

The graphic features a central photograph of a modern glass skyscraper with a low-angle perspective, looking up towards the sky. The image is framed by large, overlapping geometric shapes in shades of blue, teal, and orange. The text is overlaid on these shapes in a clean, white, sans-serif font.

SINGTEL INVESTOR DAY 2018

Heri Supriadi
Alistair Johnston

Singapore, 13 June 2018

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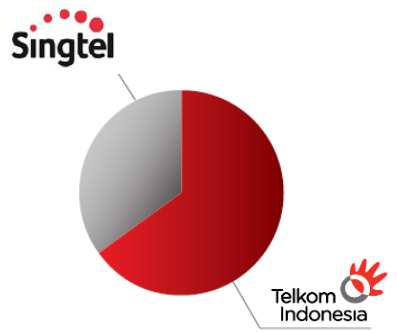
TELKOMSEL
DIGITAL INITIATIVES



TELKOMSEL Performance



Company's Profile



- Started operations in 1995, Telkomsel is the subsidiary of PT Telekomunikasi Indonesia Tbk (65%) and Singapore Telecom Mobile Pte Ltd (35%)
- Within 23 years, Telkomsel has established itself as the leading cellular operator in Indonesia with 193 million customers and more than 5,400 employees
- It has the widest network coverage with more than 167,600 BTS On-Air covering \pm 99% of population

Main Products



Positioned as the postpaid brand of choice for professionals and corporate customers segment



Positioned as an affordable and value prepaid brand for the mid-low segment

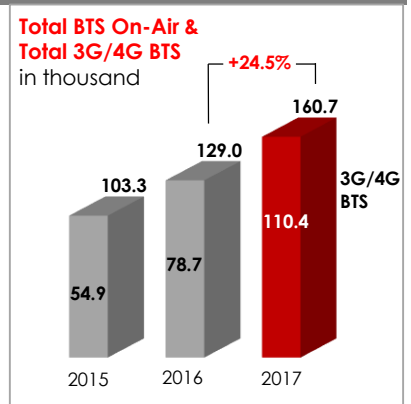
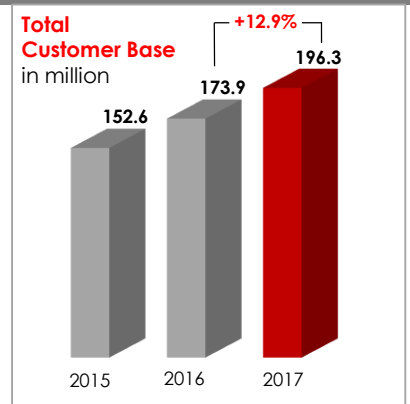
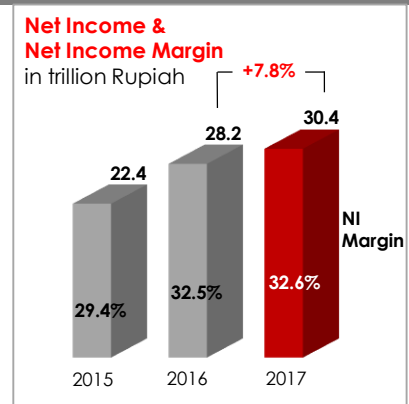
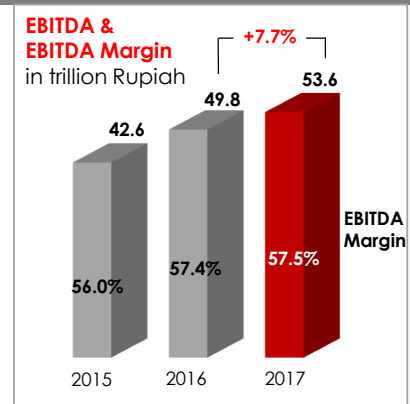
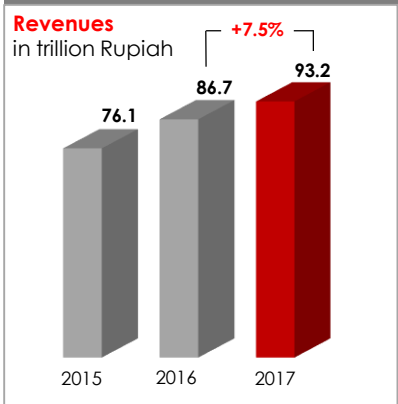


Positioned as the prepaid brand for the savvy middle class segment

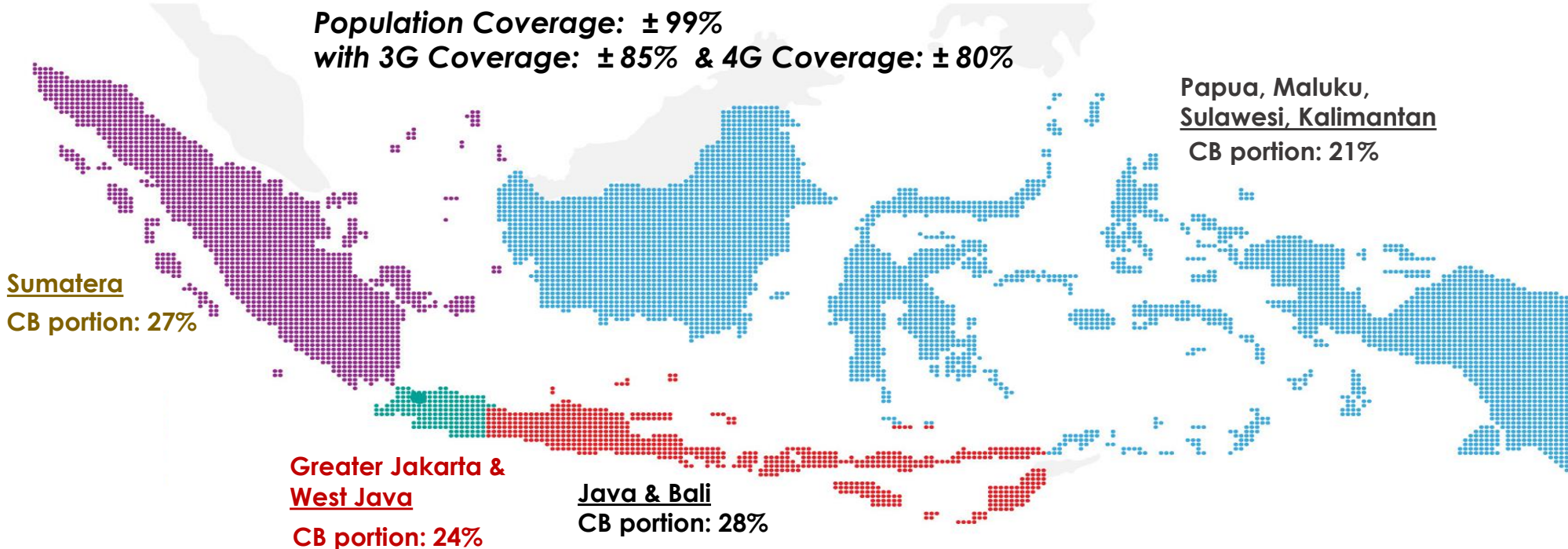


Positioned as youth segment prepaid brand with focus on offering attractive Data and Digital Services


Key Performances 2015-2017










TELKOMSEL IN BRIEF



Indonesia Telco Industry Overview


Mature industry with estimated 135% SIM-card penetration (±75% population-based). Rapidly shifting dynamics industry with transition of Legacy to Data services

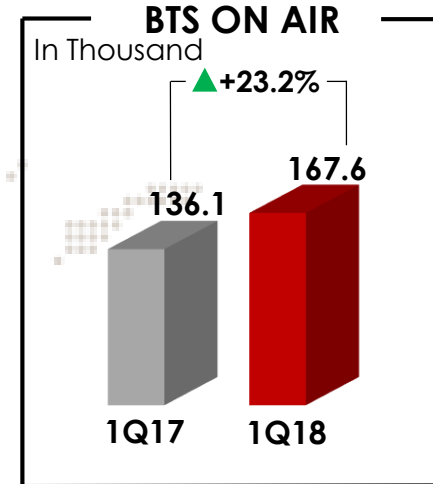
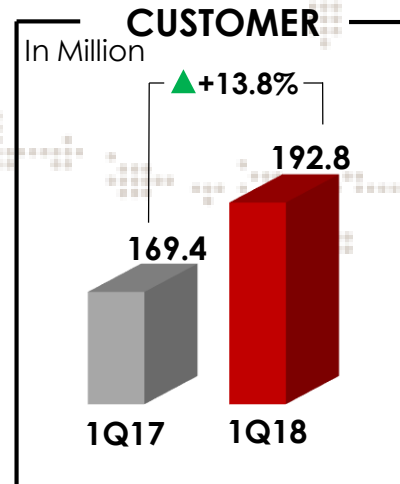
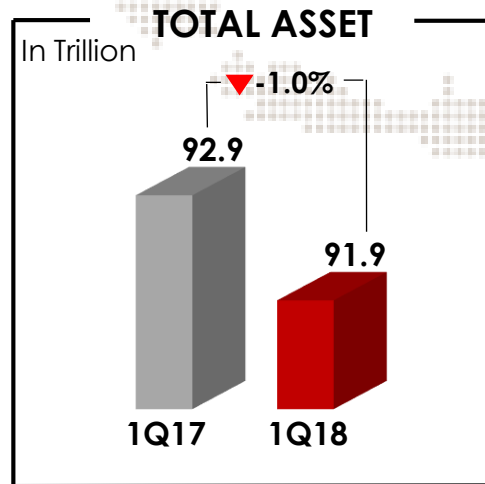
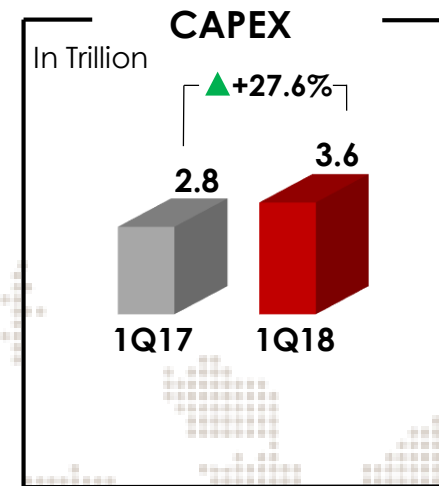
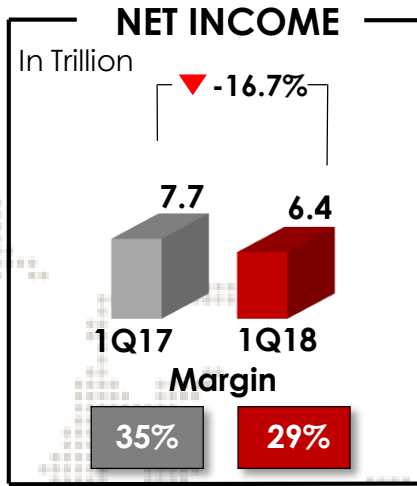
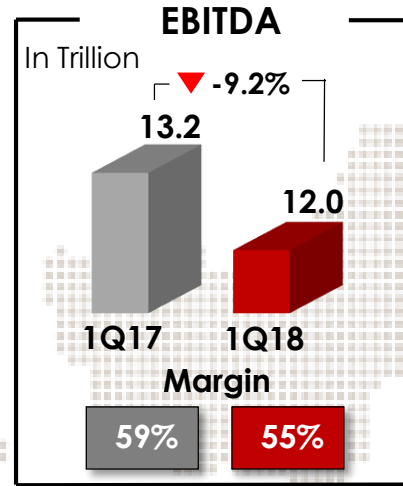
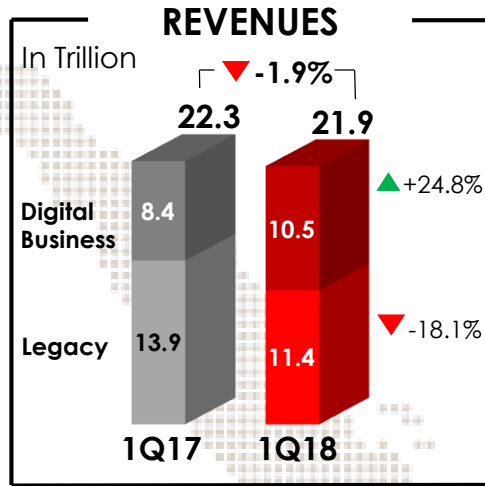



Growing Data Business with around 70% of which were 3G/4G BTS and 59% 3G/4G capable device penetration





Tremendous growth in Digital Business with Data traffic and Data revenue grew by 146% and 21% YoY, respectively in 1Q-2018

PERFORMANCE HIGHLIGHTS 1Q-2018

Accelerated transition of Legacy to Data Services & continuous intense competition landscape
TSEL was able to still booked a substantial amount of Revenues, EBITDA & Net Income

YEAR-ON-YEAR

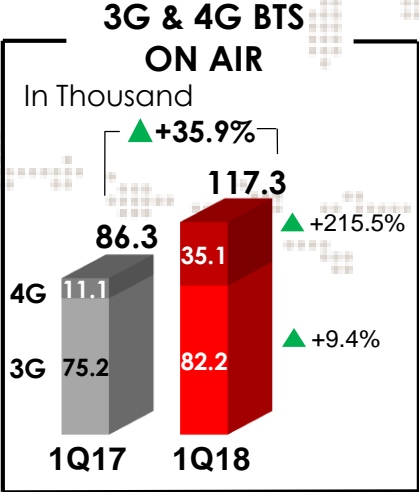
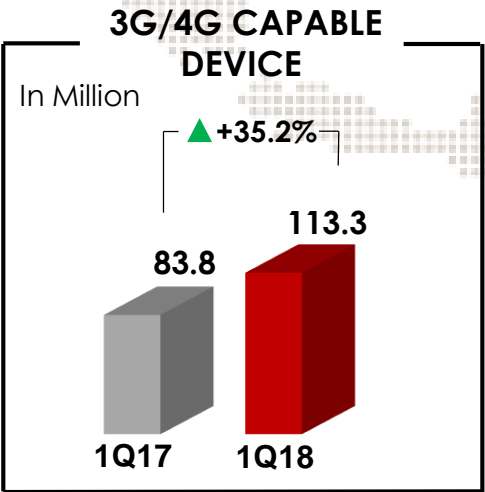
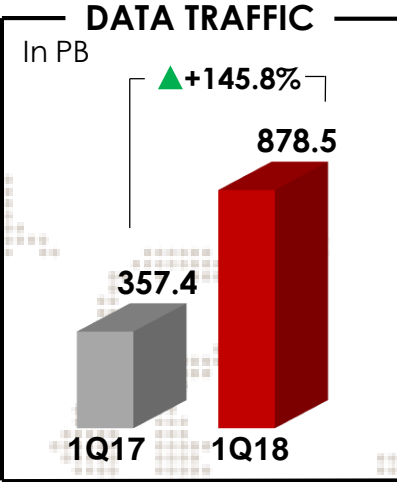
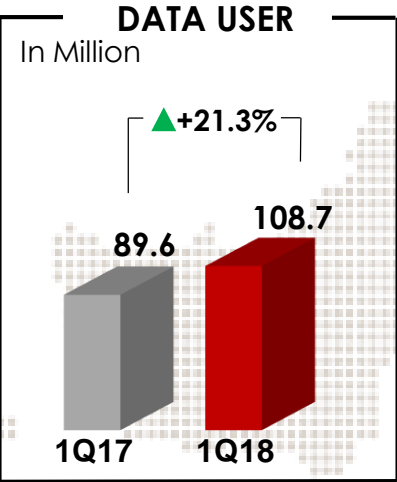
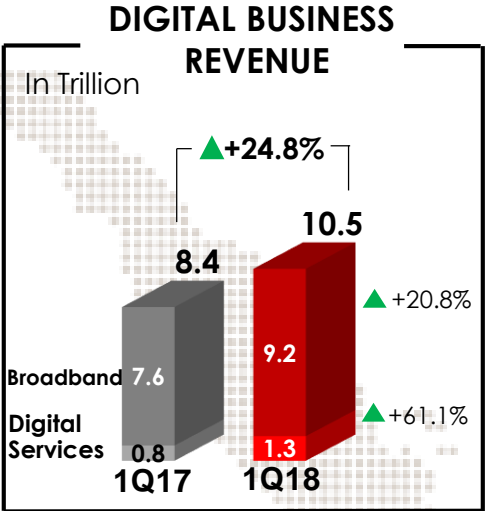


PERFORMANCE HIGHLIGHTS 1Q-2018

Continue to Focus on Digital Business

Engine of growth and accounted for 48% of Total Revenues

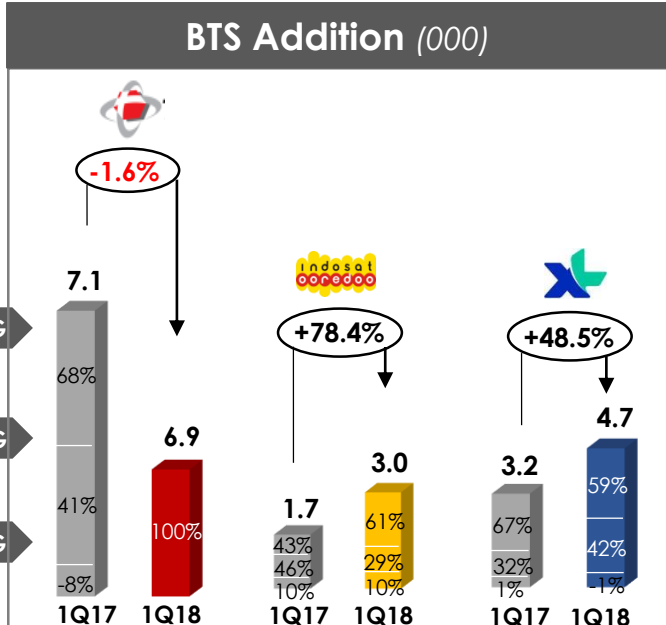
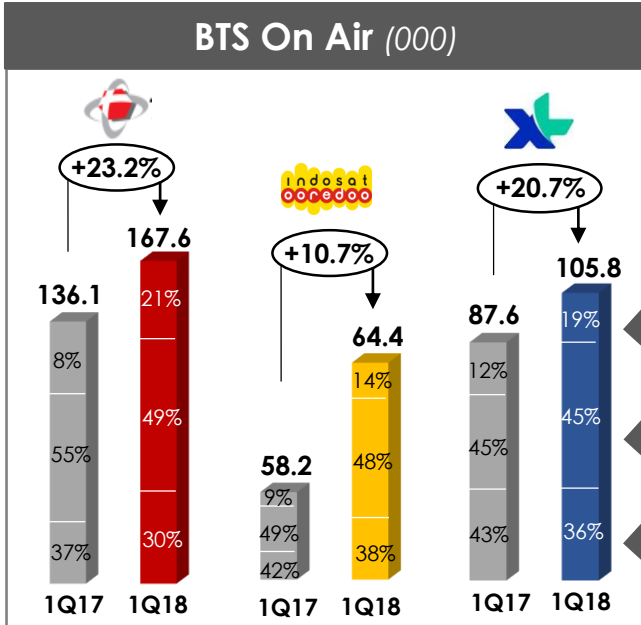
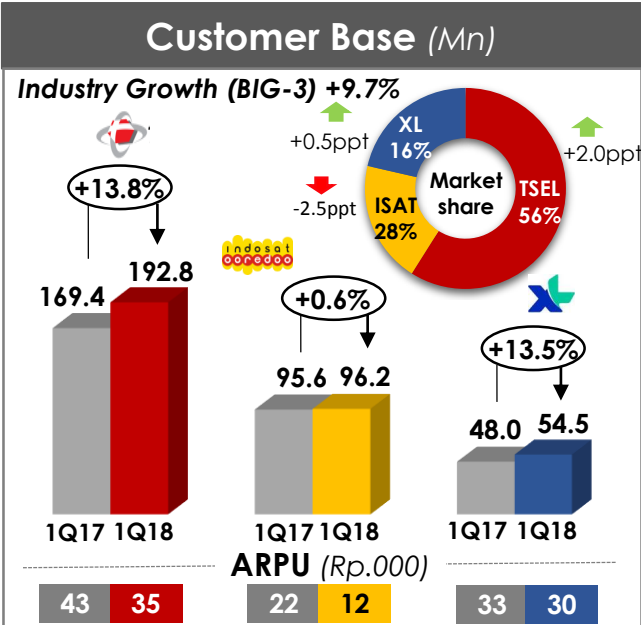
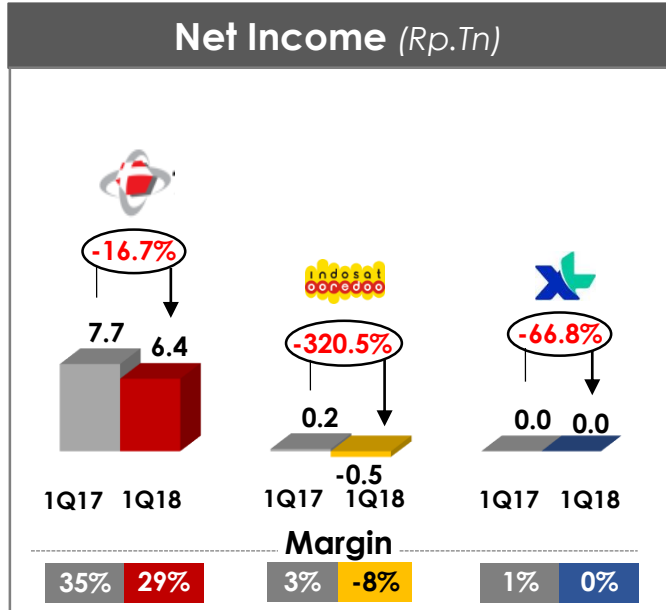
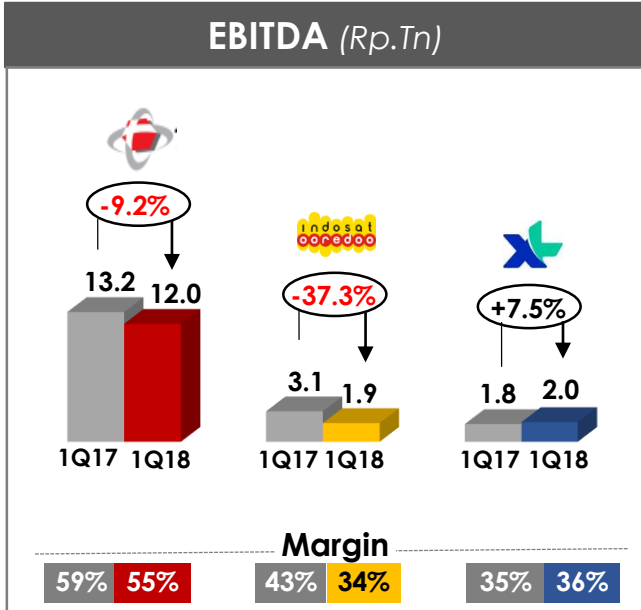
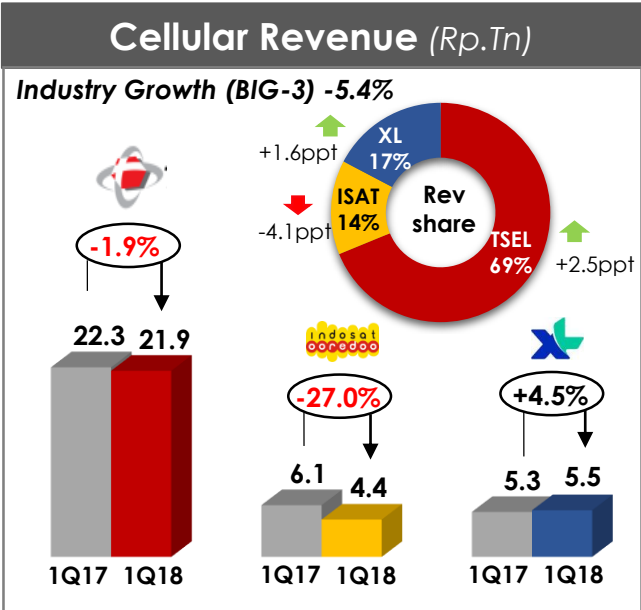
YEAR-ON-YEAR



Digital Business:



BIG 3 PERFORMANCE (1Q-2018 YoY)



2018 GUIDANCE

Revenue

Inline with or slightly above market growth

EBITDA Margin

Slightly decline compared to last year

CAPEX

Approximately 15-17% over revenue

BTS roll out

Focus on 4G roll out

Indonesia Digital Trends



Indonesia – An emerging market with digital growth potential

By going digital, Indonesia can unleash the next level of economic growth – to the tune of \$ 150 Bio in annual economic impact by 2025

In 2017, invested money in Start Up

\$ 2,932 Mio

rising **60x** larger than 2016

Start Up Market

+38% E-commerce industry growth for the last 4 years

\$7.1 Bio Total E-Commerce Sales reached in 2017

>230 Financial Technology (Fintech) players in Dec 2017



*source:
CBInsights (Sept'2017), DBSInsight (2018),
Katadata (2018), McKinsey&Company
(Oct'2016), Fintech Indonesia (2018)

TELKOMSEL Digital Initiatives



TELKOMSEL Continued To Transform All Aspects Of The Digital Business

To Become A Digital Telco Company And Leading Mobile Digital Business

Digital Lifestyle

Video



Music



Games



Tcash Tap & QR



Digital Business Solutions

Big Data



Internet of Things



Digital Advertising



Enterprise Solutions



Digital Channel

MyTelkomsel Apps



Telkomsel.com



LOOPKita Apps



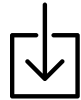
MyTelkomsel App becomes the best selfcare app in Indonesia and will focus to expand from only feature delivery to business driven execution

WHAT WE HAVE DONE

ACHIEVEMENTS



The Best Customer Self Service App (Selular Award 2018)



53.5 Mio
Downloaders



11.6 Mio
Active User



3.7 Mio
Package User

KEY MILESTONE



Future Package Activation



Buy Package using TCASH



Transfer Credit



Multi MSISDN



Game Voucher



QR Code Scanner

STRATEGY & INITIATIVES

- **FEATURES AND UI/UX** Continue Improve MyTsel UI/UX based on UI/UX heuristic benchmarks
- **TACTICAL TRADITIONAL CHANNEL ACTIVITIES** through traditional channels (Grapari, UMB, Email etc) and tactical events
- **PRODUCT AND OFFERS** Offering introductory products and personalized Offers to drive app adoption
- **PARTNERSHIP** collaboration with 3rd parties to give more Values.
- **DIGITAL MARKETING** drive awareness and engagement on digital marketing channel
- **TECHNOLOGY AND CORE PLATFORM** enhance scalability, capability and performance at current technology infrastructure



Video - The strategy is to increase relevancy and utility of VideoMAX and shift portion of video payload into VideoMAX

WHAT WE HAVE DONE



Launched Maxstream on 5 Jun'18



Maxstream is a video application that features thousands of movies, TV shows and Cartoons as well as offers wide range of attractive VideoMax package

Partners

Present:

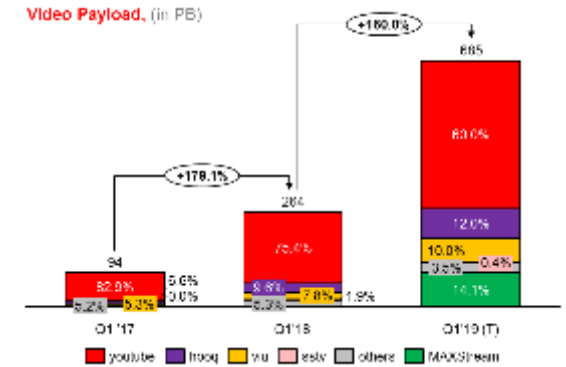


Next:



STRATEGY & INITIATIVES

- With **MAXStream capability to playout**, portion of youtube is expected to go lower. **MAXStream to contribute 14% of video payload in Q1'19**



- By increased of **utility of VideoMAX** and numbers of MAXStream users, it becomes **opportunity for us to monetize thru add-on package**



- Engagement with device manufacturer, smartTV, and setup box** will be established as well



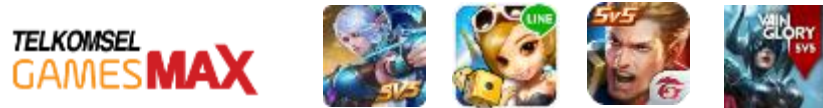
GAMES - Telkomsel Plays In Payment, Direct Distribution, E-Sport And Media Along The Game's Value Chain

WHAT WE HAVE DONE

A. Telco Billing..



B. Dataplan Bundling..



C. Platforms - Dunia Games..



D. E-Sport..



Event

Stadium

Team

STRATEGY & INITIATIVES

A. Payment

- Provides payment infrastructure for moving cash into the game ecosystem.



B. Direct Distribution

- Distribute games and its items to the users.



C. Marketing and Media | Media

- Create or distribute media content



D. Marketing and Media | e-Sport

- Organize, host and market gaming tournaments online and offline



LangitMusik - Has introduce Multimedia experience through video

WHAT WE HAVE DONE



A. Langit Musik

- Introduce Multimedia experience through Video on LM (Live Streaming and Interactive)



B. MusicMax

- Introduce Data Quota special to access Music Apps
- Expand to Bundle with Premium (Joox VIP+1GB)



C. RBT

- Maintain positive YoY growth on Digital Era
- Introduce various RBT improvement : Pricing, Smart Campaign, etc.

STRATEGY & INITIATIVES

A. Langit Musik

- Continue to enhance LM platform with introduce : UGC capability, distribute to 3rd Party, etc.
- Start to monetize through new revenue stream: Ads, In Apps Purchase, Pay Per View, etc.

B. MusicMax

- More partnership with Global Partner (Spotify, Tidal, etc)
- Modify Quota with bundle All Access Data

C. RBT

- Introduce Video RBT to bring RBT to Digital Era
- Develop UGC capability on RBT to acquire more millennials user.

**THANK
YOU!**

