

**TICKERS:**

IDX : TLKM  
NYSE : TLK

**SHAREHOLDER COMPOSITION:**

Government of Indonesia : 52.1%  
Public : 47.9%

**CREDIT RATING:**

Moody's : Baa1 (Stable)  
Fitch Ratings : BBB (Stable)  
Pefindo : idAAA (Stable)

## Highlights

- During the first half of 2022, PT Telkom Indonesia (Persero) Tbk (“Telkom or The Company”) recorded positive growth of 3.6% YoY in Revenue, with EBITDA and Net Income grew by 4.5% and 6.9% YoY, respectively.
- IndiHome and Telkomsel digital business continued to become our engine of growth, which posted Revenue of Rp13.8 trillion or grew 7.4% YoY and Rp35.1 trillion or grew 5.2% YoY, respectively
- To strengthen our network infrastructure, we launched second gateway of submarine cable in Manado on 20<sup>th</sup> July 2022 that connect to United States, to give better digital experience for our customers.
- HyperScale Data Center phase 1 has been completed to enhance our data center business. Our data centers are integrated to Telkom network and also connected to global submarine cable, to accommodate customers’ various needs, including edge computing and other digital platforms and solutions.

Financial Highlights			
Key Indicators (Rp. Bn)	YoY		
	1H22	1H21	Growth (%)
Revenues	71,983	69,480	3.6
Expenses	49,047	45,865	6.9
Operating Profit	22,936	23,615	(2.9)
EBITDA	39,447	37,759	4.5
EBITDA Margin (%)	54.8	54.4	0.4 ppt
Net Income	13,310	12,451	6.9
Net Income Margin (%)	18.5	17.9	0.6 ppt

Operational Highlights			
Subscribers (000)	YoY		
	1H22	1H21	Growth (%)
<b>Broadband</b>			
Fixed Broadband - IndiHome	8,889	8,300	7.1
Mobile Data User	119,307	117,735	1.3
<b>Cellular</b>			
Telkomsel Halo	7,462	6,716	11.1
Telkomsel Prabayar	162,205	162,481	(0.2)
<b>Total</b>	<b>169,667</b>	<b>169,197</b>	<b>0.3</b>

**Investor Relations**

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This document contains financial conditions and result of operation, and may also contain certain projections, plans, strategies, and objectives of the Company, which would be treated as forward-looking statements within the meaning of applicable law. Forward looking statements, by their nature, involve risk and uncertainty that could cause actual results and development to differ materially from those expressed or implied in these statements. Telkom Indonesia does not guarantee that any action, which may have a taken in reliance on this document, will bring specific results as expected.

## PT TELKOM INDONESIA (PERSERO) Tbk FIRST HALF OF 2022 (UNAUDITED)

The following analysis and discussion are based on our Indonesian GAAP financial statements for first half of 2022 and 2021. The reports have been submitted to Indonesia Financial Services Authority (OJK).

### Revenues

Key Indicators (Rp. Bn)	YoY		
	1H22	1H21	Growth (%)
Data, Internet & IT Service	39,222	37,572	4.4
IndiHome	13,831	12,879	7.4
SMS, Fixed and Cellular Voice	9,317	10,554	(11.7)
Interconnection	4,222	3,844	9.8
Network and Other Telco Services	5,391	4,631	16.4
<b>Total</b>	<b>71,983</b>	<b>69,480</b>	<b>3.6</b>

As mobile data and IndiHome continued to be the growth drivers, Telkom consolidated revenue grew by 3.6% YoY to Rp72.0 trillion in the first half of 2022. The revenue details are as follows:

- **Data, Internet & IT Services revenues** increased by 4.4% YoY to Rp39.2 trillion driven by continued growth of cellular data revenue, which contributed 84.6% of total Data, Internet, and IT Services revenues. Mobile data traffic jumped by 21.4% YoY to 7,794 petabytes driven by strong traction in mobile data services.
- **IndiHome** revenue grew by 7.4% YoY to Rp13.8 trillion during the period. We added around 288 thousand new subscribers during 1H22 along with the recovery of the socio-economic activities. IndiHome revenue growth was also partly supported by increasing add-on revenue.
- **SMS, Fixed and Cellular Voice revenues** posted revenues of Rp9.3 trillion, or declined by 11.7% YoY due to cannibalization from instant messaging (OTT) application and continuous transition from legacy to data. As the proportion of legacy business is getting smaller, the rate of decline has been slower.
- **Interconnection revenues** increased by 9.8% YoY to Rp4.2 trillion as a result of our effort to grab opportunities from overseas wholesale voice business.
- **Network and Other Telecommunication Services revenues** jumped by 16.4% YoY to Rp5.4 trillion driven by increasing tower business volume as well as satellite business.

## Expenses

Key Indicators (Rp. Bn)	YoY		
	1H22	1H21	Growth (%)
<b>Operating Expense</b>			
Operation, Maintenance & Telecommunication Services	17,847	17,473	2.1
Personnel	7,526	7,370	2.1
Interconnection	2,647	2,354	12.4
Marketing	1,696	1,529	10.9
General & Administrative	2,820	2,995	(5.8)
<b>Total Operating Expenses</b>	<b>32,536</b>	<b>31,721</b>	<b>2.6</b>
Depreciation & Amortization	16,986	14,698	15.6
Unrealized gain on changes in fair value of investments	(294)	(350)	(16.0)
Other income – net	(57)	(125)	(54.4)
Gain on foreign exchange - net	(124)	(79)	57.0
<b>Total Expenses</b>	<b>49,047</b>	<b>45,865</b>	<b>6.9</b>

During 1H22, Telkom recorded total expenses of Rp49.0 trillion or increased by 6.9% YoY with Operating Expenses grew by 2.6% YoY to Rp32.5 trillion. Details of expenses are as follows:

- **Operation & Maintenance (O&M) expenses** increased by 2.1% YoY to Rp17.8 trillion, lower than revenue growth, partly due to efficiency in cost of devices as we became more selective in customer acquisition. Cost of content was also trending down in 2Q22.
- **Personnel expenses** slightly increased by 2.1% YoY to Rp7.5 trillion, relatively in line with the inflation level.
- **Interconnection expenses** was Rp2.6 trillion or rose by 12.4%, in line with our growing international wholesale voice business.
- **Marketing expenses** increased by 10.9% YoY to Rp1.7 trillion resulted from higher marketing activities both in mobile and fixed line due to the recovery of the socio-economic activities.
- **General & Administrative expenses** continued to decline by 5.8% YoY to Rp2.8 trillion continuing our successful effort in managing our collection performance during this period.
- **Depreciation & Amortization** rose by 15.6% YoY to Rp17.0 trillion in line with continuous investment to enhance our digital infrastructure both in mobile and fixed line businesses.
- We recorded **Unrealized gain on changes in fair value of investments** of Rp294 billion mainly to recognize unrealized gain from Telkomsel investment in GoTo.
- We booked **Other Income – net** of Rp57 billion from higher non-operating income and lower non-operating expense during the period.
- We recorded **Gain on foreign exchange - net** of Rp124 billion by the end of June 2022 reflecting our capabilities in managing foreign currency risk exposure.

## EBITDA and Net Income

During the first half of 2022, EBITDA rose by 4.5% YoY to Rp39.4 trillion with EBITDA margin expanded to 54.8% from 54.4% last year. Furthermore, we booked Net Income of Rp13.3 trillion or increased by 6.9% YoY with Net Income margin of 18.5%, improved from 17.9% last year.

In first half of 2022, we booked deferred tax of Rp737 billion, mainly to recognize our investment in GoTo which is subject to final tax assuming if the investment is divested in Indonesia Stock Exchange.

## Financial Position

Key Indicators (Rp. Bn)	End of		
	1H22	FY21	Growth (%)
Total Assets	275,272	277,184	(0.7)
Total Liabilities	134,593	131,785	2.1
Non-controlling Interests	20,438	23,753	(14.0)
Total Equity	140,679	145,399	(3.2)

- Total assets at end of June 2022 stood at Rp275.3 trillion, decreased by 0.7% YTD. The decrease was attributable to higher depreciation in right of use of asset. However, cash and cash equivalents increased by 4.8% YTD by the end of June 2022 resulted from higher cash received from customers.
- Total liabilities during the first half of 2022 increased by 2.1% YTD to Rp134.6 trillion mainly due to increase in our debt, at the same time to improve our capital structure.
- Non-controlling interests declined by 14.0% YTD due to dividend payment in subsidiaries.
- Our equity decreased by 3.2% YTD to Rp140.7 trillion as a result of dividend payment at the end of June 2022.

## Cash Flows

Key Indicators (Rp. Bn)	YoY		
	1H22	1H21	Growth (%)
Cash Flows from Operating Activities	34,944	33,085	5.6
Cash Flows used in Investing Activities	(17,569)	(19,056)	(7.8)
Cash Flow used in Financing Activities	(15,707)	1,887	N/A
Net Increase in Cash & Cash Equivalents	1,668	15,916	(89.5)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	181	108	67.6
Cash and Cash Equivalents at Beginning of Year	<b>38,311</b>	<b>20,589</b>	<b>86.1</b>
Cash and Cash Equivalents at End of Period	<b>40,160</b>	<b>36,613</b>	<b>9.7</b>

- Net cash provided by operating activities in 1H22 increased by 5.6% YoY to Rp34.9 trillion. The increase was mainly due to our growing business as cash from customer grew by 2.0% YoY to Rp70.2 trillion during the period, as well as efficiency in expenses.

- Net cash used in investing activities was Rp17.6 trillion, in line with our capex utilization to strengthen our infrastructure to enhance service quality and customer experience.
- Net cash used in financing activities was Rp15.7 trillion mainly due to dividend payment to shareholders during this period.

## Debts

Currencies (Rp. Bn)	End of		Portion (%)	
	1H22	FY21	1H22	FY21
IDR/Rupiah	73,304	68,086	98.8	98.6
USD/US Dollar	621	671	0.8	0.9
JPY/Japanese Yen	210	285	0.3	0.4
MYR/Malaysian Ringgit	35	36	0.1	0.1
<b>Total</b>	<b>74,170</b>	<b>69,078</b>	<b>100.0</b>	<b>100.0</b>

In the first half of 2022, total debts (including lease liabilities) increased by 7.4% YTD to Rp74.2 trillion due to increasing bank loan. Around 98.8% of our debts were in Rupiah currency, around 0.8% were in US Dollar currency and the remaining balance were in Japanese Yen and Malaysian Ringgit, consisting of short and long-term bank loans, bonds, two-step loans, loans from non-bank financial institution, as well as lease liabilities. Excluding lease liabilities, our total debt was Rp61.5 trillion as of 30 June 2022 and Rp52.7 trillion as of December 2021. The debt was utilized to support general corporate purposes, capital expenditure (capex) deployment, working capital stability, and investment in digital companies.

Meanwhile, Finance cost declined by 5.4% YoY to Rp2.0 trillion due to lower average outstanding loan and cost of debt compared to 1H21, as well as efficient cash flow management.

Our Debt-to-Equity Ratio (“DER”) and Debt to EBITDA were still relatively low at 52.7% and 0.9x.

## Gearing Ratio

Ratios	End of		
	1H22	FY21	Growth (ppt)
Net Debt to Equity (%)	23.9	20.8	3.1
Debt to Equity (%)	52.7	47.5	5.2
Net Debt to EBITDA (times)	0.4	0.4	0.0
Debt to EBITDA (times)	0.9	0.9	0.0
Debt Service Ratio (times)	2.2	2.8	(0.6)

### Notes:

- Net Debt to Equity is calculated as Total Debt deducted by Cash & Cash Equivalent and Other Current Financial Assets, then divided by Total Equity
- Debt Equity is Total Debt to Total Equity
- Net Debt to EBITDA is calculated as Total Debt deducted by Cash & Cash Equivalent and Other Current Financial Assets, then divided by Annualized EBITDA
- Debt to EBITDA represented by Total Debt to Annualized EBITDA
- Debt Service Ratio is calculated as Annualized EBITDA divided by the sum of Annualized Finance Cost and Short-term Debt

## Financial Ratios

Ratios (%)	YoY		
	1H22	1H21	Growth (ppt)
EBIT Margin	31.9	34.0	(2.1)
EBITDA Margin	54.8	54.4	0.4
Net Income Margin	18.5	17.9	0.6
Current Ratio	79.9	65.8	14.1
Total Liabilities to Equity	95.7	139.7	(44.0)
Return on Assets	12.8	12.8	0.0
Return on Equity	25.0	30.7	(5.7)
Return on Invested Capital	16.3	17.9	(1.6)

### Notes:

- EBIT Margin is EBIT to Revenue
- EBITDA Margin is EBITDA to Revenue
- Net Income Margin is calculated as Profit Attributable to Owners of the Company divided by Revenue
- Current Ratio represented by Current Assets divided by Current Liabilities
- Total Liabilities to Equity is Total Liabilities to Total Equity
- Return on Assets represented by Total Profit divided by Total Assets
- Return on Equity represented by Total Profit divided by Total Equity
- Return on Invested Capital is calculated as Annualized Total Profit divided by sum of Total Debt and Total Equity

## Capital Expenditure

In the first half 2022, Telkom spent Rp13.5 trillion in capital expenditure (capex) or represented 18.7% of total revenue. Our capex was utilized to strengthen network and other supporting infrastructures as well as to enhance capacity to provide better customer experience. In fixed line businesses, capex spent allocated for fiber-based access and submarine backbone infrastructures development, and for other projects such as towers and data centers. Moreover, capex was absorbed for further improvement of 4G network quality and capacity, commencement 5G roll out as well as enhancement of IT system in mobile business.

## RESULTS BY SEGMENT

### Mobile Segment

#### Telkomsel Financial Result

Optimistic Indonesia's economic outlook with strong economic activity in Q2-2022 and positive trend indicators especially during Ramadhan and Eid al-Fitr season. Nevertheless, a range of challenges faced including in the telecommunication industry due to the COVID-19 with BA.4 and BA.5 new subvariants, higher than expected inflation rate in June 2022, overall lower purchasing power and geopolitical situation of Russia and Ukraine. These lead to the growing uncertainty exacerbating the already intense competition while the shift of Legacy business towards Data service continually to accelerate.

Strategic actions on product, pricing, cost optimization and digital initiatives were implemented to ensure business continuity:

- Product simplification & pricing optimization to keep with market relevance while protecting relative market position.
- Continue to focus on securing profitability through cost optimization measures to streamline operational expenses.
- Strengthen core broadband connectivity and widening delivery of value-added broadband services to cover various segments.
- Expanding Digital Services portfolio to complement connectivity while capturing growth opportunities and securing company's long-term growth through new digital initiatives with strategic planning execution.

Telkomsel recorded positive growth in total revenues (+1.0% YoY) with healthy levels of profitability (57.1% EBITDA margin & 26.2% Net Income margin) supported by Digital Business as new engine of growth driven by healthy growth of Data with digital drivers potency as indicative room for future growth.

Telkomsel managed to have customer base at 169.7 million subscribers with more productive & engaged in Data service as shown by the payload, Data user & payload/Data user.

Telkomsel committed to maintain and strengthen network leadership that support focus on Digital Business with continuous network deployment, resulted 80% of BTS operated were 3G/4G/5G BTS with more than 154,000 4G BTS and 190 5G BTS.

Telkomsel will continue to transform and empower its digital services by enhancing product offerings & digital capabilities to go beyond connectivity while expanding its current digital ecosystem. As a form of contribution in accelerating Indonesia's digital economy, Telkomsel established PT Telkomsel Ekosistem Digital (INDICO) as a subsidiary and holding company that stands as company's digital initiatives enabler & orchestrator to oversee several subsidiaries from Telkomsel's emerging vertical business portfolio in the digital sector. Telkomsel believes this is the right path on its transformative & digitalization journey for securing company's long-term growth and at the same time providing differentiation for subscribers across the nation.

### Digital Business

Digital Business remained the engine of growth as the leading digital telecommunication company in Indonesia supported by a focus on maintaining dominance in network supply. This segment recorded positive performance with 5.2% YoY growth to Rp35,082 billion and increased its contribution to total revenues to 80.5% from 77.3% last year driven by healthy growth of Data with digital drivers' potency as indicative room for future growth.

Revenue from Data grew by 6.1% YoY to Rp29,906 billion with 119.3 million Data users (+1.3% YoY) & 3G/4G capable device at 129.6 million (+9.1% YoY and 76.4% penetration) as well as healthy growth in Data payload (+21.4% YoY to 7,981,455 TB) & payload consumption at 11,629 MB per Data user (+16.9% YoY).

### Legacy Business: Voice and SMS

Continued natural transition phase of Legacy toward Data & impact of OTT services cannibalization, Telkomsel's Legacy business was slowing down. Telkomsel initiatives to manage legacy and prolong the tail



with personalized marketing approach to offer better value package while addressing customers' need with consistent network quality and services, which including for International Roaming package due to increasing international travel and Islamic pilgrimage travel (Umrah and Hajj).

The following table summarizes Telkomsel's financial results for the period ended 30 June 2022:

### Consolidated Statements of Profit and Loss

Key Indicators (Rp. Bn)	YoY			QoQ		
	1H22	1H21	Growth (%)	2Q22	1Q22	Growth (%)
Revenues	43,586	43,173	1.0	22,324	21,263	5.0
Legacy	8,504	9,814	(13.3)	4,187	4,317	(3.0)
Digital Business	35,082	33,359	5.2	18,137	16,945	7.0
Expenses incl. Depr. and others	28,685	26,251	9.3	13,762	14,923	(7.8)
EBITDA	24,882	25,356	(1.9)	12,614	12,268	2.8
EBITDA Margin (%)	57.1%	58.7%	(1.6)ppt	56.5%	57.7%	(1.2)ppt
Net Income	11,401	12,749	(10.6)	6,817	4,584	48.7
Net Income Margin (%)	26.2%	29.5%	(3.4)ppt	30.5%	21.6%	9.0ppt
Proportion of Digital Business (%)	80.5%	77.3%	3.2ppt	81.2%	79.7%	1.6ppt

Notes: Lower Net Income in 1H22 due to sale & leaseback of towers in 2021 and changes in fair value of investment in GoTo in 2022.

### Operating Expenses

- As of June 2022, total expenses including depreciation, amortization and others (net) increased by 9.3% YoY to Rp 28,685 billion with ongoing cost transformation to improve operating expenses efficiency and effectiveness in supporting revenues include manageable Marketing cost to revenues and Operations & Maintenance cost to key infrastructures development. The growth of total expenses mainly driven by Operations & Maintenance cost as company's initiative to strengthen 4G LTE services and maximize Broadband service quality while having continuous network development to reach 255,107 total BTS (+7.5% YoY). Higher Cost of Services in digital to improve contents and partnership align with commitment to expand Digital Services portfolio to complement connectivity while capturing growth opportunities through new digital initiatives. Additionally, adjustment in fair valuation of investment in GoTo is already included with mark to market position.

### EBITDA and Net Income

- Strategic actions to face the challenges and to ensure business continuity with positive growth of total revenues and initiatives to effectively manage operating expenses lead to healthy levels of profitability with 57.1% EBITDA Margin and 26.2% Net Income Margin.
- We booked Net Income of Rp11,401 billion and Rp12,749 billion in the first half of 2022 and 2021, respectively (-10.6% YoY) that included inorganic initiatives with one-off gain on sale and leaseback of towers and changes in fair value of investment in GoTo.



## Consolidated Statements of Financial Position

Key Indicators (Rp Bn)	Jun-22	Dec-21	Growth (%)
Current Assets	10,169	12,288	(17.2)
Non-Current Assets	89,571	89,014	0.6
<b>Total Assets</b>	<b>99,740</b>	<b>101,302</b>	<b>(1.5)</b>
Current Liabilities	41,500	31,654	31.1
Non-Current Liabilities	27,975	30,205	(7.4)
Total Equity	30,265	39,443	(23.3)
<b>Total Liabilities &amp; Equity</b>	<b>99,740</b>	<b>101,302</b>	<b>(1.5)</b>

- Lower Current Assets mainly due to decrease in prepaid expenses, while slightly higher Non-Current Assets due to increase in long-term investment.
- Higher Current Liabilities mainly due to increase in short-term loans, while lower Non-Current Liabilities due to decrease in lease liabilities.
- Lower total Equity mainly due to decrease in retained earnings.

## Consolidated Statements of Cash Flows

Key Indicators (Rp Bn)	1H22	1H21	Growth (%)
Cash Flows from Operating Activities	21,779	21,669	0.5
Cash Flows for Investing Activities	(5,712)	(8,415)	(32.1)
Cash Flows for Financing Activities	(16,090)	(18,165)	(11.4)
<b>Net Decrease in Cash &amp; Cash Equivalents</b>	<b>(22)</b>	<b>(4,911)</b>	<b>(99.5)</b>
Cash and Cash Equivalents at Beginning of Period	2,766	9,154	(69.8)
Cash and Cash Equivalents at End of Period	2,744	4,243	(35.3)

- Higher net cash generated from operations mainly due to increase in total cash receipts from operating activities.
- Lower cash flows used in investing activities as 1H21 included long-term investments from the acquisition of PT Aplikasi Karya Anak Bangsa (Gojek).
- Lower cash flows for financing activities mainly due to decrease in proceed of medium-term loans and dividend.

## Debt Profile

As of 30 June 2022, Telkomsel's total outstanding loans amounted to Rp11,000 billion from utilization of revolving credit facilities. As of 30 June 2022, Telkomsel Debt to Equity Ratio (DER) was 36.3% (exclude lease liabilities).

Telkomsel has to maintain several financial covenants related to its loans/debts. As of 30 June 2022, the covenants were as follows:

Covenants to be Maintained	Required	Actual
EBITDA to Debt Service	$\geq 1.25$	2.17
Total Debt to Tangible Net Worth	$\leq 2.00$	0.46

Notes: Debts in covenants exclude lease liabilities.

## Mobile Digital Services

Telkomsel committed to enhance product offerings and digital capabilities to go beyond connectivity while expanding its current digital ecosystem, thus continue to focus on customer needs and long-term growth supported by network quality.

- Enrich digital lifestyle related to video and games content including build up the positioning of MAXstream in the video streaming industry with around 6 million monthly active users through expanding partnership with major content partners and our own MAXstream originals. Our footprint in mobile gaming industry also expanded by providing a complete solution, cultivating gamers community and step into game publishing under Dunia Games brand with more than 18 million monthly active users.
- Augmented the functionalities of by.U, a fully digital prepaid product offering integrated services based on fully customizable digital applications with positive growth of customer to reach 4.4 million customers.
- Developing Telkomsel Orbit, a home wireless internet service as an effort to leverage strong network capacity.
- Rehaul MyTelkomsel app & Telkomsel.com to improve their value proposition & to better support other corporate wide programs with around 31 million monthly active users of MyTelkomsel app.

Telkomsel's investment in Gojek (a regional on-demand multi-services platform and digital payment technology company) in November 2020 and May 2021 followed by Gojek-Tokopedia merger (GoTo) have strengthening strategic partnership initiatives and creates the first Super-App in Indonesia to become a complete digital solution with synergy values. It is also helped to accelerate the digitization of micro, small and medium enterprises (MSMEs) that include:

- Easy onboarding for Gojek's MSME partners to become Telkomsel reseller partners and convenient access to Telkomsel's outlets and resellers via GoShop as well as integrated Telkomsel's outlet into GoSend.
- Collaboration on initiatives to increase number of Telkomsel users within Gojek ecosystem including swadaya package.
- Loyalty program by including Gojek voucher in Telkomsel POIN.
- Improving customer experience in carrying out Gojek services with Call Number Masking feature from Telkomsel's Enterprise solutions.

As a subsidiary of Telkomsel engaged in venture capital, Telkomsel Mitra Inovasi (TMI) continues to commit in accelerating the development of domestic and global startups through funding support and empowerment

by prioritizing synergy values that focus on stronger and more beneficial long-term partnerships and business development. As Telkomsel's digital initiative, TMI also consistent in empowering digitalpreneurs especially startups that have the potential to develop in Indonesia through investment and collaboration actions by optimizing the ecosystem, assets and competencies owned by Telkomsel. Through TMI, Telkomsel has invested and support Indonesian startups, such as Kredivo, Privy ID, Qlue, Halodoc, Tanihub, TADA, SiCepat and Inspigo.

Telkomsel established PT Telkomsel Ekosistem Digital and officially introduced its brand name INDICO to become the leading platform that optimize Telkomsel's assets and capabilities to create a flywheel effect from innovations that will accelerate Indonesia's digital economy. It is also a manifestation of its determination in expanding the company's digital business portfolio and as a company's proof to build an inclusive and sustainable digital ecosystem by implementing Telkomsel's digital trifecta: Digital Connectivity, Digital Platform, and Digital Services. Encouraging its development in the first wave, INDICO will focus on three digital industry sectors, namely edu-tech (Kuncie), health-tech (Fita), and gaming (Majamojo).

In February 2022, INDICO completed the transfer of Kuncie and Fita to become part of the company's vertical business entity. Kuncie (managed by PT Kuncie Pintar Nusantara) which operates in edu-tech sector, and Fita (managed by PT Fita Sehat Nusantara) which operates in health-tech sector, were previously part of the digital service innovation of the business unit at Telkomsel. Following these activities, INDICO synergizes with GoTo through its subsidiary PT Aplikasi Multimedia Anak Bangsa (AMAB) to develop the gaming business for the Southeast Asian market by forming a joint venture (JV) PT Games Karya Nusantara, under company brand "Majamojo". Majamojo will look to form partnerships with game developers and publishers, while leveraging Telkomsel and GoTo's strengths, including their digital capabilities, technology assets, and wide-reaching ecosystems.

INDICO will also accelerate the presence of true digital talents who focus on collaborations with cross-sectoral start-ups in the country, investors, and stakeholders in the digital industry for a more significant impact in strengthening the national digital economy through several recent initiatives.

- In March 2022, INDICO introduced the company and its potential to the global audience by hosting a talk show with the theme "Unlocking Indonesia's Digital Potential" at Expo 2020 Dubai through the participation of TelkomGroup as one of the companies trusted by the Indonesian Ministry of SOEs to represent the Indonesian delegation at the event. At the event, INDICO showed various potentials and advantages of its three digital business entities: Fita, Kuncie, and Majamojo, to the international tech and startup community and the global community.
- In April 2022, Telkomsel, INDICO, and PT Melon Indonesia hosted the "Lokapala Jawara Nusantara" games tournament. We received endorsement from the Coordinating Ministry for Maritime and Investment Affairs, the Ministry of State-Owned Enterprises, and the Ministry of Tourism and Creative Economy on this occasion. The collaboration of all parties in this tournament will further strengthen the shared mission of opening opportunities for local creators and talents to contribute to the national game industry.
- In May 2022, INDICO's portfolio Kuncie joined forces with Google to launch Gapura Digital and Google Primer learning modules. This collaboration is part of the Grow with Google initiative, which aims to enable everyone to access various training and tools to develop their skills, careers, and businesses.

As the first cellular operator to offer 5G in Indonesia, Telkomsel continue its strategy in improving use cases for 5G deployment selectively through demand-based approach for B2C and B2B with partnership in

manufacturing and infrastructure sector, support in educational sector and participate in national event. Telkomsel also collaborates with a world-class reliable connectivity company to strengthen Telkomsel IoT ecosystem.

Telkomsel will maximize the use of 5G that can transform lives and implement the advantages of 5G network to further encourage the growth of digital connectivity, digital platforms and digital services in Indonesia as well as the development of future technology solutions such as artificial intelligence, cloud computing and the Internet of Things with investment already included to its roadmap plan and will be executed in stages based on several considerations including maturity of the ecosystem.

## Customer Base

As of June 2022, Telkomsel managed to have 169.7 million subscribers with positive trends of user engagement in Data user, payload and payload per Data user that align with corporate strategy in supporting healthy growth and maintaining leadership in industry.

## Network Deployment

Continuous network development to support our focus on Digital Business with 4G and 5G BTS deployment to reach 154,704 and 193 units, respectively in June 2022. As we have covered most of the population by 4G LTE network throughout the nation, the deployment will also be prioritizing quality and capacity. The network rolls out brought total BTS on air to 255,107 units at the end of June 2022, or increased by 7.5% YoY, of which 204,908 units were 3G/4G/5G BTS.

## IT Development

We continue to enhance and strengthen our IT platform in order to improve our customer analytics' capability to be able to digitalize and provide more personalized products to our customers. Moreover, we also elevate and expand our digital capabilities for the distinctive digital experience of customer.

The following table shows key operational performance as of 30 June 2022:

Key Indicators	YoY			QoQ		
	1H22	1H21	Growth (%)	2Q22	1Q22	Growth (%)
Customer Base (000)	169,667	169,197	0.3	169,667	174,956	(3.0)
ARPU (000)	42	44	(4.5)	43	41	6.8
BTS on Air (units)	255,107	237,300	7.5	255,107	247,930	2.9
Total Employees (*including subs & associated co)	5,381	5,463	(1.5)	5,381	5,474	(1.7)
MoU (in billion minutes)	49.1	64.3	(23.6)	23.6	25.5	(7.5)
SMS (in billion units)	6.5	14.5	(55.0)	2.8	3.8	(26.8)
Data Payload (TB)	7,981,455	6,573,499	21.4	4,182,589	3,798,866	10.1

## Fixed Line Services

### Fixed Broadband IndiHome

IndiHome recorded Rp13.8 trillion in revenue or grew by 7.4% YoY, where its contribution to TelkomGroup revenue increased to 19.2% in 1H22 from 18.5% in the same period last year. EBITDA margin of IndiHome expanded to around 50% in 1H22, as a result of higher economic of scale and better operating leverage.

We added around 288 thousand new customers during 1H22, brought total subscribers to reach 8.9 million by the end of June 2022 or increased by 7.1% YoY. We are more selective in getting new customers to ensure customer credit quality. Around 59% of total customers were on Dual Play Package while the remaining 41% were on Triple Play. IndiHome plays important role in building digital society as its services cover 499 (97.1%) cities/districts throughout Indonesia. IndiHome ARPU in 1H22 was relatively stable at Rp270 thousand.

We continue to encourage new and existing customers to subscribe on Triple Play, higher speed, or purchase various add-ons such as various mini packs and additional hybrid boxes. Increasing ARPU was largely driven by revenue from add-ons that grew by 14% YoY and contributed to around 16.1% of IndiHome revenue, higher than previous year which contributed 15.2% of total IndiHome revenue.

In addition, we keep enriching IndiHome content by adding IndiHome Netflix bundling package to further improve customer experience.

Around 90.1% of the IndiHome revenue was generated from residential customers (Consumer Segment, with around 95.3% contribution to the segment's revenue), while the remaining 9.9% was from business clients (Enterprise Segment).

### Enterprise & Wholesale and International Business (WIB)

During the first half 2022, Enterprise segment increased by 0.3% YoY in revenue to Rp8.7 trillion with B2B IT Services and Enterprise Connectivity solutions are the biggest contributors. We keep strengthening our capability in cloud, including to make strategic partnership with global tech players. We expect these efforts will leverage our capability to deliver digital solution to our customers.

Meanwhile WIB segment posted Rp7.9 trillion in revenue or increased by 14.6% YoY. Under this segment we continue to strengthen our network infrastructure, as we launched second gateway for Indonesia in Manado that was launched on 20<sup>th</sup> July 2022. We are also in the progress of developing submarine cables namely Bifrost and SEA-ME-WE 6 which are expected to be completed in 2024 and 2025 respectively. These efforts will strengthen international traffic data to give better experience for our customers and to support future business digitization needs.

Through our subsidiary, Telin, we have a total 222,260 KM submarine cable which connect Indonesian domestic cable network to global submarine cable network, including those that connected to Europe and United States.



## Global Submarine Cable System



The Manado Gateway is the second international communication gateway owned by TelkomGroup. This digital toll gate is part of the effort to equalize access to telecommunications and information throughout Indonesia. This Manado route serves an alternative route for the international communication traffic, which was previously concentrated in Batam.

The existence of the Manado international communication gateway is expected to accelerate the growth of the digital ecosystem in Indonesia including in eastern part of the country, and to support the successful development of Indonesia's new capital city.

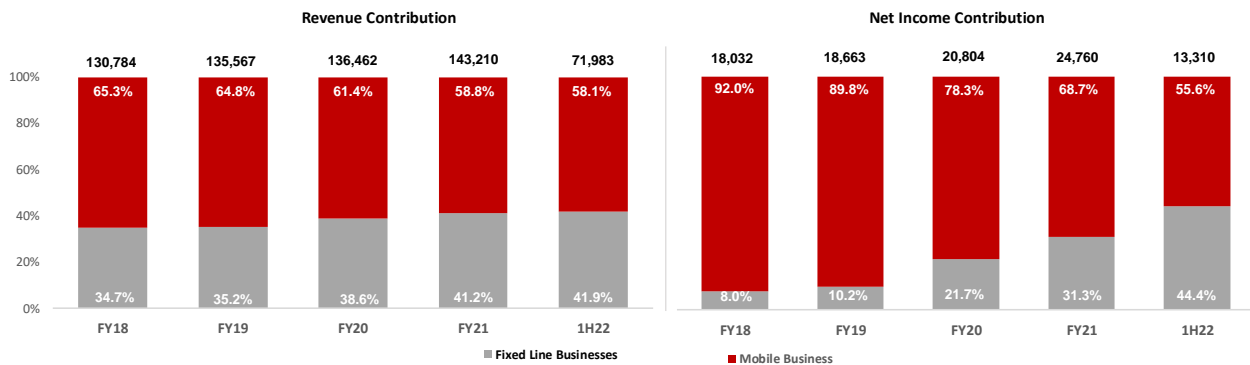
### Tower

Mitratel manages 28,787 towers with 1.52x tenancy ratio. Mitratel enjoys site diversification as around 58% of Mitratel's towers are located in ex-Java, while the remaining 42% are located in Java. We are of the view that tower business still has the opportunity to grow, driven by increasing demand in cellular data and the upcoming 5G technology implementation.

Mitratel has recorded stand-alone Revenue of Rp3.7 trillion or grew by 15.5% YoY driven by tower leasing revenue. EBITDA and Net Income grew by 16.6% and 27.2% YoY, respectively. Furthermore, both EBITDA Margin and Net Income Margin were also expanding to 77.5% and 23.9%, increased by 0.7 ppt and 2.2 ppt, in line with management's commitment to maximizing shareholder value. Align with financial performance, collocation number and number of tenants grew by 13.8% and 20.3% YoY respectively during this year.

Mitratel is also expanding its Fiber-to-the-Tower business as part of its strategy to become a digital infrastructure company. The company received orders of around 8,000 km fiber networks connection from mobile operators during 1H22. The orders for fiber connection are higher than expectation for the year.

Fixed line businesses contribution consistently increased and reached 41.9% and 44.4% of Telkom's Consolidated Revenue and Net Income during the first half of 2022. This reflects our well-diversified businesses, as shown in the charts below.



## FIVE BOLD MOVES STRATEGY TO STRENGTHEN COMPETITIVE ADVANTAGES

- 1 Mitratel IPO**
  - Mitratel successfully conducted its IPO on 22 November 2021 to become one of **the biggest listed tower providers in Indonesia**, with Rp18.8 trillion proceeds.
  - 90% of IPO proceed for **business expansion** including potential another c. 6,000 tower acquisition from TSEL.
- 2 Fixed-Mobile Convergence Initiative**
  - Continuing strong momentum in Fixed Broadband and enhancing Mobile Broadband experience.**
  - MoU with Singtel to explore the best FMC to **enrich** TelkomGroup's **value proposition.**
- 3 Unlocking Data Center Business**
  - Telkom is in the process of **consolidating Data Center (DC) assets and enhancing DC business capacity.**
  - To accelerate DC business growth in **collaboration with hyper-scaler and tech giant.**
- 4 Strengthen B2B IT Service**
  - Transformation towards B2B IT-Digital Service through **partnership & collaboration.**
  - Enhance TelkomSigma** to be B2B IT Service leading player
- 5 Accelerating DigiCo Business**
  - To **accelerate digital services through DigiCo** in selected sectors aligned with Telkom's core competence.
  - To **collaborate with partners** who have strong capability in digital services and to **invite strategic investors, to avoid cash-burning approach.**

Telkom initiates five bold moves strategy to build competitive advantages in the areas of digital connectivity, digital platforms, and digital services and to strengthen the Company's position as a world-class digital telco company, with long term objective to create higher value for the Company's stakeholders.



To further pursue 5 bold moves strategy, we continue our organization transformation by aligning TelkomSigma to be Telkom's direct subsidiary as one of our strategic initiatives to accelerate TelkomSigma to be B2B IT Service Leader Company.

### Continuing Tower Consolidation

Currently Telkom is in the process to further consolidate its tower assets, whereby Mitratel will acquire more towers from Telkomsel. Following the tower consolidation, we expect Telkomsel to be more focused on its core business and services to provide better experience to customers. At the same time, Mitratel will emphasize its position as number 1 tower provider in Indonesia, which is expected will leverage Mitratel financial and operational performance. Currently, Mitratel is in the process to strengthen its network infrastructure, including fiberization to support 5G ecosystem in Indonesia.

### Fixed-Mobile Convergence (FMC)

We pursue to materialize FMC initiatives in an effort to provide better customer experience, to have more efficient capex, as well as to enjoy robust data integration. Currently we have future products and features to realize this initiatives, such as Orbit our fixed wireless product and Smooa features that show our capability in integrating our fixed and mobile network.

Currently, Orbit has 464 thousand users and with its fixed wireless technology, Orbit is the complementary product of IndiHome. Orbit is a home internet service which uses a WiFi modem under Telkomsel's cellular network. Meanwhile, Smooa is a feature that allows IndiHome subscribers to buy Telkomsel internet quota under single billing system.

We are of the view that the FMC strategy would increase Telkom Group's value proposition and distinguish our unique competitive advantage in the market.

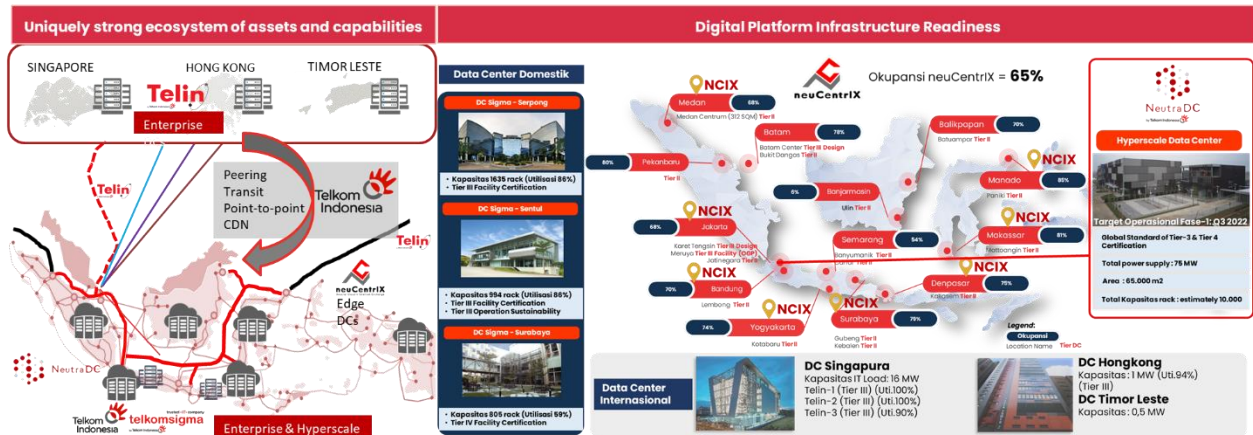
### Data Center

Data Center and Cloud remained as one of the areas that become our focus as the demand is growing significantly with the rising activities in digital business players. The presence of robust data center and cloud infrastructure is key to enable us in developing various digital solutions to enhance customers' experience. We have 27 data center facilities (22 domestic and 5 overseas including our Tier 3 and 4 data centers in Singapore). In Data Center we serve several product and solution such as Shared Colocation, Dedicated Colocation, Working room, Cross connect, Smart hand, and DC Interconnect.

Our data centers are integrated to Telkom network and also global submarine cable network. With our integrated network, we are able to accommodate our customer future business digitization needs, such as edge computing, 5G services, blockchain and other digital solutions.

For our HyperScale Data Center, we demonstrate our commitment to reduce carbon dioxide emissions by building gas-fired power plants and solar panels for public areas and offices.

## Telkom Group DC Infrastructure Capabilities & Digital Ecosystem Readiness



As Data Center business potentially provides high valuation, we are of the view that unlocking our Data Center business will provide higher value to TelkomGroup. In order to unlock its value, we are currently in the process of consolidating our Data Center business under one entity within TelkomGroup where Telkom DC is the subsidiary to become a Data Center Company or known as NeutraDC. The consolidation idea will be completed in stages and we expect that the process will be taken place in 2 years ahead.

In parallel we are also building partnerships with SingTel to strengthen our business scale in data center and to address ASEAN data center market. Indonesia and Singapore are estimated to represent more than 50% of ASEAN data center market in 2025.

### Telkom's ESG Initiatives

As a leading telco in Indonesia, Telkom is committed to connecting people and making it easier for our customers to connect, creating jobs and opportunities for the community, while also continuing to innovate to enable competition in the digital era. We are continuously reviewing our sustainability strategy in managing risks and taking advantage of current opportunities, as well as planning the sustainability target, we want to achieve in the future. Our sustainability strategy focuses on five pillars, namely Ethics, Human Capital, Environment, Society, and Performance Growth.

Telkom emphasizes a culture of sustainability that emphasizes attention to environmental, social, and governance (ESG) aspects in each of its business policies. In addition, Telkom seeks to build a culture that encourages responsible thinking and behavior through programs carried out with the community as well as within the company.

## Product and Marketing Activities

### Fixed Line

#### ■ IndiHome Paket Pelajar, Pengajar dan Jurnalis

As a form of support for learning and journalism activities, IndiHome offers packages supported by fast internet connections, various interactive TV services and IndiHome Study application to facilitate the activities of teachers, lecturers, students, and journalists throughout Indonesia.

#### ■ IndiHome Paket Gamer

As a form to facilitate gaming activities, IndiHome introduces packages with super-fast internet networks and some attractive in-game benefits from Game Publisher. IndiHome is also committed to the development of e-sports in the country by actively held several games tournament. Besides that, IndiHome launched an e-sport academy with the concept of athlete enablement, namely Limitless Esport Academy (LEAD), to empower and train the player to become a professional player (pro-player) with an athlete mentality.

#### ■ Paket Bebas Tanpa Batas

The package allows our customers to buy the internet device from us with 1 year warranty period. In this package, our customers are not bound by a 12 months contract and are not subject to subscription penalties.

## ADDITIONAL INFORMATION

### Awards and Recognition

As a reflection of our business excellence, innovative products and services, reliable network infrastructure, widest coverage areas, excellent customer service, strategy execution and strong management operation, we received awards and accolades for various categories from leading institutions at both national and international levels. The awards and accolades we received during 1H22 among others:

- Indonesia Best CEO In Broadband Telecommunications Category in Employees' Choice Award 2022 from The Economics.
- Indonesia Top Digital PR Award Top 45 BUMN from Trans n Co Indonesia.
- Outstanding Digital Telecommunication Network Development for category Telecommunication and Media Services Industry from Warta Ekonomi.
- Top 50 Emiten dengan kapitalisasi Pasar Terbesar for category Best SOE/BUMN from Indonesian Institute for Corporate Directorship (IICD).
- Indonesia Turkiye Global Leaders Award II 2022 as The Best Global Company 2022 and The Best Global Leaders 2022 for Telkom CEO from Economic Review.
- Bisnis Indonesia Corporate Social Responsibility Award (BISRA) 2022 as Gold Champion in Corporate Social Responsibility Program and The most Consistent Digital Telco Company in Implementing Integrated CSR Through Innovillage Program from Bisnis Indonesia.
- The 2022 Grand Stevie® Award for Organization of the Year for the fifth time in the nine-year history of the Asia-Pacific Stevie Awards, Enterprise segment won 20 award (14 Gold, 3 Silver, 3 Bronze),

and Consumer won 2 gold award. Meanwhile, Telkomsel won Gold Winner in Innovation in Human Resources Management, Planning & Practice category for telecommunication industry.

- Second Annual Snow Technology Intelligence Awards for Telkomsel in SAM Excellence category with Honorable Mentions from Snow Software.
- BUMN Entrepreneurial Marketing Awards 2022 for Telkomsel as The Most Promising Company in Strategic Marketing (BUMN Subsidiary category) from Markplus, Inc.
- Herstory Women Empowerment Companies Awards (WECA) 2022 for Telkomsel as Best Women Empowerment Companies with Outstanding Gender Inclusive Workplace from Warta Ekonomi Group.

**Table 1**  
**PERUSAHAAN PERSEROAN (PERSERO)**  
**PT TELEKOMUNIKASI INDONESIA Tbk. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As of June 30, 2022 (unaudited) and December 31, 2021 (audited)**

	June 30, 2022	December 31, 2021	Growth (%)
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	40,160	38,311	4.8
Other current financial assets	457	493	(7.3)
Trade receivables - net allowance for expected credit losses			
Related parties	1,292	961	34.4
Third parties	8,295	7,549	9.9
Contract assets - net	1,706	2,330	(26.8)
Other receivables - net	189	195	(3.1)
Inventories - net	1,038	779	33.2
Assets held for sale	6	818	(99.3)
Contract cost	608	656	(7.3)
Prepaid taxes	1,803	2,144	(15.9)
Claim for tax refund	596	690	(13.6)
Other current assets	5,270	6,351	(17.0)
<b>Total Current Assets</b>	<b>61,420</b>	<b>61,277</b>	<b>0.2</b>
<b>NON-CURRENT ASSETS</b>			
Contract assets - net	312	143	118.2
Long-term investments in financial instruments	14,970	13,661	9.6
Long-term investments in associates	134	139	(3.6)
Contract cost	1,885	1,608	17.2
Property and equipment	164,895	165,026	(0.1)
Right-of-use assets	16,201	18,469	(12.3)
Intangible assets	7,511	7,506	0.1
Deferred tax assets - net	4,279	3,824	11.9
Other non-current assets	3,665	5,531	(33.7)
<b>Total Non-current Assets</b>	<b>213,852</b>	<b>215,907</b>	<b>(1.0)</b>
<b>TOTAL ASSETS</b>	<b>275,272</b>	<b>277,184</b>	<b>(0.7)</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Trade payables			
Related parties	524	497	5.4
Third parties	14,490	16,673	(13.1)
Contract liabilities	6,735	6,795	(0.9)
Other payables	733	609	20.4
Taxes payable	4,950	3,923	26.2
Accrued expenses	14,685	15,885	(7.6)
Customer deposits	2,367	2,416	(2.0)
Short-term bank loans	18,950	6,682	183.6
Current maturities of long-term borrowings	9,229	9,690	(4.8)
Current maturities of lease liabilities	4,224	5,961	(29.1)
<b>Total Current Liabilities</b>	<b>76,887</b>	<b>69,131</b>	<b>11.2</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities – net	855	1,158	(26.2)
Contract liabilities	1,364	1,283	6.3
Long service award provisions	1,208	1,206	0.2
Pension benefits and other post-employment benefits obligations	11,745	11,563	1.6
Long-term loans and other borrowings	33,285	36,319	(8.4)
Lease liabilities	8,482	10,426	(18.6)
Other liabilities	767	699	9.7
<b>Total Non-current Liabilities</b>	<b>57,706</b>	<b>62,654</b>	<b>(7.9)</b>
<b>TOTAL LIABILITIES</b>	<b>134,593</b>	<b>131,785</b>	<b>2.1</b>
<b>EQUITY</b>			
Capital stock	4,953	4,953	0.0
Additional paid-in capital	2,711	2,711	0.0
Other equity	9,536	9,395	1.5
Retained earnings			
Appropriated	15,337	15,337	0.0
Unappropriated	87,704	89,250	(1.7)
Net equity attributable to:			
Owners of the parent company	120,241	121,646	(1.2)
Non-controlling interest	20,438	23,753	(14.0)
<b>TOTAL EQUITY</b>	<b>140,679</b>	<b>145,399</b>	<b>(3.2)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>275,272</b>	<b>277,184</b>	<b>(0.7)</b>

**Table 2**  
**PERUSAHAAN PERSEROAN (PERSERO)**  
**PT TELEKOMUNIKASI INDONESIA Tbk. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME**  
**For the Three Months Period Ended June 30, 2022 and 2021 (unaudited)**  
**(Amounts in the tables expressed in billions of Indonesian Rupiah, unless otherwise stated)**

	2022	2021	Growth (%)
<b>REVENUES</b>	<b>71,983</b>	<b>69,480</b>	<b>3.6</b>
<b>COST AND EXPENSES</b>			
Operation, maintenance, and telecommunication service expenses	(17,847)	(17,473)	2.1
Depreciation and amortization expenses	(16,986)	(14,698)	15.6
Personnel expenses	(7,526)	(7,370)	2.1
Interconnection expenses	(2,647)	(2,354)	12.4
General and administrative expenses	(2,820)	(2,995)	(5.8)
Marketing expenses	(1,696)	(1,529)	10.9
Unrealized gain on changes in fair value of investments	294	350	(16.1)
Other income – net	57	125	(54.3)
Gain on foreign exchange – net	124	79	57.0
<b>OPERATING PROFIT</b>	<b>22,936</b>	<b>23,615</b>	<b>(2.9)</b>
Finance income	441	337	30.9
Finance cost	(1,953)	(2,065)	(5.4)
Share of gain (loss) of associated companies – net	5	(93)	(105.4)
<b>PROFIT BEFORE INCOME TAX</b>	<b>21,429</b>	<b>21,794</b>	<b>(1.7)</b>
<b>INCOME TAX (EXPENSE) BENEFIT</b>			
Current	(4,611)	(4,734)	(2.6)
Deferred	737	(140)	(626.4)
	(3,874)	(4,874)	(20.5)
<b>PROFIT FOR THE PERIOD</b>	<b>17,555</b>	<b>16,920</b>	<b>3.8</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:</i>			
Foreign currency translation	141	73	93.2
Share of other comprehensive income of long-term investment in associates	1	-	100.0
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:</i>			
Defined benefit actuarial loss - net	(1)	-	(100.0)
Other comprehensive income - net	141	73	93.2
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>17,696</b>	<b>16,993</b>	<b>4.1</b>
Profit for the period attributable to:			
Owners of the parent company	13,310	12,451	6.9
Non-controlling interests	4,245	4,469	(5.0)
	<b>17,555</b>	<b>16,920</b>	<b>3.8</b>
Total comprehensive income for the period attributable to:			
Owners of the parent company	13,451	12,524	7.4
Non-controlling interests	4,245	4,469	(5.0)
	<b>17,696</b>	<b>16,993</b>	<b>4.1</b>
<b>BASIC EARNING PER SHARE</b> (in full amount)			
Net income per share	134.36	125.69	6.9
Net income per ADS (100 Series B shares per ADS)	13,436.00	12,568.87	6.9

**Table 3**  
**PT TELEKOMUNIKASI SELULAR AND ITS SUBSIDIARIES (TELKOMSEL)**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2022 (UNAUDITED) WITH COMPARATIVE FIGURES AS OF DECEMBER 31, 2021 (AUDITED)**  
 (Figures in the table are presented in billions of Rupiah)

	<u>JUN 2022</u>	<u>DEC 2021</u>	<u>Growth (%)</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash & cash equivalents	2,744	2,766	(0.8)
Accounts receivable - net	1,863	1,176	58.4
Unbilled revenue	1,643	1,571	4.6
Prepaid expenses - current	3,084	5,040	(38.8)
Others	835	1,735	(51.9)
<b>Total Current Assets</b>	<b><u>10,169</u></b>	<b><u>12,288</u></b>	<b>(17.2)</b>
<b>NON-CURRENT ASSETS</b>			
Long-term investment	9,733	9,416	3.4
Fixed assets – net	72,059	71,598	0.6
Intangible assets – net	6,173	6,240	(1.1)
Prepaid expenses - non current	1,566	1,721	(9.0)
Others	40	39	1.5
<b>Total Non-current Assets</b>	<b><u>89,571</u></b>	<b><u>89,014</u></b>	<b>0.6</b>
<b>TOTAL ASSETS</b>	<b><u>99,740</u></b>	<b><u>101,302</u></b>	<b>(1.5)</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and accrued liabilities	14,431	13,052	10.6
Taxes payable	1,572	1,465	7.3
Unearned revenue	5,415	5,710	(5.2)
Current maturities of medium-term loans	4,000	1,650	142.4
Current maturities of lease liabilities	9,082	8,427	7.8
Short-term loans	7,000	1,350	418.5
<b>Total Current Liabilities</b>	<b><u>41,500</u></b>	<b><u>31,654</u></b>	<b>31.1</b>
<b>NON-CURRENT LIABILITIES</b>			
Provision for employee benefits	5,173	4,781	8.2
Lease liabilities - net of current maturities	22,747	24,786	(8.2)
Deferred tax liabilities - net	54	638	(91.5)
<b>Total Non-current Liabilities</b>	<b><u>27,975</u></b>	<b><u>30,205</u></b>	<b>(7.4)</b>
<b>EQUITY</b>			
Capital stock - Rp 1,000,000 par value			
Authorized - 650,000 shares			
<i>Issued and fully paid - 182,570 shares</i>	183	183	0.0
Additional paid-in capital	1,531	1,531	0.0
Retained earnings	28,510	37,730	(24.4)
Non-controlling interest	41	0	N/A
<b>Total Equity</b>	<b><u>30,265</u></b>	<b><u>39,443</u></b>	<b>(23.3)</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>99,740</u></b>	<b><u>101,302</u></b>	<b>(1.5)</b>



**Table 4**  
**PT TELEKOMUNIKASI SELULAR AND ITS SUBSIDIARIES (TELKOMSEL)**  
**CONSOLIDATED STATEMENTS OF PROFIT AND LOSS**  
**FOR SIX MONTHS ENDED JUNE 30, 2022 AND 2021 (UNAUDITED)**  
 (Figures in the table are presented in billions of Rupiah)

	<u>JUN 2022</u>	<u>JUN 2021</u>	<u>Growth (%)</u>
<b>REVENUES</b>			
Legacy	8,504	9,814	(13.3)
Digital Business	35,082	33,359	5.2
<b>Total Revenues</b>	<u><b>43,586</b></u>	<u><b>43,173</b></u>	<b>1.0</b>
<b>EXPENSES</b>			
Operations & maintenance	10,359	10,093	2.6
Personnel	3,067	2,910	5.4
Marketing	1,057	1,039	1.7
General & administrative	700	654	6.9
Cost of services	2,798	2,360	18.6
Interconnection and international roaming	724	761	(4.9)
Depreciation and amortization	10,428	10,040	3.9
Others – net	(447)	(1,605)	(72.1)
<b>Total Expenses</b>	<u><b>28,685</b></u>	<u><b>26,251</b></u>	<b>9.3</b>
Finance charges – net	(938)	(780)	20.3
<b>INCOME BEFORE TAX</b>	<b>13,963</b>	<b>16,142</b>	<b>(13.5)</b>
<b>INCOME TAX EXPENSE</b>	<b>(2,562)</b>	<b>(3,393)</b>	<b>(24.5)</b>
<b>NET INCOME</b>	<u><b>11,401</b></u>	<u><b>12,749</b></u>	<b>(10.6)</b>
<b>EBITDA</b>	<b>24,882</b>	<b>25,356</b>	<b>(1.9)</b>
<b>EBITDA Margin</b>	<b>57.1%</b>	<b>58.7%</b>	<b>(1.6)ppt</b>
<b>ROA</b>	<b>25.1%</b>	<b>25.3%</b>	<b>(0.2)ppt</b>
<b>ROE</b>	<b>79.6%</b>	<b>69.8%</b>	<b>9.7ppt</b>