

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 quarter of 2023, PT Telkom Indonesia (Persero) Tbk (“Telkom or The Company”) recorded positive growth of 2.5% YoY in Revenue with Net Income grew by 5.0% YoY to Rp6.4 trillion.
- IndiHome continued to become our engine of growth which posted Revenue of Rp7.2 trillion or grew 5.0% YoY, supported by 9.4 million total subscribers and increasing add-ons revenue.
- Telkomsel’s Digital Business kept growing healthily with 11.0% YoY growth in data traffic and its contribution reached 84.4% of total Telkomsel’s revenue as compared to last year’s contribution of 79.7%.
- Telkom has signed Conditional Spin-Off Agreement (CSA) with Telkomsel on 6 April 2023, in relation to the TelkomGroup's plan to reposition Telkom Business into B2B and B2C. After the CSA is completed, Telkom will concentrate on B2B business while Telkomsel will defend its dominancy in B2C Telco business.

Financial Highlights			
Key Indicators (Rp. Bn)	YoY		
	1Q23	1Q22	Growth (%)
Revenues	36,090	35,208	2.5
Expenses	24,659	24,597	0.3
Operating Profit	11,431	10,611	7.7
EBITDA	18,994	19,388	(2.0)
EBITDA Margin (%)	52.6	55.1	(2.5) ppt
Net Income	6,424	6,118	5.0
Net Income Margin (%)	17.8	17.4	0.4 ppt
Operating Net Income*	6,145	6,574	(6.5)
Operating Net Income Margin (%)*	17.0	18.7	(1.7)

**) By factoring out unrealized gain (loss) from our investment mostly in GoTo*

Operational Highlights			
Subscribers (000)	YoY		
	1Q23	1Q22	Growth (%)
Broadband			
Fixed Broadband - IndiHome	9,352	8,737	7.0
Mobile Data User	117,724	119,771	(1.7)
Cellular			
Telkomsel Halo	7,270	7,378	(1.5)
Telkomsel Prabayar	143,796	167,577	(14.2)
Total	151,066	174,955	(13.7)

Investor Relations

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PT TELKOM INDONESIA (PERSERO) Tbk FIRST QUARTER OF 2023 (UNAUDITED)

The following analysis and discussion are based on our Indonesian GAAP financial statements for first quarter of 2023 and 2022. The reports have been submitted to Indonesia Financial Services Authority (OJK).

Revenues

Key Indicators (Rp. Bn)	YoY		
	1Q23	1Q22	Growth (%)
Data, Internet & IT Service	19,892	18,856	5.5
IndiHome	7,192	6,851	5.0
SMS, Fixed and Cellular Voice	4,030	4,747	(15.1)
Interconnection	2,219	2,133	4.0
Network and Other Telco Services	2,757	2,621	5.2
Total	36,090	35,208	2.5

Telkom consolidated revenue grew by 2.5% YoY to Rp36.1 trillion in the first quarter of 2023 as mobile data and IndiHome continued to be the growth drivers. The revenue details are as follows:

- **Data, Internet & IT Services revenues** grew by 5.5% YoY to Rp19.9 trillion driven by continued growth of cellular data and internet revenue which grew by 5.6% YoY. Mobile data traffic jumped by 11.0% YoY to 4,119 petabytes driven by strong traction in mobile data services.
- **IndiHome** posted revenue of Rp7.2 trillion or grew by 5.0% YoY during the period. We added around 140 thousand additional subscribers during 1Q23 supported by increasing add-ons revenue.
- **SMS, Fixed and Cellular Voice revenues** declined by 15.1% YoY to Rp4.0 trillion due to cannibalization from instant messaging (OTT) application and continuous transition from legacy to data.
- **Interconnection revenues** increased by 4.0% YoY to Rp2.2 trillion reflecting our capabilities to grab opportunities from the international wholesale voice business.
- **Network and Other Telecommunication Services revenues** increased by 5.2% YoY to Rp2.8 trillion driven by increasing tower business volume and growing international network business.

Expenses

Key Indicators (Rp. Bn)	YoY		
	1Q23	1Q22	Growth (%)
Operating Expense			
Operation, Maintenance & Telecommunication Services	9,174	8,936	2.7
Personnel	3,739	3,516	6.3
General & Administrative	1,842	1,200	53.5
Interconnection	1,578	1,356	16.4
Marketing	763	812	(6.0)
Total Operating Expenses	17,096	15,820	8.1
Depreciation & Amortization	7,881	7,976	(1.2)
Unrealized loss (gain) on changes in fair value of investments	(430)	893	(148.2)
Other expense (income) – net	5	(47)	(110.6)
Loss (Gain) on foreign exchange - net	107	(45)	(337.8)
Total Expenses	24,659	24,597	0.3

During the first quarter of 2023, Telkom recorded total expenses of Rp24.7 trillion or slightly increased by 0.3% YoY with Operating Expenses grew by 8.1% YoY to Rp17.1 trillion. Details of expenses are as follows:

- **Operation & Maintenance (O&M) expenses** increased by 2.7% YoY to Rp9.2 trillion, mainly due to our increasing spectrum frequency usage fee.
- **Personnel expenses** grew by 6.3% YoY to Rp3.7 trillion, in line with higher Indonesia's inflation level.
- **General & Administrative expenses** increased by 53.5% YoY to Rp1.8 trillion resulted from higher business activities to support our transformation, including business consultation fees.
- **Interconnection expenses** was Rp1.6 trillion or grew by 16.4% YoY, in line with our growing international wholesale voice business.
- **Marketing expenses** decreased by 6.0% YoY to Rp763 billion, attributable to cost efficiency effort with lower marketing placement and healthy conduct initiative that focus on renewal.
- **Depreciation & Amortization expenses** declined by 1.2% YoY to Rp7.9 trillion due to recognition of accelerated depreciation during the same period last year.
- We recorded **Unrealized gain on changes in fair value of investments** of Rp430 billion mainly to recognize unrealized gain from our investment in GoTo. As of March 2023, GoTo's market price was Rp109 per share.
- **Other Expense – net** recorded an expense of Rp5 billion from higher non-operating expense and lower non-operating income during the period.
- We recorded **Loss on foreign exchange - net** of Rp107 billion by the end of March 2023.

EBITDA and Net Income

During the first quarter of 2023, EBITDA declined by 2.0% YoY to Rp19.0 trillion with EBITDA margin of 52.6%, compared to 55.1% in the first quarter of 2022. We booked Net Income of Rp6.4 trillion or increased by 5.0% YoY, from Rp6.1 trillion last year, with Net Income margin of 17.8%, increased from 17.4% last year.

Financial Position

Key Indicators (Rp. Bn)	End of		
	1Q23	FY22	Growth (%)
Total Assets	278,472	275,192	1.2
Total Liabilities	120,831	125,930	(4.0)
Non-controlling Interests	22,028	20,004	10.1
Total Equity	157,641	149,262	5.6

- Total assets at end of March 2023 stood at Rp278.5 trillion, increased by 1.2% YTD. The increase was attributable to higher trade receivables from customers supported by growing customer base.
- Total liabilities during the first quarter of 2023 declined by 4.0% YTD to Rp120.8 trillion. The decrease was mainly due to repayment of our loan and borrowing and lower new loan withdrawal.
- Non-controlling interests jumped by 10.1% YTD as a result of healthy subsidiaries' performances.
- Our equity was Rp157.6 trillion or increased by 5.6% YTD due to higher retained earnings from the company and subsidiaries' performances.

Cash Flows

Key Indicators (Rp. Bn)	YoY		
	1Q23	1Q22	Growth (%)
Cash Flows from Operating Activities	12,377	18,617	(33.5)
Cash Flows used in Investing Activities	(10,558)	(8,959)	17.8
Cash Flow used in Financing Activities	(3,674)	(6,366)	(42.3)
Net (Decrease) Increase in Cash and Cash Equivalents	(1,855)	3,292	(156.3)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(156)	26	700.0
Allowance for Expected Credit Losses	(1)	0	(100.0)
Cash and Cash Equivalents at Beginning of Year	31,947	38,311	(16.6)
Cash and Cash Equivalents at End of The Year	29,935	41,629	(28.1)

- Net cash provided by operating activities during the first quarter of 2023 declined by 33.5% YoY to Rp12.4 trillion due to repayment of our operating expense.
- Net cash used in investing activities was Rp10.6 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 Rp3.7 trillion as cash outflow for repayment for loans and borrowings were higher than cash inflow from new loan withdrawal.

Debts

Currencies (Rp. Bn)	End of		Portion (%)	
	1Q23	FY22	1Q23	FY22
IDR/Rupiah	60,112	62,295	99.0	98.8
USD/US Dollar	392	531	0.6	0.8
JPY/Japanese Yen	173	181	0.3	0.3
MYR/Malaysian Ringgit	32	34	0.1	0.1
Total	60,709	63,041	100.0	100.0

In the first year of 2023, total debts (including lease liabilities) stood at Rp60.7 trillion or decreased by 3.7% YTD from Rp63.0 trillion due to higher debt repayment than new loan withdrawal. Around 99% of our debts were in Rupiah currency, around 0.6% 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. By excluding lease liabilities, our total debt was Rp42.9 trillion as of 31 March 2023 and Rp44.4 trillion as of 31 December 2022. The debt was allocated to support general corporate purposes, capital expenditure (capex) deployment, working capital stability, and investment in digital companies.

Our Debt-to-Equity Ratio (“DER”) and Debt to EBITDA were still relatively low at 38.5% and 0.8x.

Gearing Ratio

Ratios	End of		
	1Q23	FY22	Growth (ppt)
Net Debt to Equity (%)	18.4	19.9	(1.5)
Debt to Equity (%)	38.5	42.2	(3.7)
Net Debt to EBITDA (times)	0.4	0.4	0.0
Debt to EBITDA (times)	0.8	0.8	0.0
Debt Service Ratio (times)	3.1	3.0	0.1

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		
	1Q23	1Q22	Growth (ppt)
EBIT Margin	31.7	30.1	1.6
EBITDA Margin	52.6	55.1	(2.5)
Net Income Margin	17.8	17.4	0.4
Current Ratio	84.9	92.6	(7.7)
Total Liabilities to Equity	76.6	82.3	(5.7)
Return on Assets	12.1	11.2	0.9
Return on Equity	21.4	20.5	0.9
Return on Invested Capital	15.5	14.5	1.0

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

During the first quarter of 2023, Telkom spent Rp7.4 trillion in capital expenditure (capex) or represented 20.6% 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 spending mostly allocated for fiber-based access and submarine backbone infrastructures development, and for other projects such as towers and data centers. Also, 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 SEGMENTS

Mobile Business

Telkomsel Financial Result

The Indonesian cellular industry in early 2023 continued to be resilience amidst the challenges from global economy and geopolitical uncertainties mainly supported by healthier competition as well as relatively stable macroeconomics and measured inflation rates managed by the Government. The increasing demand of high-quality data service created more opportunities through focusing on healthy conduct with renewal and pricing rationalization which in turn led to industry optimism to secure profitability and sustainable growth.

In response to the current dynamics, Telkomsel implemented strategic actions to improve customer experience and ensure business sustainability:

- Lead industry rationalization with ideal pricing points while maintaining market relevance and protecting relative market position.
- Optimization of the value of customers through personalization and service differentiation.

- Continuous network improvement and optimization to strengthen leadership and to support growing in data payload and Digital Business supported by sustainable and prudent investment.
- Focused on securing profitability through managing top-line and cost optimization measures.
- Strengthened core broadband with digital services portfolio to capture growth opportunities and secure company's long-term growth through new digital initiatives with strategic planning execution.

Telkomsel will continue to empower its digital business by enhancing product offerings and digital capabilities to reach beyond connectivity while expanding its current digital ecosystem. As a form of contribution in accelerating Indonesia's digital economy, Telkomsel established INDICO to become the leading platform that effectively leverages the assets to unlock opportunities in Indonesia's Digital Ecosystem. Telkomsel believes this is the right path on its transformative and digitalization journey for securing company's long-term growth and at the same time providing differentiation for subscribers across the nation.

- Telkomsel delivered positive revenues growth in Q1-2023 (+1.1% YoY) with healthy levels of profitability supported by growth of Digital Business (+7.1% YoY) and GoTo investment valuation.
- Telkomsel successfully improved productivity and quality of customers as indicated by higher payload (+11.0% YoY) and solid ARPU growth (+11.6% YoY) aligned with the company strategy to lead industry rationalization.
- Telkomsel committed to maintain and strengthen network leadership with continuous network deployment as total BTS on air reached 258,932 units in Q1-2023 (+4.4% YoY) with more than 168,000 4G BTS & 280 5G BTS.

Digital Business as engine of growth with positive user engagement

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 7.1% YoY growth to Rp18,150 billion and increased its contribution to total revenues to 84.4% from 79.7% last year driven by healthy growth of Data with digital drivers' potency as indicative room for future growth.

Revenue from Data grew by 6.5% YoY to Rp15,348 billion with stable Data users & increased 3G/4G capable device penetration (121.8 million and 80.6% penetration) to have a healthy growth in Data payload (+11.0% YoY to 4,217,405 TB) and payload consumption at 12,324 MB per Data user (+11.7% YoY).

Natural decline of legacy business

Continued natural transition phase of Legacy toward Data & impact of OTT services cannibalization, Telkomsel's Legacy business was slowing down. Telkomsel launched several 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 as well as to increase penetration of voice package.

The following table summarizes Telkomsel's financial results for the year ended 31 March 2023:

Financial Performance – Maintaining profitability with substantial Digital Business portion

Key Indicators (Rp. Bn)	YoY		
	1Q23	1Q22	Growth (%)
Revenues	21,499	21,263	1.1
Legacy	3,349	4,317	(22.4)
Digital Business	18,150	16,945	7.1
Expenses excl. depr & others	9,531	8,995	6.0
Expenses incl. depr & others	14,276	14,923	(4.3)
EBITDA	11,968	12,268	(2.4)
EBITDA Margin (%)	55.7%	57.7%	(2.0) ppt
Net Income	5,327	4,584	16.2
Net Income Margin (%)	24.8%	21.6%	3.2 ppt
<i>Operating Net Income*</i>	<i>4,900</i>	<i>5,271</i>	<i>(7.0)</i>
<i>Operating Net Income Margin (%)*</i>	<i>22.8%</i>	<i>24.8%</i>	<i>(2.0) ppt</i>
Proportion of Digital Business (%)	84.4%	79.7%	4.7 ppt

**) Excludes inorganic initiatives with fair value of investment and one-off from unlocking assets*

Operating Expenses – Cost optimization initiatives to effectively manage operational expenses

As of March 2023, total expenses excluding depreciation, amortization and others (net) increased by 6.0% YoY to Rp9,531 billion (or decreased by -4.3% YoY to Rp14,276 billion if including depreciation, amortization and others-net) in line with company's continuous effort for network optimization and digital inventory enrichment to maximize Digital Business performances and strengthen company's long-term growth. The growth of total expenses mainly driven by Operations and Maintenance expense in which mostly contributed from additional cost for securing spectrum as company's initiative to strengthen 4G LTE services and maximize Broadband service quality while having continuous network development to reach 258,932 total BTS (+4.4% YoY). Additionally, adjustment in fair valuation of investment in GoTo is already included with mark to market position.

EBITDA and Net Income – Healthy margin to support sustainable growth

- Strategic actions to face the challenges and to ensure business continuity with positive growth of total revenues amidst declining in legacy and initiatives to effectively manage operating expenses with sustainable level of profitability at 55.7% EBITDA Margin.
- We booked Net Income of Rp5,327 billion and Rp4,584 billion in Q1-2023 and Q1-2022 respectively (+16.2% YoY) which included the changes in fair value of investment in GoTo. For simple normalization on both one-off gain/loss & valuation, Operating Net Income in Q1-2023 and Q1-2022 reached at Rp4,900 billion and Rp5,271 billion respectively (-7.0% YoY) with healthy levels of profitability were still maintained.

Consolidated Statements of Balance Sheet - Maintained fundamental financial position

Description (Rp Bn)	Mar-23	Dec-22	Growth (%)
Current Assets	15,823	15,937	(0.7)
Non-current Assets	85,373	85,055	0.4
Total Assets	101,196	100,991	0.2
Current Liabilities	29,386	31,272	(6.0)
Non-current Liabilities	36,440	39,677	(8.2)
Equity	35,369	30,042	17.7
Total Liabilities & Equity	101,196	100,991	0.2

- Lower Current Assets mainly due to decrease in cash and cash equivalents while higher Non-current Assets due to increase in long-term investments and prepaid expenses (non-current).
- Lower Current Liabilities mainly due to decrease in accrued liabilities and lower Non-current Liabilities due to decrease in lease liabilities.
- Higher total Equity mainly due to increase in retained earnings.

Consolidated Statements of Cash Flows – Maintained healthy cash generations

Description (Rp Bn)	1Q23	1Q22	Growth (%)
Cash Flows from Operating Activities	7,703	12,437	(38.1)
Cash Flows for Investing Activities	(2,856)	(2,731)	4.6
Cash Flows for Financing Activities	(5,228)	(6,865)	(23.8)
Net (Decrease)/Increase in Cash & Cash Equivalents	(381)	2,841	(113.4)
Cash and Cash Equivalents at Beginning of Period	6,352	2,766	129.6
Cash and Cash Equivalents at End of Period	5,971	5,607	6.5

- Lower net cash generated from operations mainly due to higher total cash payments for operating expenses, as well as upfront and annual fees of the new 2.1 GHz bandwidth frequency.
- Higher cash flows used in investing activities mainly due to increase in acquisitions of fixed assets and intangible assets.
- Lower cash flows for financing activities mainly due to lower payments of medium and short-term loans.

Debt Profile

As of 31 March 2023, the Company has no outstanding loan. Telkomsel has to maintain several financial covenants related to its loans/debts as follows:

Covenants to be Maintained	Required	Actual
EBITDA to Debt Service	≥ 1.25	3.69
Total Debt to Tangible Net Worth	≤ 2.00	-

Notes: Debts covenants exclude lease liabilities.

Credit Rating

Telkomsel has excellent credit quality and is one of the highest rated companies in Indonesia. Telkomsel's latest ratings issued by Fitch Rating Indonesia are as follows:

	Ratings	Outlok	Issued Date
Fitch Ratings Indonesia	AAA (National Long-term)	Stable	20 October 2022

Digital initiatives as the key foundation

Telkomsel committed to enhance product differentiation 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.

- Build up positioning of MAXstream in the video streaming industry with around 6 million monthly active users and footprint in mobile gaming industry under Dunia Games brand with more than 17 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 4.8 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 33 million monthly active users of MyTelkomsel app.

Telkomsel's investment in GoTo aims to create potent strategic partnership initiatives that will create robust synergy value by elaborating each other's capabilities and business advantages. We also aim to help accelerate the digitization of micro, small and medium enterprises (MSMEs) that is expected to move the national economy through Ecosystem collaboration, which includes:

- Collaboration on initiatives that strengthen digital ecosystem which focus on carrying out business and data solutions. The initiatives cover solutions such as special data packages and connectivity solutions for partners, improvements in end-user experience, data insight for business development, as well as tSurvey (Telkomsel survey platform using big data analytics) to be utilized by MSMEs.
- Integration of MyTelkomsel & GoPay to improve customer experience when using digital products of both companies.
- Telkomsel Digital Advertising integration as an instrument to accelerate Indonesian MSMEs in going digital and growing their businesses.
- Enhancing application security using Mobile Number Verification and Personalized OTP feature.
- Enhancing channel and distribution by empowering Drivers, Merchant & Partners, and platform integration to touch a wider range of users.

With its purpose to reach beyond to empower Indonesians and enable businesses, INDICO aspires to become Indonesia's best value-creator company to accelerate digital wealth distribution by leveraging Telkomsel and its adjacent ecosystem's assets and capabilities beyond telecom use cases. In early 2023, INDICO continues to take a proactive role in developing Indonesia's digital ecosystem through the following milestones:

- In January 2023, Kuncie (edu-tech platform for online business learning & mentoring) and Executive Education SBM ITB held a graduation day for 112 graduates who have completed the 13-week Mini MBA program. This event marked the first Mini MBA graduation from batch 1-3 since its launch in July 2022. This program provides knowledge that allows the graduates to improve their skills in management and business that will benefit their career performance and company development.
- Continuing the success of the Mini MBA program, Kuncie collaborates with Executive Education SBM ITB and LSI Denny J.A. to conduct the Mini MBA Political Marketing program. This program allows participants to master political marketing management and strategies more deeply. Learners will also learn directly from professionals, experienced mentors, and academics in the political field. The program is designed for professionals in government relations, political science academics, and journalists. This collaboration is a part of Kuncie's effort to improve the quality of professionals in Indonesia.
- INDICO continues to develop the Digital Food Ecosystem (DFE), the agri-tech platform that Telkomsel started in 2022. As part of the initial phase of the transition, INDICO works closely with PT Tanivest Agro Development and Gapoktan Tani Makmur, a local farmer community in Wonogiri, Central Java, in digital contract farming. In this pilot project, INDICO will implement technology-based agricultural solutions in 40 hectares of rice fields in Selogiri, a district in Wonogiri. This initiative will empower around 50 local rice farmers to increase the productivity of their agricultural products.
- INDICO explores collaboration opportunities with EdenFarm to implement digitalization in agriculture. This collaboration was marked through an MoU signing in Brebes, Central Java, in March. With the combination of technology, modern planting techniques, and agricultural production facilities, INDICO aims to help farmers increase their crop productivity, which will subsequently help strengthen national food security in the future.
- Majamojo (gaming platform) launched Luna Fantasia Mobile in March 2023. By publishing this Massively Multiplayer Online Role-Play Game (MMORPG), Majamojo continues its commitment to bringing high-quality games to players. This initiative marks a milestone in boosting the growth of Indonesia's digital economy through the game industry.
- INDICO held an Investor Night in Jakarta inviting key players from venture capitals to build connections and explore collaboration opportunities. Alongside Kuncie, Fita and Majamojo, INDICO shows how Telkomsel's assets and capabilities enable those portfolios to grow. During the gathering, Fita showcased several key features: CATCH, Exercise AI, and RAMES. Through this event, INDICO aims to strengthen partnerships and collaborations with key stakeholders, including investors, to keep delivering its commitment to Indonesia's digital ecosystem.

5G service to support society, industry and government

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. The Ministry of Communications and Informatics has given the permission for Telkomsel to use the frequency spectrum of 3.5 GHz and 26 GHz for the 5G Fixed Wireless Access (FWA) trial. Telkomsel continued to collaborate with several technology companies to expand the development of the 5G-based Fixed Wireless Access technology roadmap in Indonesia.

Consistently improved network quality by upgrading 3G to 4G service

Telkomsel's implementation of the process of upgrading all 3G to 4G service received full support from the Government through the Ministry of Communications and Informatics. The network service upgrade is part of Telkomsel's commitment as a leading digital telecommunication company to improve customer convenience and experience in adopting a digital lifestyle through quality improvement as well as equality of access to the leading broadband network throughout the country.

Obtained additional spectrum to strengthen our network leadership

Telkomsel has been officially announced as the winner of 2.1 GHz bandwidth frequency for mobile network and the Ministry of Communications and Informatics has also completed the refarming of 2.1 GHz and 2.3 GHz radio frequency bands in February and March 2023, respectively. Additional spectrum will be utilized to increase capacity and quality of mobile cellular network to enable leading digital lifestyle while accelerating the digital transformation in the industry through equitable access of reliable broadband network that is fast, equal, and on par across the country.

Customer Base

As of March 2023, Telkomsel managed to have 151.1 million subscribers align with corporate strategy to apply healthy market conduct with right customer acquisition strategy, optimize the value of customers and focus on renewal that resulting to number consolidation with more productive subscribers.

Network Deployment

Continuous network development to support our focus on Digital Business with 4G and 5G BTS deployment to reach 168,108 and 288 units respectively in March 2023. 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 258,932 units at the end of March 2023, or increased by 4.4% YoY, of which 209,840 units were 3G/4G/5G BTS.

IT Development

We continue to enhance and strengthen our IT platform 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 31 March 2023:

Key Indicators	YoY		
	1Q23	1Q22	Growth (%)
Customer Base (000)	151,067	174,956	(13.7)
ARPU (000)	45	41	11.6
BTS on Air (units)	258,932	247,930	4.4
Total Employees (*including subs & associated co)	5,659	5,566	1.7
MoU (in billion minutes)	17.8	25.5	(30.2)
SMS (in billion units)	2.3	3.8	(38.2)
Data Payload (TB)	4,217,405	3,798,866	11.0

Subsequent Event – Fixed Mobile Convergence (FMC) - IndiHome will be integrated to Telkomsel

In April 2023, Telkom and Telkomsel have signed a Conditional Spin-off Agreement (CSA) to spin off and integrate IndiHome into Telkomsel. The signing of CSA is an important step to deliver more choices, better broadband experience and realize digital inclusion in Indonesia. As a result, there would be an increase of Telkom's shares in Telkomsel, comprising Telkom 70.4% and Singtel 29.6% upon legal completion of the spin-off. At the time of the integration, Singtel has agreed to exercise its pre-emptive right to purchase another 0.5 percentage point share in this enlarged entity by subscribing for new primary shares of Telkomsel post-integration, for IDR 2.7 trillion in cash. This would lead Singtel's shares to 30.1% and Telkom's shares to 69.9% in Telkomsel.

IndiHome services will further strengthen Telkomsel's position in the telecommunications and digital industry in Indonesia while proving the commitment to advance and expand our business portfolio, especially in Fixed Mobile Convergence services. Telkomsel is committed to moving beyond expectations by providing cutting-edge products and services to our customers and consistently developing various integrated innovative services that can accelerate sustainable and inclusive digital access. The CSA is expected to be completed in the early third quarter of 2023, subject to the fulfillment of certain conditions, including the receipt of approvals from Telkom's shareholders.

Fixed Line Businesses

Consumer Segment

Around 90% of the IndiHome revenue was generated from residential customers (Consumer Segment, with around 96.7% contribution to the segment's revenue), while the remaining 10% was from business clients (Enterprise Segment).

During the period, IndiHome recorded Rp7.2 trillion in revenue or grew by 5.0% YoY, where its contribution to TelkomGroup revenue increased to 19.9% compared to 19.5% in the same period last year. As a result of higher economic of scale and effective marketing strategy, EBITDA margin of IndiHome was relatively stable at around 50% in 1Q23.

We recorded around 140 thousand additional customers during 1Q23, brought total subscribers to reach 9.4 million by the end of March 2023 or increased by 7.0% YoY. Around 65% of total customers were on Dual Play Package while the remaining 35% were on Triple Play. We are more selective in getting new customers to ensure customer credit quality. IndiHome plays important role in building digital society as its services cover 501 (97.5%) cities/districts throughout Indonesia. IndiHome ARPU in 1Q23 was slightly declined to Rp264 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. The stable ARPU was largely driven by revenue from add-ons that grew by 6.2% YoY and contributed to around 16.5% of total IndiHome revenue, higher than the same period last year which contributed 15.9%.

Enterprise & Wholesale and International Business (WIB)

During the first quarter of 2023, Enterprise segment grew by 7.8% YoY in revenue to Rp4.5 trillion due to growing enterprise connectivity business. B2B IT Digital Services and Enterprise Connectivity solutions were

the biggest contributors in Enterprise segment. We keep strengthening our capability in cloud business, including to build strategic partnership with global tech players. We expect these efforts will leverage our capability to deliver digital solutions to our customers. Meanwhile, WIB segment posted Rp4.0 trillion in revenue or increased by 4.0% YoY driven by our growing international wholesale voice business and our digital infrastructure business.

Tower

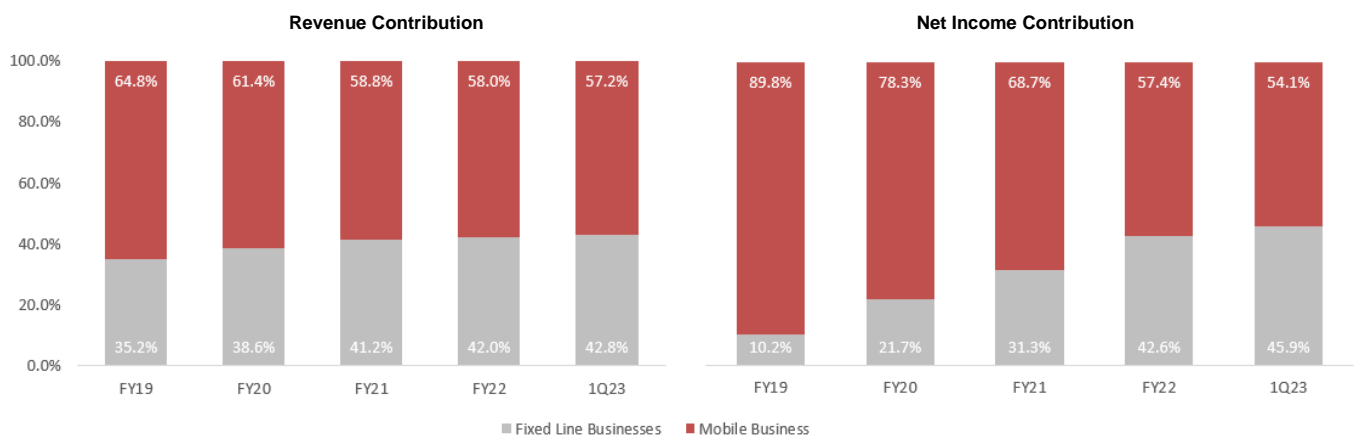
Mitratel manages 36,439 towers with a 1.46x tenancy ratio, making Mitratel the largest tower provider in Southeast Asia in terms of total tower ownership following the acquisition of 997 towers from IOH. In addition, Mitratel enjoys site diversification as around 58% of Mitratel's towers are located in ex-Java, while the remaining 42% are located in Java. Therefore, we believe the tower business still has the opportunity to grow, driven by increasing demand for cellular data and the upcoming 5G technology implementation.

On a stand-alone basis, in 1Q23, Mitratel recorded Revenue of Rp2.06 trillion or grew by 9.9% YoY, driven by tower leasing revenue. EBITDA and Net Income grew by 16.2% and 9.1% YoY, respectively. Both EBITDA Margin is expanding to 81.5%, increased by 4.4 ppt, while Net Income Margin is at 24.4%, lowered by 0.2 ppt. Colocation number and the number of tenants grew by 16.2% and 23.7% YoY respectively. Furthermore, Mitratel has demonstrated a strong financial position with a relatively low leverage ratio of 1.4x (net debt to EBITDA). This allows the company to better weather economic downturns and take advantage of growth opportunities while providing stability to shareholders.

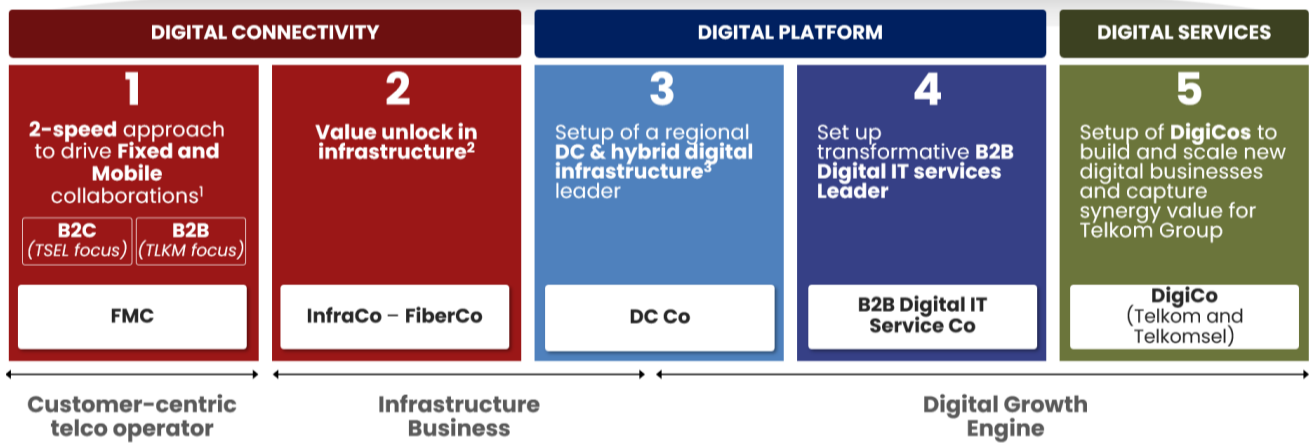
Mitratel is also expanding to the Fiber-to-the-Tower business as part of its strategy to strengthen its product portfolio to become a digital infrastructure company. Mitratel also expanded its portfolio in the fiber optic sector by deploying 19,496 km organically and acquired another 6,012 km to strengthen the business ecosystem.

Fixed Line and Mobile Contribution

Fixed line businesses contribution consistently increased and reached 42.8% and 45.9% of Telkom's Consolidated Revenue and Net Income respectively during the first quarter of 2023 as compared to the same period last year. This reflects our well-diversified businesses, as shown in the charts below.



FIVE BOLD MOVES STRATEGY



1. Needs deeper exercise across multiple strategic dimensions including complexity, regulation, stakeholder, financial impact
2. TowerCo has already completed IPO to unlock value in November 2021
3. DC-related is placed under Digital Platform to accommodate integrated directions and more comprehensive strategies, including Cloud and Tech-giant strategy

Telkom initiates Five Bold Moves strategy to build competitive advantages in the areas of digital connectivity, digital platforms, and digital services. This strategy aims 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. By having this five bold moves strategy, Telkom Group can diversify and expand market share from B2C Telco market leader to B2B business while also can defend the position as B2C Telco market leader. We are quite confident that five bold moves strategy could maximize opportunity and value creation for the group.

Currently, we are focusing in FMC, InfraCo, and DC Co while still developing the fundamental for B2B Digital IT Service Co and DigiCo initiatives.

Fixed-Mobile Convergence (FMC)

The reason and purpose of the Proposed Spin-Off is to maintain competitiveness and superiority of Telkom in facing competition in the Indonesian telecommunications sector. In order to improve the quality of services provided to the customers, Telkom plans to combine its fixed broadband and mobile broadband (cellular) into one subsidiary, Telkomsel. In addition, the Proposed Spin-Off is expected to also accelerate the process of equalizing broadband services for people throughout all regions of Indonesia.

On 6 April 2023, Telkom and Telkomsel signed Conditional Spin-Off Agreement in relation to the Telkom's plan to carry out a corporate restructuring and business transformation by way of spin-off of the Company's IndiHome business segment serving individuals and individuals registered as micro enterprise customers covering several services, which are internet, voice bundling, IPTV, OTT, and digital services.

As part of this Proposed Spin-Off, the Company and Telkomsel have signed some other related agreements, i.e., Wholesale Agreement regarding infrastructure provision, TSA 1 regarding fixed broadband core service provision and TSA 2 regarding IT system service provision ("Related Transaction").

InfraCo

Telkom has been pursuing infrastructure value unlock following FMC initiative. Telkom will continue to explore new InfraCo and infra sharing potential. This initiative aims at optimizing consolidated Telkom's Capex

efficiency, quality improvement, and coverage of service. We expect carving out Telco infrastructure assets can maximize valuations as well as to achieve strategic differentiation. By having InfraCo, we believe Telkom can optimize asset utility and market penetration, cater Telco business challenge, and create business value that meets investor expectation.

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. 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. During the first quarter of 2023, data center and cloud revenue recorded Rp422 billion in revenue.

As an effort to enhance competitive advantage, sustainable competitive growth, as well as to achieve higher valuation, we are still in the process of restructuring our data center business by consolidating the businesses and assets under one entity, called PT Telkom Data Ecosystem with NeutraDC as the brand. The consolidation process is executed in stages and we expect that the process will be completed in 2024.

As of March 2023, we have 29 data center facilities (24 domestic and 5 overseas). Locally, NeutraDC operated 3 enterprise and one hyperscale Data Center with classification of Tier 3 and Tier 4. Our data center business provides several products and solutions, such as shared colocation, dedicated colocation, working room, cross connect, smart hand, and DC interconnect.

PRODUCT AND MARKETING ACTIVITIES

Fixed Line Business and Mobile Business

■ **Bundling Package IndiHome-Halo**

Packages that allow our customers to easily access the internet anywhere with our best internet network. This package offers Halo Telkomsel quota of 30GB and 65GB as well as IndiHome connections, ranging from 30 Mbps to 50 Mbps with free Disney+ hotstar access.

■ **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.

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 as well as 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 1Q23 among others:

- 1st. The Best Indonesia GCG for Public Company 2023, Sector: Infrastructure, Utilities & Transport - Industry: Telecommunications in Indonesia GCG Award-VII-2023 from Economic Review
- 1st. The Best Indonesia Risk Management for Public Company 2023, Sector: Infrastructure, Utilities & Transport - Industry: Telecommunications in Indonesia Enterprise Risk Management Award-V-2023 (IERMA-V-2023) from Economic Review
- 1st. The Best Indonesia Finance for Public Company 2023, Sector: Infrastructure, Utilities & Transport - Industry: Telecommunications in Indonesia Finance Award-V-2023 from Economic Review
- Best Public Relation in Company Management on Expanding Program and Services Digitalization for Various Sectors, (Category: Information, Technology, and Telecommunication) in Indonesia Public Relation Awards (IPRA) 2023 from Warta Ekonomi
- Best Companies in Obsession Awards 2023 from Obsession Media Group
- First winner in CID Category, Content Creator Category, second winner Best Exposure of The Year Category, third winner in Internal Communication Implementation and Media Relations Management Category from SoE Ministry in BCOMMS 2023
- Business Person of The Year 2022 (CEO) in Fortune Indonesia Business Person of The Year from Fortune Magazine – IDN Media
- Digital Technology & Innovation Awards 2023 for The Greatest Champion of Digital Transformation & Innovation of The Year and The Best It leadership in Telecommunication Industries, The Best CEO for Corporate Digital Transformation of The Year, The Best Chief Digital Officer of The Year, and The Best Millennial Digital Leader of The Year from Itech
- Ookla Speedtest Awards 2022 for Telkomsel as the Best Mobile Network in Indonesia with the Fastest Mobile Network, Best Mobile Coverage and Best Latency Mobile Network during Q3-Q4 2022 from Ookla.
- GTI Awards 2023 for Telkomsel as Innovative Mobile Service and Application Award (Intelligence Urban Mobility) from GTI Group.
- LinkedIn Talent Awards for Telkomsel as Learning Champion from LinkedIn Corporation.
- Marketeers Youth Choice Awards (YCA) 2023 for Telkomsel as Best Cellular Operator with Gold Winner from Marketeers Media.

- Reviewers' Choice Award 2022 for Telkomsel as Best Internet Modem Home Service from Gadget Squad.
- ICX Awards 2023 for Telkomsel as Cellular Contact Center (Excellent) & Internet Package (Excellent), for GraPARI as Cellular Service Center (Very Good) and for Telkomsel Orbit as Home LTE (Excellent) from SWA Magazine.
- Public Relations Indonesia Awards (PRIA) 2023 for Telkomsel as Most Popular Category in Printed & Online Media and Owned Media Category (KARUSEL E-Magazine – Silver Winner) from PR Indonesia Magazine.

Table 1
PERUSAHAAN PERSEROAN (PERSERO)
PT TELEKOMUNIKASI INDONESIA Tbk. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of March 31, 2023 (unaudited) and December 31, 2022 (audited)
(Amounts in the tables expressed in billions of Indonesian Rupiah, unless otherwise stated)

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>Growth (%)</u>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents - net	29,935	31,947	(6.3)
Other current financial assets - net	1,698	1,349	25.9
Trade receivables - net allowance for expected credit losses			
Related parties	1,425	1,620	(12.0)
Third parties	7,957	7,014	13.4
Contract assets - net	2,387	2,457	(2.8)
Other receivables - net	248	245	1.2
Inventories - net	1,248	1,144	9.1
Assets held for sale	134	6	2,133.3
Contract costs	665	671	(0.9)
Prepaid taxes	2,505	1,464	71.1
Claim for tax refund	4	380	(98.9)
Other current assets	7,235	6,760	7.0
Total Current Assets	<u>55,441</u>	<u>55,057</u>	<u>0.7</u>
NON-CURRENT ASSETS			
Contract assets - net	26	34	(23.5)
Long-term investments	9,290	8,653	7.4
Contract costs	1,892	1,741	8.7
Property and equipment	174,159	173,329	0.5
Right-of-use assets	20,288	20,336	(0.2)
Intangible assets	8,194	8,302	(1.3)
Deferred tax assets - net	4,043	4,117	(1.8)
Other non-current assets	5,139	3,623	41.8
Total Non-current Assets	<u>223,031</u>	<u>220,135</u>	<u>1.3</u>
TOTAL ASSETS	<u>278,472</u>	<u>275,192</u>	<u>1.2</u>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade payables			
Related parties	1,140	431	164.5
Third parties	13,150	18,026	(27.0)
Contract liabilities	5,927	6,295	(5.8)
Other payables	491	463	6.0
Taxes payable	5,554	5,372	3.4
Accrued expenses	15,749	15,445	2.0
Customer deposits	3,087	2,382	29.6
Short-term bank loans	7,759	8,191	(5.3)
Current maturities of long-term loans and other borrowings	7,494	8,858	(15.4)
Current maturities of lease liabilities	4,987	4,925	1.3
Total Current Liabilities	<u>65,338</u>	<u>70,388</u>	<u>(7.2)</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities - net	1,357	1,023	32.6
Contract liabilities	1,597	1,561	2.3
Long service award provisions	1,072	1,031	4.0
Pension benefits and other post-employment benefits obligations	10,382	10,272	1.1
Long-term loans and other borrowings	27,694	27,331	1.3
Lease liabilities	12,775	13,736	(7.0)
Other liabilities	616	588	4.8
Total Non-current Liabilities	<u>55,493</u>	<u>55,542</u>	<u>(0.1)</u>
TOTAL LIABILITIES	<u>120,831</u>	<u>125,930</u>	<u>(4.0)</u>
EQUITY			
Capital stock	4,953	4,953	-
Additional paid-in capital	2,711	2,711	-
Other equity	9,568	9,697	(1.3)
Retained earnings			
Appropriated	15,337	15,337	-
Unappropriated	103,044	96,560	6.7
Net equity attributable to:			
Owners of the parent company	135,613	129,258	4.9
Non-controlling interests	22,028	20,004	10.1
TOTAL EQUITY	<u>157,641</u>	<u>149,262</u>	<u>5.6</u>
TOTAL LIABILITIES AND EQUITY	<u>278,472</u>	<u>275,192</u>	<u>1.2</u>

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 March 31, 2023 and 2022 (unaudited)
(Amounts in the tables expressed in billions of Indonesian Rupiah, unless otherwise stated)

	<u>2023</u>	<u>2022</u>	<u>Growth (%)</u>
REVENUES	36,090	35,208	2.5
COST AND EXPENSES			
Operation, maintenance, and telecommunication service expenses	(9,174)	(8,936)	2.7
Depreciation and amortization expenses	(7,881)	(7,976)	(1.2)
Personnel expenses	(3,739)	(3,516)	6.3
General and administrative expenses	(1,842)	(1,200)	16.4
Interconnection expenses	(1,578)	(1,356)	53.5
Marketing expenses	(763)	(812)	(6.0)
Unrealized (loss) gain on changes in fair value of investments	430	(893)	(148.2)
Other (expense) income - net	(5)	47	(110.6)
(Loss) Gain on foreign exchange - net	(107)	45	(337.8)
OPERATING PROFIT	11,431	10,611	7.7
Finance income	239	200	19.5
Finance cost	(1,075)	(945)	13.8
Share of gain (loss) of long-term investment in associates	2	(4)	(150.0)
PROFIT BEFORE INCOME TAX	10,597	9,862	7.5
INCOME TAX (EXPENSE) BENEFIT			
Current	(1,728)	(2,832)	(39.0)
Deferred	(421)	826	(151.0)
	<u>(2,149)</u>	<u>(2,006)</u>	<u>7.1</u>
PROFIT FOR THE YEAR	8,448	7,856	7.5
OTHER COMPREHENSIVE INCOME			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>			
Foreign currency translation	(129)	27	(577.8)
Changes in fair value of investments	-	1	(100.0)
Share of other comprehensive income of long-term investment in associates			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Defined benefit actuarial gain - net	60	2	2.900
Other comprehensive income - net	(69)	30	(330.0)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	8,379	7,886	6.3
Profit for the year attributable to:			
Owners of the parent company	6,424	6,118	5.0
Non-controlling interests	2,024	1,738	16.5
	<u>8,448</u>	<u>7,856</u>	<u>7.5</u>
Total comprehensive income for the year attributable to:			
Owners of the parent company	6,355	6,148	3.4
Non-controlling interests	2,024	1,738	16.5
	<u>8,379</u>	<u>7,886</u>	<u>6.3</u>
BASIC EARNING PER SHARE (in full amount)			
Net Income per share	64.85	61.76	5.0
Net Income per ADS (100 Series B shares per ADS)	6,484.81	6,175.92	5.0

Table 3
PT TELEKOMUNIKASI SELULAR AND ITS SUBSIDIARIES (TELKOMSEL)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 31, 2023 (UNAUDITED) WITH COMPARATIVE FIGURES AS OF DECEMBER 31, 2022 (AUDITED)
 (Figures in the table are presented in billions of Rupiah)

	<u>MAR 2023</u>	<u>DEC 2022</u>	<u>Growth (%)</u>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5,971	6,352	(6.0)
Accounts receivable - net	1,430	1,516	(5.7)
Unbilled revenues	1,702	1,749	(2.7)
Prepaid expenses - current	5,258	5,316	(1.1)
Others	1,462	1,003	45.8
Total Current Assets	<u>15,823</u>	<u>15,937</u>	(0.7)
NON-CURRENT ASSETS			
Long-term investments	3,260	2,833	15.1
Fixed assets – net	45,475	46,454	(2.1)
Right of use assets - net	27,348	27,301	0.2
Intangible assets – net	6,538	6,697	(2.4)
Prepaid expenses – non current	2,358	1,376	71.4
Others	393	393	0.0
Total Non-current Assets	<u>85,373</u>	<u>85,055</u>	0.4
TOTAL ASSETS	<u>101,196</u>	<u>100,991</u>	0.2
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	12,937	14,725	(12.1)
Taxes payable	2,871	3,048	(5.8)
Unearned revenue	4,249	4,273	(0.6)
Current maturities of lease liabilities	9,329	8,225	13.4
Current maturities of medium-term loans	-	1,000	N/A
Total Current Liabilities	<u>29,386</u>	<u>31,272</u>	(6.0)
NON-CURRENT LIABILITIES			
Lease liabilities - net of current maturities	29,050	32,977	(11.9)
Provision for employee benefits	5,355	5,124	4.5
Deferred tax liabilities – net	608	158	285.8
Unearned revenues, net of current portion	937	969	(3.3)
Other non-current liabilities	490	450	9.0
Total Non-current Liabilities	<u>36,440</u>	<u>39,677</u>	(8.2)
EQUITY			
Capital stock - Rp 1,000,000 par value			
Authorized - 650,000 shares			
Issued and fully paid – 182,570 shares	183	183	0.0
Additional paid-in capital	1,531	1,531	0.0
Retained earnings			
Appropriated	37	37	0.0
Unappropriated	33,576	28,246	18.9
Other Equity	13	13	0.0
Non-controlling interest	30	33	(7.7)
Total Equity	<u>35,369</u>	<u>30,042</u>	17.7
TOTAL LIABILITIES AND EQUITY	<u>101,196</u>	<u>100,991</u>	0.2

Table 4
PT TELEKOMUNIKASI SELULAR AND ITS SUBSIDIARIES (TELKOMSEL)
CONSOLIDATED STATEMENTS OF PROFIT AND LOSS
FOR THREE MONTHS PERIOD ENDED MARCH 31, 2023 AND 2022 (UNAUDITED)
 (Figures in the table are presented in billions of Rupiah)

	<u>MAR 2023</u>	<u>MAR 2022</u>	<u>Growth (%)</u>
REVENUES			
Legacy	3,349	4,317	(22.4)
Digital Business	18,150	16,945	7.1
Total Revenues	<u>21,499</u>	<u>21,263</u>	1.1
EXPENSES			
Operations & Maintenance	5,500	5,142	7.0
Personnel	1,588	1,425	11.4
Marketing	467	518	(9.8)
General & Administrative	329	241	36.9
Cost of Services	1,227	1,314	(6.6)
Interconnection & International Roaming	419	355	18.0
Total Expenses exclude depreciation & others	<u>9,531</u>	<u>8,995</u>	6.0
Depreciation & Amortization	5,235	5,172	1.2
Others - net	(490)	756	(164.8)
Total Expenses include depreciation & others	<u>14,276</u>	<u>14,923</u>	(4.3)
Finance charges - net	(505)	(430)	17.5
INCOME BEFORE TAX	6,718	5,910	13.7
INCOME TAX EXPENSE	(1,391)	(1,326)	4.9
NET INCOME	<u><u>5,327</u></u>	<u><u>4,584</u></u>	16.2
EBITDA	11,968	12,268	(2.4)
EBITDA Margin	55.7%	57.7%	(2.0) ppt
ROA	18.9%	23.0%	(4.1) ppt
ROE	48.1%	49.1%	(1.0) ppt