

CORPORATE PRESENTATION 1Q23

PT Dayamitra Telekomunikasi Tbk




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Our New Management Team and Our New Commissioners



Mitratel

by Telkom Indonesia 



BOARD OF COMMISSIONERS



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Commissioner and
Independent
Commissioner

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Frans



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Hartoko



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Officer

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Chief Commercial
Officer

Agus Winarno



Chief Operation
Officer

Hastining Bagyo
Astuti

BOARD OF DIRECTORS

MITRATTEL COMPANY HIGHLIGHT

Independent Fastest Growing Tower Operator in Indonesia

Biggest Tower Owner in SEA countries¹⁾

with 36,439 tower and high room for growth aligned with additional tenancy

Industry leading growth (YoY)

with Revenue 9.9%
EBITDA 16.2%
Net Income 9.1%

Resilient to Global Macroeconomic Exposure

with 1.43x Net-Debt to EBITDA and zero exposure to Foreign Exchange risks



Tower ecosystem consolidator champion

with the successful acquisition of ~21K tower²⁾ assets since 2019

Preferred Independent TowerCo

to accelerate MNO coverage expansion with ~45% market share³⁾

Growth in adjacent business driven by **fiber portfolio expansion with 26K Km has been deployed & owned**

Notes:

- 1) By number of tower owned
- 2) Including IOH tower acquisition in March 2023
- 3) Based on MNO roll-out in IQ 23

MITRATTEL'S SHAREHOLDERS

"The largest tower company in Southeast Asia and a prominent Public Company in Indonesia"



Public Shares Shareholders



60.4%

Foreign



39.6%

Domestic

SWF Shareholders

Reputable and big investors who also own Mitratel shares:

Indonesia (INA), Singapore (GIC), and UAE (ADIA & ADGF)

INA

5.98%

ADIA
(<5%)

GIC

5.65%

ADGF
(<5%)



Total Shares

83,539,294,344



Public Shares

23,517,366,300

The biggest Market Cap for TowerCo as of 31 Mar 2023 at Rp 58.9 Tn

Industry Trends

INDONESIA TELCO TRENDS FOR 2023 AND BEYOND



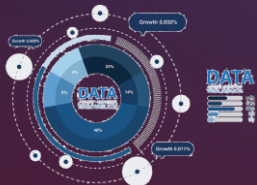
The Growing of Network Virtualization (NV) in MNO

Operating virtually will become key point of companies' growth. Well-designed infrastructure for NV is the foundation for efficient and flexible business operation (Infrastructure Hosting)



Wireless providers area competing for home broadband

Faster mobile and fixed wireless connections create more viable alternatives to wired connections and new opportunities for bundled service offerings and business models for service providers (FWA, FMC)



Meteoric Rise of Datasphere is Coming

Integrated database & massive migration to the cloud will only skyrocket the demand for data processing and storage. Therefore, the additional capital required for infrastructure, fiber, and data centers to support 561 MW in 2026 will be astronomical (Cloudification)



MNO In-Building Coverage Asset Divestment

Asset divestment mainly in network infrastructure has continuously become MNO focus, to prioritize the services to end customer. This opportunity has let non-MNO companies to provide in-building solution for the MNOs (IBS)



Rising interest in multi-access edge computing

MEC is a key enabler of 5G services and allows service providers to move compute and storage resources closer to the network edge, where they can be more effectively utilized by applications and end users (Edge Services)

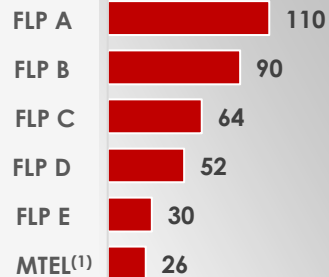


Private cellular networks over 5G

Private cellular networks are another area of focus for telecom operators, as they provide a way to deploy dedicated 5G network for specific industries or applications (5G)

TOWER INDUSTRY TRENDS

Fiber Competition Landscapes (thousand km)



⁽¹⁾ FTTT Only

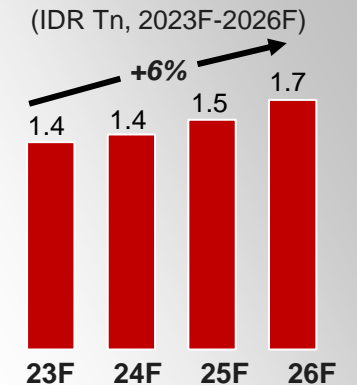
Fiber To The Tower

- FTTT remains the largest adjacent opportunity as MNOs look to fiberize their sites in the near term to address the increase in backhaul capacity requirement as data usage increases in Indonesia.
- This is evident from Mitratel's current order of 26,000km of fiber from MNOs – Mitratel should invest in this segment to capture more market share in the near term.

Power To The Tower

- Power To The Tower is a source of additional revenue, particularly for back-up provisioning on on-grid sites and primary power provisioning on off-grid sites.
- The indicative market size for PTTT is ~1.7 trillion at the end of 2026. This is a relatively nascent market and Mitratel has potential to establish itself as a dominant player.

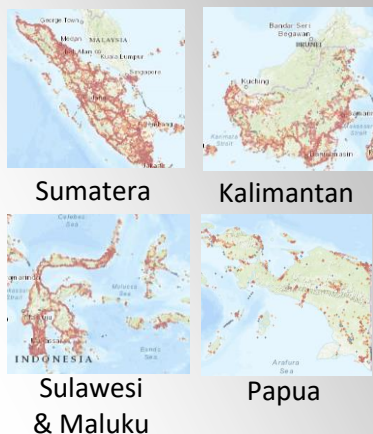
Power To The Tower Market Size (IDR Tn, 2023F-2026F)



Demand in Outside Java

- Non-Telkomsel MNOs will likely expand coverage in ex-Java in the coming years to compete with Telkomsel. We expect them to engage in colocation opportunities with TowerCos where possible to avoid the hefty costs of B2S towers.
- Mitratel, with its large portfolio of ex-Java towers, is well positioned compared to the other Indonesian TowerCos to serve future demand from MNOs.

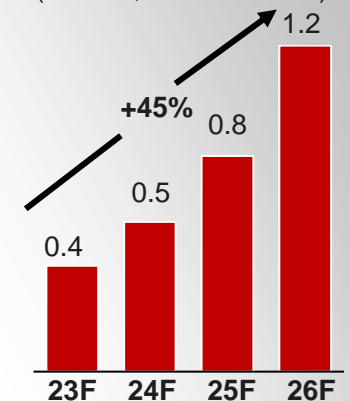
Tsel Coverage



Multiaccess Edge Computing

- Edge Hosting market in Indonesia is still nascent, however it is expected to grow rapidly in the next 3 years by ~45%.
- MTEL as a neutral host, will share edge computing, which converged with 5G standalone implementation, and will drive operational efficiency to MNO regarding hardware and platform investment and colocation margin dilution.

Edge Hosting Market Size (IDR Tn, 2023F-2026F)

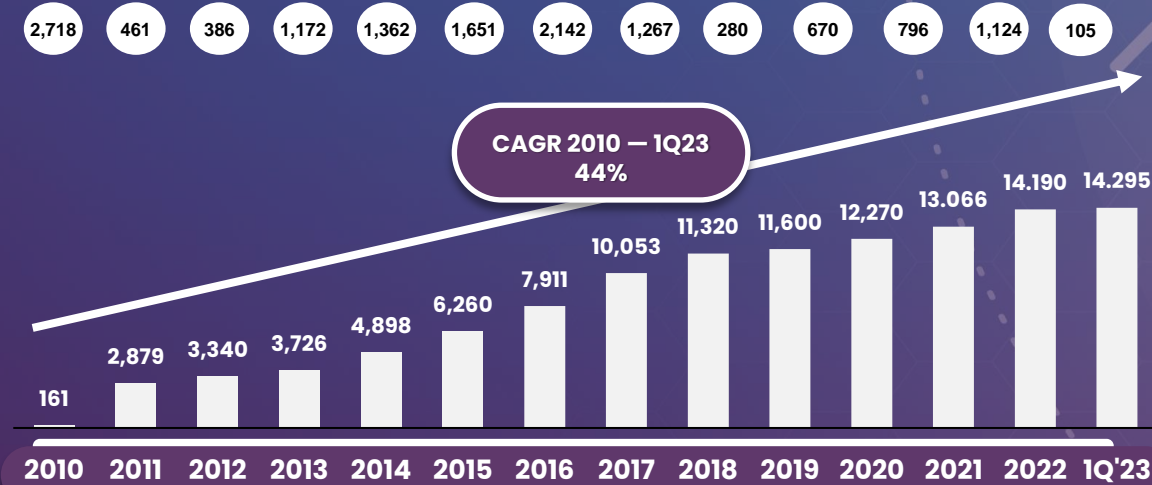


Performance Highlights 1Q23

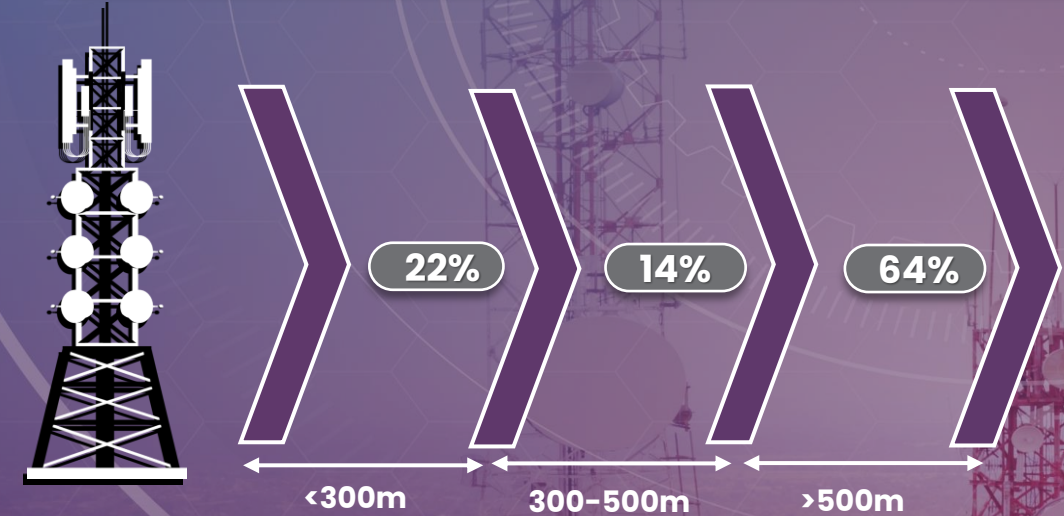
MITRATTEL PROVEN TRACK RECORD



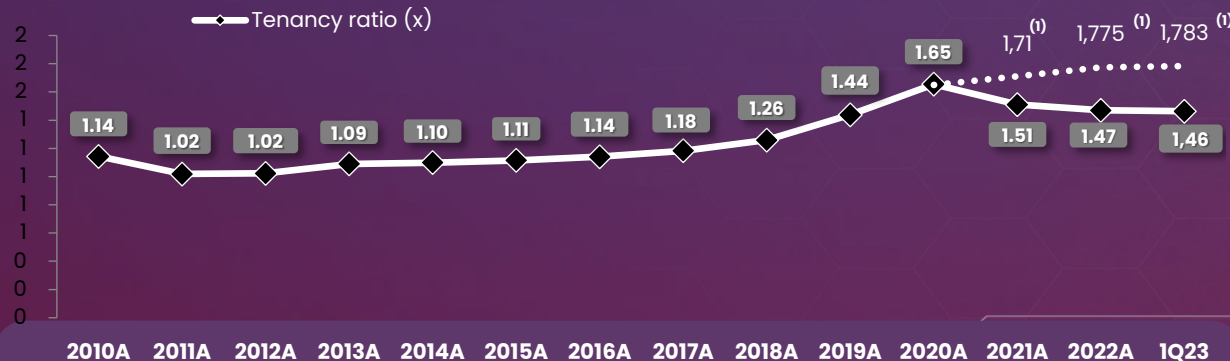
Track record of organic growth in built-to-suit towers



Strategic tower locations and not close to each other



Proven execution track record of growing colocations on our portfolio



Notes:
1. Excluding the acquisition of 4,139 sites from Telkomsel in 1H2021, 4,000 sites from Telkomsel in 9M2021, 6,000 site from Telkomsel in 9M2022, and 997 site from IoH 1Q2023.



Significant colocation potential on current tower portfolio



Aggressive tower growth, driven by **organic growth CAGR 2010 – 1Q23 of 44%** and as the **biggest tower consolidator** in Indonesia with the acquisition of 22K towers since 2019



Currently 1.46x tenancy ratio with 26K single-tenant towers as **opportunity for colocations growth**

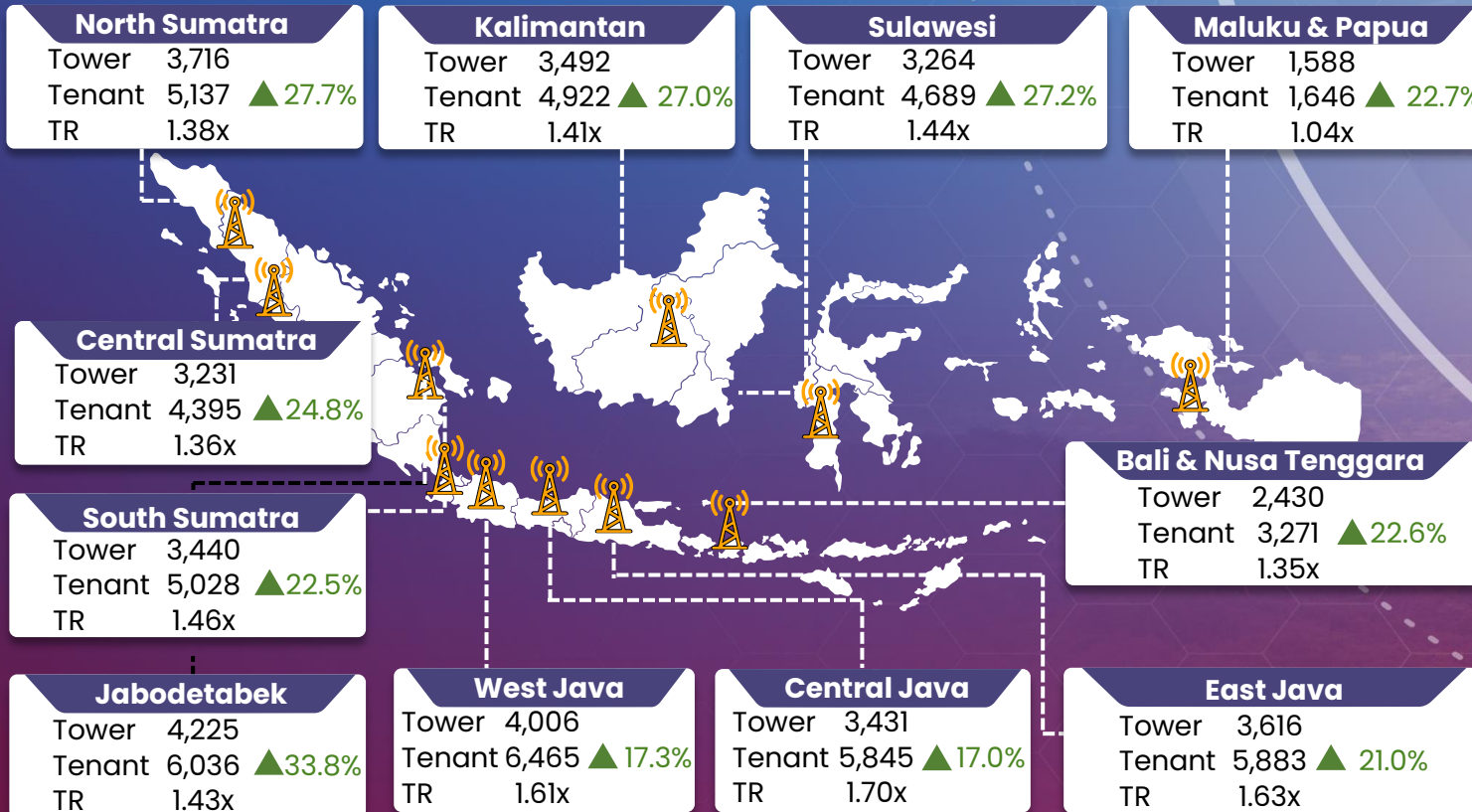


Of the 36K Mitratel towers, there is potential for colocation of MTEL towers as many as **5K potential sites for TSEL**, **25K sites for IOH**, **30K for XL** and **34K for Smartfren**

OPERATIONAL HIGHLIGHTS



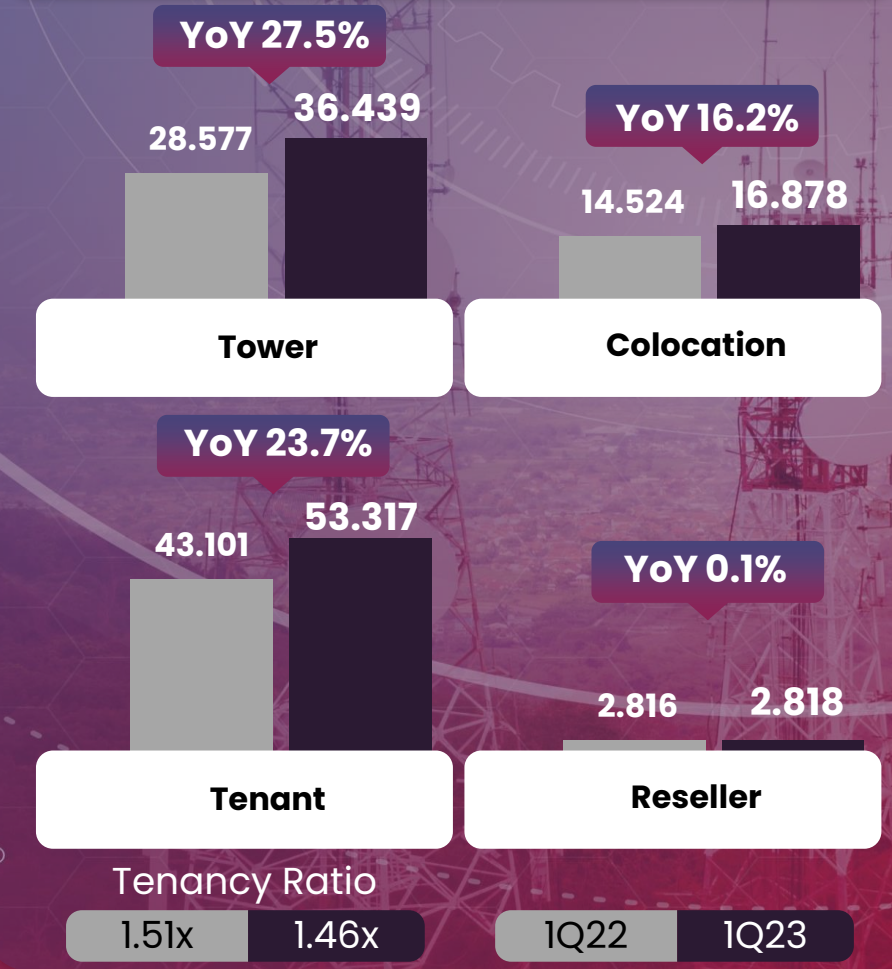
We have the largest tower portfolio in Indonesia spread across strategic locations. The key to the company's fundamental growth will be driven by the 58% towers in ex-java by adding colocations and increasing the tenancy ratio



	# of towers	% portfolio	Tenancy ratio
Tower network in the Java region	15,278	42%	1.59x
Largest tower network in the ex-Java region	21,161	58%	1.37x



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



PERFORMANCE HIGHLIGHTS

Financial Performance 1Q23

EM

77.1%

81.5%

NIM

24.6%

24.4%

YoY 9.9%

YoY 16.2%

YoY 9.1%

1.870

2.055

1.442

1.676

459

501

Revenue

EBITDA

Net Income

1Q22

1Q23

(in IDR bn)

Operational Performance 1Q23



**1,021
New Tower**

(Total Tower 1Q23 : 36,439)



**1,311
New Tenant**

(Total Tenant 1Q23 : 53,317)



25,509 km

(19.5K km Organic and 6K km Inorganic)

HIGH-GROWTH TOWER BUSINESS REVENUES

Tower Leasing

- Revenue increased by 18.8% to Rp1,739 trillion driven by growth of tower & colocation lease revenue, including from IOH towers acquisition in 1Q23

1Q22

1Q23

(in IDR bn)

from
79%

to 85%
of
revenue

YoY 18.8%

1,464

1,739

Reseller

- Revenue decreased by 12.6% YoY to Rp154 billion during the period driven by renewal of reseller contract

from
9%

to 7%
of
revenue

YoY -12.6%

176

154

Fiber

- Revenue increased to Rp34 billion during the period driven by organic deployment of Dark Fiber as well as inorganic action.

from
0%

to 2%
of
revenue

0

34

Tower Related Business

- Revenues of Rp128 billion, or decreased by 44.3% from last year as we more selectively capture tower related opportunities with a higher margin

from
12%

to 6%
of
revenue

YoY -44.3%

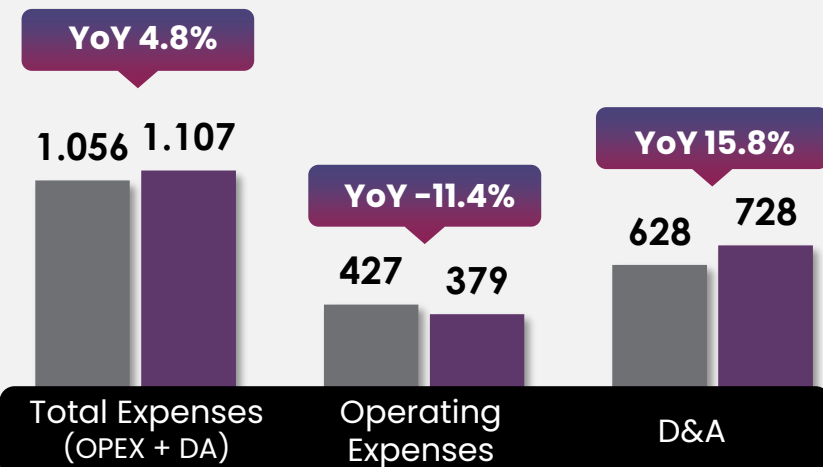
229

128

MANAGEABLE EXPENSES

1Q22

1Q23

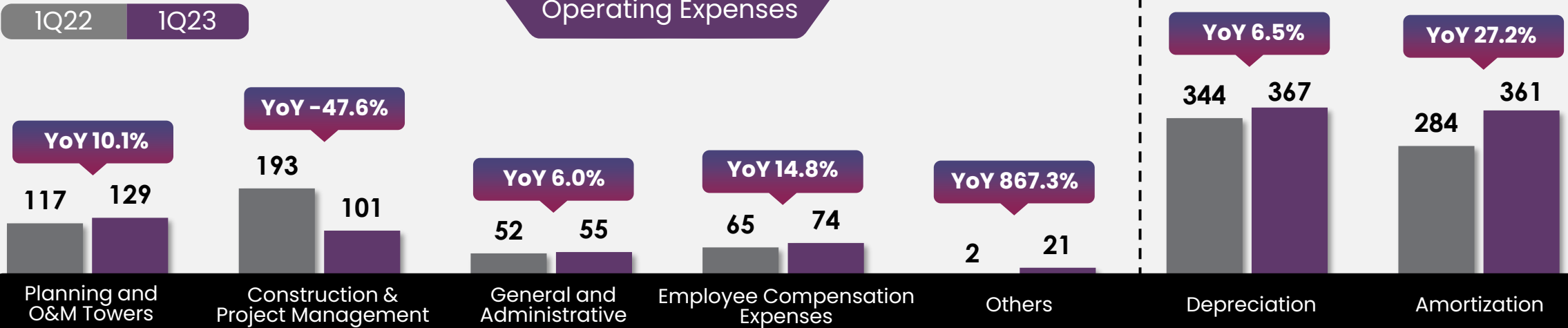


- **Planning & O&M towers increased 10.1% aligned with addition of tower**, Mitratel successfully managed expense growth far below the growth in tower leasing revenue
- **Construction and PM decreased by 47.6%** in line with the company's strategy to be more selective in capturing Tower Related Business with better profitability
- **G&A relative stable at 6.0%** driven by the Company's program to maintain efficiency of indirect cost
- **Employee compensation increased by 14.8% YoY** due to increase of employee take home pay aligned with inflation, tax incentive, change in tax rates and employee holiday allowances
- **Other costs increased 867.3%** mainly due to alignment of receivables allowances expense driven by an increase in billing activity 1Q2023
- **Depreciation and Amortization** mainly increase due to the **addition of new towers 1Q2023**

1Q22

1Q23

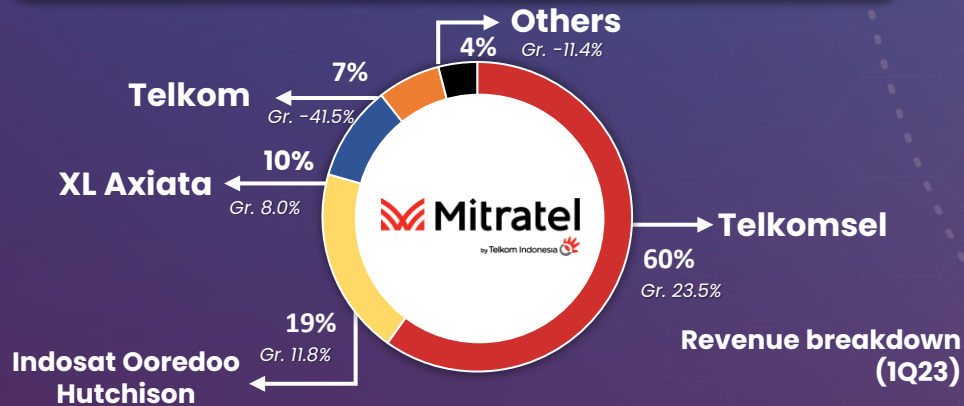
Operating Expenses



HIGH QUALITY CUSTOMERS WITH SIGNIFICANT BACKLOG

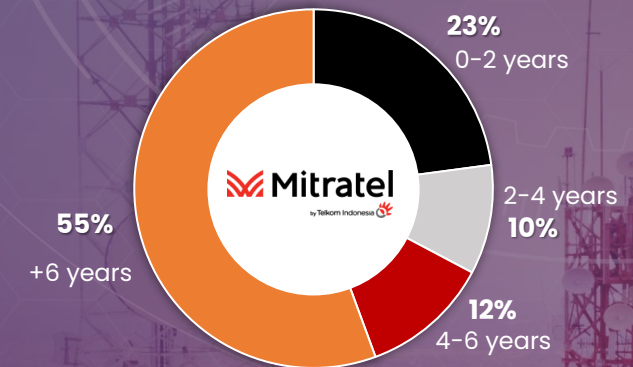
Independent TowerCo with 89% of revenue from the largest MNOs in Indonesia underpinned by a strong anchor tenant

Revenue backed by high quality customers

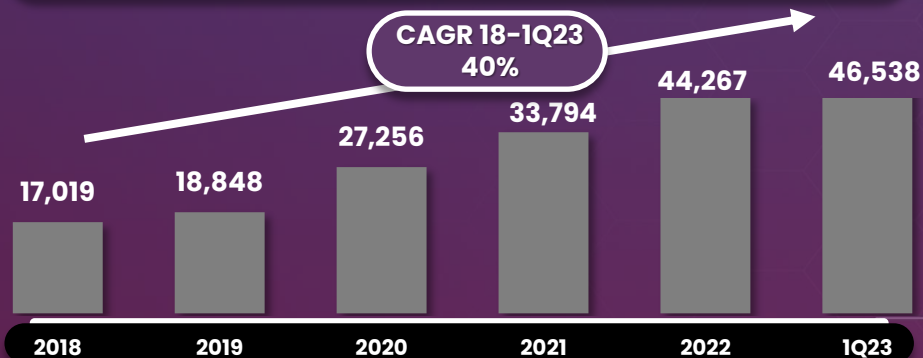


Long Tenancy Expiry Schedule

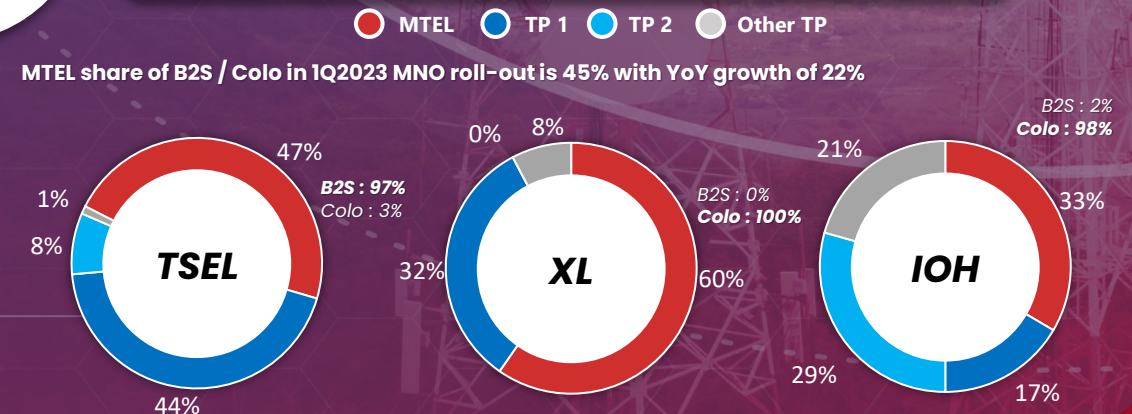
~67%
of our contracts has
more than 4
years until expire.



Strong future revenue visibility

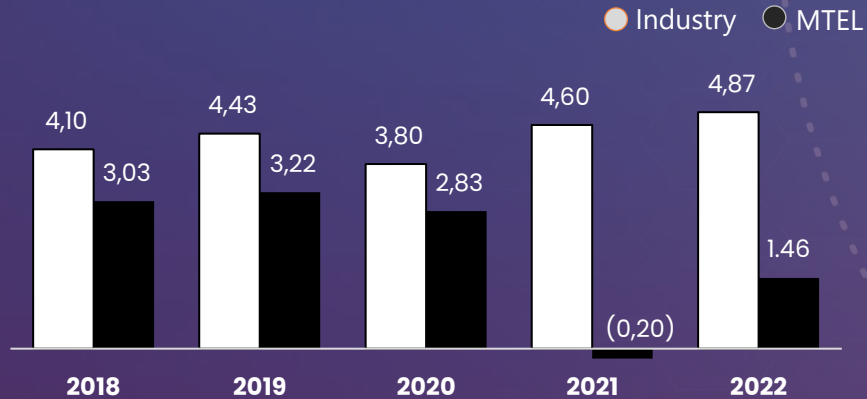


Highest market share from MNO roll-out



SUPERIOR BALANCE SHEET & CASH FLOW

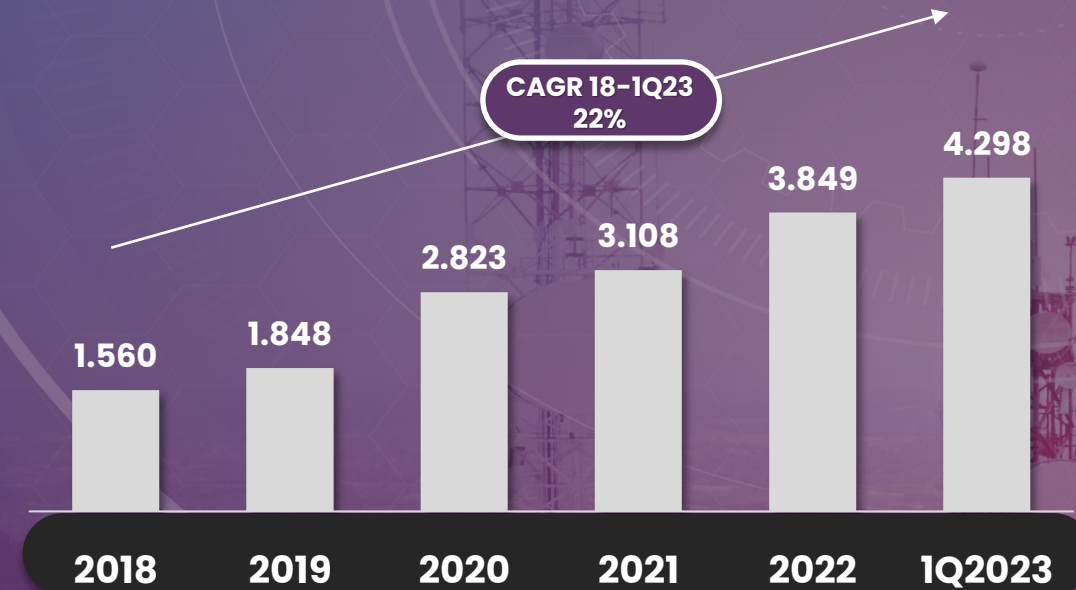
Mitratel Leverage



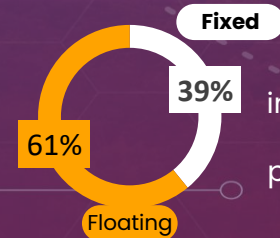
Healthy leverage ratios with ample capacity to increase

Component (IDR bn)	FY22	1Q23	Covenant Bank
Cash	6,354	4,815	
EBITDA (annualized)	6,142	6,704	
Debt	15,290	14,396	
Equity	33,807	34,312	
Debt to Equity (x)	0.45	0.42	< 5.00
Debt to EBITDA (x)	2.49	2.15	< 5.00
Net debt to EBITDA (x)	1.46	1.43	< 5.00

Recurring Free Cash Flow

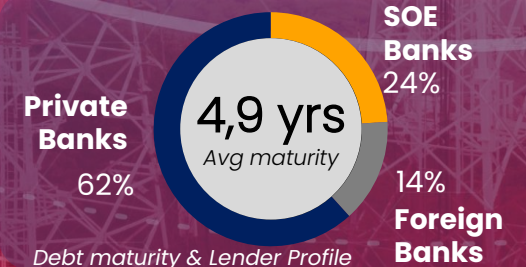


Notes:
FCF = EBITDA - (Maintenance Capex+Interest Expense+Tax+Capitalized rent)
Annualized figure for 1Q23



MTEL debt as of 1Q23

Fixed loan increased to 39% from 25% in the previous quarter.



Debt maturity & Lender Profile

All Debts are **clean basis** and in **IDR currency**

MITRATel PORTFOLIO HIGHLIGHT : FIBER



Mitratel has succeeded in driving the rapid development of its fiber portfolio in 1Q23. The key to the growth of this new portfolio is driven by building a strategic partnership to accelerate go-to-market, obtaining high share orders from OLO¹⁾ operators and inorganic corporate actions with total assets of around 25,509 km until 1Q23

Key Highlight of Fiber portfolio journey in 1Q2023

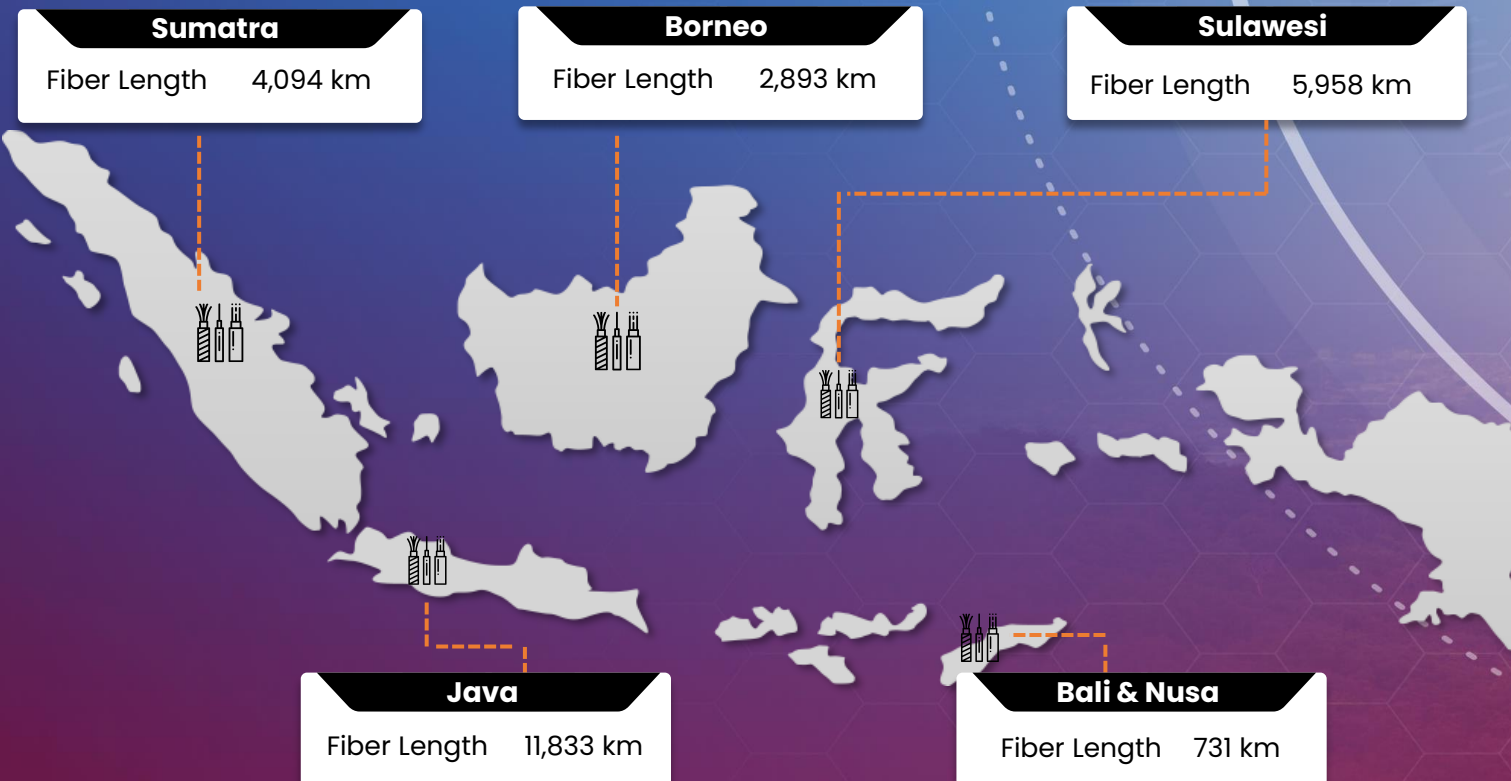
26K Km
of orders received by
MTEL until 1Q2023

Mitratel managed to get 26K km of fiber orders from MNO or 30% of total MNO fiber roll-out until 1Q 2023, with the completion of organic fiber deployment of 19,497 km in 1Q2023

6K Km
Fiber Asset
From Inorganic

MTEL has successfully carried out corporate actions through its inorganic fiber portfolio 6,012 km in 2022. This has a positive impact on corporate value in pursuing and accelerating the number of fiber assets owned.

**Total length:
25,509 Km**



	# of Fiber km	% portfolio
Java region	11,833	46%
ex-Java region	13,676	54%

¹⁾ Other Licensed Operators

PROMOTE ESG FOR A SUSTAINABLE FUTURE

Right Environmental Approach

Reduce emissions

CO₂ emission dropped by 7,7% YoY. Substitute diesel with renewable energy especially in off grid and bad grid sites

- GHG¹⁾ Emission tracking
- Revitalizing Solar Panel System for off-grid sites
- Development of a more environmentally-friendly infrastructure

Reduce energy consumed

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

Reduce waste produced

Replace Valve Regulated Lead Acid (VRLA) battery with Li-ion battery in ~350 sites across Indonesia

Right Communication (Social)

- Mitratel in collaboration with BAKTI and MNO built 945 towers in 3T Areas (*Foremost, Outermost, or Left Behind*) and Non 3T Areas to reduce the telecommunication gap and digital divide in Indonesia
- Build a task force with all partners with >3.9K personnels, ensuring the telecommunication service to run smoothly during Ramadhan & Eid holiday period
- Distribution of donations collected from employee voluntary contributions

CSR:

Charity to various institutions and parties as a part of our company ESG program



Right Governance

Mitratel committed to improve the sustainability aspects and ultimately providing the most optimum return for the shareholders



Included in
IDX:ESGLEADERS
Index (Sept-2022)

Business governance aligned with recognized standard and assessed by trusted organization



ISO
45001:2018



ISO
31000:2018



ISO
9001:2015



ISO/IEC
27001:2013



69%
Male



31%
Female

Anti-discriminatory,
Diversity, Scholarship chance,
and Career Development Policy
for all Employees.

31% of total employee are
Female, including 50% female of
newly recruited employees.

Notes:

¹⁾ Green House Gases

Increasing **women participation**
(3% YoY increase)

GUIDANCE FOR 2023

11%
Revenue Increase



11%
EBITDA Increase



7Tn
CAPEX Plan



4K Organic
Tenant Add



1.5K Inorganic
Tenant Add



13K KM
Fiber Optic Deployment





THANK YOU



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