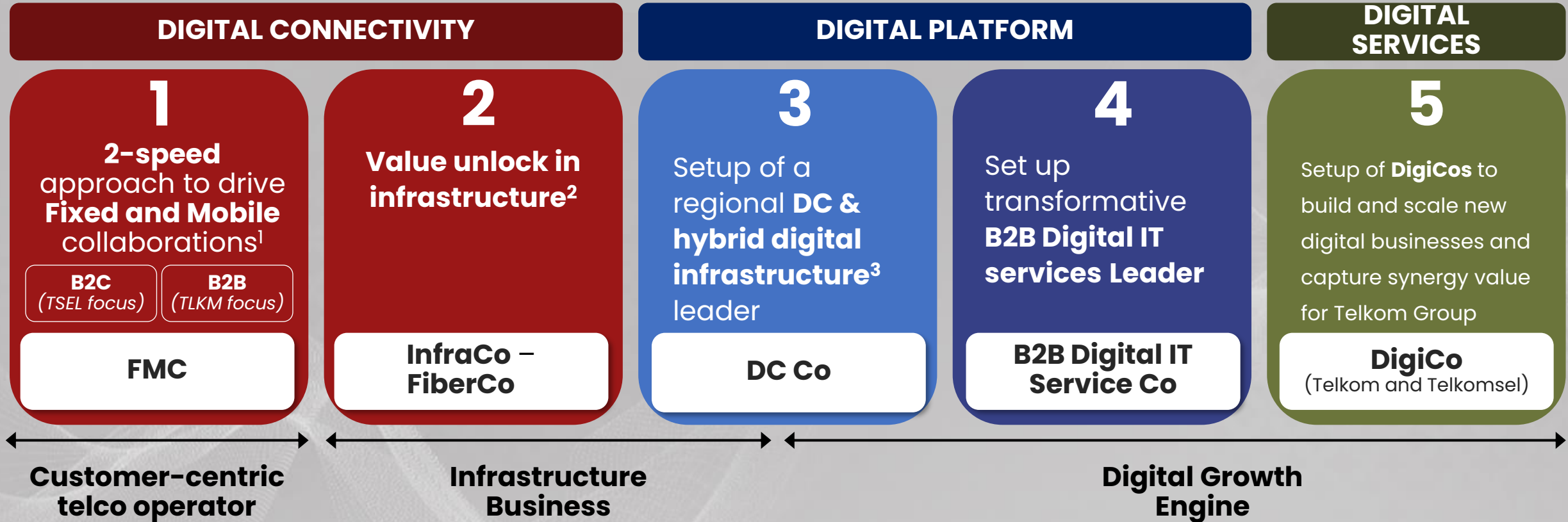
Market Capitalization

Rp369 Tn (USD24.2 Bn)*

*as of 31 July 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

1H23 Results

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Performance Highlights

During the first half of 2023, **Telkom** recorded positive growth of **2.1% YoY** to **Rp73.5 trillion in Revenue** supported by the growth of **Data, Internet & IT Services** of 6.1% YoY to Rp41.6 trillion, **IndiHome** of 4.0% YoY to Rp14.4 trillion, and **Interconnection** of 5.7% YoY to Rp4.5 trillion.

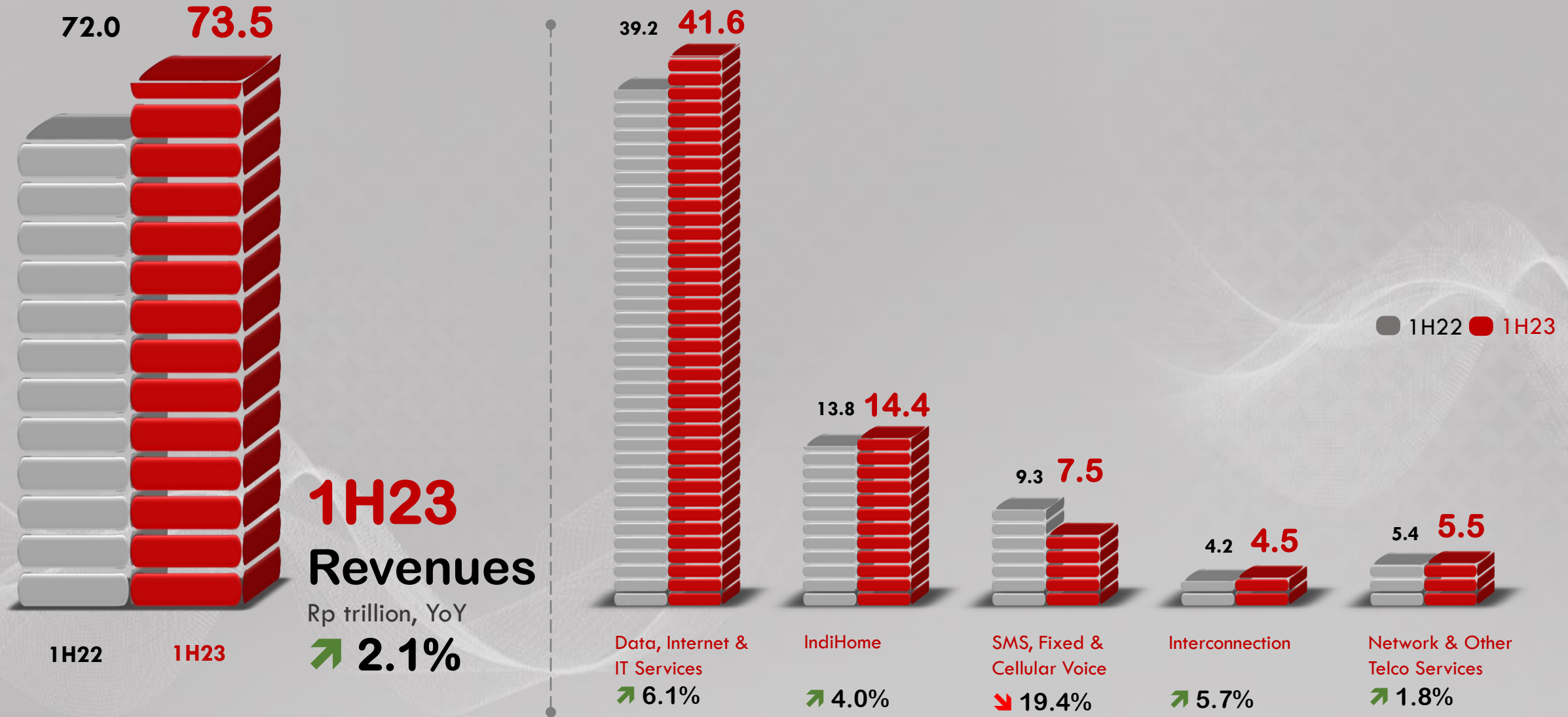
Telkomsel's Digital Business kept growing healthily with **9.4% YoY growth in data traffic** and its contribution reached 85.6% of total Telkomsel's revenue as compared to last year's contribution of 80.5%. Telkomsel's **subscribers** in 2Q23 reached **153.3 million**, increased from 151.1 million in 1Q23 with the **growing ARPU to Rp49.7 thousand** from Rp45.3 thousand in the previous quarter.

Telkom and Telkomsel signed deed of spin-off to **integrate IndiHome to Telkomsel (FMC)** on June 27, 2023 and legally IndiHome has been under the management of Telkomsel on July 1, 2023. By having FMC is expected to increase revenue from potential commercial synergies and will also help Telkom Group to be more efficient in operational expenses and capital expenditures. Therefore, **Telkom** could concentrate on **B2B business** while **Telkomsel** will defend its dominance in **B2C Telco business**.

EBITDA declined by 2.7% YoY as the impact of increasing cost from **additional spectrum acquisition to secure capacity and quality** of our network in **long-term period**.

IndiHome continued to become our engine of growth supported by **9.5 million total subscribers** or grew 7.2% YoY and increasing add-ons revenue.

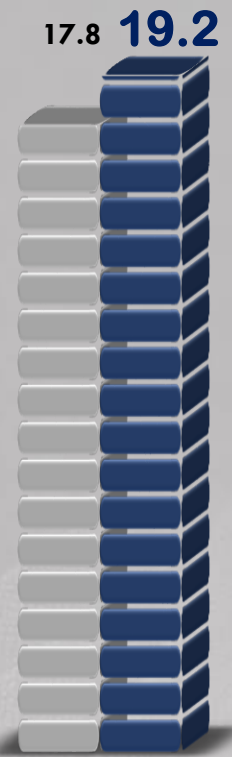
Revenue



Expenses and Profitability



1H23 Expenses
Rp trillion, YoY
↗ 2.9%



Operation, Maintenance & Telco Services
↗ 7.4%



Personnel
↗ 4.2%



General & Administrative
↗ 18.1%



Interconnection
↗ 16.8%

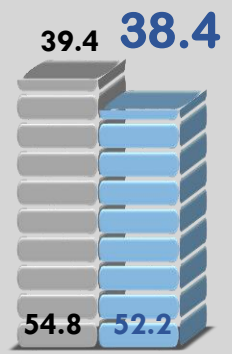


Marketing
↘ 2.4%

EBITDA

Rp trillion, YoY

↘ 2.7%



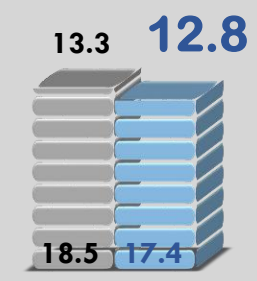
% Margin

54.8 52.2

Net Income

Rp trillion, YoY

↘ 4.2%



18.5 17.4

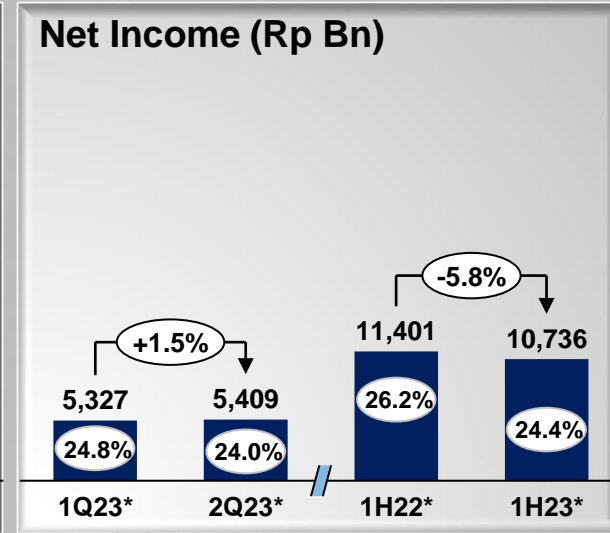
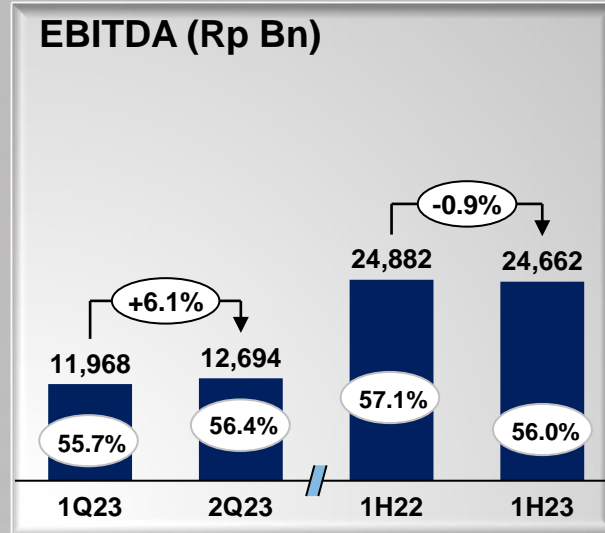
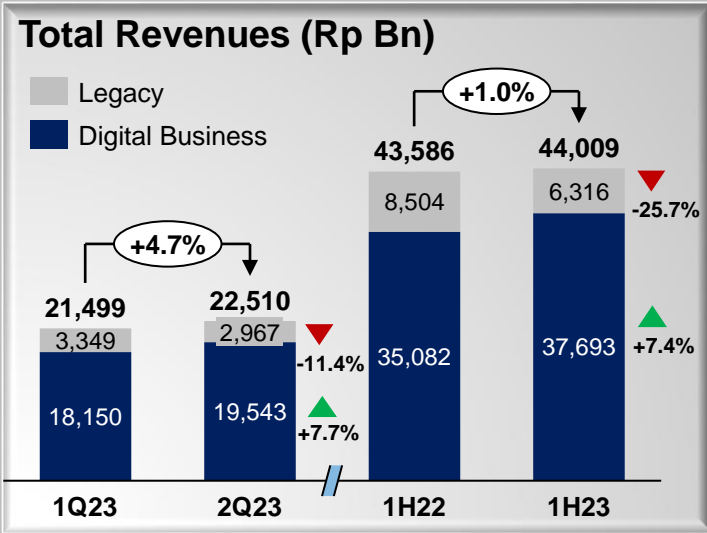
Note:

Operating Net Income 1H22: Rp12.8 tn, 1H23: Rp12.5 tn, **↘ 2.4%** YoY
Operating Net Income Margin 1H22 17.8%, 1H23 17.0%

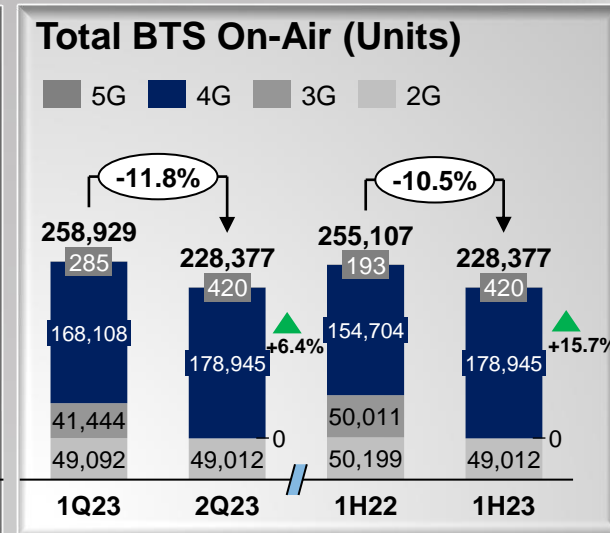
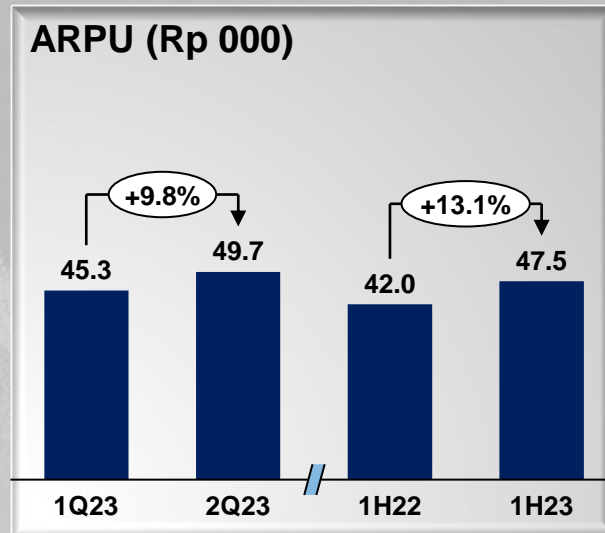
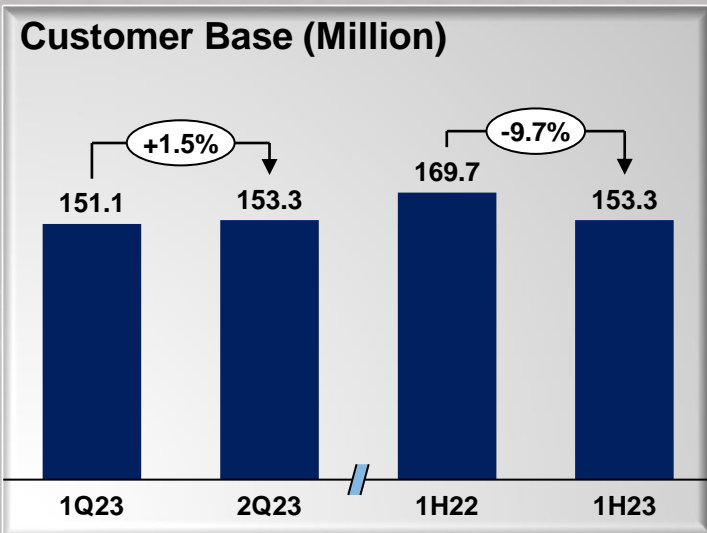
1H22 1H23

1H22 1H23

Telkomsel Performance

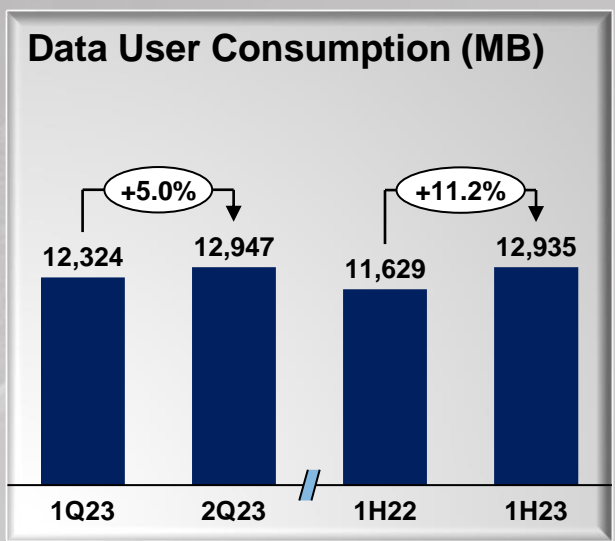
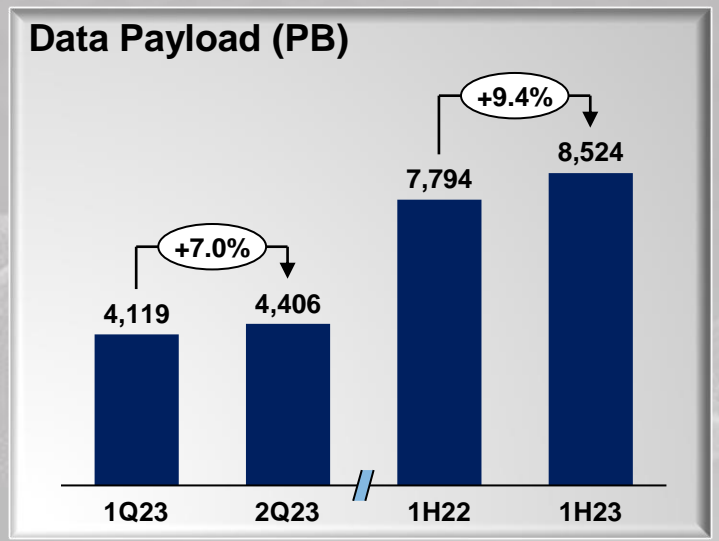
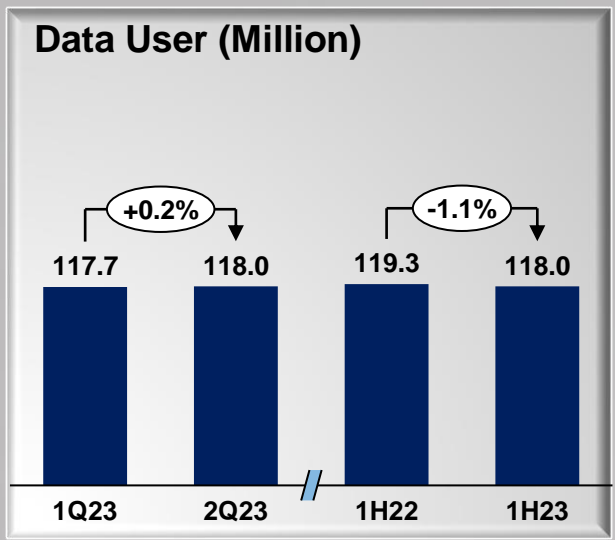
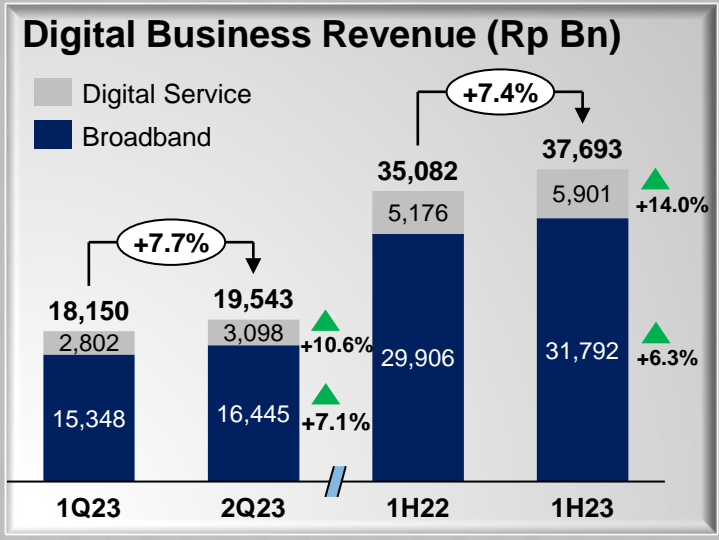



*) Includes inorganic initiatives with fair value of investment in GoTo



- Positive revenues growth with cost optimization initiatives led to healthy levels of profitability.
- Number consolidation from healthy productive subscribers provide solid ARPU growth.
- Strengthen network leadership that support focus on Digital Business and customer experience including finished the process of 3G shutdown.

Telkomsel Digital Business



- 
- Continue to focus on Digital Business and increased its contribution to total revenues to 85.6% driven by growth of Broadband and Digital Services
 - Productive Data users with healthy growth in Data payload and Data user consumption

Fixed Line Business



IndiHome

Revenue (Rp)

14.4tn

↗ 4.0% YoY

Add-ons Revenue

16.6%

of IndiHome Revenue

EBITDA Margin

Relatively stable at

around **50%**

Total Subscribers

9.5mn

↗ 7.2% YoY

Additional Subscribers

316k in 1H23

Coverage

501 cities

97.5%
Indonesian cities / districts

% Customer Proportion

66:34 | **89:11**

Dual Play : Triple Play | Residential : Enterprise



Enterprise Business

Revenue (Rp)

9.3tn

↗ 6.7% YoY

Biggest Solutions Contributors

- ❑ B2B IT Digital Services
- ❑ Enterprise Connectivity

Strengthening the Business

- ❑ Cloud Business
- ❑ Building

Strategic Partnership

with Global Tech Players



Wholesale & International Business

Revenue (Rp)

8.2tn

↗ 3.2% YoY

Growth Contributors

- ❑ International Wholesale Voice
- ❑ Digital Infrastructure

Revenue

(Mitratel stand-alone)

Rp4.1tn

↗ 10.8% YoY



Towers

Biggest Towerco in SEA
In terms of towers owned

EBITDA & Net Income Margin

81.2% & 24.8%

1.49x
Tenancy
Ratio

30 data centers
25 domestics
5 overseas

42MW
IT Load
Capacity

DC&Cloud
Revenue

Rp837bn



Strategic Initiatives

Fixed-Mobile Convergence (FMC)

Telkom and Telkomsel signed the deed of **Spin-off** on 27 June 2023 to **integrate IndiHome business** to **Telkomsel**. Telkom's **shareholding** position in Telkomsel increased from **65% to 69.9%**.

FMC is very strategic to **maintain the competitiveness and superiority** in facing business competition, to **improve the service quality** provided to customers, to **accelerate** the process of providing **equal broadband services** throughout all regions of Indonesia.

Data Center and Clouds

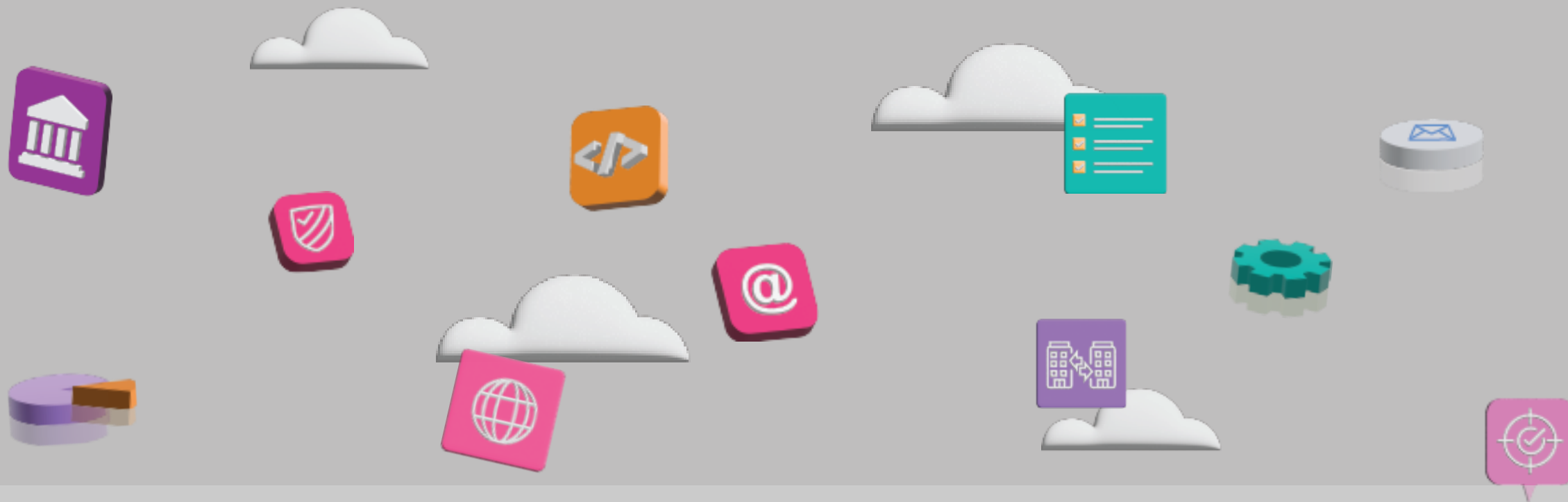
The presence of robust data centers and cloud infrastructures are the key to enable us in developing various digital solutions to enhance customers' experience.

With our **integrated network**, we are able to **accommodate** our customers' future **business digitization needs**.

InfraCo

Infrastructure value unlock, starting with Tower. We will continue to explore new InfraCo and infra sharing potential.

This initiative aims at optimizing consolidated Telkom's Capex efficiency, quality improvement, and coverage of service; to **optimize asset utility** and **market penetration**, **cater Telco business challenge**, and **create business value** that meets investors' expectations.



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

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