

CORPORATE PRESENTATION 9M22

PT Dayamitra Telekomunikasi Tbk





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MITRATel COMPANY HIGHLIGHT

Fastest Growing Tower Operator in Indonesia



Independent TowerCo with
28% of public ownership with
**Potential Adjacent Business
Opportunity**



**Resilient to Global
Macroeconomic Exposure &
Room for Growth**
with 1,7x Net-Debt to EBITDA



Excellent investment grade
rating from PEFINDO with
**idAAA rating with stable
outlook** and included in FTSE
Global Equity, IDX80,
KOMPAS100, IDX ESG LEADERS,
and ISSI Index.



Industry Leading Growth
with 5-year Revenue & Tower
CAGR **14% & 26%**
respectively



Blue-chip customer base
anchored by Telkomsel, the
largest MNO in Indonesia
with c.48% market share²⁾



The Biggest TowerCo in the
Region with 35,051 towers
Nationwide Dominantly in
**Highly Attractive &
Strategic Location** Outside
Java



Notes:

- 1) CAGR = Compound Annual Growth Rate : CAGR 2017–2021
- 2) According to Counterpoint Research as of 1H-2022

MITRATTEL OWNERSHIP

Mitratel is a subsidiary of Telkom Indonesia. One of the largest telecommunication company in Southeast Asia and a prominent State-Owned Enterprise in Indonesia



Foreign

Public Shares Ownership

62,8%

37,2%



Domestic

SWF Ownership

Among the list of reputable institutional investors owning MTEL shares, Sovereign Wealth Fund (SWF) from **Indonesia (INA)**, **Singapore (GIC)**, and **UAE (ADIA and ADGF)** owns the majority of public shares

INA
5,98%

ADIA
(<5%)

GIC
5,73%

ADGF
(<5%)



Total Shares

83.515.452.844



Public Shares

23.493.524.800



IPO Date

22 November 2021

Notes:

As of 30 September 2022. Based on data from Indonesia Securities Depository and Settlement Institution (KSEI)

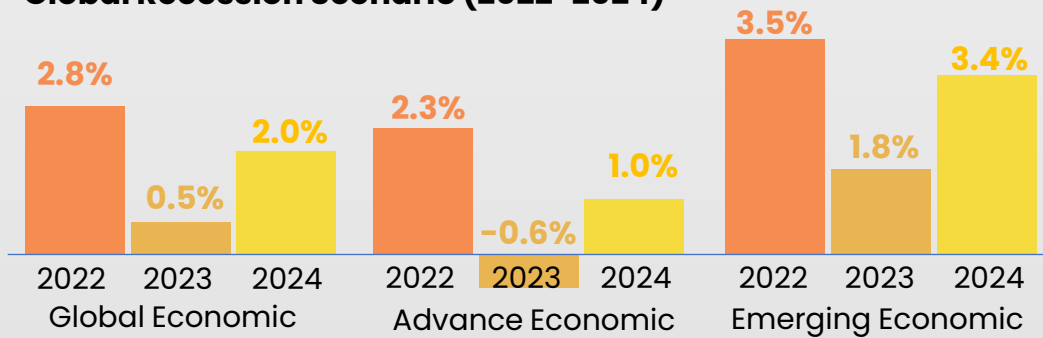
Industry Outlook Global and Regional

PT Dayamitra Telekomunikasi Tbk

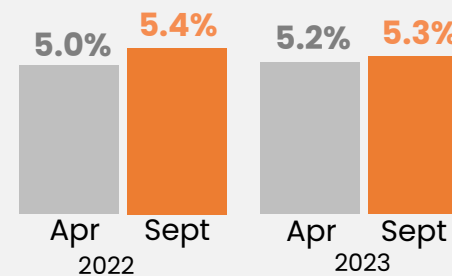


The World Bank in a research report entitled "Is a Global Recession Imminent" said that geopolitical conflicts, spikes in commodity prices, inflationary waves, and various conditions that occurred this year put the global economy at risk of recession.

Projected Annual Economic Growth in the Global Recession Scenario (2022–2024)



Indonesia GDP Forecast



The Indonesian economy is estimated to grow 5.4% in 2022 and 5.3% in 2023. Inflation is projected to rise significantly in 2022 and remain high during 2023.

Assumptions of the 2023 State Budget

	Economic Growth (%)	Inflation (%)	KURS (IDR/US\$)	Interest Rate (%)	Oil Price (US\$/barel)	Oil Lifting (rbph)	Gas Lifting (rbsmph)
RAPBN 2023	5.3	3.3	14,750	7.9	90	660	1,050
Outlook 2022	5.1 – 5.4	4.0 – 4.8	14,500–14,900	6.85 – 8.42	95 – 105	625 – 630	956 – 964



State Income

Rp 2,463 T



State Spending

Rp 3,061 T



Budget Financing

Rp 598 T

"The state budget (APBN) will continue to be designed to be able to respond to changes in the risks and dynamics of the economy, both global and then seep into our country. Our 2023 economy is optimistic but vigilance is very high"

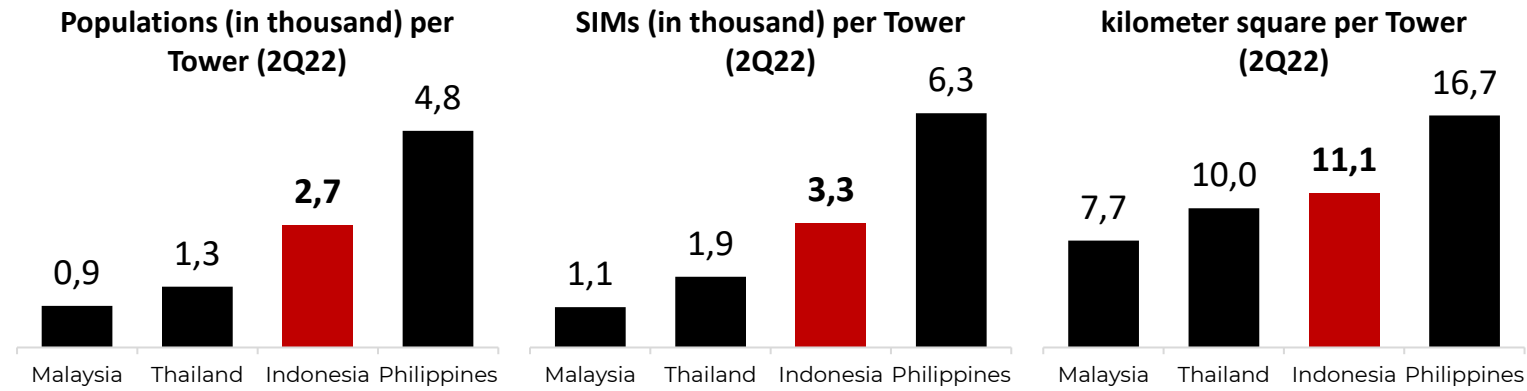
– Sri Mulyani, Minister of Finance of Indonesia –

Notes:

Source: World Bank (2022), Asian Development Bank (2022), Kemenkeu (2022)

REGIONAL TOWER MARKETS

Indonesia has one of the lowest tower densities among benchmark countries and more sites are expected to be required going forward for network expansion



Source: Kearney, TowerXchange, Analysys Mason Research

Indonesia 5G Implementation Update

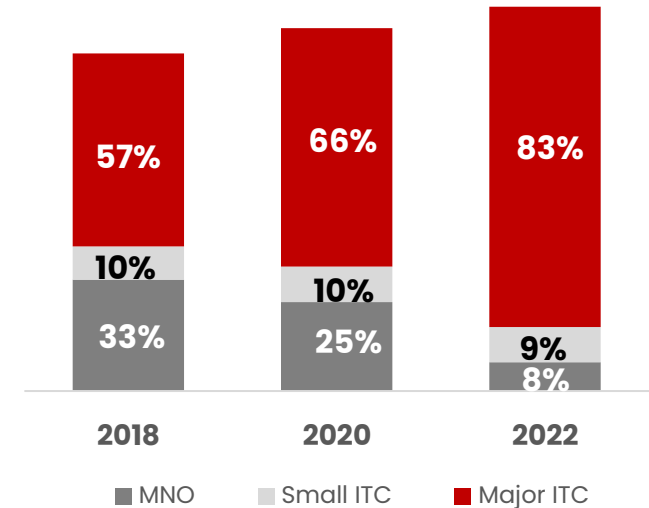


Through KOMINFO's press statement, Telkomsel managed to outperform XL Axiata at the 2.1 Ghz Frequency Auction. The selection of the 2.1 GHz frequency band aims to optimize the radio frequency spectrum in order to increase the capacity of cellular mobile networks, improve the quality of cellular mobile network services and support the implementation of 5G and digitalization in Indonesia. (Oct 2022)

Notes:

Source: IEEEAccess, Capacitymedia, Kominfo PERS, Kontan.co.id

Market share by tower ownership



Towerco in Indonesia is increasingly aggressive in developing its portfolio through inorganic activities. This is also influenced by the opening of foreign investment policies, one of which is the entry of big Asian players eDotco and new entry (edge point infrastructure) through consolidation of tower assets.

Performance Highlights 9M 2022

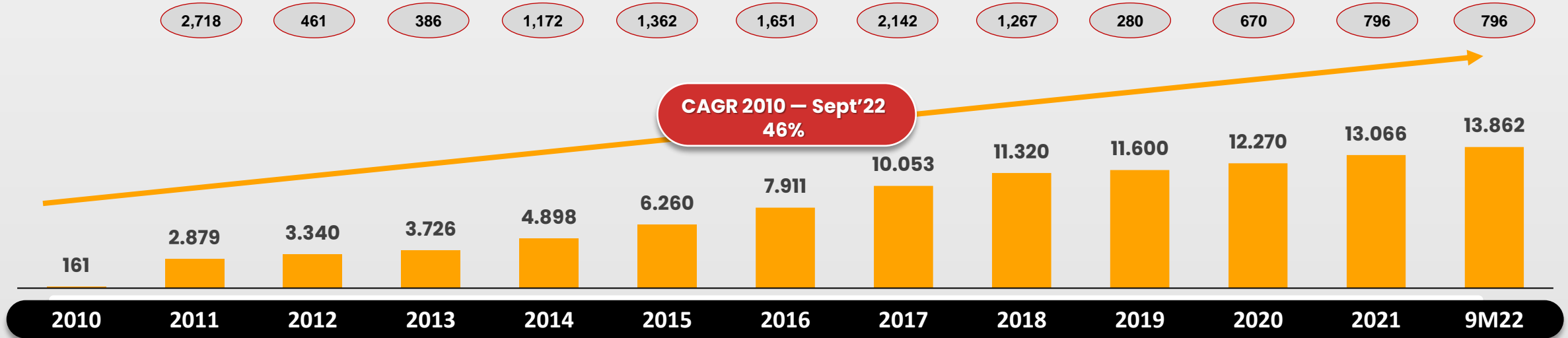
PT Dayamitra Telekomunikasi Tbk



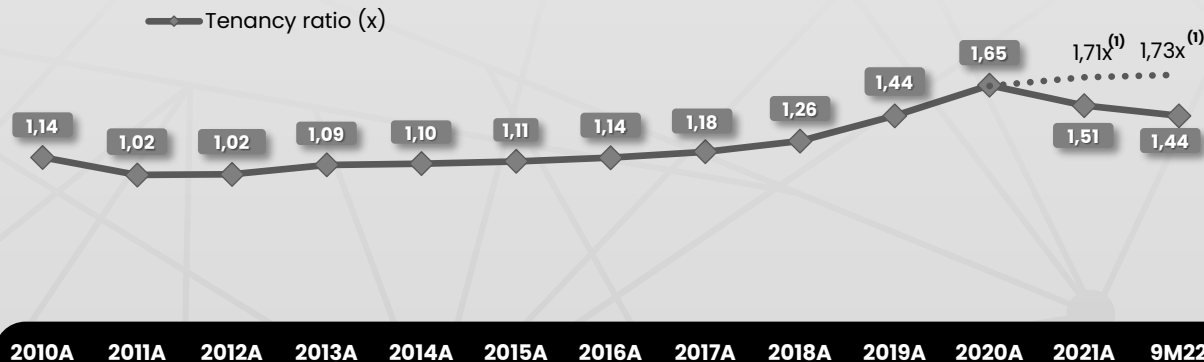
MITRATEL PROVEN TRACK RECORD



Track record of organic growth in built-to-suit towers



Proven execution track record of growing colocations on our portfolio



Significant colocation potential on current tower portfolio



Aggressive tower growth, driven by **organic growth CAGR 2010 - 9M22 of 46%** and as the **biggest tower consolidator** in Indonesia with the acquisition of 20K towers since 2019



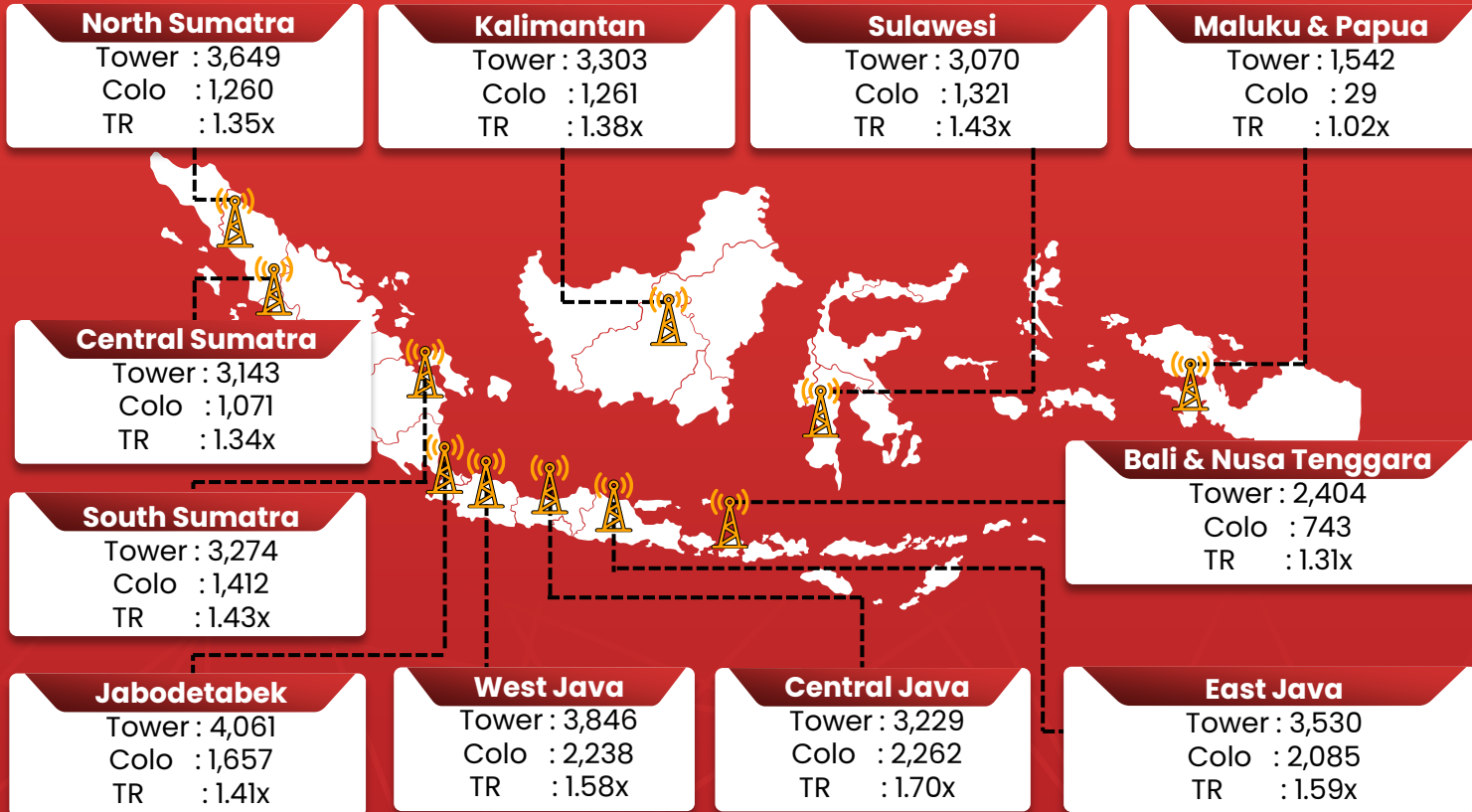
Currently 1.44x tenancy ratio with 25K single-tenant towers as **opportunity for colocations growth**

Notes:
1. Excluding the acquisition of 4,139 sites from Telkomsel in 1H 2021, 4,000 sites from Telkomsel in 9M2021, and 6,000 site from Telkomsel in 9M2022.

OPERATIONAL HIGHLIGHTS



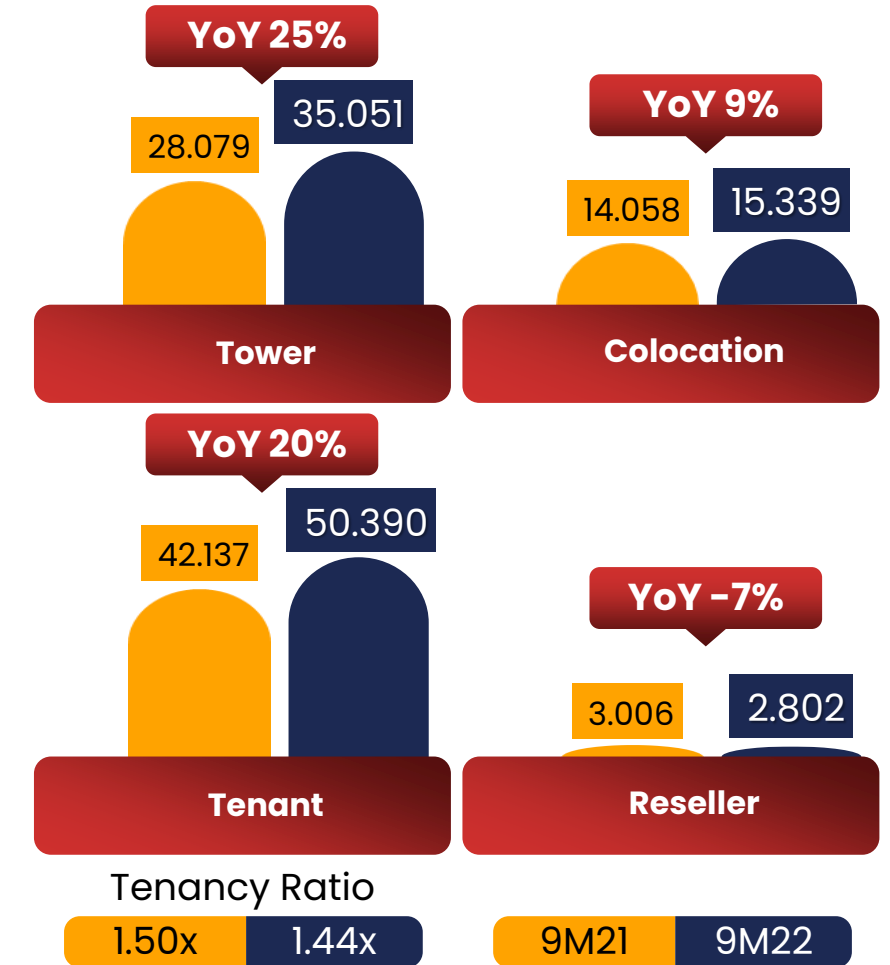
We have the largest tower portfolio in Indonesia spread across strategic locations. The key to the company's fundamental growth will be driven by the 25K towers which has low tenancy towers by adding collocations and increasing the tenancy ratio.



	# of towers	% portfolio	Low Tenancy Tower	Tenancy ratio
Tower network in the Java region	14,666	42%	9,496	1.56x
Largest tower network in the ex-Java region	20,385	58%	15,433	1.35x



Tower and tenant growth is the highest in Indonesia driven by strong organic development and smart inorganic activities



EM

75.7%

78.5%

YoY 12%

5.027

5.607

YoY 16%

3.806

4.402

YoY 18%

1.039

1.227

Revenue

EBITDA

Net Income

9M21

9M22

(in IDR bn)

NIM

20.7%

21.9%

Operational Performance 9M2022



**6,845
New Tower**

(Total Tower 9M22 : 35,051)



**7,796
New Tenant**

(Total Tenant 9M22 : 50,390)



5,872 km

(41% from actual demand of fiber 14,2K km)

9M21

9M22

Tower Leasing

- Revenue increased by 17% to Rp4,590 trillion driven by sustainable growth of tower & colocation lease revenue, including from tower acquisition of TELKOMSEL in Juli 2022.
- Focus on further growing the site leasing business through organic growth, and identifiable inorganic growth

from
78%

to 82%
of
revenue

YoY 17%

3.924

4.590

Reseller

- Revenue decreased by -15% YoY to Rp485 billion during the period driven by tower reseller acquisition of 798 towers from Telkom in August 2021 which move existing reseller revenue from related tower to tower owned revenue.

from
11%

to 9%
of
revenue

YoY -15%

572

485

Tower Related Business

- Revenues of Rp531 billion, or slightly higher by 0.1% from the same period last year as we more selectively capture tower related opportunities with a higher margin
- Future plans to expand Tower Related Businesses include fiber, small cells, and infrastructure solutions for the 5G network

from
11%

to 9%
of
revenue

YoY 0%

531

531

EXPENSES

YoY 14,5%

2.940

3.367

Total Expenses
(OPEX + DA)

YoY -1,3%

1.221

1.205

Operating
Expenses

YoY 25,7%

1.719

2.162

D&A

- Mitratel successfully managed to keep **Planning and O&M Towers** cost growth (6%) far below tower leasing revenue growth (17%) while still **prioritizing quality of service and maintenance**.
- Construction and PM** decreased due to **TSA project business changes to agent scheme**.
- G&A** increase due to **investor engagement program and public related activities carried by the Company**.
- Mitratel has succeeded in carrying out an **organizational transformation** by refocusing more on **customer-centricity**, as seen in the increase in **Employee compensation expenses**.
- Others cost** include tower partnership cost, allowance of expected credit loss, etc. **decrease** mainly due to **reduction in old aging AR and changes in tower partnership expense to amortization**.
- Depreciation & Amortization** mainly increase due to high tower growth from **organic development and inorganic activity**

9M21

9M22

(in IDR bn)

Operating Expenses

D&A

YoY 5,6%

338

356

Planning and
O&M Towers

YoY -3,8%

454

437

Construction &
Project Management

YoY 20,4%

152

183

General and
Administrative

YoY 2,5%

194

199

Employee Compensation
Expenses

YoY -64,2%

84

30

Others

YoY 28,6%

917

1.179

Depreciation

YoY 22,5%

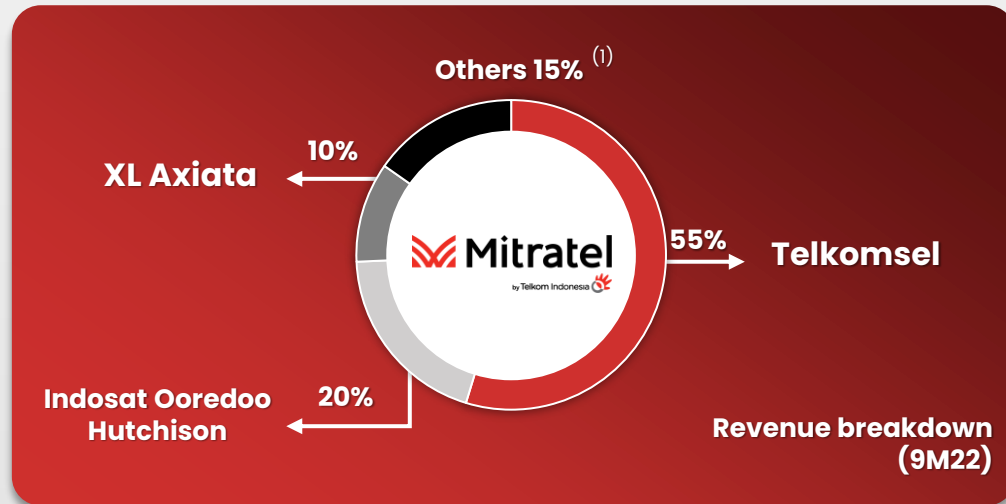
802

983

Amortization

HIGH QUALITY CUSTOMERS WITH SIGNIFICANT BACKLOG

85% of revenue from the largest MNOs in Indonesia underpinned by a strong anchor tenant



Mitratel benefits from Telkomsel as an anchor tenant

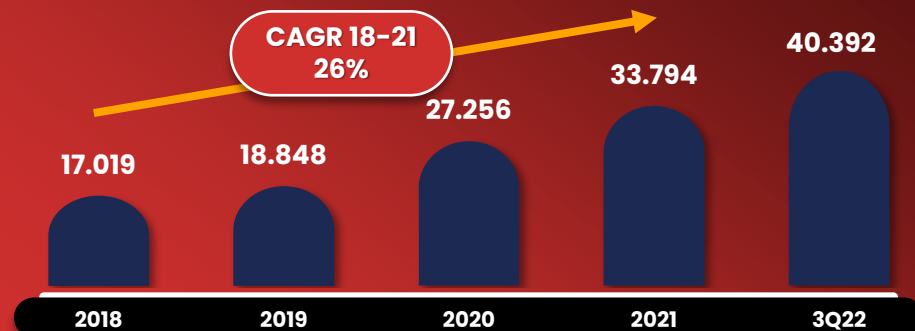


One of the largest wireless operators globally with c.48% subscriber market share in Indonesia

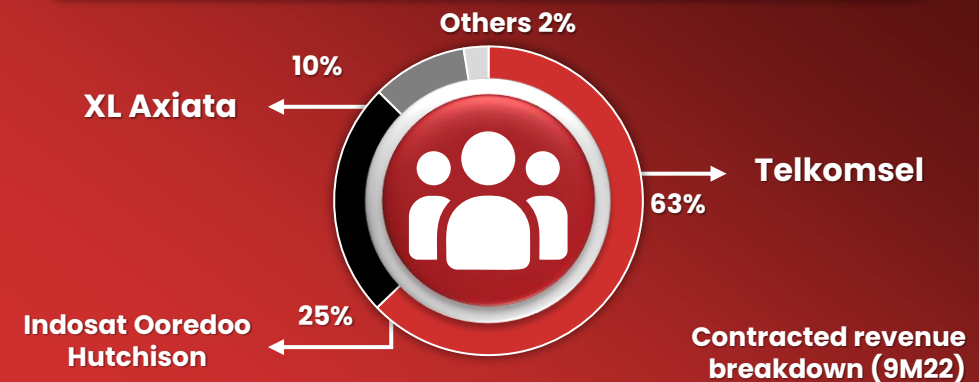


Widest network coverage in Indonesia. Reaching more than 96% of Indonesia population⁽²⁾

Strong future revenue visibility...



... backed by high quality customers

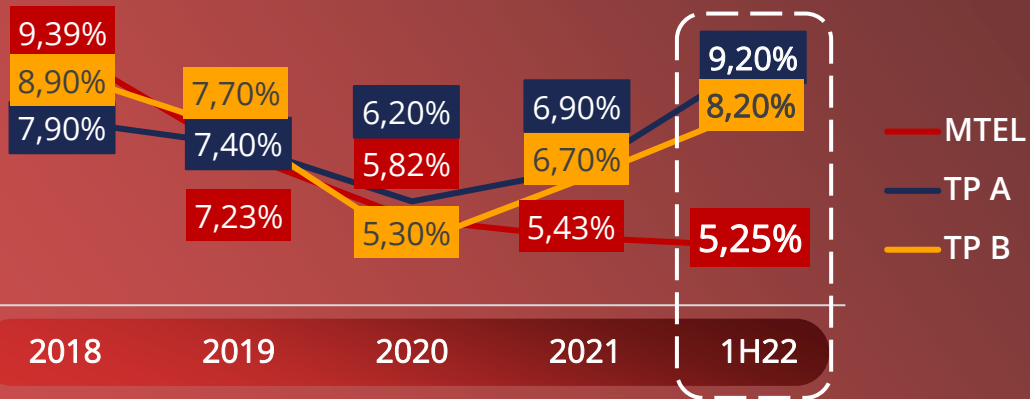


Notes:

1. Includes managed services provided to Telkom
2. According to Telkom 2021 Annual Report

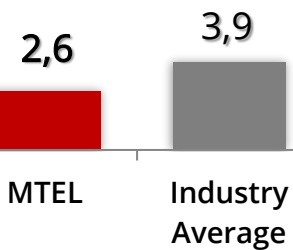
Successfully lowered Cost of Debt

Adjusted Cost of Debt⁽²⁾

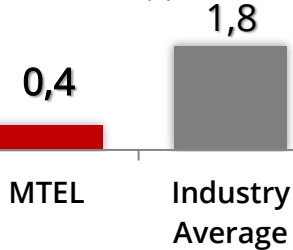


Better leverage profile than industry average in Indonesia

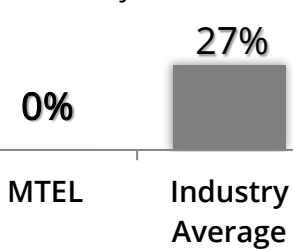
Debt to EBITDA¹⁾ (x)



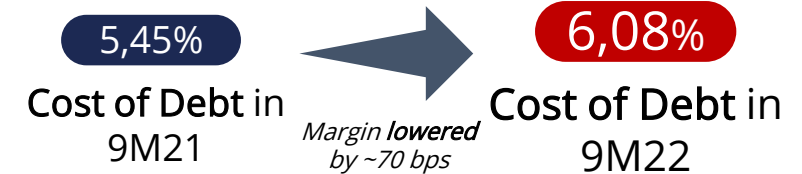
Debt to Equity Ratio¹⁾ (x)



% of Foreign Currency Debt¹⁾



Successful management of Debt amidst raising interest rate environment



O&M cost is considered to best-in-class standard

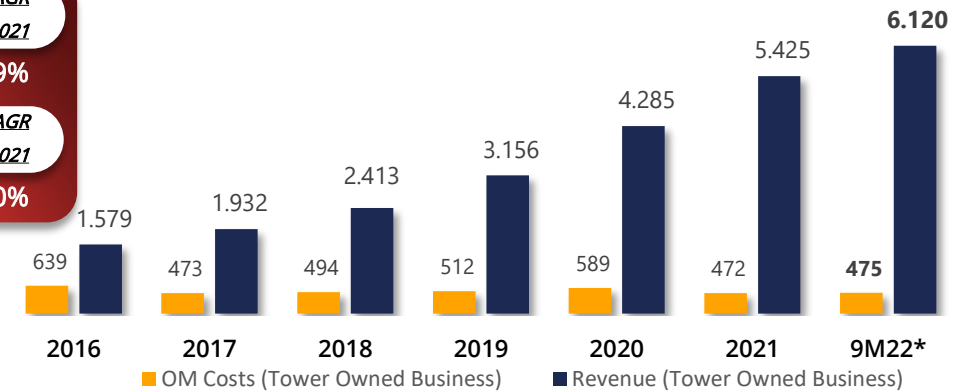


OM Costs CAGR 2016-2021

-5.9%

Revenue CAGR 2016-2021

28.0%



Notes:

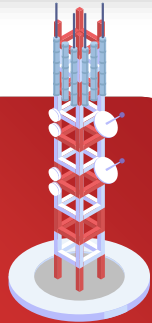
* Annualized 9M22 figures

(1) Based on Top 3 Indonesia TowerCos 1H22 Financial disclosure

(2) Adjusted figure based on 6k TSEL tower acquisition OM cost

Tower Leasing

Focus on organic net add to capture market demand both on MNOs' coverage and capacity improvement rollout plan



Project Solution

A tower related services that offering one stop solution services including tower related solution, fiber optic solution, CME solution.



Managed Service

The portfolio provides management of active & passive telco & non-telco infrastructure.

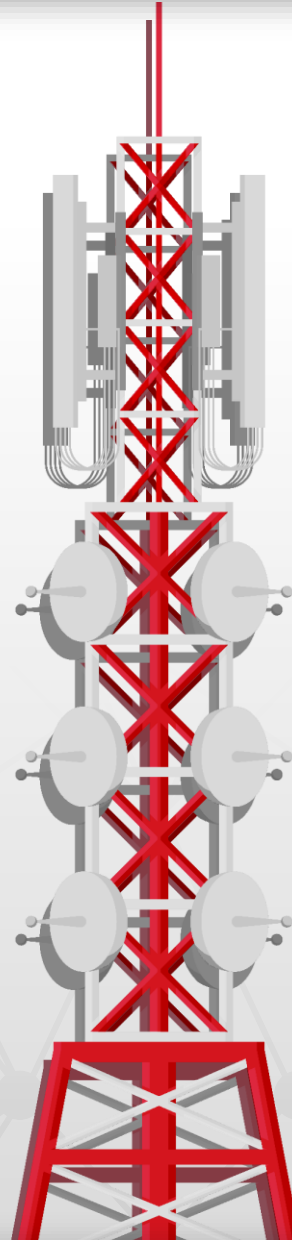


Fiber Optic

Capturing Fiber Optic demand from MNOs and FTTM to improve their network capacity improvement planning



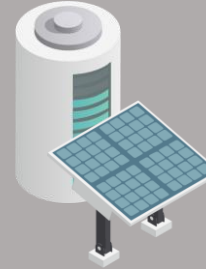
Portfolio Existing



Business Initiatives

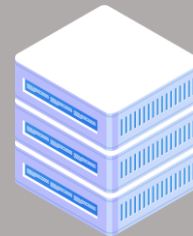
Power to Tower Solution

Prepare for Energy management solution to be implemented in Q4-2022 and do a cherry-picking strategy



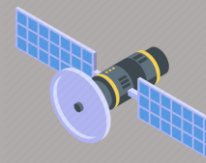
Edge Infra Solution

Monetize edge computing and IOT business potential following the success of the Proof-of-Concept trial

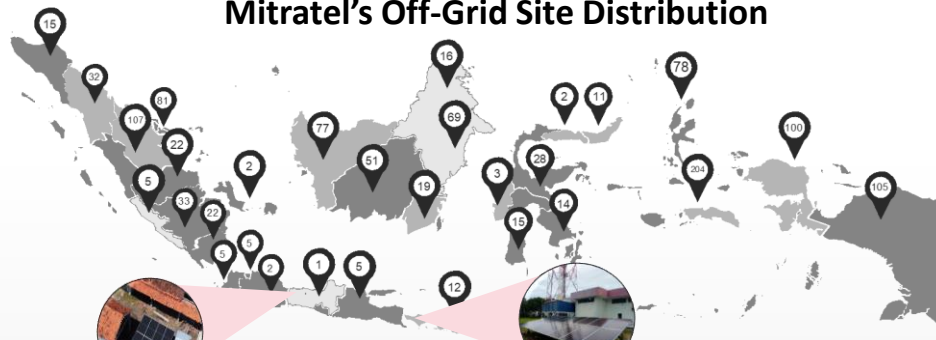


Satellite Connectivity

Grab connectivity demand in the rural and selected areas to complement the tower leasing business



Mitratel's Off-Grid Site Distribution

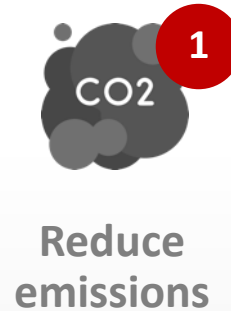


	# of towers	% portion
On Grid Site	33.354	95,2%
Off Grid Site*	1,697	4,8%

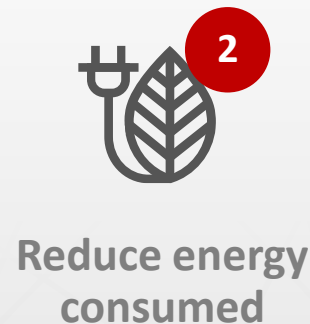
Mitratel Tower	
Tower Mitratel	33.354
Tower Off Grid	1.697
Site with SPS (Renewable Energy)	615

The Indonesia Stock Exchange (IDX) evaluates the IDX ESG Leaders index where the shares of Mitratel are included in the list of new members of the IDX ESG Leaders index which will take effect on September 21, 2022.

The inclusion of MTEL in the IDX ESG Leaders share list further strengthens the company's vision and mission in environmental preservation, social care, and good governance (GCG).



CO₂ emission dropped by 15% YoY. Substitute diesel with renewable energy (e.g., solar panel, wind turbines, etc.), especially in off grid and bad grid sites



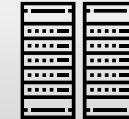
Drive energy efficiency and reduce electricity consumption by utilizing smart energy management (i.e., IoT sensors)



Replace Valve Regulated Lead Acid (VRLA) battery with Li-ion battery (more superior in terms of lifespan and energy consumption) in 320 sites across Indonesia

GUIDANCE FOR 2022 (updated)

12%
Revenue Increase



2.5K
Colocation Add

15%
EBITDA Increase



1K Organic & **6K** Inorganic
Tower Add

14Tn
CAPEX Plan



9K KM
Fiber Optic Deployment



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