



Bigger, Bolder and Better in 2022

A journey to becoming
Indonesia's most preferred
digital telco



Indosat Ooredoo turn-around story



Turn around story 2018-22



2018

Toughest year



2019

Formulated a
three-year
turnaround
strategy



2020

Cutting on costs
& restructuring of
the company



2021

Delivered solid
growth comeback



2022

Plans to be
Indonesia's most
preferred telco

What happened in 2018?



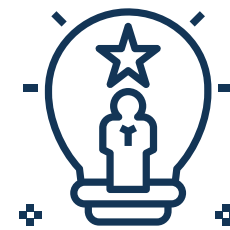
ARPU declined by 7.9%

Huge loss in cellular subscribers



Share price dropped by 25%

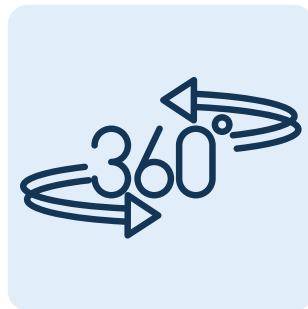
Stakeholders raised concerns



Top talent attrition rate 8%

Changes in leadership positions

Indosat's reaction



Three-year turnaround strategy

Formulated a strategy for the period 2019-21 with the help of consulting companies



Major focus on 4G

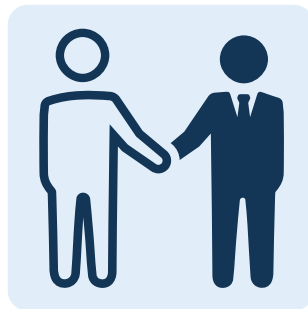
Aimed to spend US\$2 billion on capital, building more 4G BTS throughout Indonesia



Cutting on personnel

Limited its recruitment and did not award annual bonuses to its employees. It went through a restructuring in 2020; as a result, 667 employees were let go.

Three key issues addressed



New value-added service partners

Changed value-added service partners that were not transparent to resolve 'disappearance' of mobile phone credit.



Reaching directly to the end customer

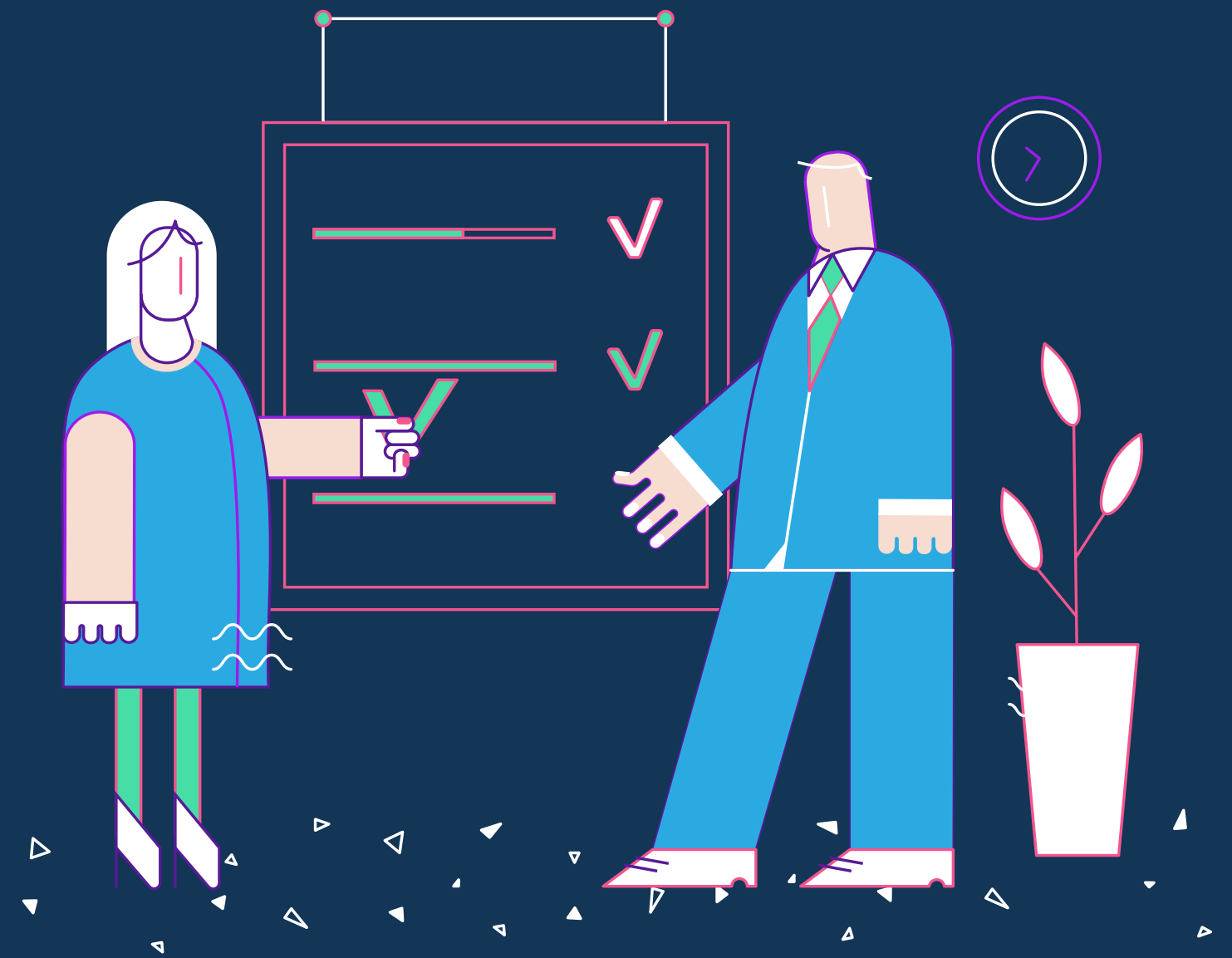
Retailers have had higher purchasing power since sales and distribution employees did not emphasise end-customers. Hence, the telco prioritised connecting directly to the end-user through digital channels.



Simplifying the products for customers

The so-called 'unlimited packages' were not really unlimited, creating many problems with its address of terms and conditions on its services. The telco simplified its product to resolve this issue for a better consumer experience.

Indosat Ooredoo Hutchison- Merger



Key highlights of the merger

Indosat Ooredoo Hutchison



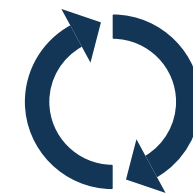
2nd largest telco in country

Accelerating digital innovation



\$ 3.1 billion annual revenue

Better financial strength



Transform Indonesia into digital nation

Contribute to government plans

Focus on cost improvements through the merger



OPEX savings

Costs were saved by using complementary networks, decommissioning duplicate sites (25-30%) and optimising other duplicated infrastructure.



CAPEX savings

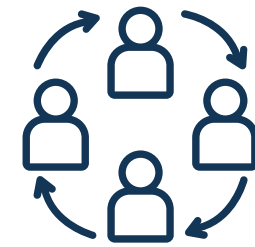
More efficient use of combined spectrum resources and increased scale to improve CAPEX savings.



Non network savings

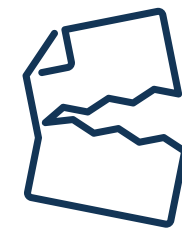
Increasing efficiency in sales, marketing & distribution. Creating opportunity for additional savings in spend related to providers & partners

Challenges in the Indosat & Hutchison merger



Culturally different organisations

Finding synergies to drive growth



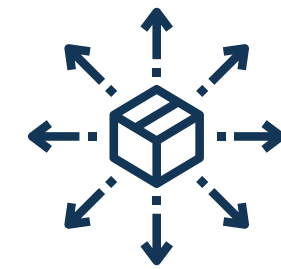
**Minimize disruption for
employees and customers.**

Key partnerships after the merger



Cisco

Enhancing connectivity solutions



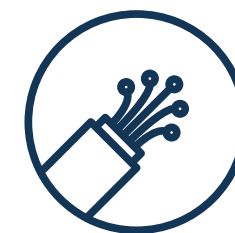
PT Merah Satu Indonesia

Distribute & market products



PT Bank QNB Indonesia

Financial services (Ucan)



Inligo Networks

Fibre optic telecommunications
submarine cable system

Cisco- enhancing connectivity solutions

Enhancing connectivity



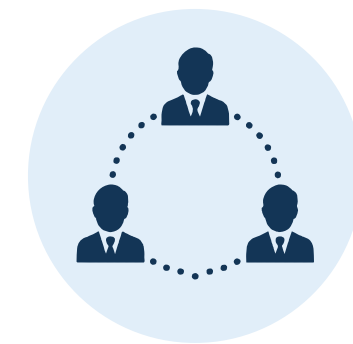
Allows Indosat's users to connect and access on-premises or any cloud-based business applications seamlessly.

SD-WAN solutions



Deliver innovative Software-Defined Wide Area Networking solutions

Managed SD-WAN

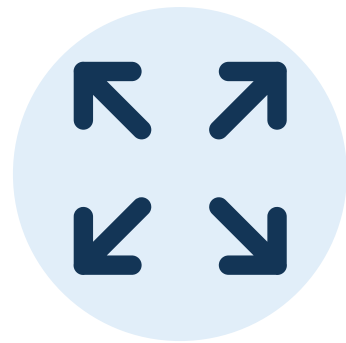


One-stop solution that connects data centers, branches, campuses, and co-location facilities to improve network speed, security, and efficiency

PT Merah Satu Indonesia- distribution & marketing

Merah Satu will sell, distribute and market Indosat's products and services by leveraging the company's available channels nationwide.

Expanding services to uncovered regions



Expanding existing telco products and services to secondary cities.

Migration to post paid services



Huge market opportunity to drive the migration from prepaid to postpaid subscribers

Non telco revenue



Diversify with non-telco revenue by leveraging Merah Satu's extensive sales channels

"Telcopreneur" program



Program for Indonesian consumers who wish to earn extra income by selling Indosat Ooredoo Hutchinson's products.

PT Bank QNB Indonesia- Financial services (Ucan)



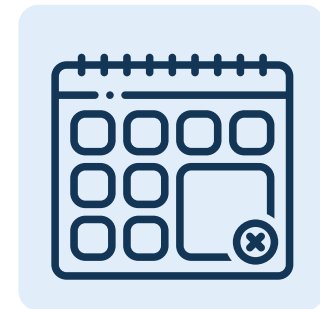
Entering in financial services

UCan that can be accessed through Indosat Ooredoo Hutchison ecosystem, myIM3 application.



Cash withdrawal

Cash withdrawing feature that can be transferred to the customer's bank account. The payment from this method can be made in instalments with various tenure options.



Instalment feature

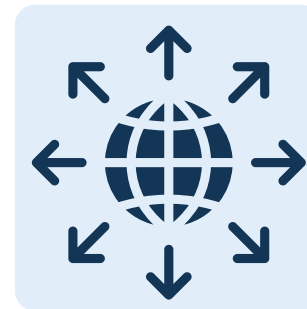
This feature can be used to purchase data package product available exclusively for UCan users. Payment method for the UCan package is 3 to 6 months instalment.

Inligo Networks- fibre optic submarine cable system



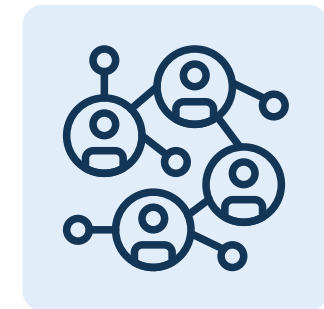
Enhancing experience

New low-latency and high-capacity data network through fiber optic cables



Connection expansion to new regions

Connecting multiple Indonesian cities to Australia, Guam, Singapore, and the United States through Indonesian waters on the 18,000 km system.



Broader Network

This construction will provide up to a 128 Tbps network throughout the system. This will allow the telco to provide a broader network, especially for eastern Indonesia.

Deep dive into the financials



Metric

Proforma 2021



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Revenue

IDR 31,388 billion

IDR 13,612 billion

IDR 45,000 billion

EBITDA

IDR 13,886 billion

IDR 5,114 billion

IDR 19,000 billion

Customer

62 million

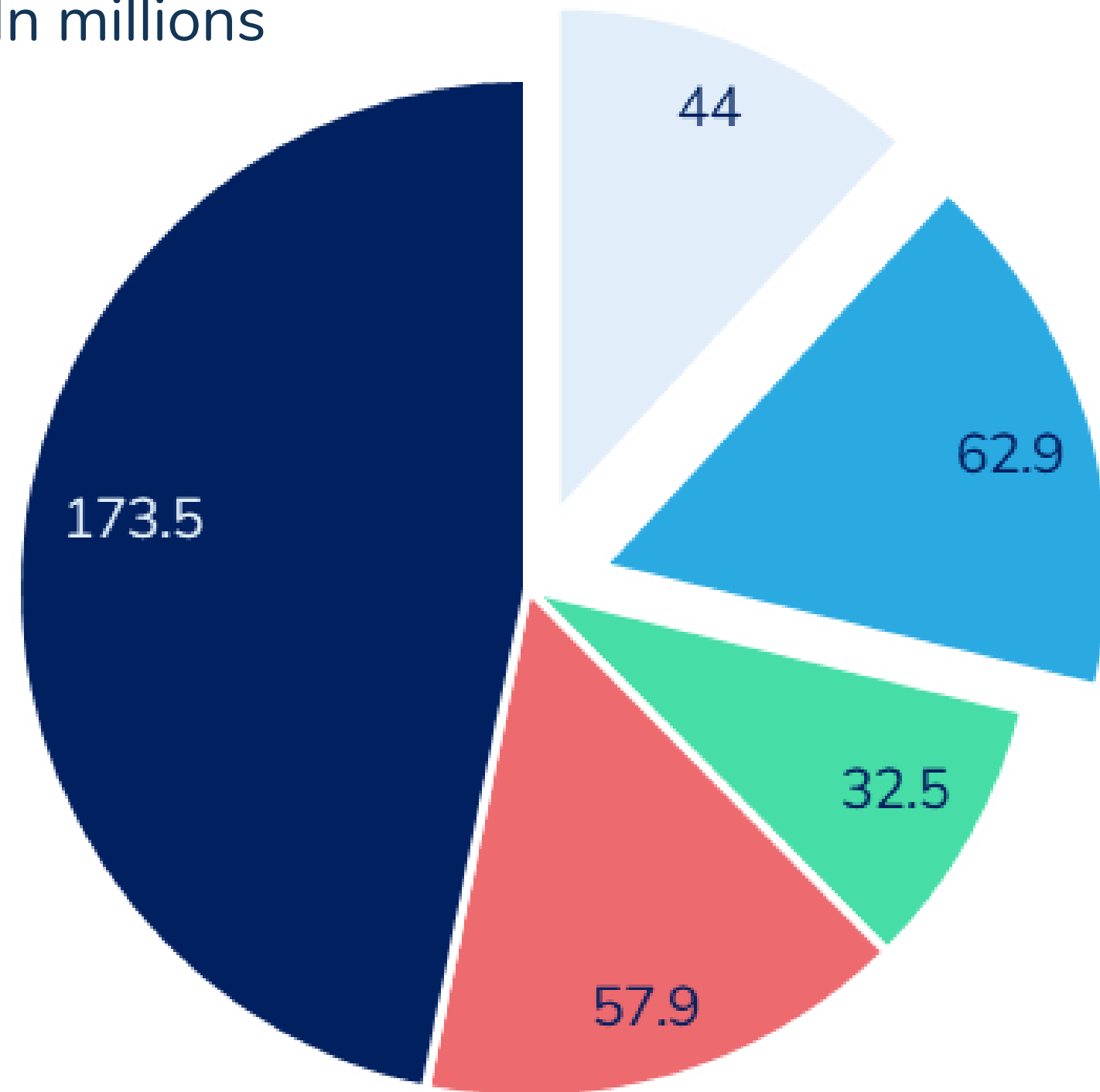
44 million

96 million

Source: Operator financials

Subscriber market share

In millions



3 Indonesia

XL Axiata

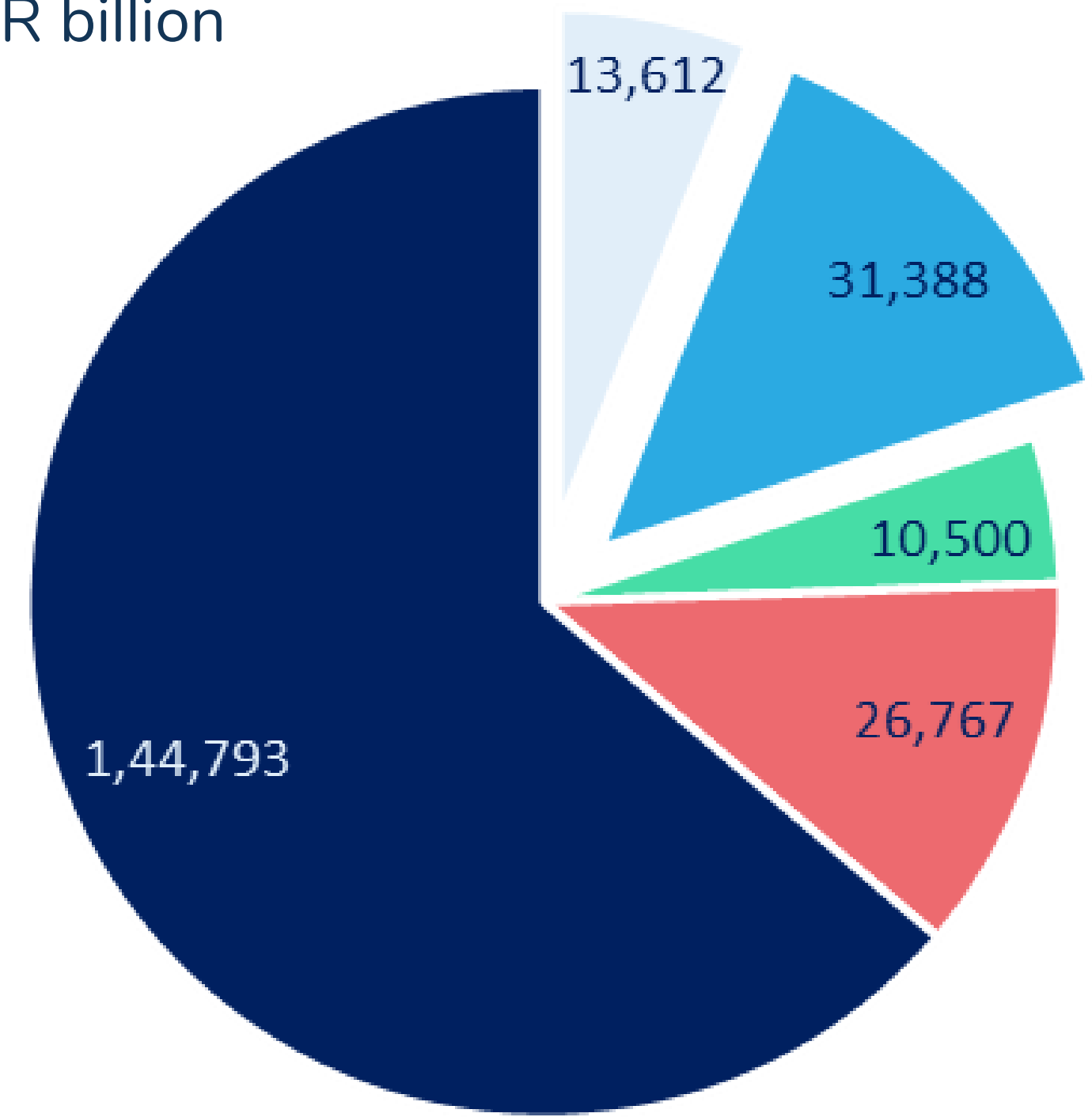
Indosat Ooredoo

Telkom Indonesia

SmartFren

Revenue market share

In IDR billion



13,612

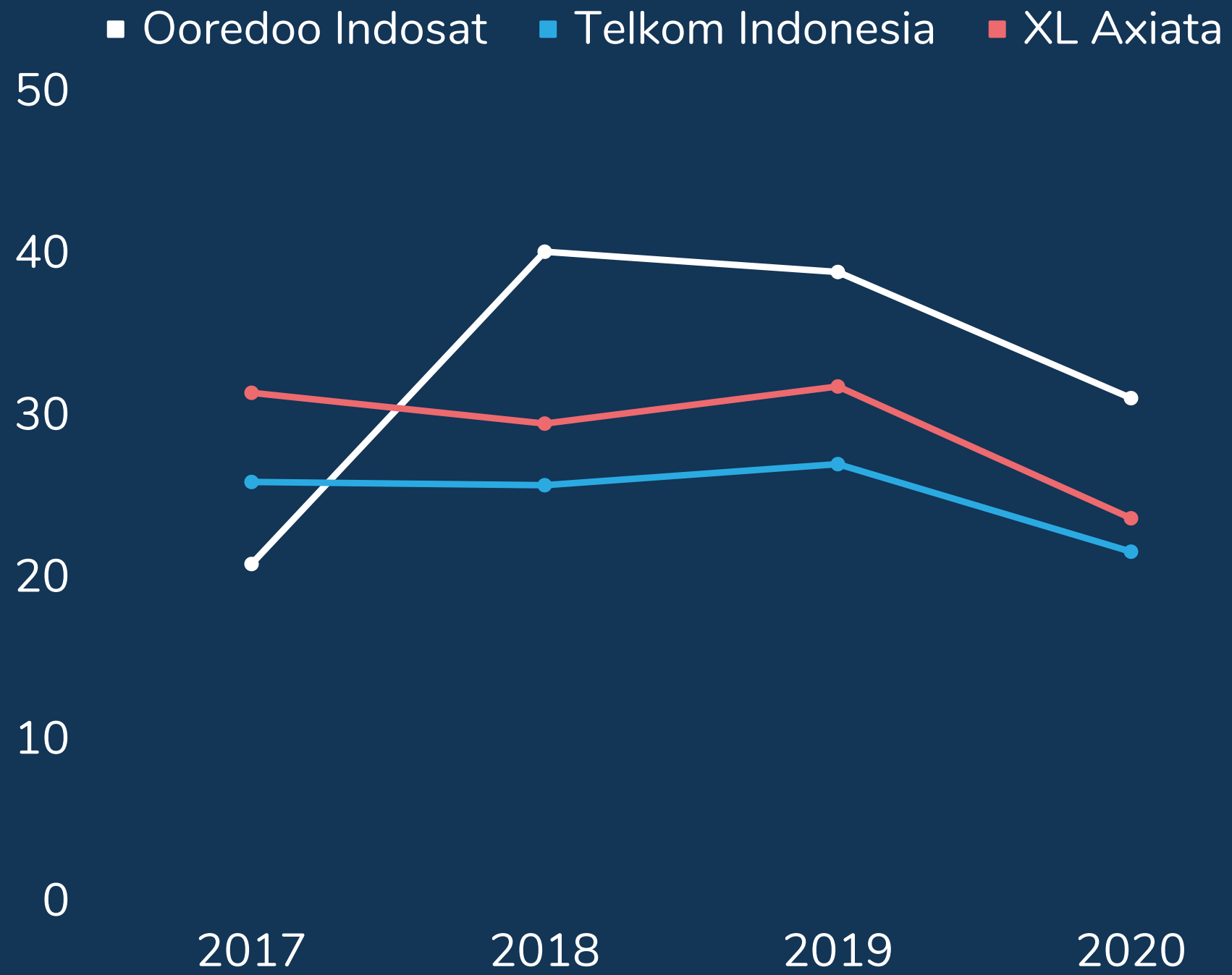
31,388

10,500

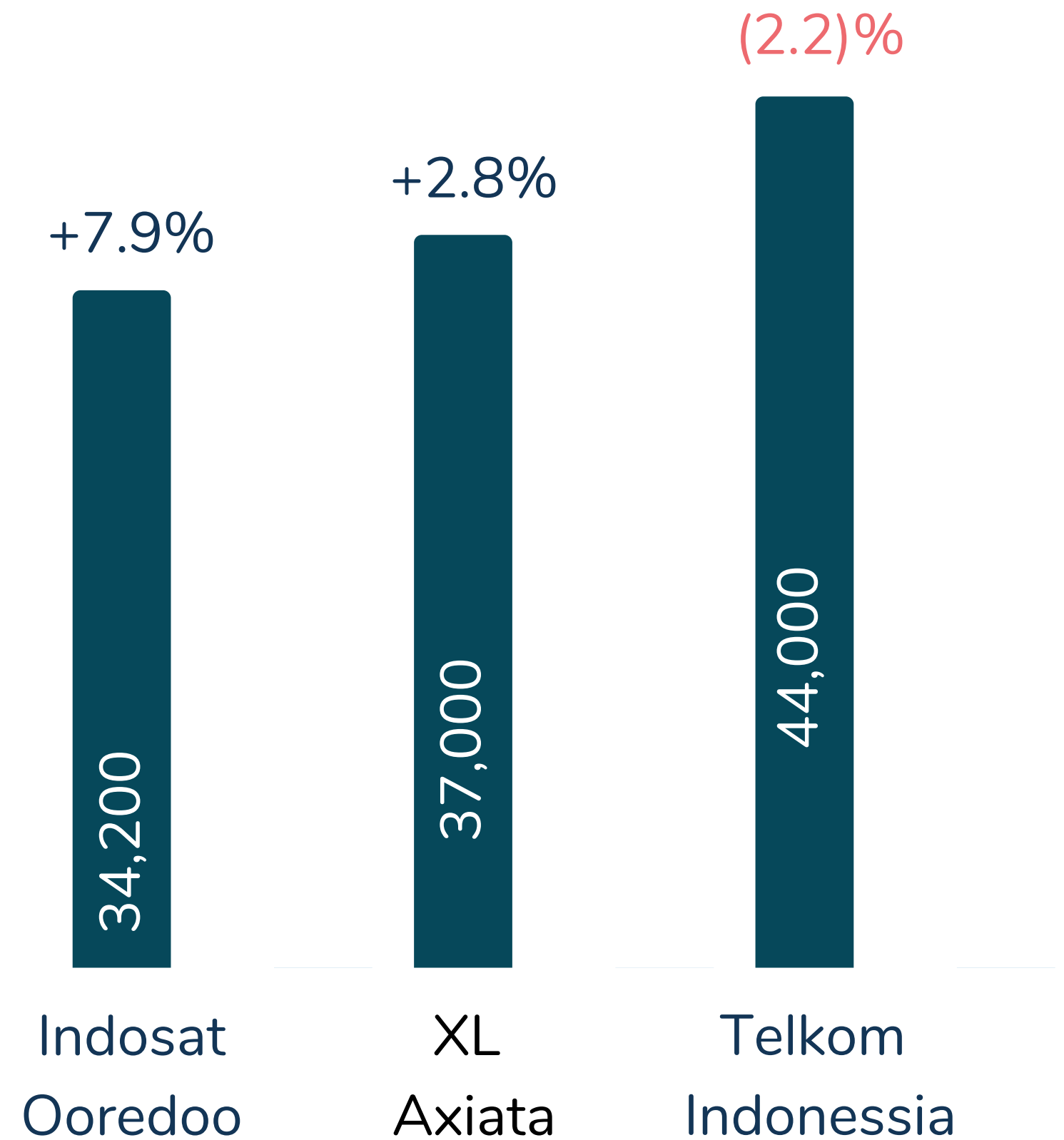
26,767

1,44,793

CAPEX intensity



Mobile ARPU- 9M 21



Outlook for the future



Spectrum allocation & competitive positioning



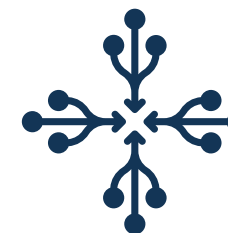
Indosat Ooredoo Hutchison

140 Mhz, Digital telco



Telkom Indonesia

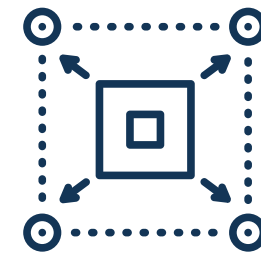
155 Mhz, Dominant number 1



XL Axiata

90 Mhz, Number 1 converged telco

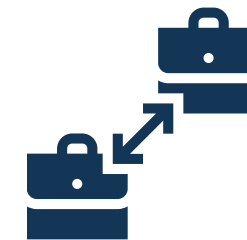
Future priorities



Support network expansion
outside of Java



Deliver cost savings



Grow enterprise business