

NEWS RELEASE

Number: /NR/PR110/COP-M1000000/2023

Accelerating Digital Connectivity Across Indonesia, Telkom Officially Integrates IndiHome into Telkomsel

*Telkom and Telkomsel sign deed of spin-off of business segments as an implementation of
Fixed Mobile Convergence initiative*

Jakarta, 27 June 2023 – PT Telkom Indonesia (Persero) Tbk (Telkom) and PT Telekomunikasi Selular (Telkomsel) have signed a deed of spin-off to integrate IndiHome into Telkomsel. This was marked by the signing between Telkom CEO Ririek Adriansyah and Telkomsel CEO Hendri Mulya Syam on Tuesday (27/6). After Telkomsel's increase in capital associated with this transaction is notified to the Minister of Law and Human Rights of the Republic of Indonesia, scheduled to be carried out on July 1, 2023, IndiHome will legally be under Telkomsel's management starting July 1, 2023.

This agreement is an important milestone for the implementation of TelkomGroup's Fixed Mobile Convergence (FMC) initiative as part of the company's Five Bold Moves main strategy, in order to create a sustainable impact on society such as providing broader coverage, more equitable and reliable broadband services, supporting the acceleration of digital inclusion and the digital economy, increasing the level playing field of the Indonesian telecommunications industry, and strengthening the company's business in the future.

Following the completion of the IndiHome integration process, Telkom's effective ownership in Telkomsel to 69.9%, while Singtel's in Telkomsel to 30.1%. The transfer of IndiHome to Telkomsel also marks the shifting of TelkomGroup business focus, whereas the Business to Customer (B2C) segment is fully managed by Telkomsel, while Telkom will focus on becoming the market leader in the Business to Business (B2B) segment which is a potential new source of revenue for Telkom's higher growth in the future.

"Today is an important milestone for the transformation of TelkomGroup that focuses on advancing Indonesian B2B. We would like to express our gratitude for the support of all stakeholders for Telkom's ongoing transformation to create optimal value for the company, customers, society, shareholders and government," said Telkom CEO Ririek Adriansyah.

Ririek added based on an in-depth study on FMC, 23 of the world's 25 largest telco operators have implemented FMC. This shows that the FMC initiative is the most appropriate practice considered its proven results. Telkom's strategic move is also supported by the Ministry of SOEs.

"After this, IndiHome will synergize with Telkomsel to bring innovations that provide maximum results for the company and all stakeholders. Moving forward, TelkomGroup will continue Five Bold Moves initiatives such as InfraCo, Data Center Co, B2B Digital IT Service Co, and DigiCos," explained Ririek.

Telkomsel CEO Hendri Mulya Syam also explained, "The integration of IndiHome into Telkomsel is an important milestone for Telkomsel as part of TelkomGroup, which continuously embraces opportunities for progress and exceed customer expectations, by providing equitable distribution of the latest broadband access with a more comprehensive digital connectivity experience, as well as reliable and integrated unbreakable wifi service support, especially for customers from the household or family segment, through the excellence of the FMC initiative."

The integration of IndiHome into Telkomsel also covers the management of business and customers for several services such as internet (fixed broadband), landline (fixed line), Internet Protocol Television (IPTV), a variety of bundling of other digital consumer services. Regarding the integration, Telkomsel is committed to ensuring that there is no quality reduction in IndiHome broadband services during the transition period. Meanwhile, there will be no changes in pricing or subscription plan that is currently subscribed by the customers as stipulated in the existing contract.

Hendri further emphasized that Telkomsel together with TelkomGroup have made thorough preparations to ensure that the integration process runs smoothly. Telkomsel believes that the FMC initiative will strengthen Telkomsel's positioning as the leading digital telecommunications company in Indonesia, which will consistently present innovative convergence of products and services, by accelerating the equality of people's experience in utilizing digital lifestyle services that are more inclusive and sustainable.

Starting July 1, 2023, IndiHome customers can also contact Telkomsel's customer touch points, such as call center 188, website www.telkomsel.com, email service cs@telkomsel.com, and GraPARI (walk-in) for information and services. Meanwhile, IndiHome customer touch points such as myIndiHome application, indihome.co.id website, Plasa Telkom (walk-in), Call Center 147, and social media accounts @IndiHomeCare, will continue to serve IndiHome customers as usual.

To ensure a smooth transition and smooth operations, Telkom and Telkomsel have agreed on human resources area concerning talent transfer and talent mobility. Collaboration and synergy among TelkomGroup employees are essential to strengthen the retail broadband business in Telkomsel and B2B transformation in Telkom. Telkom will also accelerate the transformation of the B2B segment to the Telkom Regional level in order to thoroughly serve this segment, to support the corporate sector, MSMEs, and government agencies in digitalization.

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Telkom Indonesia is a state-owned digital telecommunications company that focuses on three business pillars: Digital Connectivity, including fiber to the x (FTTx), 5G, software-defined networking (SDN)/network function virtualization (NFV)/satellite; Digital Platform, including data center, cloud, internet of things (IoT), big data/AI, cybersecurity; and Digital Services for consumers, enterprises, and wholesale businesses. Telkom Indonesia seeks to strengthen its leadership position in digital connectivity, develop digital talent to accelerate the growth of digital platforms, drive innovation in digital services, and deliver greater value to businesses through portfolio optimization efforts and reliable implementation capabilities.

About Telkomsel

Telkomsel is a leading digital telecommunications company that continues to strive to open more opportunities and possibilities by presenting digital connectivity, digital platforms, and digital services developed by prioritizing the benefits of technology for all levels of society throughout the country. Telkomsel consistently implements 4G mobile broadband network equalization and 5G development, as well as expanding a variety of innovative digital services and solutions, such as Mobile Gaming, Digital Entertainment, Digital Lifestyle, Mobile Financial Services, Enterprise Solutions, and Internet of Things. For 28 years, Telkomsel is now present to serve more than 151 million customers spread to the innermost and outermost regions of Indonesia with the support of more than 258,900 BTS. More complete information and customer service can be accessed through the website: www.telkomsel.com, facebook.com/telkomsel, Twitter @telkomsel, and Instagram @telkomsel as well as Telkomsel's virtual assistant in MyTelkomsel application.