

**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 full year of 2022, PT Telkom Indonesia (Persero) Tbk (“Telkom or The Company”) recorded positive growth of 2.9% YoY in Revenue, with EBITDA grew by 4.3% YoY to Rp79.0 trillion.
- IndiHome continued to become our engine of growth which posted Revenue of Rp28.0 trillion or grew 6.4% YoY, supported by 9.2 million total subscribers and relatively stable ARPU during the period.
- Telkomsel’s Digital Business kept growing healthily with 18.7% YoY growth in data traffic and its contribution reached 81.9% of total Telkomsel’s revenue as compared to last year’s contribution of 78.0%
- In November 2022, Telkomsel has been officially announced as the winner of 2.1 GHz bandwidth frequency for mobile network in 2022 by Ministry of Communication and Information Technology.
- In December 2022, Telkom through NeutraDC started the groundbreaking of 2<sup>nd</sup> Hyperscale Data Center (HDC) in Batam, which will have 75 MW designed total capacity and 51MW designed IT load capacity.

| Financial Highlights             |         |         |            |
|----------------------------------|---------|---------|------------|
| Key Indicators<br>(Rp. Bn)       | YoY     |         |            |
|                                  | FY22    | FY21    | Growth (%) |
| Revenues                         | 147,306 | 143,210 | 2.9        |
| Expenses                         | 107,725 | 95,647  | 12.6       |
| Operating Profit                 | 39,581  | 47,563  | (16.8)     |
| EBITDA                           | 78,992  | 75,723  | 4.3        |
| EBITDA Margin (%)                | 53.6    | 52.9    | 0.7 ppt    |
| Net Income                       | 20,753  | 24,760  | (16.2)     |
| Net Income Margin (%)            | 14.1    | 17.3    | (3.2) ppt  |
| Operating Net Income*            | 25,859  | 24,001  | 7.7        |
| Operating Net Income Margin (%)* | 17.6    | 16.8    | 0.8 ppt    |

*\*) By factoring out unrealized loss from our investment mostly in GoTo and accelerated depreciation after tax*

| Operational Highlights     |                |                |               |
|----------------------------|----------------|----------------|---------------|
| Subscribers<br>(000)       | YoY            |                |               |
|                            | FY22           | FY21           | Growth (%)    |
| <b>Broadband</b>           |                |                |               |
| Fixed Broadband - IndiHome | 9,212          | 8,601          | 7.1           |
| Mobile Data User           | 120,907        | 120,516        | 0.3           |
| <b>Cellular</b>            |                |                |               |
| Telkomsel Halo             | 7,111          | 7,201          | (1.2)         |
| Telkomsel Prabayar         | 149,702        | 168,776        | (11.3)        |
| <b>Total</b>               | <b>156,813</b> | <b>175,977</b> | <b>(10.9)</b> |

**Investor Relations**

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## PT TELKOM INDONESIA (PERSERO) Tbk FULL YEAR OF 2022 (AUDITED)

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

### Revenues

| Key Indicators<br>(Rp. Bn)       | YoY            |                |            |
|----------------------------------|----------------|----------------|------------|
|                                  | FY22           | FY21           | Growth (%) |
| Data, Internet & IT Service      | 82,101         | 77,470         | 6.0        |
| IndiHome                         | 28,020         | 26,325         | 6.4        |
| SMS, Fixed and Cellular Voice    | 17,897         | 21,221         | (15.7)     |
| Interconnection                  | 8,472          | 7,787          | 8.8        |
| Network and Other Telco Services | 10,816         | 10,407         | 3.9        |
| <b>Total</b>                     | <b>147,306</b> | <b>143,210</b> | <b>2.9</b> |

Telkom consolidated revenue grew by 2.9% YoY to Rp147.3 trillion in the full year of 2022 as mobile data and IndiHome continued to be the growth drivers. The revenue details are as follows:

- **Data, Internet & IT Services revenues** increased by 6.0% YoY to Rp82.1 trillion driven by continued growth of cellular data and internet revenue which grew by 7.0% YoY. Mobile data traffic jumped by 18.7% YoY to 16,042 petabytes driven by strong traction in mobile data services.
- **IndiHome** revenue grew by 6.4% YoY to Rp28.0 trillion during the period. We added around 611 thousand additional subscriber during FY22 along with relatively stable ARPU and increasing add-ons revenue.
- **SMS, Fixed and Cellular Voice revenues** posted revenues of Rp17.9 trillion, or declined by 15.7% YoY due to cannibalization from instant messaging (OTT) application and continuous transition from legacy to data.
- **Interconnection revenues** increased by 8.8% YoY to Rp8.5 trillion reflecting our capabilities to grab opportunities from international wholesale voice business.
- **Network and Other Telecommunication Services revenues** increased by 3.9% YoY to Rp10.8 trillion driven by increasing tower business volume as well as international network business.

## Expenses

| Key Indicators<br>(Rp. Bn)                                     | YoY            |               |             |
|--|----------------|---------------|-------------|
|  | FY22           | FY21          | Growth (%)  |
| <b>Operating Expense</b>                                       |                |               |             |
| Operation, Maintenance & Telecommunication Services            | 38,184         | 38,133        | 0.1         |
| Personnel  | 14,907         | 15,524        | (4.0)       |
| General & Administrative                                       | 5,854          | 5,016         | 16.7        |
| Interconnection  | 5,440          | 5,181         | 5.0         |
| Marketing  | 3,929          | 3,633         | 8.1         |
| <b>Total Operating Expenses</b>                                | <b>68,314</b>  | <b>67,487</b> | <b>1.2</b>  |
| Depreciation & Amortization                                    | 33,255         | 31,816        | 4.5         |
| Unrealized loss (gain) on changes in fair value of investments | 6,438          | (3,432)       | (287.6)     |
| Other income – net   | (26)           | (174)         | (85.1)      |
| Gain on foreign exchange - net                                 | (256)          | (50)          | 412.0       |
| <b>Total Expenses</b>  | <b>107,725</b> | <b>95,647</b> | <b>12.6</b> |

During full year of 2022, Telkom recorded total expenses of Rp107.7 trillion or increased by 12.6% YoY with Operating Expenses grew by 1.2% YoY to Rp68.3 trillion. Details of expenses are as follows:

- **Operation & Maintenance (O&M) expenses** slightly increased by 0.1% YoY to Rp38.2 trillion, caused by our spectrum frequency usage fee and cost of content to provide better experience. Meanwhile, the softening growth in O&M partly due to cost of devices efficiency as we became more selective in customer acquisition.
- **Personnel expenses** decreased by 4.0% YoY to Rp14.9 trillion due to large number of natural retirement.
- **General & Administrative expenses** grew by 16.7% YoY to Rp5.9 trillion resulted from higher business activities to support our transformation.
- **Interconnection expenses** was Rp5.4 trillion or grew by 5.0% YoY, in line with our growing international wholesale voice business.
- **Marketing expenses** increased by 8.1% YoY to Rp3.9 trillion resulted from higher marketing activities in fixed line business as the impact of easing mobility restrictions.
- **Depreciation & Amortization expenses** rose by 4.5% YoY to Rp33.3 trillion in line with continuous investment to enhance our digital infrastructure both in mobile and fixed line businesses. In 2022, the estimated useful lives of Group towers were changed from 30 to 40 years. The impact of reduction in the depreciation expense for the year ended December 31, 2022 and the estimate for the year ended 2023 amounted to Rp93 billion and Rp373 billion, respectively.
- We recorded **Unrealized loss on changes in fair value of investments** of Rp6.4 trillion mainly to recognize unrealized loss from our investment in GoTo. As of 31 December 2022, GoTo market price was Rp91 per share, decreased from Rp375 per share at 31 December 2021.

- We booked **Other Income – net** of Rp26 billion from higher non-operating income and lower non-operating expense during the period.
- We recorded **Gain on foreign exchange - net** of Rp256 billion by the end of December 2022 reflecting our capabilities in managing foreign currency risk exposure despite declining Rupiah.

## EBITDA and Net Income

During the full year of 2022, EBITDA grew by 4.3% YoY to Rp79.0 trillion with EBITDA margin of 53.6%, compared to 52.9% in the full year of 2021. We booked Net Income of Rp20.8 trillion or decreased by 16.2% YoY, from Rp24.8 trillion last year, with Net Income margin of 14.1%, decreased from 17.3% last year.

## Financial Position

| Key Indicators<br>(Rp. Bn) | End of  |         |            |
|----------------------------|---------|---------|------------|
|                            | FY22    | FY21    | Growth (%) |
| Total Assets               | 275,192 | 277,184 | (0.7)      |
| Total Liabilities          | 125,930 | 131,785 | (4.4)      |
| Non-controlling Interests  | 20,004  | 23,753  | (15.8)     |
| Total Equity               | 149,262 | 145,399 | 2.7        |

- Total assets at end of December 2022 was Rp275.2 trillion, decreased by 0.7% YoY. The decrease was attributable to lower cash and cash equivalent due to loan and borrowing repayment and lower new loan withdrawals, as well as the decreasing in current market value of long term investment.
- Total liabilities during the full year of 2022 declined by 4.4% YoY to Rp125.9 trillion. The decrease was mainly due to repayment of our loan and borrowing and lower new loan withdrawal.
- Non-controlling interests decreased by 15.8% YoY due to lower net income in our subsidiary.
- Our equity was relatively stable at Rp149.3 trillion.

## Cash Flows

| Key Indicators<br>(Rp. Bn)                                   | YoY           |               |               |
|--|---------------|---------------|---------------|
|  | FY22          | FY21          | Growth (%)    |
| Cash Flows from Operating Activities                         | 73,354        | 68,353        | 7.3           |
| Cash Flows used in Investing Activities                      | (39,250)      | (37,703)      | 4.1           |
| Cash Flow used in Financing Activities                       | (40,837)      | (12,986)      | 214.5         |
| Net (Decrease) Increase in Cash and Cash Equivalents         | (6,733)       | 17,664        | (138.1)       |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents | 370           | 59            | 527.1         |
| Allowance for Expected Credit Losses                         | (1)           | (1)           | -             |
| 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 The Year                 | <b>31,947</b> | <b>38,311</b> | <b>(16.6)</b> |

- Net cash provided by operating activities during full year of 2022 increased by 7.3% YoY to Rp73.4 trillion. The increase was in line with our growing business as cash from customer grew by 1.6% YoY to Rp146.3 trillion.
- Net cash used in investing activities was Rp39.3 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 Rp40.8 trillion as cash inflow from new loan withdrawal were lower than cash outflow for repayment for loans and borrowings.

## Debts

| Currencies<br>(Rp. Bn) | End of        |               | Portion (%)  |              |
|------------------------|---------------|---------------|--------------|--------------|
|                        | FY22          | FY21          | FY22         | FY21         |
| IDR/Rupiah             | 62,295        | 68,086        | 98.8         | 98.6         |
| USD/US Dollar          | 531           | 671           | 0.8          | 1.0          |
| JPY/Japanese Yen       | 181           | 285           | 0.3          | 0.3          |
| MYR/Malaysian Ringgit  | 34            | 36            | 0.1          | 0.1          |
| <b>Total</b>           | <b>63,041</b> | <b>69,078</b> | <b>100.0</b> | <b>100.0</b> |

In the full year of 2022, total debts (including lease liabilities) stood at Rp63.0 trillion or decreased by 8.7% YoY from Rp69.1 trillion due to higher loan repayment of our debts than new loan withdrawal. 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. By excluding lease liabilities, our total debt was Rp44.4 trillion as of 31 December 2022 and Rp52.7 trillion as of 31 December 2021. The debt was allocated to support general corporate purposes, capital expenditure (capex) deployment, working capital stability, and investment in digital companies.

Meanwhile, Finance cost declined by 7.6% YoY to Rp4.0 trillion due to lower interest expense on average outstanding loan compared to same period last year, as well as efficient cash flow management.

Our Debt-to-Equity Ratio ("DER") and Debt to EBITDA were still relatively low at 42.2% and 0.8x.

## Gearing Ratio

| Ratios                     | End of |      |              |
|----------------------------|--------|------|--------------|
|                            | FY22   | FY21 | Growth (ppt) |
| Net Debt to Equity (%)     | 19.9   | 20.8 | (0.9)        |
| Debt to Equity (%)         | 42.2   | 47.5 | (5.3)        |
| Net Debt to EBITDA (times) | 0.4    | 0.4  | 0.0          |
| Debt to EBITDA (times)     | 0.8    | 0.9  | (0.1)        |
| Debt Service Ratio (times) | 3.0    | 2.8  | 0.2          |

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  |      |              |
|-----------------------------|------|------|--------------|
|                             | FY22 | FY21 | Growth (ppt) |
| EBIT Margin                 | 26.9 | 33.2 | (6.3)        |
| EBITDA Margin               | 53.6 | 52.9 | 0.7          |
| Net Income Margin           | 14.1 | 17.3 | (3.2)        |
| Current Ratio               | 78.2 | 88.6 | (10.4)       |
| Total Liabilities to Equity | 84.4 | 90.6 | (6.2)        |
| Return on Assets            | 10.1 | 12.2 | (2.1)        |
| Return on Equity            | 18.5 | 23.3 | (4.8)        |
| Return on Invested Capital  | 13.0 | 15.8 | (2.8)        |

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 full year of 2022, Telkom spent Rp34.2 trillion in capital expenditure (capex) or represented 23.2% 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 telecommunication sector continued to play its important role in the society amidst the challenges from macroeconomics and geopolitical uncertainties. The reopening of public restriction and increasing mobility have led the private consumption grew positively in 2022 which also have been supported by the policies and post-pandemic handling applied by the government. These put more optimistic in the telecommunication industry that already faced more rational competition with initiatives for rationalization while the shift of Legacy business towards Data service continually to accelerate.

Strategic actions have been implemented to improve customer experience and ensure business sustainability:

- Pricing rationalization for market repair while keeping with market relevance and protecting relative market position.
- Optimization of the value of customers through personalization and service differentiation.
- Continuous network optimization and improvement to strengthen network leadership that support focus on Digital Business.
- Focused on securing profitability through cost optimization measures to efficiently manage operational expenses.
- 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 revenue growth outperformed the industry in Q4-2022 (+1.3% QoQ) with healthy levels of profitability supported by consistent growth of Digital Business (+4.8% QoQ).

Telkomsel successfully improved productivity and quality of customers as indicated by higher payload (+18.7% YoY) and solid ARPU growth (+7.3% QoQ) 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 265,194 units in 2022 (+1.7% QoQ, +5.6% YoY) with more than 165,000 4G BTS & 280 5G BTS.

#### 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 6.9% YoY growth to Rp72,930 billion and increased its contribution to total revenues to

81.9% from 78.0% last year driven by healthy growth of Data with digital drivers' potency as indicative room for future growth.

Revenue from Data grew by 7.5% YoY to Rp62,952 billion with stable Data users & increased 3G/4G capable device penetration (126.0 million and 80.3% penetration) to have a healthy growth in Data payload (+18.7% YoY to 16,426,853 TB) & payload consumption at 11,962 MB per Data user (+16.1% 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 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 December 2022:

### Financial Performance – Maintaining profitability & increased Digital Business portion

| Key Indicators<br>(Rp. Bn)         | YoY    |        |            | QoQ    |        |            |
|------------------------------------|--------|--------|------------|--------|--------|------------|
|                                    | FY22   | FY21   | Growth (%) | 4Q22   | 3Q22   | Growth (%) |
| Revenues                           | 89,039 | 87,506 | 1.8        | 22,877 | 22,575 | 1.3        |
| Legacy                             | 16,109 | 19,275 | (16.4)     | 3,508  | 4,097  | (14.4)     |
| Digital Business                   | 72,930 | 68,231 | 6.9        | 19,370 | 18,478 | 4.8        |
| Expenses excl. depr & others       | 38,551 | 37,485 | 2.8        | 10,192 | 9,655  | 5.6        |
| Expenses incl. depr & others       | 62,827 | 52,524 | 19.6       | 19,195 | 14,947 | 28.4       |
| EBITDA                             | 50,488 | 50,021 | 0.9        | 12,686 | 12,920 | (1.8)      |
| EBITDA Margin (%)                  | 56.7%  | 57.2%  | (0.5)ppt   | 55.5%  | 57.2%  | (1.8)ppt   |
| Net Income                         | 18,367 | 26,160 | (29.8)     | 1,577  | 5,389  | (70.7)     |
| Net Income Margin (%)              | 20.6%  | 29.9%  | (9.3)ppt   | 6.9%   | 23.9%  | (17.0)ppt  |
| Operating Net Income*              | 21,217 | 21,823 | (2.8)      | 5,323  | 5,308  | 0.3        |
| Operating Net Income Margin (%)*   | 23.8%  | 24.9%  | (1.1)ppt   | 23.3%  | 23.5%  | (0.2)ppt   |
| Proportion of Digital Business (%) | 81.9%  | 78.0%  | 3.9ppt     | 84.7%  | 81.9%  | 2.8ppt     |

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

### Operating Expenses

- As of December 2022, total expenses excluding depreciation, amortization and others (net) increased by 2.8% YoY to Rp38,551 billion (+19.6% YoY to Rp62,827 billion if including depreciation, amortization and others-net) in line with company's continuous effort for network optimization and securing spectrum as well as digital investment to expand Digital Business performances. The growth of total expenses mainly driven by Operations & Maintenance expense as company's initiative to strengthen 4G LTE services and maximize Broadband service quality while having continuous network development to reach 265,194 total BTS (+5.6% YoY). 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 amidst declining in legacy and initiatives to effectively manage operating expenses with sustainable level of profitability at 56.7% EBITDA Margin.
- We booked Net Income of Rp18,367 billion and Rp26,160 billion in 2022 and 2021, respectively (-29.8% YoY) that included inorganic initiatives with one-off gain on sale and leaseback of towers and changes in fair value of investment in GoTo. For simple normalization on both one-off gain & valuation, Operating Net Income in 2022 and 2021 reached at Rp21,217 billion and Rp21,823 billion, respectively (-2.8% YoY) with healthy levels of profitability were still maintained.

## Consolidated Statements of Balance Sheet - Maintained fundamental financial position

| Description (Rp Bn)                                | Dec-22         | Dec-21         | Growth (%)   |
|--|----------------|----------------|--------------|
| Current Assets                                     | 16,290         | 12,288         | 32.6         |
| Non-Current Assets                                 | 84,701         | 89,014         | (4.8)        |
| <b>Total Assets</b>                                | <b>100,991</b> | <b>101,302</b> | <b>(0.3)</b> |
| Current Liabilities                                | 32,241         | 31,654         | 1.9          |
| Non-Current Liabilities                            | 38,708         | 30,205         | 28.2         |
| Equity   | 30,042         | 39,443         | (23.8)       |
| <b>Total Liabilities &amp; Stockholders Equity</b> | <b>100,991</b> | <b>101,302</b> | <b>(0.3)</b> |

- Higher Current Assets mainly due to increase in Cash and cash equivalents while lower Non-Current Assets due to decrease in long-term investment.
- Higher Current Liabilities mainly due to increase in taxes payable and higher Non-Current Liabilities due to increase in lease liabilities.
- Lower total Equity mainly due to decrease in retained earnings.

## Consolidated Statements of Cash Flows – Maintained strong cash generations

| Description (Rp Bn)   | FY22         | FY21           | Growth (%)   |
|---|--------------|----------------|--------------|
| Cash Flows from Operating Activities                          | 43,022       | 40,982         | 5.0          |
| Cash Flows for Investing Activities                           | (8,652)      | (12,943)       | (33.2)       |
| Cash Flows for Financing Activities                           | (30,783)     | (34,427)       | (10.6)       |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b> | <b>3,586</b> | <b>(6,388)</b> | <b>156.1</b> |
| Cash and Cash Equivalents at Beginning of Year                | 2,766        | 9,154          | (69.8)       |
| Cash and Cash Equivalents at End of Year                      | 6,352        | 2,766          | 129.6        |

- Higher net cash generated from operations mainly due to increase in total cash receipts from operating activities and lower total cash payments for operating costs and expenses.
- Lower cash flows used in investing activities as FY21 included long-term investments in PT GoTo Gojek Tokopedia Tbk. (“GOTO”).
- Lower cash flows for financing activities mainly due to lower payment of dividends to date.

### Debt Profile - Maintained healthy debt level

As of 31 December 2022, Telkomsel’s total outstanding loans amounted to Rp1,000 billion from utilization of revolving credit facilities. Telkomsel Debt to Equity Ratio (DER) was at 3.3% (exclude lease liabilities).

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   | 3.20   |
| Total Debt to Tangible Net Worth | ≤ 2.00   | 0.04   |

*Notes: Debts covenants exclude lease liabilities.*

### 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 11 million monthly active users and footprint in mobile gaming industry under Dunia Games brand with more than 20 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 32 million monthly active users of MyTelkomsel app.

Telkomsel’s investment in GOTO aims to create potential strategic partnership initiatives that will create robust synergy values 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 to increase the number of Telkomsel users within the GOTO ecosystem.
- Easy onboarding for Gojek’s partners to become Telkomsel reseller partners and integration of GOTO capabilities to support Telkomsel’s telco and digital product distribution to touch a wider range of users.

- Integration of MyTelkomsel & GoPay to improve customer experience when using Telkomsel and GOTO digital products.
- Telkomsel MyAds service & GoBiz platform integration as an instrument to accelerate Indonesian MSMEs in going digital and growing their businesses.
- Improving customer experience in carrying out Gojek services with the Number Masking feature from Telkomsel's Enterprise solutions.

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 focuses on three digital industry sectors, namely edu-tech (Kuncie), health-tech (Fita), and gaming (Majamojo).

INDICO also accelerated 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:

- INDICO introduced the company 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. INDICO also hosted the "Lokapala Jawara Nusantara" games tournament with endorsement from the Coordinating Ministry for Maritime and Investment Affairs, the Ministry of State-Owned Enterprises, and the Ministry of Tourism and Creative Economy.
- Kuncie joined forces with Google to launch Gapura Digital & Google Primer learning modules, launched Mini MBA program in partnership with the School of Business and Management-Institut Teknologi Bandung (SBM-ITB) and established Komplit as a comprehensive data analytics bootcamp.
- Fita launched Coach at the Center of Health (CATCH) platform as 1-on-1 coaching platform enables coaches to closely engage with users throughout their fitness journey.
- Majamojo joined partnership with Agate, one of the largest game developers in Indonesia, to oversee the launching of interactive visual novel game platform memories in the Southeast Asia region, released the "Boxing Star: KO Master" game and introduced Boxing Star Esport Tournament at Piala Telkomsel Jakarta 2022.

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 presents 5G showcase during G20 Summit in November 2022 to promote the digital ecosystem capability in Indonesia to the world. The 5G showcase is a manifestation of Telkomsel's commitment to open wider opportunities for investment and collaboration across the nation, along with the increased trust from members of G20 in Indonesia's digital technology capability ecosystem.

Telkomsel's implementation of the process of upgrading all 3G to 4G service received full support from the Government through Ministry of Communication and Information Technology. 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.

In November 2022, Telkomsel has been officially announced as the winner of 2.1 GHz bandwidth frequency for mobile network and in February 2023 the Ministry of Communication and Information Technology has also completed the refarming of 2.1 GHz radio frequency band. 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 December 2022, Telkomsel managed to have 156.8 million subscribers align with corporate strategy to apply healthy conduct, 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 165,120 and 284 units, respectively in December 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 265,194 units at the end of December 2022, or increased by 5.6% YoY, of which 215,036 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 31 December 2022:

| Key Indicators                                    | YoY        |            |            | QoQ       |           |            |
|---|------------|------------|------------|-----------|-----------|------------|
|   | FY22       | FY21       | Growth (%) | 4Q22      | 3Q22      | Growth (%) |
| Customer Base (000)                               | 156,812    | 175,977    | (10.9)     | 156,812   | 159,836   | (1.9)      |
| ARPU (000)  | 44         | 44         | 1.3        | 48        | 45        | 7.3        |
| BTS on Air (units)                                | 265,194    | 251,116    | 5.6        | 265,194   | 260,815   | 1.7        |
| Total Employees (*including subs & associated co) | 5,658      | 5,535      | 2.2        | 5,658     | 5,588     | 1.3        |
| MoU (in billion minutes)                          | 91.6       | 122.9      | (25.5)     | 20.4      | 22.1      | (7.6)      |
| SMS (in billion units)                            | 11.4       | 26.6       | (57.1)     | 2.3       | 2.6       | (10.6)     |
| Data Payload (TB)                                 | 16,426,853 | 13,837,050 | 18.7       | 4,298,057 | 4,147,341 | 3.6        |

## Fixed Line Businesses

### Consumer Segment

Around 90% of the IndiHome revenue was generated from residential customers (Consumer Segment, with around 95.7% contribution to the segment's revenue), while the remaining 10% was from business clients (Enterprise Segment).

IndiHome recorded Rp28.0 trillion in revenue or grew by 6.4% YoY, where its contribution to TelkomGroup revenue increased to 19.0% in FY22 from 18.4% 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 FY22.

We recorded around 611 thousand additional customers during FY22, brought total subscribers to reach 9.2 million by the end of December 2022 or increased by 7.1% YoY. Around 63% of total customers were on Dual Play Package while the remaining 37% 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 4Q22 was relatively stable at Rp268 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 10.4% YoY and contributed to around 16.2% of total IndiHome revenue, higher than previous year which contributed 15.5%. In addition, we keep enriching IndiHome content by adding IndiHome Halo bundling package with free access to Disney+ Hotstar to further improve customer experience.

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

During the full year 2022, Enterprise segment slightly increased by 0.1% YoY in revenue to Rp19.2 trillion, as we are integrating data center management under WIB segment. However, Enterprise segment still

managed to show significant growth in 4Q22 by 9.3% QoQ. 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 Rp15.4 trillion in revenue or increased by 8.3% YoY driven by our growing international wholesale voice business and our digital infrastructure business.

### Tower

Mitratel manages 35,418 towers, making Mitratel the largest tower provider in Southeast Asia in terms of total tower ownership, with 1.47x 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 Rp7.7 trillion or grew by 12.5% YoY driven by tower leasing revenue. EBITDA and Net Income grew by 18.5% and 29.3% YoY, respectively. Furthermore, both EBITDA Margin and Net Income Margin were also expanding to 79.5% and 23.1%, increased by 4.0 ppt and 3.0 ppt, in line with management's commitment to maximizing financial performance and shareholder value. Colocation number and the number of tenants grew by 15.3% and 22.1% YoY respectively during this year.

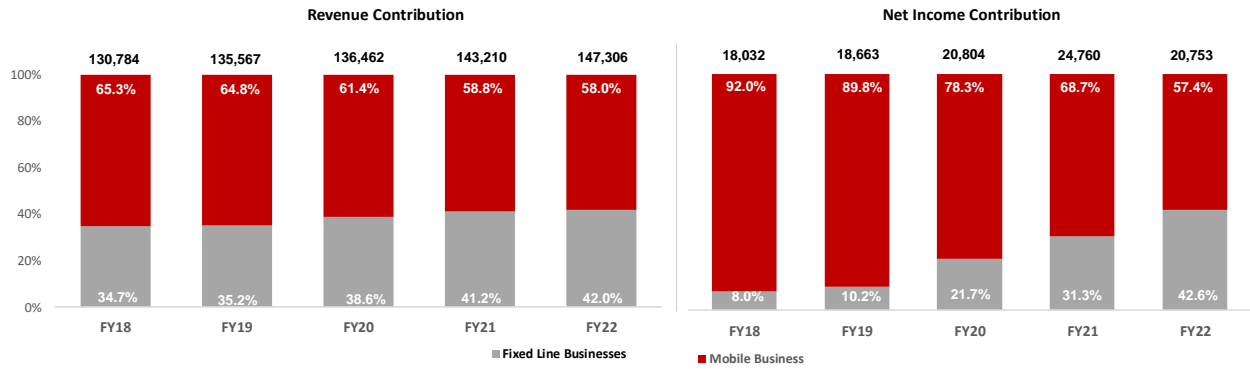
Mitratel is also expanding to Fiber-to-the-Tower business as part of its strategy to strengthen its product portfolio to become a digital infrastructure company. Mitratel also expanded its portfolio in the fiber optic sector by deploying 10,629 km organically and acquired another 6,012 km to strengthen the business ecosystem.

### Submarine Cable Network

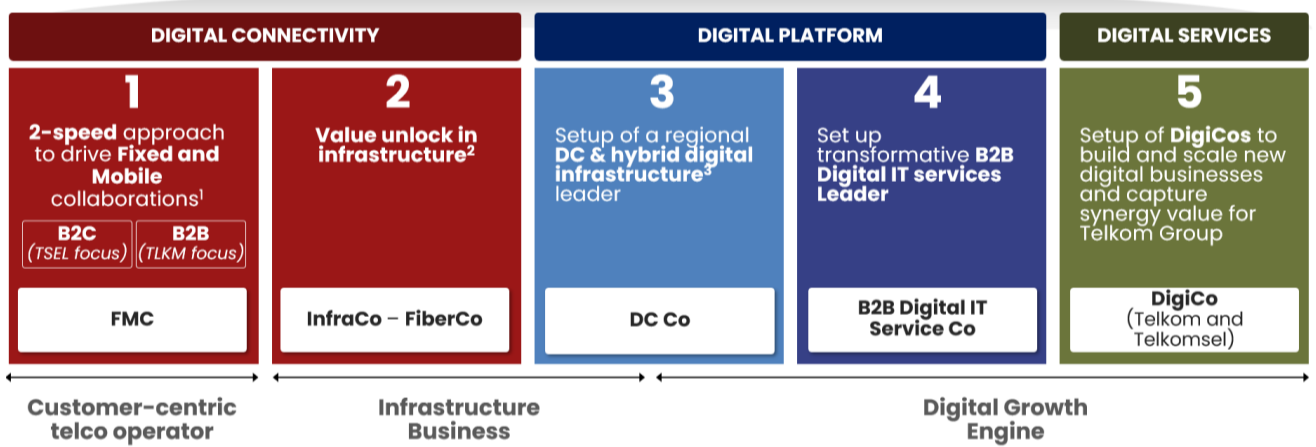
Telkom, through its subsidiary Telin, launch the Manado Gateway as the second international communication gateway owned by TelkomGroup in July 2022. This digital toll gate is part of the effort to equalize access to telecommunications and information throughout Indonesia. This Manado route serves an alternative route for the international communication traffic, which was previously concentrated in Batam. Moreover, Telin also has joined the SEA-ME-WE 6 undersea cable which connect Southeast Asia, Middle East and Western Europe and O-LIVE subsea cable consortium which connect Manado - Hong Kong - Singapore.

### **Fixed Line and Mobile Contribution**

Fixed line businesses contribution consistently increased and reached 42.0% and 42.6% of Telkom's Consolidated Revenue and Net Income respectively during the full year of 2022 as compared to 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 form to B2B business while also can defend the position as B2C Telco market leader. We are quite confidence 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 purpose of conducting FMC initiative is to provide a better customer experience, to have more efficient Capex, as well as to enjoy robust data integration. Both Telkom and Telkomsel as the market leader in Fixed Broadband and mobile business are now in the process of finding the best business model that can bring the maximum value to the group.

In order to implement this initiative, we have future products and features such as Orbit, our fixed wireless product. Orbit is a home internet service which uses a WiFi modem under Telkomsel's cellular network. Moreover, we already launched IndiHome Halo bundling package that allows IndiHome subscribers to buy Telkomsel internet quota under single billing system.

To cater wider addressable market, we expect FMC to provide various services, technology, and pricing based on customers' needs. We are convinced that the FMC strategy would increase Telkom Group's value proposition and distinguish our unique competitive advantage in the market.

### 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

As the demand is growing significantly with the rising activities in digital business players, Data Center and Cloud remained as one of the areas that become our focus. 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 full year of 2022, data center and cloud revenue recorded Rp1.6 trillion in revenue.

As of December 2022, we have 28 data center facilities (23 domestic and 5 overseas including our Tier 3 and 4 data centers in Singapore). Our data center business provides several products and solutions, such as shared colocation, dedicated colocation, working room, cross connect, smart hand, and DC interconnect.

As an effort to enhance competitive advantage, sustainable competitive growth, as well as to achieve higher valuation, we are 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.

In December 2022, Telkom through NeutraDC started the groundbreaking of 2<sup>nd</sup> Hyperscale Data Center (HDC) in Batam. NeutraDC will engage with global strategic partners to develop this HDC. The HDC will be built on an area of up to 8 hectares with 3 campuses. The HDC will have 75 MW designed total capacity and 51MW designed IT load capacity. The main idea of our new Hyperscale Data Center is to capture the spill-over demand from surrounding countries, especially from Singapore. Our HDC energy concept is by using green energy concept that support the environment by reducing carbon emissions and lead to the improvement of ESG implementation.



## 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 20 Mbps to 50 Mbps with free Disney+ hotstar access.

#### ■ IndiHome-Orbit

The combination of a fixed line and mobile wireless connection that allows our customers to enjoy the internet flexibly anywhere. This package offers IndiHome speeds of up to 100 Mbps with free access to Disney+ Hotstar and Telkomsel quota of up to 20GB via Orbit devices.

#### ■ 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 4Q22 among others:

- GTI Awards 2022 for Telkomsel in recognition of Development of 2.3 GHz industry.
- International Business Awards 2022 Winner, 13 Awards (5 Gold, 4 Silver, and 4 Bronze) in many Innovation Categories for Enterprise segment.
- 2022 AIBP ASEAN (Indonesia) Innovation Award for 'A Fully-Vaccinated Indonesia through Integrated Information System Platform' from AIBP (ASEAN Innovation Business Platform).
- CX Asia Excellence Awards 2022 for Telkomsel as Best Omni-Channel Experience (Honorary Mention) and Best Digital Experience (Bronze).
- Origin Innovation Awards 2022 for Telkomsel as Outstanding Accelerator & Incubator in Ecosystem Leaders Category.
- CSA Awards 2022 as Best of The Best Big Capitalization from CSA and the Indonesian Securities Analyst Association (AAEI).
- 4<sup>th</sup> Anniversary BUMN Awards 2022 as The Most Popular Brand (Best Brand Awareness) in Telecommunications Category and Best Annual Report from The Iconomics.

- Indonesia's SDGs Action Awards 2022 in Corporation category from The Ministry of National Development Planning (Bappenas).
- Green Initiative Awards in Technology and Transportation category for digital initiatives in reforestation and forest conservation programs using Geogprahic Information System (GIS) from Katadata.
- CNBC Indonesia Awards 2022 for Telkomsel as Best Telco Provider Company.
- TOP BUMN Awards 2022 for Corporation category from Bisnis Indonesia.

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

(Amounts in the tables expressed in billions of Indonesian Rupiah, unless otherwise stated)

|   | 2022           | 2021           | Growth (%)    |
|---|----------------|----------------|---------------|
| <b>ASSETS</b>   |                |                |               |
| <b>CURRENT ASSETS</b>   |                |                |               |
| Cash and cash equivalents - net                                 | 31,947         | 38,311         | (16.6)        |
| Other current financial assets - net                            | 1,349          | 493            | 173.6         |
| Trade receivables - net allowance for expected credit losses    |                |                |               |
| Related parties   | 1,620          | 961            | 68.6          |
| Third parties   | 7,014          | 7,549          | (7.1)         |
| Contract assets - net   | 2,457          | 2,330          | 5.5           |
| Other receivables - net   | 245            | 195            | 25.6          |
| Inventories - net   | 1,144          | 779            | 46.9          |
| Assets held for sale  | 6              | 818            | (99.3)        |
| Contract costs  | 671            | 656            | 2.3           |
| Prepaid taxes   | 1,464          | 2,144          | (31.7)        |
| Claim for tax refund  | 380            | 690            | (44.9)        |
| Other current assets  | 6,760          | 6,351          | 6.4           |
| <b>Total Current Assets</b>                                     | <b>55,057</b>  | <b>61,277</b>  | <b>(10.2)</b> |
| <b>NON-CURRENT ASSETS</b>                                       |                |                |               |
| Contract assets - net   | 34             | 143            | (76.2)        |
| Long-term investments   | 8,653          | 13,800         | (37.3)        |
| Contract costs  | 1,741          | 1,608          | 8.3           |
| Property and equipment  | 173,329        | 165,026        | 5.0           |
| Right-of-use assets   | 20,336         | 18,469         | 10.1          |
| Intangible assets   | 8,302          | 7,506          | 10.6          |
| Deferred tax assets - net                                       | 4,117          | 3,824          | 7.7           |
| Other non-current assets  | 3,623          | 5,531          | (34.5)        |
| <b>Total Non-current Assets</b>                                 | <b>220,135</b> | <b>215,907</b> | <b>2.0</b>    |
| <b>TOTAL ASSETS</b>   | <b>275,192</b> | <b>277,184</b> | <b>(0.7)</b>  |
| <b>LIABILITIES AND EQUITY</b>                                   |                |                |               |
| <b>CURRENT LIABILITIES</b>                                      |                |                |               |
| Trade payables  |                |                |               |
| Related parties   | 431            | 497            | (13.3)        |
| Third parties   | 18,026         | 16,673         | 8.1           |
| Contract liabilities  | 6,295          | 6,795          | (7.4)         |
| Other payables  | 463            | 609            | (24.0)        |
| Taxes payable   | 5,372          | 3,923          | 36.9          |
| Accrued expenses  | 15,445         | 15,885         | (2.8)         |
| Customer deposits   | 2,382          | 2,416          | (1.4)         |
| Short-term bank loans   | 8,191          | 6,682          | 22.6          |
| Current maturities of long-term loans and other borrowings      | 8,858          | 9,690          | (8.6)         |
| Current maturities of lease liabilities                         | 4,925          | 5,961          | (17.4)        |
| <b>Total Current Liabilities</b>                                | <b>70,388</b>  | <b>69,131</b>  | <b>1.8</b>    |
| <b>NON-CURRENT LIABILITIES</b>                                  |                |                |               |
| Deferred tax liabilities - net                                  | 1,023          | 1,158          | (11.7)        |
| Contract liabilities  | 1,561          | 1,283          | 21.7          |
| Long service award provisions                                   | 1,031          | 1,206          | (14.5)        |
| Pension benefits and other post-employment benefits obligations | 10,272         | 11,563         | (11.2)        |
| Long-term loans and other borrowings                            | 27,331         | 36,319         | (24.7)        |
| Lease liabilities   | 13,736         | 10,426         | 31.7          |
| Other liabilities   | 588            | 699            | (15.9)        |
| <b>Total Non-current Liabilities</b>                            | <b>55,542</b>  | <b>62,654</b>  | <b>(11.4)</b> |
| <b>TOTAL LIABILITIES</b>  | <b>125,930</b> | <b>131,785</b> | <b>(4.4)</b>  |
| <b>EQUITY</b>   |                |                |               |
| Capital stock   | 4,953          | 4,953          | -             |
| Additional paid-in capital                                      | 2,711          | 2,711          | -             |
| Other equity  | 9,697          | 9,395          | 3.2           |
| Retained earnings   |                |                |               |
| Appropriated  | 15,337         | 15,337         | -             |
| Unappropriated  | 96,560         | 89,250         | 8.2           |
| Net equity attributable to:                                     |                |                |               |
| Owners of the parent company                                    | 129,258        | 121,646        | 6.3           |
| Non-controlling interests                                       | 20,004         | 23,753         | (15.8)        |
| <b>TOTAL EQUITY</b>   | <b>149,262</b> | <b>145,399</b> | <b>2.7</b>    |
| <b>TOTAL LIABILITIES AND EQUITY</b>                             | <b>275,192</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 Year Ended December 31, 2022**  
**(Amounts in the tables expressed in billions of Indonesian Rupiah, unless otherwise stated)**

|   | 2022           | 2021           | Growth (%)    |
|---|----------------|----------------|---------------|
| <b>REVENUES</b>   | <b>147,306</b> | <b>143,210</b> | <b>2.9</b>    |
| <b>COST AND EXPENSES</b>  |                |                |               |
| Operation, maintenance, and telecommunication service expenses                                    | (38,184)       | (38,133)       | 0.1           |
| Depreciation and amortization expenses  | (33,255)       | (31,816)       | 4.5           |
| Personnel expenses  | (14,907)       | (15,524)       | (4.0)         |
| General and administrative expenses   | (5,854)        | (5,016)        | 16.7          |
| Interconnection expenses  | (5,440)        | (5,181)        | 5.0           |
| Marketing expenses  | (3,929)        | (3,633)        | 8.1           |
| Unrealized (loss) gain on changes in fair value of investments                                    | (6,438)        | 3,432          | (287.6)       |
| Other income - net  | 26             | 174            | (85.1)        |
| Gain on foreign exchange - net  | 256            | 50             | 412.0         |
| <b>OPERATING PROFIT</b>   | <b>39,581</b>  | <b>47,563</b>  | <b>(16.8)</b> |
| Finance income  | 878            | 558            | 57.3          |
| Finance cost  | (4,033)        | (4,365)        | (7.6)         |
| Share of loss of long-term investment in associates   | (87)           | (78)           | 11.5          |
| <b>PROFIT BEFORE INCOME TAX</b>   | <b>36,339</b>  | <b>43,678</b>  | <b>(16.8)</b> |
| <b>INCOME TAX (EXPENSE) BENEFIT</b>   |                |                |               |
| Current   | (9,259)        | (9,556)        | (3.1)         |
| Deferred  | 600            | (174)          | (444.8)       |
|   | (8,659)        | (9,730)        | (11.0)        |
| <b>PROFIT FOR THE YEAR</b>  | <b>27,680</b>  | <b>33,948</b>  | <b>(18.5)</b> |
| <b>OTHER COMPREHENSIVE INCOME</b>   |                |                |               |
| <i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>     |                |                |               |
| Foreign currency translation  | 299            | 28             | 967.9         |
| Changes in fair value of investments  | 3              | (2)            | (250.0)       |
| Share of other comprehensive income of long-term investment in associates                         | 1              | (1)            | (200.0)       |
| <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i> |                |                |               |
| Defined benefit actuarial gain - net  | 1,464          | 1,955          | (25.1)        |
| Other comprehensive income - net  | 1,767          | 1,980          | (10.8)        |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>  | <b>29,447</b>  | <b>35,928</b>  | <b>(18.0)</b> |
| Profit for the year attributable to:  |                |                |               |
| Owners of the parent company  | 20,753         | 24,760         | (16.2)        |
| Non-controlling interests   | 6,927          | 9,188          | (24.6)        |
|   | <b>27,680</b>  | <b>33,948</b>  | <b>(18.5)</b> |
| Total comprehensive income for the year attributable to:  |                |                |               |
| Owners of the parent company  | 22,468         | 26,767         | (16.1)        |
| Non-controlling interests   | 6,979          | 9,161          | (23.8)        |
|   | <b>29,447</b>  | <b>35,928</b>  | <b>(18.0)</b> |
| <b>BASIC EARNING PER SHARE</b> (in full amount)   |                |                |               |
| Net Income per share  | 209.49         | 249.94         | (16.2)        |
| Net Income per ADS (100 Series B shares per ADS)  | 20,949.46      | 24,994.39      | (16.2)        |

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

|   | <u>DEC 2022</u>       | <u>DEC 2021</u>       | <u>Growth (%)</u> |
|---|-----------------------|-----------------------|-------------------|
| <b>ASSETS</b>                                 |                       |                       |                   |
| <b>CURRENT ASSETS</b>                         |                       |                       |                   |
| Cash and cash equivalents                     | 6,352                 | 2,766                 | 129.6             |
| Accounts receivable - net                     | 1,516                 | 1,176                 | 28.9              |
| Unbilled revenue                              | 1,749                 | 1,571                 | 11.3              |
| Prepaid expenses - current                    | 5,316                 | 5,040                 | 5.5               |
| Others  | 1,357                 | 1,735                 | (21.8)            |
| <b>Total Current Assets</b>                   | <b><u>16,290</u></b>  | <b><u>12,288</u></b>  | <b>32.6</b>       |
| <b>NON-CURRENT ASSETS</b>                     |                       |                       |                   |
| Long-term investment                          | 2,833                 | 9,416                 | (69.9)            |
| Fixed assets – net                            | 73,755                | 71,598                | 3.0               |
| Intangible assets – net                       | 6,697                 | 6,240                 | 7.3               |
| Prepaid expenses – non current                | 1,376                 | 1,721                 | (20.1)            |
| Others  | 39                    | 39                    | 0.7               |
| <b>Total Non-Current Assets</b>               | <b><u>84,701</u></b>  | <b><u>89,014</u></b>  | <b>(4.8)</b>      |
| <b>TOTAL ASSETS</b>                           | <b><u>100,991</u></b> | <b><u>101,302</u></b> | <b>(0.3)</b>      |
| <b>LIABILITIES AND EQUITY</b>                 |                       |                       |                   |
| <b>CURRENT LIABILITIES</b>                    |                       |                       |                   |
| Short-term loan                               | -                     | 1,350                 | N/A               |
| Accounts payable & accrued liabilities        | 14,725                | 13,052                | 12.8              |
| Taxes payable                                 | 3,048                 | 1,465                 | 108.1             |
| Unearned revenue                              | 5,242                 | 5,710                 | (8.2)             |
| Current maturities of medium-term loans       | 1,000                 | 1,650                 | (39.4)            |
| Current maturities of lease liabilities       | 8,225                 | 8,427                 | (2.4)             |
| <b>Total Current Liabilities</b>              | <b><u>32,241</u></b>  | <b><u>31,654</u></b>  | <b>1.9</b>        |
| <b>LONG-TERM LIABILITIES</b>                  |                       |                       |                   |
| Provision for employee benefits               | 5,124                 | 4,781                 | 7.2               |
| Lease liabilities - net of current maturities | 32,977                | 24,786                | 33.0              |
| Deferred tax liabilities - net                | 158                   | 638                   | (75.3)            |
| Others non-current liabilities                | 450                   | -                     | N/A               |
| <b>Total Long-Term Liabilities</b>            | <b><u>38,708</u></b>  | <b><u>30,205</u></b>  | <b>28.2</b>       |
| <b>EQUITY</b>                                 |                       |                       |                   |
| 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                                | 28,246                | 37,683                | (25.0)            |
| Other Equity                                  | 13                    | 10                    | 31.3              |
| Non-controlling interest                      | 33                    | 0                     | N/A               |
| <b>Total Equity</b>                           | <b><u>30,042</u></b>  | <b><u>39,443</u></b>  | <b>(23.8)</b>     |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>         | <b><u>100,991</u></b> | <b><u>101,302</u></b> | <b>(0.3)</b>      |

**Table 4**  
**PT TELEKOMUNIKASI SELULAR AND ITS SUBSIDIARIES (TELKOMSEL)**  
**CONSOLIDATED STATEMENTS OF PROFIT AND LOSS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (AUDITED)**  
(Figures in the table are presented in billions of Rupiah)

|   | <u>DEC 2022</u> | <u>DEC 2021</u> | <u>Growth (%)</u> |
|---|-----------------|-----------------|-------------------|
| <b>REVENUES</b>   |                 |                 |                   |
| Legacy  | 16,109          | 19,275          | (16.4)            |
| Digital Business  | 72,930          | 68,231          | 6.9               |
| <b>Total Revenues</b>                                   | <b>89,039</b>   | <b>87,506</b>   | <b>1.8</b>        |
| <b>EXPENSES</b>   |                 |                 |                   |
| Operations & Maintenance                                | 21,347          | 20,792          | 2.7               |
| Personnel   | 6,530           | 5,975           | 9.3               |
| Marketing   | 2,333           | 2,393           | (2.5)             |
| General & Administration                                | 1,598           | 1,425           | 12.1              |
| Cost of Services  | 5,250           | 5,411           | (3.0)             |
| Interconnection & International Roaming                 | 1,492           | 1,490           | 0.2               |
| <b>Total Expenses exclude depreciation &amp; others</b> | <b>38,551</b>   | <b>37,485</b>   | <b>2.8</b>        |
| Depreciation & Amortization                             | 21,024          | 20,333          | 3.4               |
| Others - net  | 3,252           | (5,294)         | N/A               |
| <b>Total Expenses include depreciation &amp; others</b> | <b>62,827</b>   | <b>52,524</b>   | <b>19.6</b>       |
| Finance charges - net                                   | (2,090)         | (1,845)         | 13.3              |
| <b>INCOME BEFORE TAX</b>                                | <b>24,122</b>   | <b>33,137</b>   | <b>(27.2)</b>     |
| INCOME TAX EXPENSE                                      | (5,755)         | (6,977)         | (17.5)            |
| <b>NET INCOME</b>                                       | <b>18,367</b>   | <b>26,160</b>   | <b>(29.8)</b>     |
| <b>EBITDA</b>   | <b>50,488</b>   | <b>50,021</b>   | <b>0.9</b>        |
| <b>EBITDA Margin</b>                                    | <b>56.7%</b>    | <b>57.2%</b>    | <b>(0.5)ppt</b>   |
| <b>ROA</b>  | <b>18.1%</b>    | <b>25.5%</b>    | <b>(7.4)ppt</b>   |
| <b>ROE</b>  | <b>53.0%</b>    | <b>57.8%</b>    | <b>(4.8)ppt</b>   |