

SINGTEL INVESTOR DAY

24 AUGUST 2023

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CFRO - CMO TELKOMSEL

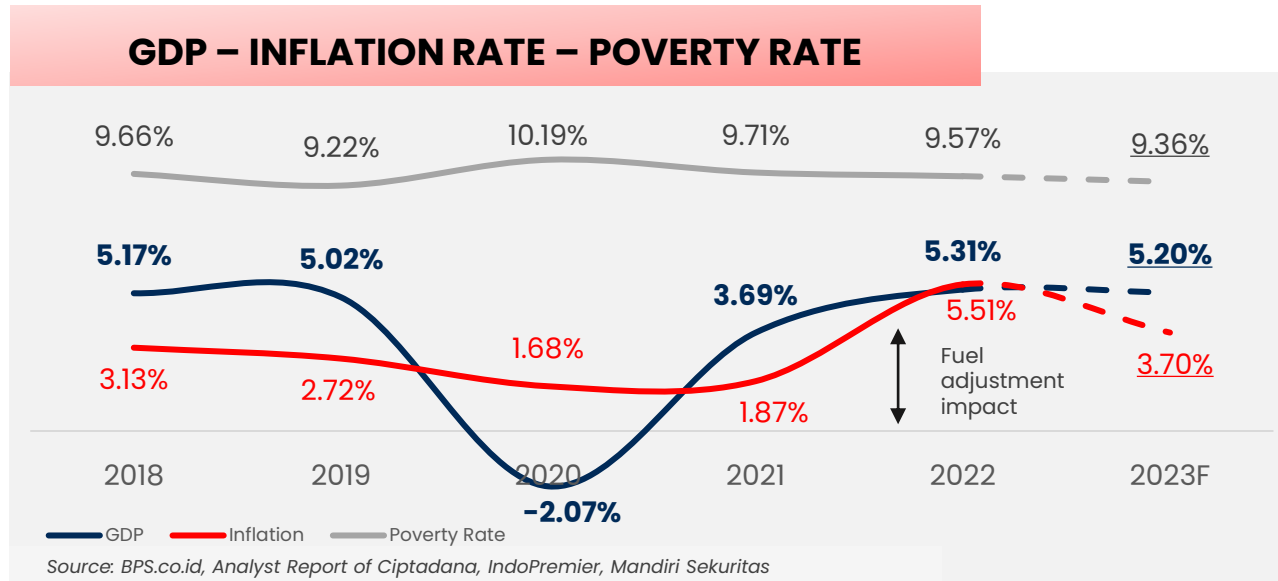
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Resilience of the national economy and Indonesian cellular industry

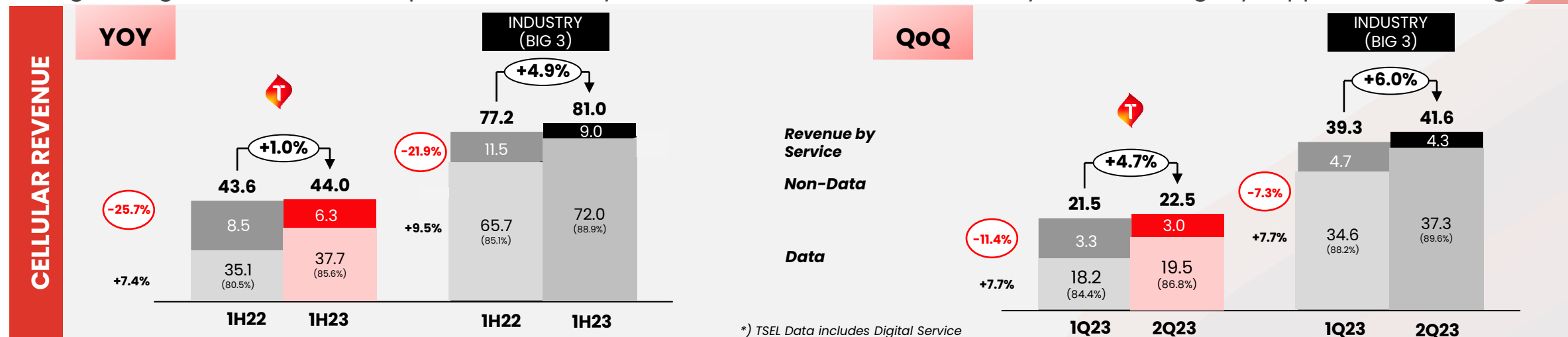
Economic recovery projected to grow at around 5.0% YoY with inflation rate remain under control as of June 23 at 3.5% YoY. The declined of poverty rate demonstrated the resilience of the national economy



2023 Economy Projection

- Optimistic Indonesia **economic outlook** to grow around 5.0 – 5.2%
- Under control inflation rate** at around 3.2 – 3.7%
- Decline of poverty rate** of the period of pre pandemic levels at 9.36%

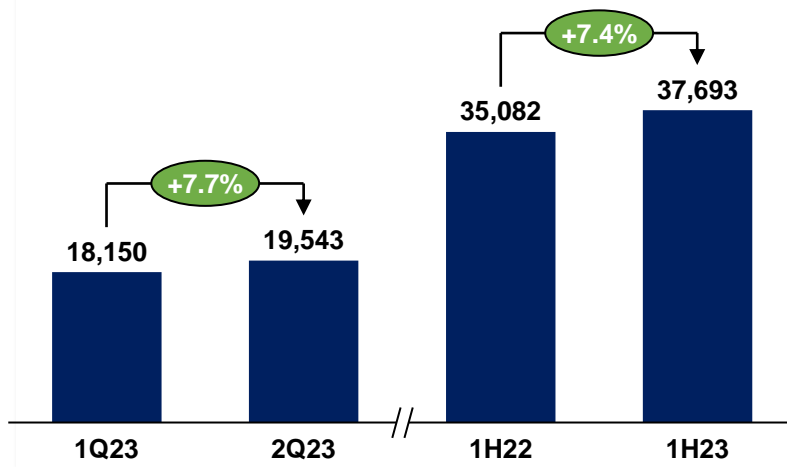
Align with better economic condition, TSEL continue to implement healthy conduct and improve customer productivity resulting strong ARPU growth and traffic improvement with yield stabilization. However, naturally decline in Legacy suppressed overall growth



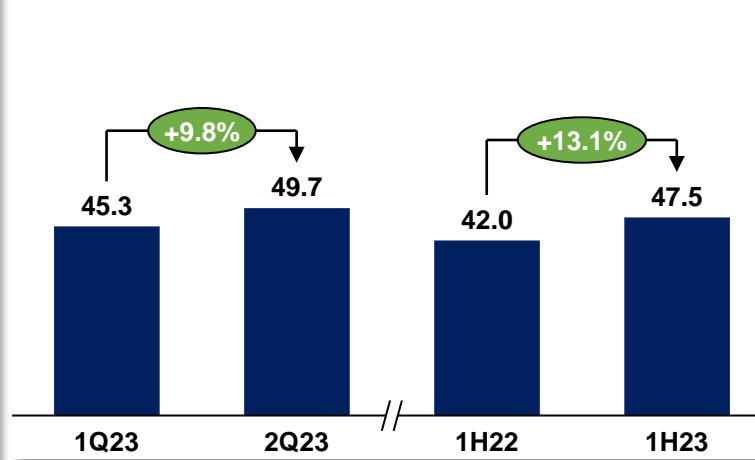


H1 23 positive momentum of growth underpinned by Digital Business revenue as a result of healthy conduct initiative with pricing rationalization

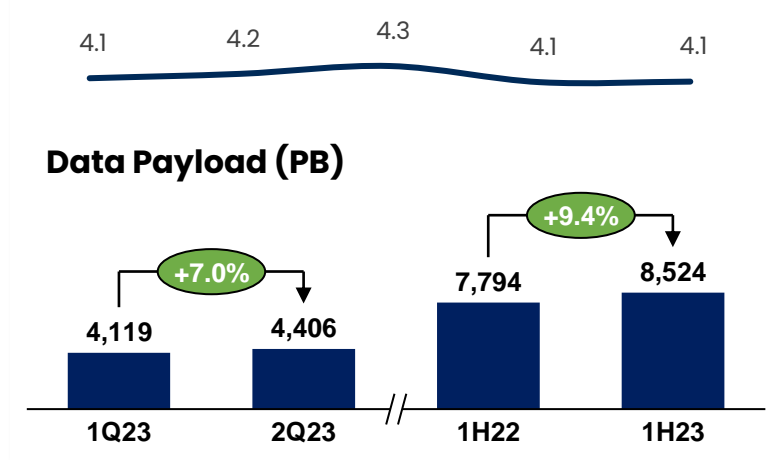
Digital Business Revenue (Rp Bn)



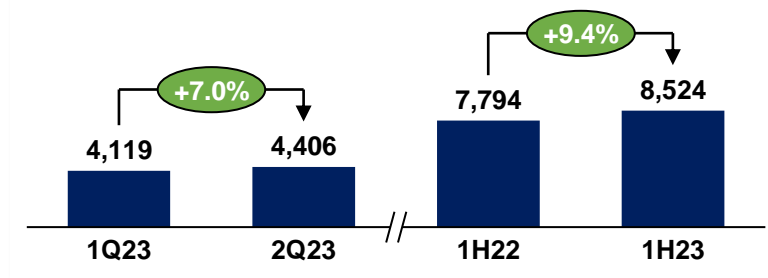
ARPU (Rp 000)



YIELD (RPMB)

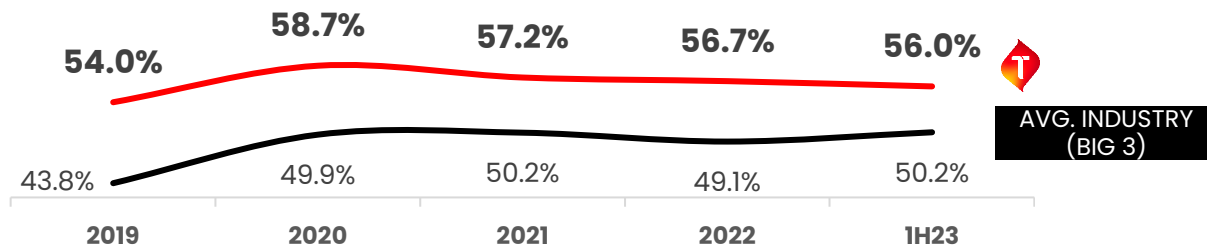


Data Payload (PB)



- **ARPU uplift opportunity** from cellular – FWA – FBB – FMC and **potency of improvement in data consumption per customers** compare with region
- **Traffic improvement with stabilization of data yield** as we applying right pricing initiative and stimulate customer productivity
- As we consistently applying cost efficiency initiative, we able to **secure profitability and sustainable margin**

EBITDA Margin Trend



TSEL able to consistently maintain sustainable margin higher than industry for the last 4 years



Strategic actions to seize opportunities and ensure business sustainability



Healthy Conduct & CVM

- Right Pricing & Right Offering
- Market share recovery
- Personalization, Segmentation & Differentiation



Fixed Mobile Convergence

- Maintain business continuity
- Leverage existing asset, scale, and maximize data analytics



Digital Business portfolio

- Improve Productivity
- Capture growth opportunities
- Secure long-term growth



Securing profitability

- Managing top-line
- Cost optimization measures
- Network improvement & optimization

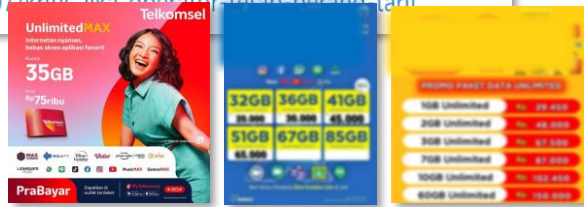


What were the pivotal market conditions that ignited our drive to initiate a market repair?

Kritis, Jika Operator Tetap Perang Tarif

Industri telekomunikasi di Indonesia akan memasuki masa kritis ketika operator tetap berkuat pada bagaimana tekno.kompas.com

<http://tekno.kompas.com/read/2022/02/21/07020007/kritis-jika-operator-tetap-perang-tarif>



Starter packs have **more attractive pricing**



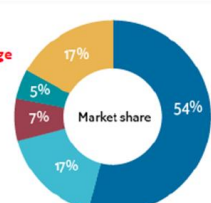
Competitors are creating flash sales which further **reduces the price of starter packs**

- The world's leading chip producers, including Taiwan Semiconductor Manufacturing Company (TSMC), Samsung (South Korea) and Intel (US), **expect the current chip shortage to last until 2022**

Taiwan's TSMC boasts largest market share among semiconductor manufacturers in 2020

(% market share)

- Taiwan Semiconductor Manufacturing Company
- Samsung
- United Microelectronics Corporation
- Semiconductor Manufacturing International Corporation
- Other foundries



Source: TrendForce (March 2021).

Chip shortages have been one of the biggest problems in many industries since the health crisis began.



Low switching costs as there is a **high occurrence of improper registration process**



In response, we undertook a proactive shift towards a consistent healthier market approach. Our goal is to attain an ideal industry state, securing business performance over the long haul

01.



Smart acquisition initiatives, **reduce new sales incentive**, shift incentive to **renewals**, and apply **price increase**

02.



Yield (PPMB) improvement across all portfolio
Phasing out **unlimited** communication
Reconstruct incentive schemes of fundamental programs

03.



Increase the minimum price of starter packs and establish a more affordable price point for renewal packages, aimed at fostering healthier customer behavior

04.



Focus on **maintaining availability** in the market and **affordability** to satisfy the needs of the **low segment** using Physical Vouchers



FMC will increase potential commercial synergy for revenue uplift & efficient in OPEX & CAPEX

- Strategy to provide **convergence services** and increase **customer loyalty** including HVC
- **Big addressable market** opportunity with targeted expansion approach for broadband market with selective investment using data analytics
- Capturing **potential synergies from joint services** (revenue and cost synergy)

Seamless connectivity at lightning speed:
elevate your internet experience with **Telkomsel**
One Dynamic packages

Dynamic
1 Gbps ⚡
Rp1.499.000

- 👤 Family Quota 35 GB (6 numbers)
- 🔗 **Internet Pasti Terkoneksi** 40 GB
- 📺 Indihome TV Entry + IndiMovie 2
- 📞 50 Min & 50 SMS All Net

Dynamic
2 Gbps ⚡⚡
Rp2.499.000

- 👤 Family Quota 80 GB (6 numbers)
- 🔗 **Internet Pasti Terkoneksi** 40 GB
- 📺 Indihome TV Entry + IndiMovie 2
- 📞 100 Min & 100 SMS All Net

INTERNET
PASTI TERKONEKSI



ORBIT AS
INTERIM
SOLUTION FOR
HOMES NOT
COVERED BY
FIBER YET



Wi-Fi CALLING

*Convenient communication without
a cellular network with Voice over Wi-Fi*

Higher
quality calls



**No apps
to install**

Receive SMS
OTP w/o cell
signal



Reliable connections

Telkomsel
One

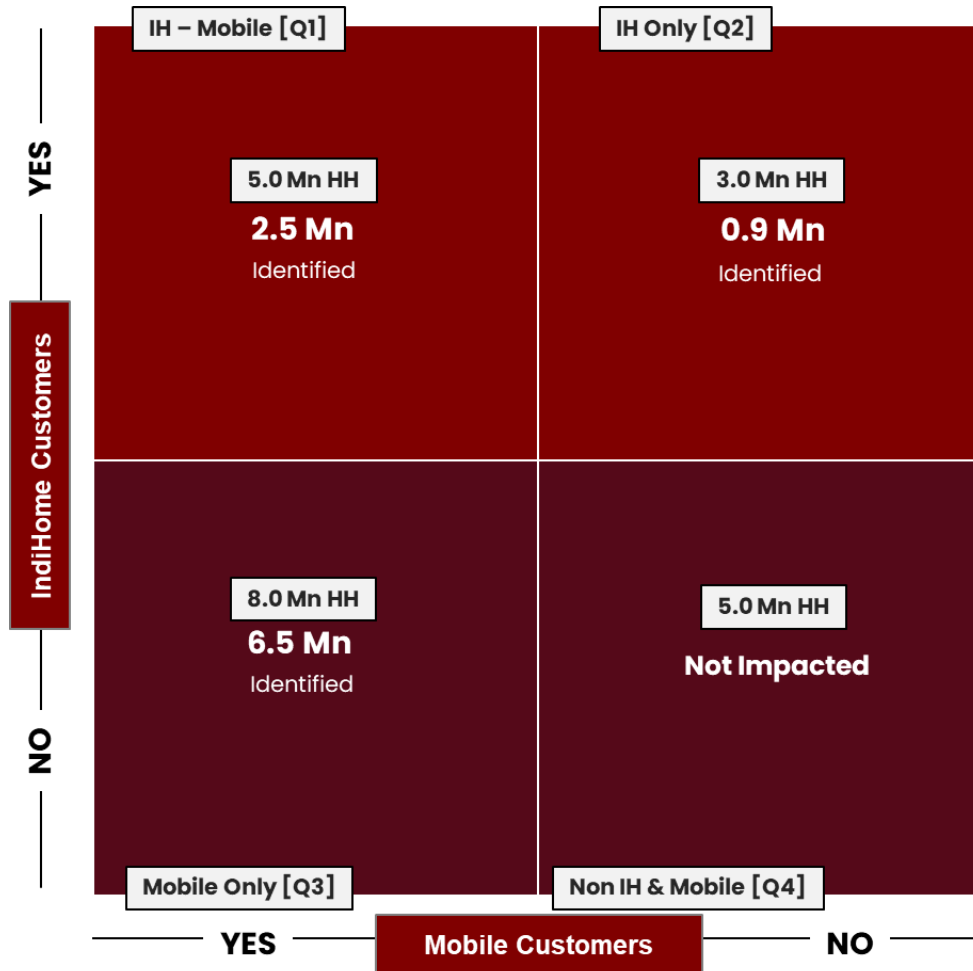
One Bill **One App**

One Touch Point

One Solution



Cross-selling and upselling opportunities based on quadrants of Indihome Customers vs Mobile Customers



POTENTIAL SYNERGY



Prioritizing cost optimization to giving more value to all shareholders (service integration-unification sales offices & integration of call center services, channel, platform cost, no investment duplication)



Cross-selling mobile communication services to Indihome subscribers which haven't used TSEL (Q2)



Increase the portion of TSEL in household which has already used Indihome and TSEL through convergent of household package products (Q1)



Cross-selling of households which have already used TSEL but haven't used Indihome services (Q3)



Acquire new households which haven't used either Indihome or TSEL services (i.e., truly greenfield homes) (Q4)



Lower the churn rate as the result of increasing product ownership and customer engagement



Post Legal Day 1, we had launched TelkomselOne as new FMC brand and made synergy/improvement on GTM, Service and Customer Experience.



Maintain Business Continuity

- Starting 1 July 2023 IndiHome legally becomes a part of Telkomsel, including customers and employees
- The priority is to maintain business continuity to ensure no drop in sales and seamless customer facing transition
- Telkomsel continue offering the same products and services previously being offered in IndiHome



Launch new FMC Brand

- On 21 July 2023 we launched our new FMC Brand: TelkomselOne with One bill, One app, One touch point, One solution proposition.
- TelkomselOne offers Fixed Internet + Mobile Family Package and Orbit in 1 bundle package With speed up to 2Gbps
- First to introduced Internet Pasti solution for an unbreakable internet experience
- Introduced new IndiHome Hero package Jitu 1 100Mbps for 375K/month
- Introduced WiFi Calling (voice & sms over IH WiFi)



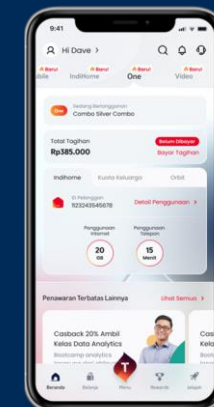
Improvement on GTM & Service

- Improved GTM reach and approach:
 - Sustain all existing sales channel and optimizing all SBP at 183 clusters and RS Outlet to also sell IndiHome
 - Tiering based incentive to increase SF productivity
 - New GTM approach based on POI prioritization
- Service integration with bigger resource to serve both mobile and fixed customers: GraPARI and Plasa Telkom Group, Call Centers, E-care & self service



Improvement on CX

- MyTelkomsel Baru as One Stop Service – all services and digital lifestyle in one access: Mobile, IndiHome, Telkomsel One, Video, Rewards, Prestige
- New Veronika powered by ChatGPT modern AI to be more humanist, expressive and relevant to customers





Development of digital businesses in Telkomsel

Telkomsel
by Telkom Indonesia 

 **tmi** telkomsel
mitra
inovasi

INDICO

 **LinkAja**

 **fita**

 **kuncie**

MAJAMOJO
by Telkomsel & goto

The background consists of several overlapping, rounded, teardrop-like shapes in two colors: a vibrant red and a dark, muted blue. The shapes are arranged in a way that creates a sense of depth and movement, with some shapes appearing to be in front of others. The overall composition is balanced and modern.

THANK YOU