

COMPREHENSIVE FINANCIAL PERFORMANCE

FINANCIAL POSITION OVERVIEW

As of December 31, 2021, TelkomGroup had total assets of Rp277,184 billion or US\$19,448 million, increased by 12.2% from the previous period. The increase in total assets was due to increases in cash and cash equivalents, property and equipment, intangible assets, other non-current assets, contract cost, and long-term investments in financial instruments.

In terms of liabilities, the total liabilities of TelkomGroup were Rp131,785 billion or US\$9,246 million as of December 31, 2021. It increased by 4.5% from the last year. The increase was due to the increase in customers deposits, long-term unearned income, accrued expenses, bonds and notes, lease liabilities, deferred tax liabilities – net, taxes payable, and long-term bank loans.

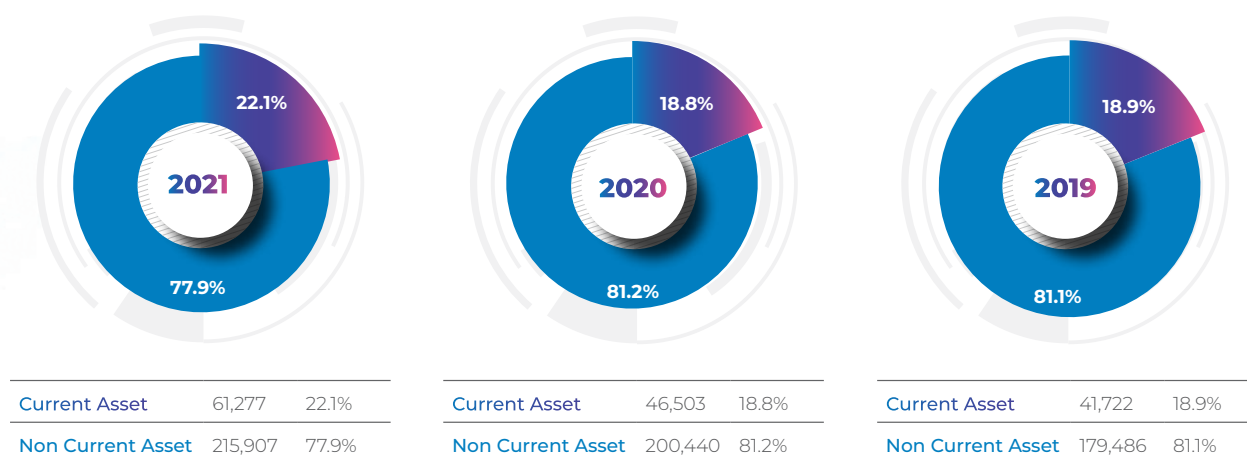
Telkom and Its Subsidiaries Financial Position 2019-2021

	Growth		Years ended December 31,		
	2021-2020	2021	2020	2019	
	(%)	(Rp billion)	(US\$ million)	(Rp billion)	(Rp billion)
Total Current Assets	31.8	61,277	4,299	46,503	41,722
Total Non-Current Assets	7.7	215,907	15,149	200,440	179,486
Total Assets	12.2	277,184	19,448	246,943	221,208
Total Current Liabilities	0.1	69,131	4,850	69,093	58,369
Total Non-Current Liabilities	10.0	62,654	4,396	56,961	45,589
Total Liabilities	4.5	131,785	9,246	126,054	103,958
Total Equity attributable to owners of the parent company	18.6	121,646	8,535	102,527	99,561

Financial Position Comparison

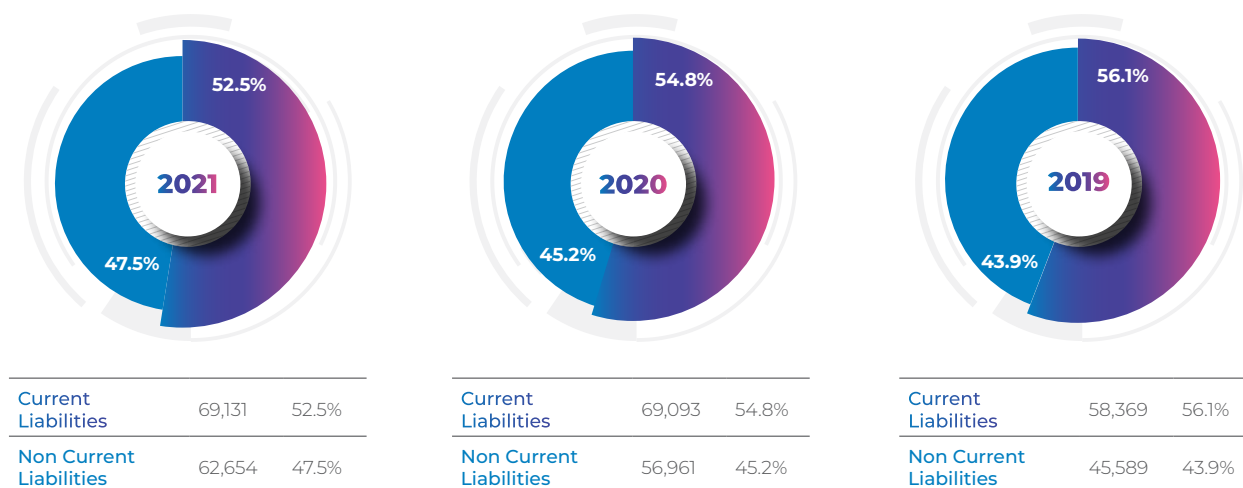
The position of Telkom's current asset and non-current asset as of December 31, 2021, was 22.1% and 77.9%. Meanwhile, for the liabilities, Telkom had 52.5% current liabilities and 47.5% non-current liabilities. The diagrams below present Telkom's composition assets and liabilities for the last three years.

ASSET COMPOSITION 2019-2021 (Rp Billion)





LIABILITIES COMPOSITION 2019-2021 (Rp Billion)



Comparison of Financial Position as of December 31, 2021 Compared to as of December 31, 2020

1. Assets

At the end of 2021, Telkom's total assets were Rp277,184 billion or US\$19,448 million. It increased by Rp30,241 billion or 12.2% compared to 2020 of Rp246,943 billion. It was due to:

a. Current Assets

Telkom's current assets increased by Rp14,774 billion or 31.8% as of December 31, 2021, from Rp46,503 billion in 2020 to Rp61,277 billion or US\$4,299 million in 2021. It was the impact of:

- An increase in cash and cash equivalents by Rp17,722 billion or 86.1% due to the decrease in cash disbursements for financing activity.
- An increase in contract assets by Rp1,294 billion or 24.9% related to the increase in long-term contract assets.
- An increase in assets held for sale by Rp779 billion or 1,997.4% due to the increase in the exchanged equipment units of Telkomsel.
- An increase in contract cost by Rp202 billion or 44.5% due to the increase in cost to obtain the contract, which is higher than the increase in cost to fulfill the contract.

The increases were compensated by:

- A decrease in trade receivables by Rp2,829 billion or 24.9% due to the decrease in trade receivables from related parties and third parties.

- A decrease in prepaid taxes by Rp1,026 billion or 32.4% due to the decrease in corporate income tax and VAT.
- A decrease in other current financial assets by Rp810 billion or 62.2% due to the decrease in term deposits.
- A decrease in inventory by Rp204 billion or 20.8% due to a decrease in the supply of SIM card and prepaid voucher.

b. Non-Current Assets

At the end of 2021, Telkom recorded non-current asset of Rp215,907 billion or US\$15,149 million. It increased by 7.7% or Rp15,467 billion from the last period of Rp200,440 billion. The changes were due to:

- An increase in long-term investments in financial instruments by Rp9,616 billion or 237.7% due to the convertible bonds of PT Aplikasi Karya Anak Bangsa has been converted to shares equity and the shares call option has been executed.
- An increase in property and equipment by Rp4,103 billion or 2.5% in line with the increase of infrastructure development, particularly in transmission and cable network.
- An increase in other non-current assets by Rp698 billion or 14.4% related to the advances for purchases of property and equipment and prepaid annual frequency license – net of current portion.
- An increase in intangible assets by Rp660 billion or 9.6% due to the increase of software and license.

- An increase in other contract cost by Rp354 billion or 28.2% due to the increase of cost to obtain the contract, which is higher than the increase in cost to fulfill the contract.
- An increase in deferred assets - net by Rp246 billion or 6.9% due to the increase of Telkom's deferred tax assets.

The increases were compensated by:

- A decrease in right of use assets by Rp97 billion or 0.5% related to the reclassifications and translations.
- A decrease in contract assets by Rp60 billion or 29.6% due to the increase in uncollectible contract assets of long term portion.
- A decrease in long-term investments in associate by Rp53 billion or 27.6% related to the investment impairment losses of Jalin, Finarya, Indonusa, and other entities.

2. Liabilities

TelkomGroup recorded total liabilities of Rp131,785 billion or US\$9,246 million at the end of 2021. Compared to 2020 of Rp126,054 billion, TelkomGroup liabilities increased by 4.5% or Rp5,731 billion. The following influenced changes in liabilities in 2021.

a. Current Liabilities

At the end of 2021, TelkomGroup recorded current liabilities of Rp69,131 billion or US\$4,850 million. Meanwhile, in 2020, total current liabilities were recorded at Rp69,093 billion. It increased by 0.1% or Rp38 billion and it was due to:

- An increase in accrued expenses by Rp1,620 billion or 11.4% related to the salaries and benefits expense, as well as operation, maintenance, and telecommunication service.
- An increase in taxes payable by Rp1,210 billion or 44.6% for VAT and corporate income tax in particular.
- An increase in current maturities of lease liabilities by Rp565 billion or 10.5%.
- An increase in customers deposits by Rp392 billion or 19.4% due to the down payment program for new IndiHome subscribers.
- An increase in current maturities of long-term borrowings by Rp340 billion or 3.6% due to the increase in bonds and notes of Rp1,722 billion that compensated by the decrease in bank loans by Rp1,337 billion.
- An increase in trade payables by Rp171 billion or 1% due to the increase in trade payables of third parties related to the purchases of equipments, materials, and services.
- An increase in other payables by Rp31 billion or 5.4%.

The increases were compensated by:

- A decrease in short-term bank loans by Rp3,252 billion or 32.7% from the outstanding balance decrease on Bank Mandiri, HSBC, and MUFG Bank in particular.
- A decrease in current portion contract liabilities by Rp1,039 billion or 13.3% due the decrease in advances from customers for Mobile and Enterprise segment in particular.

b. Non-Current Liabilities

TelkomGroup recorded non-current liabilities of Rp62,654 billion or US\$4,396 million as of December 31, 2021. In 2020, non-current liabilities were Rp56,961 billion. It increased by 10.0% or Rp5,693 billion. The increase was due to:

- An increase in long-term loans and other borrowings by Rp5,758 billion or 18.8% due to the increase in long-term bank loans to Bank Mandiri, BSI, BCA, Bank DBS, Bank Permata, and HSBC.
- An increase in deferred tax liabilities – net by Rp597 billion or 106.4% due to the increase in Telkomsel deferred tax liabilities.
- An increase in other liabilities by Rp315 billion or 82.0%.
- An increase in contract liabilities by Rp279 billion or 27.8% due to the increase in advances from customers in Consumer and WIB segment.
- An increase in lease liabilities by Rp205 billion or 2.0% due to the addition of right of uses assets.

The increases were compensated by:

- A decrease in pension benefits and other post-employment benefits obligations by Rp1,413 billion or 10.9% due to the decrease in the funded and unfunded defined pension benefit obligation by the Company and the decrease in post-employment health care benefit.
- A decrease in long service award provisions by Rp48 billion or 3.8% due to the decrease in long service award expense.

3. Equity

In line with the Company's profit and paid cash dividends that impact on equity, Telkom and its subsidiaries recorded total equity 2021 of Rp145,399 billion (US\$10,202 million), increased by Rp24,510 billion or 20.3% from the 2020 of Rp120,889 billion.



PROFIT AND LOSS OVERVIEW

Telkom's consolidated revenue as of December 31, 2021, was Rp143,210 billion (US\$10,047 million), or increased by 4.9% from the last year of Rp136,462 billion. The increase was due to the revenue growth of IndiHome revenues, data, internet, and information technology services revenues and interconnection revenues.

The total expense of Telkom and its subsidiaries in 2021 was Rp99,303 billion (US\$6,967 million). It increased by 6.5% or Rp6,029 billion compared to the total expense in 2020 of Rp93,274 billion. It was due to the increase in operation, maintenance, and telecommunication services expense, depreciation and amortization expenses, personnel expenses and marketing expenses.

Meanwhile, for the performances, Telkom and its subsidiaries resulted in a net profit of Rp24,760 billion (US\$1,737 million), increased by 19.0%, and EBITDA of Rp75,723 billion that increased by 4.9% compared to 2020. Telkom and its subsidiaries' Comprehensive Profit and Loss Report are present in the following table in the last three years.

Telkom and Its Subsidiaries Consolidated Profit and Loss in 2019-2021

	Growth		Years ended December 31,		
	2021-2020	2021	2020	2019	
	(%)	(Rp billion)	(US\$ million)	(Rp billion)	(Rp billion)
Revenues	4.9	143,210	10,047	136,462	135,567
Telephone revenues	(23.8)	16,467	1,155	21,610	27,978
Cellular	(24.5)	14,737	1,034	19,510	24,978
Fixed Line	(17.6)	1,730	121	2,100	3,000
Interconnection revenues	1.3	7,787	546	7,686	6,286
Data, internet, and information technology service revenues	8.5	82,224	5,769	75,816	72,788
Cellular internet and data	8.4	64,500	4,526	59,502	55,675
Internet, data communication and information technology services	5.4	10,272	721	9,744	9,027
Short Messaging Service (SMS)	(1.3)	4,754	334	4,817	7,063
Others	53.9	2,698	189	1,753	1,023
Network revenues	11.3	1,880	132	1,689	1,848
IndiHome revenues	18.5	26,325	1,847	22,214	18,325
Other services revenues	18.3	6,115	429	5,170	8,342
Manage service and terminal	58.5	2,048	144	1,292	1,732
Call center service	27.9	1,081	76	845	800
E-health	16.6	640	45	549	523
E-payment	(2.4)	487	34	499	566
Telecommunication tower leases	-	-	-	-	1,239
Sales of peripherals	-	0	0	0	1,109
Others	(6.3)	1,859	130	1,985	2,373
Revenues from lessor transaction	5.9	2,412	169	2,277	-
Expenses	6.5	99,303	6,967	93,274	93,913
Depreciation and amortization expenses	10.1	31,816	2,232	28,892	23,178
Operations, maintenance, and telecommunication services expenses	10.2	38,133	2,674	34,593	42,226

Telkom and Its Subsidiaries Consolidated Profit and Loss in 2019-2021

	Growth	Years ended December 31,			
		2021-2020	2021	2020	2019
		(%)	(Rp billion)	(US\$ million)	(Rp billion)
Operations and maintenance	7.7	21,467	1,506	19,930	24,410
Radio frequency usage charges	2.8	6,097	428	5,930	5,736
Leased lines and CPE	48.4	5,003	351	3,371	4,793
Concession fees and USO charges	2.5	2,472	173	2,411	2,370
Electricity, gas, and water	(5.1)	898	63	946	1,102
Cost of SIM cards and vouchers	38.2	673	47	487	618
Project management	(3.5)	519	36	538	463
Insurance	14.3	432	30	378	246
Vehicles rental and supporting facilities	(11.1)	305	21	343	466
Cost of sales of peripherals	15.8	66	5	57	1,109
Tower leases	-	-	-	-	641
Others	(0.5)	201	14	202	272
Personnel expenses	7.9	15,524	1,090	14,390	13,012
Salaries and related benefits	4.7	8,661	608	8,272	7,945
Vacation pay, incentives and other benefits	15.7	4,999	351	4,321	3,538
Pension benefit cost	41.4	1,137	80	804	840
Net periodic post-employment health care benefits cost	4.0	263	18	253	167
Obligation under the Labor Law	(1.6)	254	18	258	136
Long Service Award (LSA) expense	(47.2)	153	11	253	290
Other post-employment benefit cost	(71.6)	23	2	81	33
Long service employee benefit	(94.3)	3	0	-	-
Others	(46.6)	31	2	58	63
Interconnection expenses	(4.2)	5,181	364	5,406	5,077
Marketing expenses	4.3	3,633	255	3,482	3,724
General and administrative expenses	(23.0)	5,016	351	6,511	6,696
General Expenses	13.2	2,043	143	1,805	1,653
Professional fees	(19.6)	789	55	981	793
Allowance for expected credit losses	(79.0)	477	33	2,267	2,238
Travelling	16.7	321	23	275	410
Training, education, and recruitment	(7.8)	284	20	308	461
Social contribution	(4.5)	213	15	223	200
Collection expenses	9.8	212	15	193	176
Meeting	35.3	249	17	184	276
Research and development	57.7	82	6	52	-
Others	55.2	346	24	223	444



Telkom and Its Subsidiaries Consolidated Profit and Loss in 2019-2021

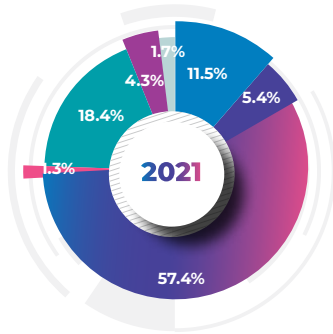
	Growth		Years ended December 31,		
	2021-2020	2021	2020	2019	
	(%)	(Rp billion)	(US\$ million)	(Rp billion)	(Rp billion)
Gain (loss) on foreign exchange-net	158.1	50	4	(86)	(86)
Unrealized gain on changes in fair value of investments	2560.5	3,432	241	129	-
Other Income - net	(36.5)	174	12	274	826
Operating Profit	9.3	47,563	3,337	43,505	42,394
Finance income	(30.2)	558	39	799	1,092
Finance costs	(3.4)	(4,365)	(307)	(4,520)	(4,240)
Share of profit (loss) of associated companies	(68.3)	(78)	(5)	(246)	(166)
Impairment of long-term investment in associated companies	(100.0)	-	-	(763)	(1,172)
Profit Before Income Tax	12.6	43,678	3,065	38,775	37,908
Income Tax (Expense) Benefit	5.6	(9,730)	(683)	(9,212)	(10,316)
Profit for the Year	14.8	33,948	2,382	29,563	27,592
Other comprehensive income (loss)	155.4	1,980	139	(3,577)	(2,192)
Net comprehensive income for the year	38.3	35,928	2,521	25,986	25,400
Profit for the year attributable to owners of the parent company		24,760	1,737	20,804	18,663
Profit for the year attributable to non-controlling interest		9,188	646	8,759	8,929
Net comprehensive income attributable to owner of the parent company		26,767	1,878	17,595	16,624
Net comprehensive income for the year attributable to non-controlling interest		9,161	643	8,391	8,776

Profit and Loss Comparison

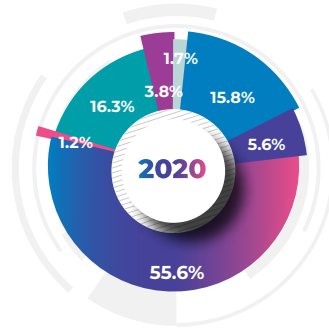
TelkomGroup's highest composition revenue in 2021 was from data, internet, and information technology service revenues of 57.4%. Then it was followed by IndiHome revenue with the contribution of 18.4% and telephone revenue of 11.5%.

Meanwhile, the highest expense composition was from operation, maintenance, and telecommunication services of 38.4%. Then it was followed by depreciation and amortization expenses of 32.0% of the total Company's expense due to property and equipment, software, hardware, and technology infrastructure use. The lowest in 2021 expense was the marketing expense with a percentage of 3.7%.

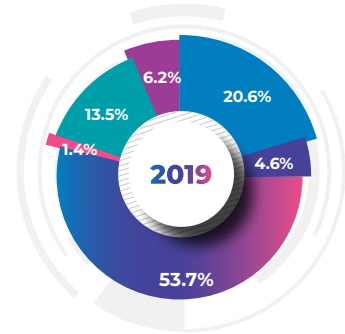
REVENUE COMPOSITION 2019-2021 (Rp Billion)



Telephone	16,467	11.5%
Interconnection	7,787	5.4%
Data, Internet and Information Technology	82,224	57.4%
Network	1,880	1.3%
IndiHome	26,325	18.4%
Other Service	6,115	4.3%
Revenue from Lessor Transaction	2,412	1.7%

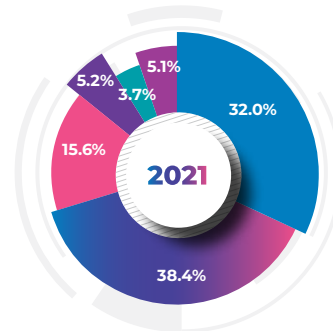


Telephone	21,610	15.8%
Interconnection	7,686	5.6%
Data, Internet and Information Technology	75,816	55.6%
Network	1,689	1.2%
IndiHome	22,214	16.3%
Other Service	5,170	3.8%
Revenue from Lessor Transaction	2,277	1.7%

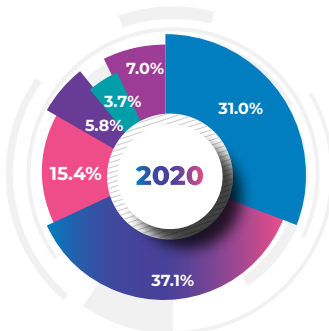


Telephone	27,978	20.6%
Interconnection	6,286	4.6%
Data, Internet and Information Technology	72,788	53.7%
Network	1,848	1.4%
IndiHome	18,325	13.5%
Other Service	8,342	6.2%
Revenue from Lessor Transaction	-	-

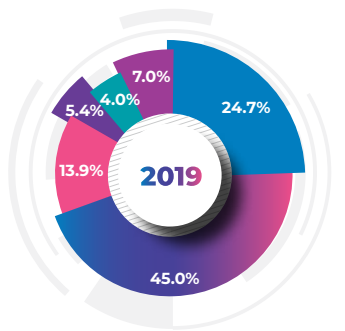
EXPENSES COMPOSITION 2019-2021 (Rp Billion)



Depreciation and Amortization	31,816	32.0%
Operations, Maintenance and Telecommunication Service	38,133	38.4%
Personnel	15,524	15.6%
Interconnection	5,181	5.2%
Marketing	3,633	3.7%
General and Administrative	5,016	5.1%



Depreciation and Amortization	28,892	31.0%
Operations, Maintenance and Telecommunication Service	34,593	37.1%
Personnel	14,390	15.4%
Interconnection	5,406	5.8%
Marketing	3,482	3.7%
General and Administrative	6,511	7.0%



Depreciation and Amortization	23,178	24.7%
Operations, Maintenance and Telecommunication Service	42,226	45.0%
Personnel	13,012	13.9%
Interconnection	5,077	5.4%
Marketing	3,724	4.0%
General and Administrative	6,696	7.0%



Comparison of Profit and Loss for The Year Ended December 31, 2021 Compared to Year Ended December 31, 2020

1. Revenues

Telkom and its subsidiaries recorded revenues in 2021 of Rp143,210 billion (US\$10,047 million), increased by 4.9% or Rp6,748 billion, compared to the 2020 revenue of Rp136,462 billion. The increase was mainly due to the higher data, internet, and information technology services revenues and IndiHome revenues.

a. Cellular Telephone Revenues

The cellular voice revenue decreased by 24.5% in 2021 to Rp14,737 billion (US\$1,034 million) compared to the last year of Rp19,510 billion. The decrease was due to the increase usage in Over The Top (OTT) services for communication.

b. Fixed Lines Telephone Revenues

Fixed lines telephone revenues decreased by 17.6% in 2021 to Rp1,730 billion (US\$121 million), compared to 2020 of Rp2,183 billion. It was due the people's behavior change that become more mobile.

c. Data, Internet, and Information Technology Services Revenues

At the end of 2021, TelkomGroup recorded data, internet, and information technology services revenue of Rp82,224 billion (US\$5,769 million). It increased by 8.5% or Rp6,408 billion compared to the 2020 revenue of Rp75,816 billion. The increase in data, internet, and information technology service revenues was due to:

- An increase in cellular internet and data revenue that grow positively by Rp4,998 billion or 8.4% driven by mobile data usage growth.
- An increase in Internet, data communication, and information technology services revenue by Rp528 billion or 5.4% driven by IT services growth.
- An increase in others revenue by Rp945 billion or 53.9% driven by data center and cloud services.

The increases were compensated by the decrease in SMS revenue by Rp63 billion or 1.3% due to the transformation from SMS to over the top (OTT) services.

d. Interconnection Revenues

TelkomGroup obtains interconnection revenue from Telkom fixed-line telephone, including direct international services of IDD 007 and Telkomsel cellular network. Telkom's interconnection revenues in 2021 were Rp7,787 billion (US\$546 million), increased by 1.3% or Rp101 billion from the last year of Rp7,686 billion. The increase was due to the higher traffic between countries, particularly the hubbing voice and A2P (application to person) SMS services.

e. Network Revenues

TelkomGroup's network revenues increased by 11.3% or Rp191 billion, from Rp1,689 billion in 2020 to Rp1,880 billion (US\$132 million) in 2021. The increase was due to an increase in wholesale traffic & network services for the domestic market & international network.

f. IndiHome Revenues

In 2021, IndiHome revenues increased by 18.5% to Rp26,325 billion (US\$1,847 million), compared to the last year of Rp22,214 billion. It was due to the higher IndiHome subscribers of 8.6 million subscribers or increased by 7.3%.

g. Other Services Revenues

For the other services, Telkom recorded revenue of Rp6,115 billion (US\$429 million) in 2021. It increased by 18.3% or Rp945 billion compared to the 2020 revenues of Rp5,170 billion. The increase was due to:

- An increase in manage service and terminal revenue by Rp756 billion or 58.5%.
- An increase in call center service revenue by Rp236 billion or 27.9% from telecommunication and call center support facilities services.
- An increase in e-health revenue by Rp91 billion or 16.6% from enterprise health service in the form of smart platforms and ICT services.

h. Revenues from Lessor Transactions

In addition to the revenues disclosed above, Telkom also has revenues from lessor transactions of Rp2,412 billion in 2021. It resulted from the adoption of PSAK 72, which Telkom requires to disclose revenues from lessor transactions; for instance, leases were separately from contracts with customers' revenues.

2. Expense

Telkom recorded total expenses as of December 31, 2021, were Rp99,303 billion (US\$6,967 million). It increased by 6.5% or Rp6,029 billion, compared to 2020 of Rp93,274 billion. These changes were due to:

a. Operation, Maintenance and Telecommunication Service Expense

TelkomGroup's operating, maintenance, and telecommunications services expenses in 2021 were Rp38,133 billion (US\$2,674 million), increased by 10.2% or Rp3,540 billion compared to 2020 of Rp34,593 billion. It was due to:

- An increase in operation and maintenance expense by Rp1,537 billion or 7.7% mainly from the right to use cost of backbone network with other global submarine cable operators/consortiums.
- An increase in leased lines and CPE expense by Rp1,632 billion or 48.4% in line with the increase in Customer segment subscribers and Enterprise segment customers.
- An increase in cost of SIM cards and vouchers expense by Rp186 billion or 38.2% in line with the higher cellular subscribers of Mobile and Digital (games) segment.
- An increase in radio frequency usage charges expense by Rp167 billion or 2.8% in line with the increase in data and internet cellular subscribers.

b. Depreciation and Amortization Expense

At the end of 2021, TelkomGroup recorded depreciation and amortization expenses of Rp31,816 billion (US\$2,232 million). It increased by 10.1% or Rp2,924 billion compared to the last year of Rp28,892 billion. The increase was mainly due to the implementation impact of PSAK 73 related to the Amortization of Use Rights Assets.

c. Personnel Expense

In 2021, TelkomGroup's personnel expenses increased by 7.9% or Rp1,134 billion from Rp14,390 billion in 2020 to Rp15,524 billion (US\$1,090 million) in this period. It was due to the expense increase in vacation pay, incentives, and other benefits by Rp678 billion or 15.7%, pension benefit cost by Rp333 billion or 41.4%, and salaries and related benefits by Rp389 billion or 4.7%. It is in line with the increase of TelkomGroup's new employees to substitute the retired employees.

d. Interconnection Expense

TelkomGroup's interconnection expenses in 2021 decreased by 4.2% or Rp225 billion. In the last period, interconnection expenses were Rp5,406 billion, then it decreased in 2021 to Rp5,181 billion (US\$364 million) in line with the better efficiency in obtaining interconnection revenue.

e. Marketing Expense

In 2021 TelkomGroup recorded marketing expenses of Rp3,633 billion (US\$255 million). It increased by 4.3% or Rp151 billion, compared to 2020 of Rp3,482 billion. It was due to the more aggressive marketing programs and promotions for the introduction of new digital products.



f. General and Administrative Expense

TelkomGroup's general and administrative expenses in 2021 were Rp5,016 billion (US\$351 million). Meanwhile, the expenses for 2020 were Rp6,511 billion, it decreased by 23.0% or Rp1,495 billion. It was due to the expense decrease in provision for impairment of receivables by Rp1,790 billion or 79.0%, professional fees by Rp192 billion or 19.6%, and training, education, and recruitment by Rp24 billion or 7.8%.

3. Gain (Losses) on Foreign Exchange-net

TelkomGroup's business is on a global scale, so the transactions involve foreign currencies. Therefore, exchange rate fluctuations that occur throughout 2021 may positively or negatively impact the Company's financial transactions. In 2021, TelkomGroup recorded gain on foreign exchange - net of Rp50 billion (US\$4 million), it increased by 158.1% compared to the previous period that lost Rp86 billion.

4. Unrealized Gain on Changes in Fair Value of Investments

Unrealized gain on changes in fair value of investments for TelkomGroup's investment in 2021 recorded at Rp3,432 billion (US\$241 million). It increased by 2,560.5% or Rp3,303 billion compared to the last period of Rp129 billion.

5. Other Income - net

TelkomGroup's other income - net in 2021 recorded at Rp174 billion (US\$12 million). It decreased by 36.5% or Rp100 billion compared to the last period of Rp274 billion.

6. Operating Profit and Operating Profit Margin

In 2021, TelkomGroup recorded an operating profit of Rp47,563 billion (US\$3,337 million). It increased by 9.3% compared to the last operating profit of Rp43,505 billion. Meanwhile, the operating profit margin increased from 31.9% in 2020 to 33.2% in 2021.

7. Profit Before Income Tax and Pre-Tax Margin

In 2021, TelkomGroup's profit before income tax was Rp43,678 billion (US\$3,065 million), it increased by 12.6% or Rp4,903 billion compared to the last period of Rp38,775 billion. Meanwhile TelkomGroup's pre-tax margin increased from 28.4% in 2020 to 30.5% in 2021.

8. Income Tax (Expense) Benefit

TelkomGroup's income/expense tax benefit in 2021 was Rp9,730 billion (US\$683 million), it decreased by 5.6% or Rp518 billion compared to 2020 of Rp9,212 billion. It was due to the provision of tax stimulus from the Government during the COVID-19 pandemic.

9. Other Comprehensive Income (Losses)

Telkom recorded other comprehensive income of Rp1,980 billion (US\$139 million) in 2021. Meanwhile, TelkomGroup recorded other comprehensive losses of Rp3,577 billion in the last period. The other comprehensive income in 2021 were due to actuarial gain - net by Rp1,955 billion.

10. Profit for The Year Attributable to Owners of The Parent Company

Profit for the year attributable to owners of the parent company increased by 19.0% from Rp20,804 billion in 2020 to Rp24,760 billion (US\$1,737 million) in 2021.

11. Profit for The Year Attributable to Non-Controlling Interest

Profit for the year attributable to non-controlling interests was Rp9,188 billion (US\$646 million). It increased by 4.9% compared to the last period of Rp8,759 billion.

12. Total Comprehensive Income for The Year

In 2021, Telkom recorded comprehensive income for the year of Rp35,928 billion (US\$2,521 million), it increased by 38.3% or Rp9,942 billion compared to 2020 of Rp25,986 billion.

13. Net Income per Share

TelkomGroup's net income per share in 2021 was Rp249.94 per share, it increased by 19.0% or Rp39.93 compared to the last year of Rp210.01 per share.

CASHFLOW OVERVIEW

TelkomGroup's cash and cash equivalent as of December 31, 2021, was Rp38,311 billion (US\$2,688 million). The net cash provided by operating activities was Rp68,353 billion, net cash used in investing activities was minus Rp37,703 billion, and net cash used in financing activities was minus Rp12,986 billion. Net cash used in investing activities was for investment in property and equipment, infrastructure, and other investment. Meanwhile, net cash used in financing activities was for dividend and loan payments during 2021. The following table presents TelkomGroup's cashflow for the last three years.

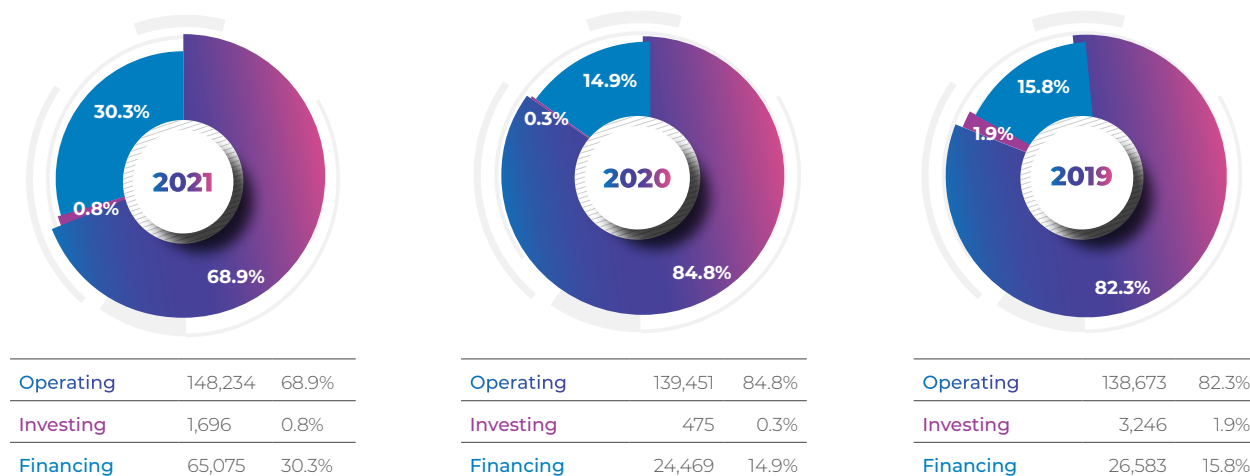
	TelkomGroup Cashflow 2019-2021				
	Growth	Years ended December 31,			
		2021-2020	2021	2020	2019
	(%)	(Rp billion)	(US\$ million)	(Rp billion)	(Rp billion)
Net Cash					
provided by operating activities	4.6	68,353	4,796	65,317	54,949
used in investing activities	6.9	(37,703)	(2,646)	(35,256)	(35,791)
used in financing activities	(53.2)	(12,986)	(911)	(27,753)	(18,247)
Net increase in cash and cash equivalents	665.3	17,664	1,239	2,308	911
Effect of exchange rate changes on cash and cash equivalents	48.7	58	4	39	(108)
Cash and cash equivalents at beginning of year	12.9	20,589	1,445	18,242	17,439
Cash and cash equivalents at end of year	86.1	38,311	2,688	20,589	18,242

Cashflow Comparison

The composition of TelkomGroup cash receipt in 2021 indicated that the highest cash receipt was from operating activities of 68.9%, followed by the cash receipt from financing activities of 30.3%. This composition indicated that TelkomGroup's internal and external funds supported the Company's operational activities.

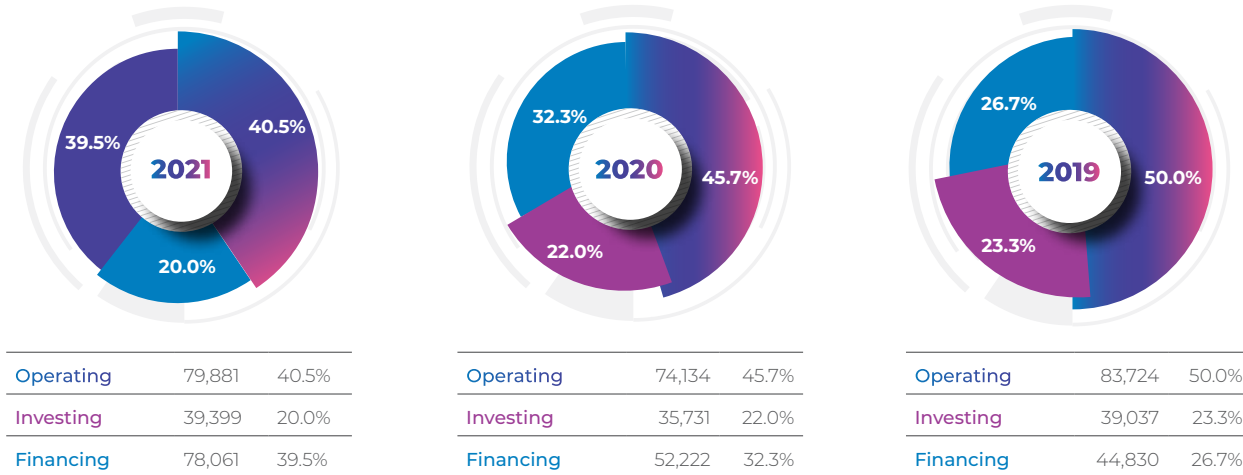
TelkomGroup's composition of cash receipt and cash disbursement in the last three years presents in the diagram below.

COMPOSITION OF CASH RECEIPT 2019-2021 (Rp Billion)





COMPOSITION OF CASH DISBURSEMENT 2019-2021 (Rp Billion)



Comparison of Cash Flow for Year Ended December 31, 2021 Compared to Year Ended December 31, 2020

At the end of 2021, TelkomGroup recorded cash and cash equivalents of Rp38,311 billion or US\$2,688 million. Meanwhile, the last year's total cash and cash equivalents were Rp20,589 billion, which increased by 86.1% or Rp17,722 billion in 2021.

The cash receipts of operating activities in 2021 were Rp148,234 billion or 68.9% of total cash receipts. Meanwhile, the cash receipts of financing activities contributed to 30.3% of the total cash receipts or Rp65,075 billion. The least cash receipt in 2021 was investing activities of Rp1,696 billion or contributed to 0.8% of total cash receipts.

In 2021, the cash disbursements for operating activities were Rp79,881 billion or 40.5% of total cash disbursements. Then, other cash disbursements were for financing activities of Rp78,061 billion or 39.5% of total cash disbursements. The least cash disbursements were from investing activities of Rp39,399 billion or 20.0% of total cash disbursements.

1. Cash Flow from Operating Activities

In 2021, net cash provided by operating activities were Rp68,353 billion or US\$4,796 million. Compared to the last period, it increased by Rp3,036 billion or 4.6%.

TelkomGroup recorded cash receipts from operating activities of Rp148,234 billion in 2021. Meanwhile, cash receipts from operating activities for 2020 were Rp139,451 billion, it increased by Rp8,773 billion or 6.3%. The cash receipts were from:

- Cash receipts from customers and other operators of Rp143,902 billion.
- Cash receipts for tax refund of Rp3,768 billion.
- Cash receipts from finance income of Rp564 billion.

Cash disbursements for operating activities in 2021 were Rp79,881 billion. It increased by 7.8% or Rp5,747 billion compared to the last cash disbursements of Rp74,134 billion. TelkomGroup's cash disbursement were for:

- Cash payments for expenses of Rp44,811 billion.
- Cash payments to employees of Rp13,262 billion.
- Cash payments for corporate and final income taxes of Rp9,679 billion.
- Cash payments for short-term and low-value lease asset of Rp5,308 billion.
- Cash payments for finance costs of Rp4,426 billion.
- Payments for Value Added Taxes – net of Rp2,084 billion.
- Cash payments for others - net of Rp311 billion.

2. Cash Flow from Investing Activities

At the end of 2021, TelkomGroup's net cash used in investing activities was minus Rp37,703 billion or US\$2,645 million. It decreased by Rp2,447 billion or 6.9% compared to the last period of Rp35,256 billion.

Cash receipts from investing activities in 2021 were Rp1,696 billion, with an increase of 257.1% or Rp1,221 billion from the last period. In 2020 financial year, it was Rp475 billion. Cash receipts in 2021 were from:

- Proceeds from other current financial assets – net of Rp807 billion.
- Proceeds from sale of property and equipment of Rp756 billion.
- Proceeds from insurance claims of Rp133 billion.

Telkom recorded cash disbursements for investing activity of Rp39,399 billion in 2021. It increased by 10.3% or Rp3,668 billion from the last year of Rp35,731 billion. The cash disbursement was for:

- Purchase of property and equipment of Rp29,712 billion.
- Purchase of long-term investment in financial instrument of Rp6,358 billion.
- Purchase of intangible assets of Rp2,845 billion.
- Increase in advances and other assets of Rp442 billion.
- Additional contribution on long-term investments in associates of Rp42 billion.

3. Cash Flows from Financing Activities

TelkomGroup recorded net cash used in financing activities was minus Rp12,986 billion (US\$911 million) in 2021. It decreased by Rp14,767 billion or 53.2% compared to the previous period of Rp27,753 billion.

In financing activities, TelkomGroup received cash from financing activities of Rp65,075 billion, it increased by 165.9% or Rp40,606 billion compared to the last period of Rp24,469 billion. The cash receipt was from:

- Proceeds from loans and other borrowings of Rp46,612 billion.
- Proceed from initial public offering of subsidiary of Rp18,463 billion.

Meanwhile, the cash disbursement for financing activities was of Rp78,061 billion. It increased by Rp25,839 billion or 49.5% compared to the last period of Rp52,222 billion. The cash disbursement was for:

- Repayments of loan and other borrowings of Rp43,740 billion.
- Cash dividends paid to Company's Stockholders of Rp16,643 billion.
- Cash dividends paid to non-controlling interests of subsidiaries of Rp13,242 billion.
- Repayment of principal portion of lease liabilities of Rp4,436 billion.