



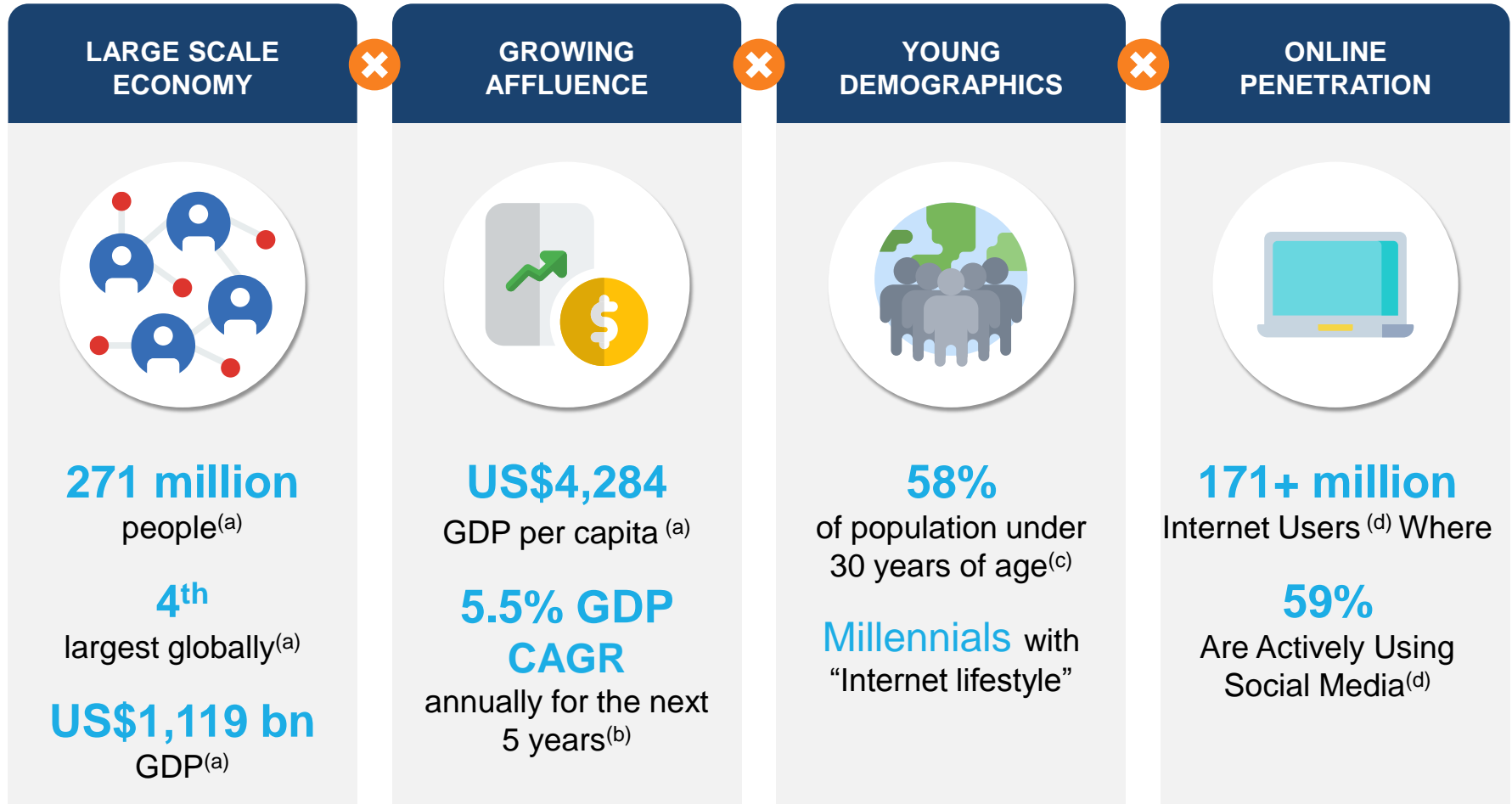
# PT Link Net Tbk

Link Net Public Expose

Friday, November 6<sup>th</sup>, 2020



# Indonesia Presents a Massive Internet Opportunity



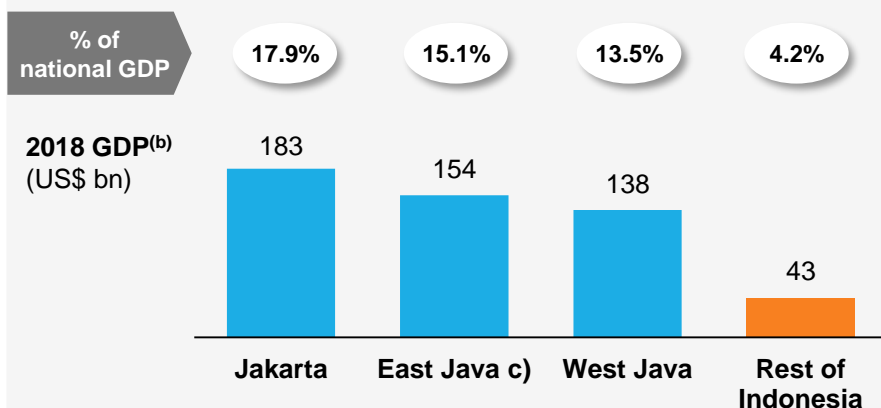
Indonesia's large and young population base, growing affluence, and expanding Internet user base are driving the future Internet opportunity

a) Worldometers & World Bank (2020); b) Based on 2019-2024 CAGR. Represents nominal GDP Media Partners Asia (2020);

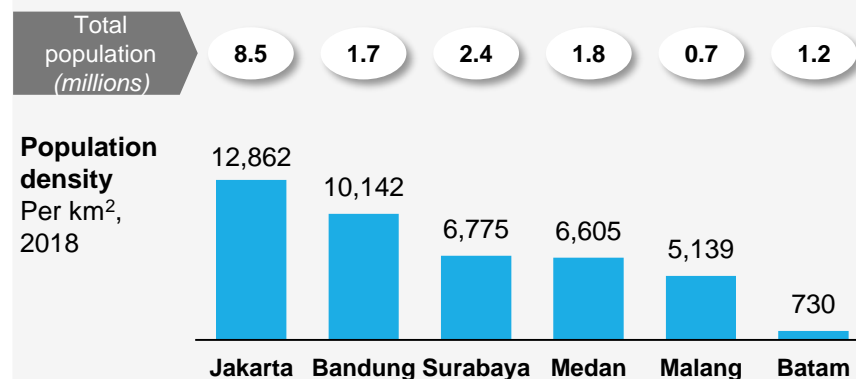
c) CIA World Fact Book (2020); d) Statista (2020)

# Link Net – Leading HSBB Provider of Scale and Operating in Some of the Most Attractive Metropolitan Areas of Indonesia

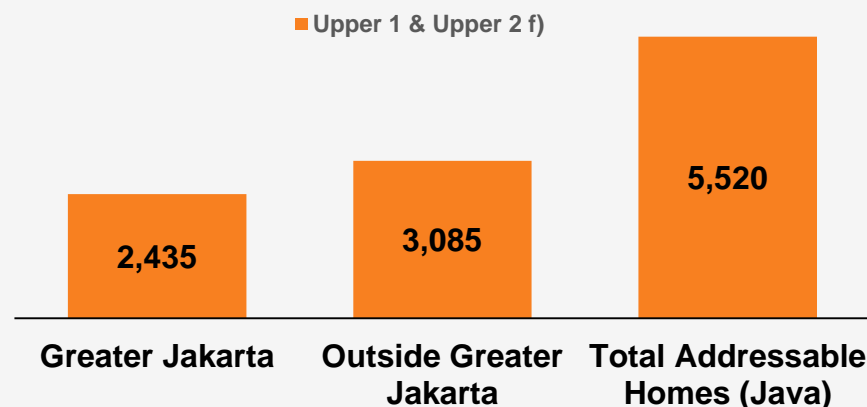
## Operating in provinces with high GDP contribution...<sup>(a)</sup>



## ...and in some of the most densely populated cities<sup>(a)</sup>



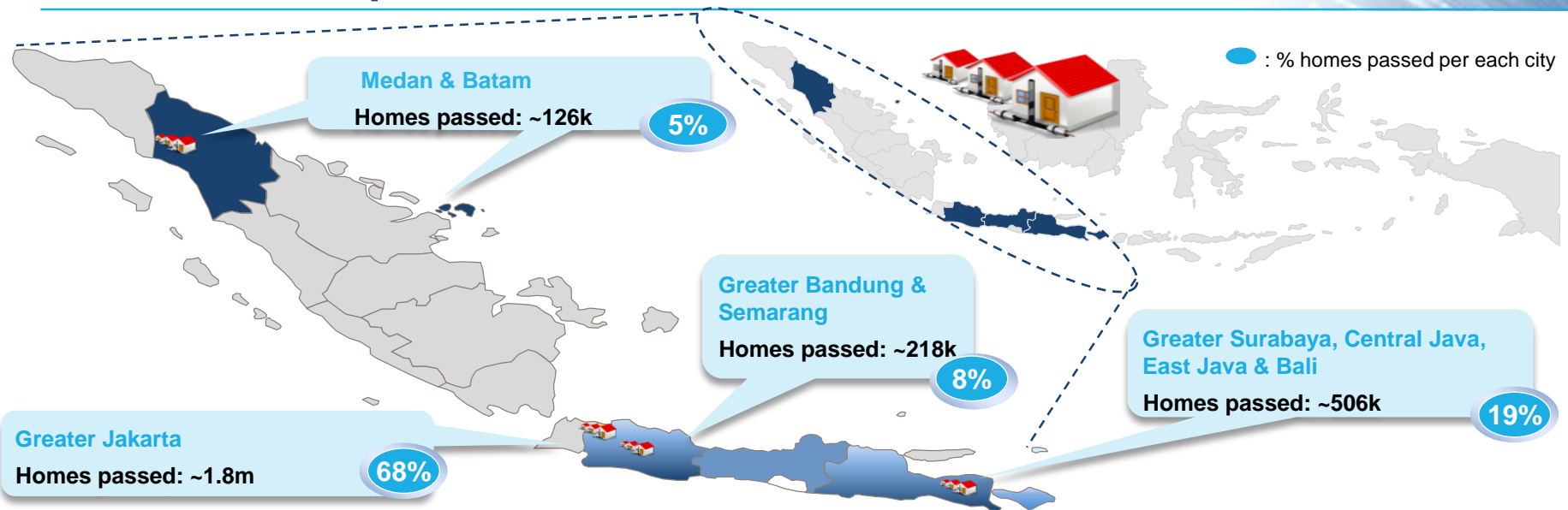
## Total Addressable Homes in Java<sup>(e)</sup>



Note:

a) Badan Pusat Statistik ("BPS") (2018); b) GDP assumes the average USD/IDR exchange rate of 14,200; c) Key cities in East Java include Gresik, Bangkalan, Mojokerto, Surabaya, Sidoarjo, Lamongan and in West Java includes Bandung; d) Rest of Indonesia figure is the average of the remaining top 9 provinces as per BPS excluding Jakarta, East Java and West Java; e) Company data; f) Potential of 6.6 million homes in middle class in selected Java island

# Link Net's Footprint



City	3Q 2020 Addition	LN Portfolio as of 3Q 2020
Greater Jakarta	17,550	1,779,994
Greater Bandung	1,254	173,735
Greater Semarang	671	44,448
Surakarta	518	39,945
Greater Surabaya	3,248	436,573
Bali	364	21,020
Batam	166	61,481
Medan	335	64,716
Cirebon	174	6,115
Cikampek-Purwakarta	155	3,901
Tegal	73	4,380
Jogjakarta	6,083	10,970
Kediri	88	4,463
<b>Total</b>	<b>30,679</b>	<b>2,651,741</b>

Note: Company data as of September 2020

: new cities in 2020



# Operational Overview

## Penetration Rate

27.4%

27.3%

28.5%

28.5%

27.0%

27.1%

30.8%

## Homes Passed ('000)

1,433

+240k

1,673

+153k

1,826

+174k

2,000

+202k

2,202

+267k

2,469

+183k

2,651

FY 2014

FY 2015

FY 2016

FY 2017

FY 2018

FY 2019

9M 2020

## Total Subscribers ('000)

## Bundling Rate

93.4%

95.5%

97.1%

98.0%

95.7%

95.7%

96.6%

392

+65k

457

+64k

521

+49k

570

+25k

595

+73k

668

+147k

816

FY 2014

FY 2015

FY 2016

FY 2017

FY 2018

FY 2019

9M 2020



The background is a dark blue field filled with glowing, swirling light trails in shades of cyan and blue. These trails create a sense of dynamic movement and connectivity. Scattered throughout the background are various hexadecimal characters (0-9, A-F) in a lighter blue, semi-transparent font, giving the impression of digital data or network traffic.

## Subscribers and Network Growth

### 4 Key Reasons on Subscriber Growth

# 1. Development & Implementation of Customer Relationship Management Program Names Sally

Using our CRM program has provided us with substantial benefits that have lead to great subscribers acquisition. The CRM is accessed on the sales member's tablet. Features are outlined below:

## 1. Route Map – Homes Passed Assignment

At the start of each day, the sales person is provided with a clear route map of the homes they need to visit. We are able to ensure that sales people aren't overlapping each other and we monitor which homes and how many times they are visited.

## 2. Feedback Results

The sales person completes a template after each visit. This data is analysed and can be used to tailor our approach to customers.

## 3. Coverage Check and Referral Order

The sales person can check if a home is within Link Net's network coverage. Likewise if a customer wishes to refer another customer to our service, this can be entered into the salesperson's tablet and that home will be visited by a salesperson.

## 4. Request Home-Passed Extension

If a home or cluster of homes is nearby our network but not yet connected, the sales person can enter a request to have our network extended to these homes.

## 5. Request New Roll-Out Area

If a sales person identifies an area completely outside Link Net's network coverage which they believe has a group of potential customers, they can request that we roll out our network in that area.

## 6. Individual and Sales Performance Tracking

This CRM provides an extensive data and tracking of a sales person's daily activity and productivity. It allows us to identify high achieving sales people and those that may require extra training.

## 7. Work Orders Monitoring

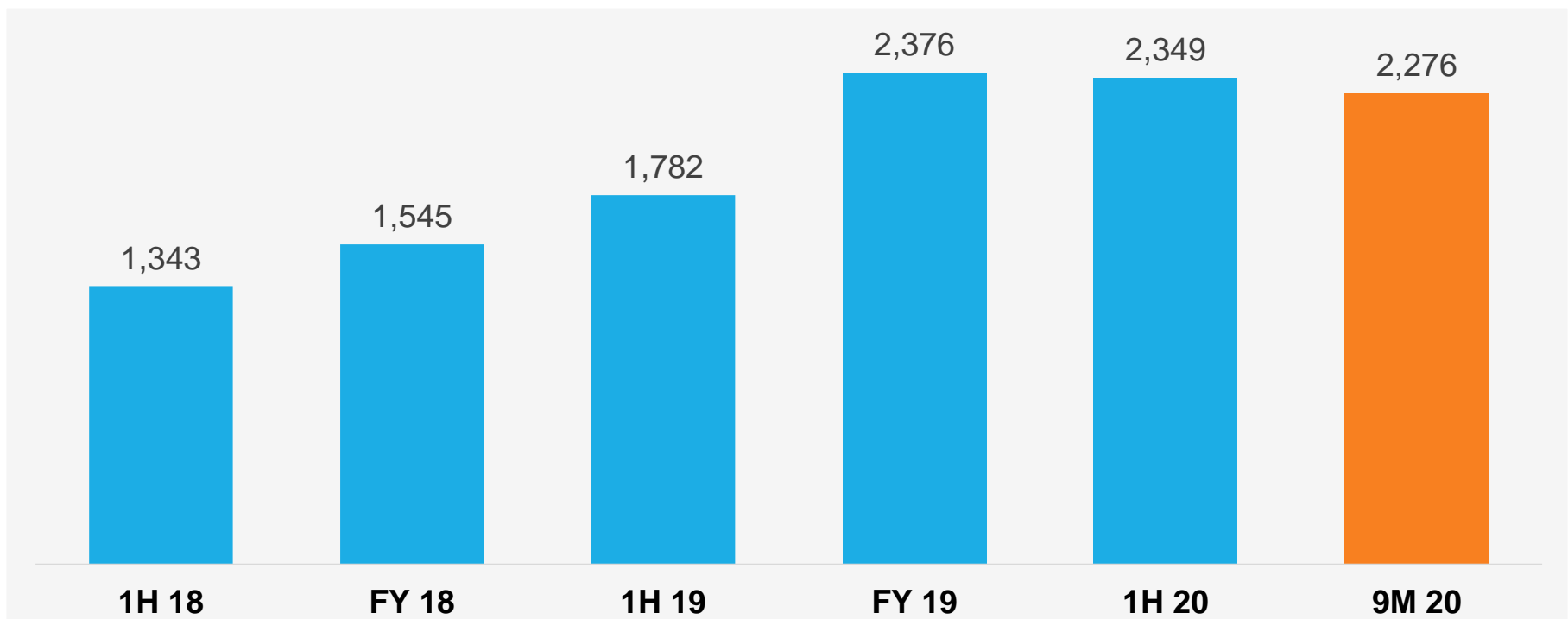
Sales people are able to monitor work orders from their clients to ensure timely processing.

## 8. Sales Tools Kit

Sales people have access to all of Link Net's product information which helps them when they are speaking to customers.

## 2. We Have Increased Our Sales Force to Drive Subscribers Acquisition

Sales Force Employees

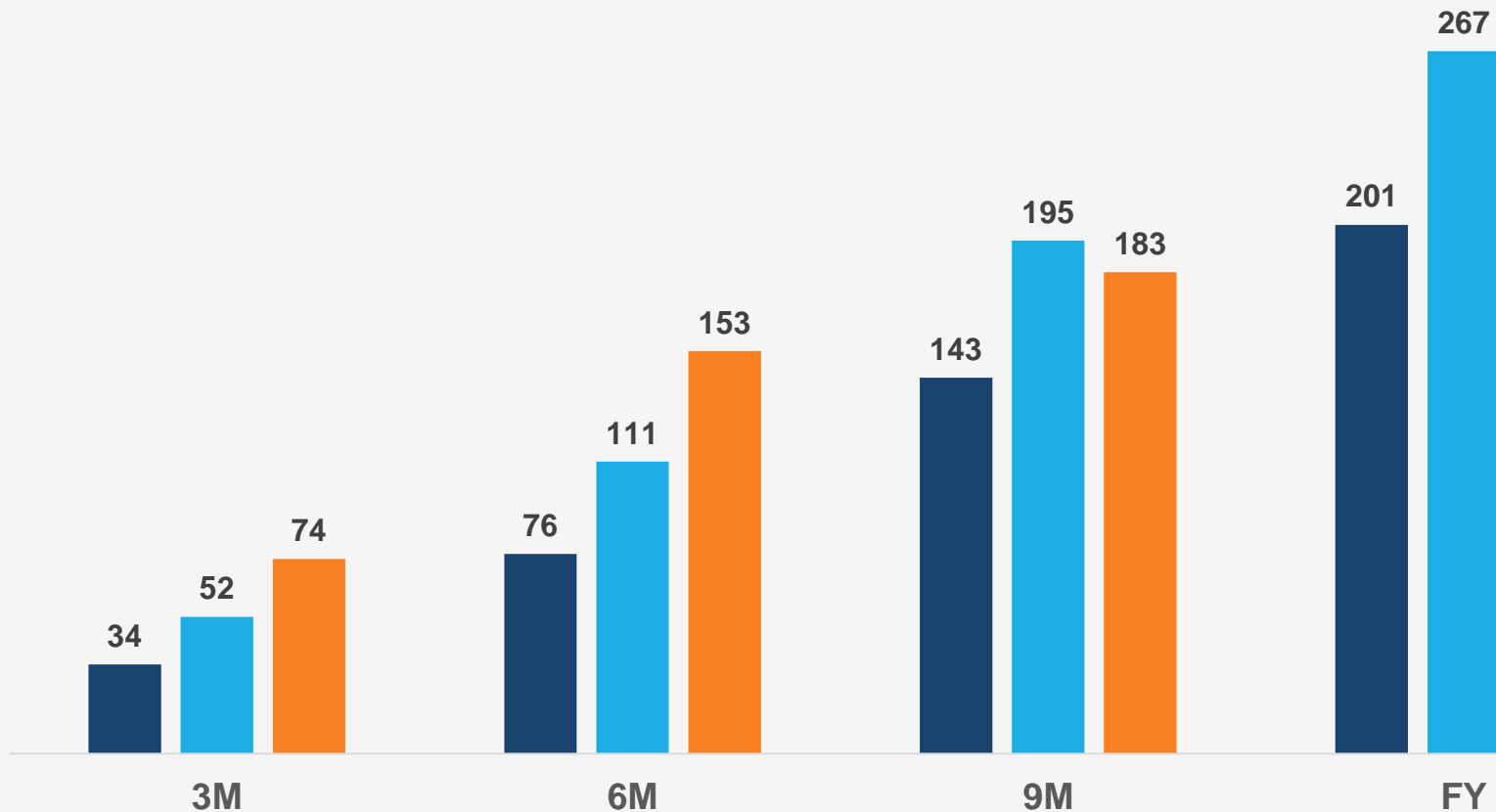




### 3. Continued Network Acceleration Over the Past 3 Years has Created More Greenfield Areas for Our Salesperson to Canvas

Home Passed Addition per Time Period ('000)

■ 2018 ■ 2019 ■ 2020



## 4. Community Engagement & Relationship Building During COVID-19

### Actions:

- Building sanitization stations within communities
- Offering home sanitization service for new installation and network maintenance
- Providing sanitization packs to communities
- CSR Initiatives. We have provided vitamins and PPEs to doctors and medical workers

Provided 63.500 multivitamins &  
4.500 PPE Hazmat suits.  
Total value Rp 500 million

16 Hospitals located in 10 cities  
Jabodetabek, Bandung, Cirebon, Surabaya, Sidoarjo,  
Malang, Semarang, Yogyakarta, Batam, Medan



In collaboration with **Siloam Hospitals**

Donated 1,000 rapid test kit  
to Pemkab Tangerang on 26  
Jun'20 to support Covid-19  
detection test to reduce the  
spread of Covid-19 in  
Tangerang area.



### DISINFECTANT



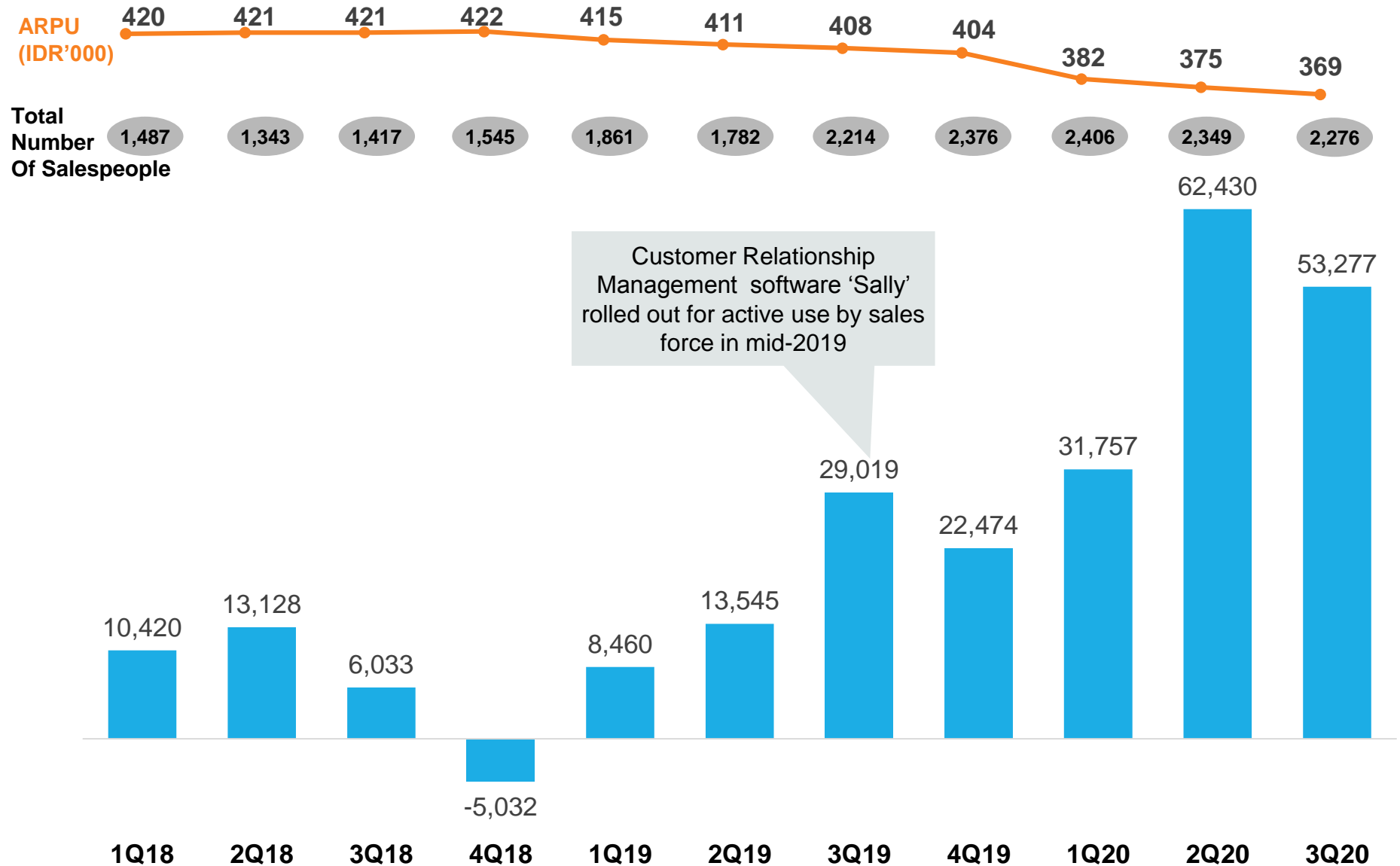
## ARPU Growth and Monthly Data Download

- Through annual price increase and periodic (quarterly) upselling/cross selling of our customers, we have been able to consistently increase ARPU over time. For example, a customer in Jakarta who started using our service 5 years and was at Rp350k per month, would now be paying Rp532k per month, an increase of 52%. This has been consistent trend in our original 3 network areas.
- Below is the growth in ARPU of each selected major cities:

Area	5 Year ARPU Growth
Jakarta	52%
Bandung	59%
Surabaya	51%

- Overtime, customers demand for data continue to increase. As customers readily use streaming services and video intensive applications, demand for data will continue to grow and thus increase their appetite to upgrade to higher bandwidth packages

## Net Subs Adds and ARPU





## Link Net has Consistently Increased Network Penetration

- Please see below table for vintage analysis


















Penetration Rate	2014	2015	2016	2017	2018	2019	Sep-20
Overall Vintage 2014	14.6%	19.3%	23.1%	25.6%	26.1%	27.8%	31.6%
Overall Vintage 2015		17.0%	21.7%	22.5%	23.0%	25.3%	29.8%
Overall Vintage 2016			20.5%	22.5%	23.0%	24.7%	28.3%
Overall Vintage 2017				14.5%	15.8%	18.0%	24.5%
Overall Vintage 2018					18.3%	20.8%	26.9%
Overall Vintage 2019						19.8%	26.6%

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## Enterprise Business

# Enterprise Services and Solutions

Our Services : Expand from Core Connectivity Provider to Industry Solution

Connectivity	Lease line 	IPLC 	DWDM 	VSAT 
Internet and TV	HDIPA 	IP transit 	BoD 	TV 
Managed service	Re-sell equipment 	Managed Wi-Fi 	Engineer support 	
Value added	Data center 	Cloud services 	Voice solution 	
Industry solution	First Klaz 	Hospitality 	Remote solution 	

# Key Customers in Focus Industry Segments



**Link Net is proven to be a Reliable and Trusted Connectivity Provider**, Our strong presence in Indonesia Stock Exchange, Financial Industry and Main Partner in Digital business, where exposure is high



We leverage our presence in Key Account Customers and Acquire New Major Clients in the Industry which will expose Link Net brand.

## Financial Sector Industry (FSI)



## Digital business / e-commerce



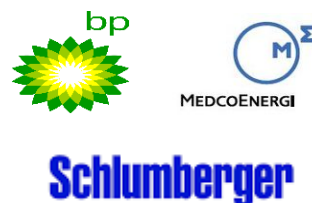
## Media



## Hospitality



## Energy & Resources



## Government



Note:

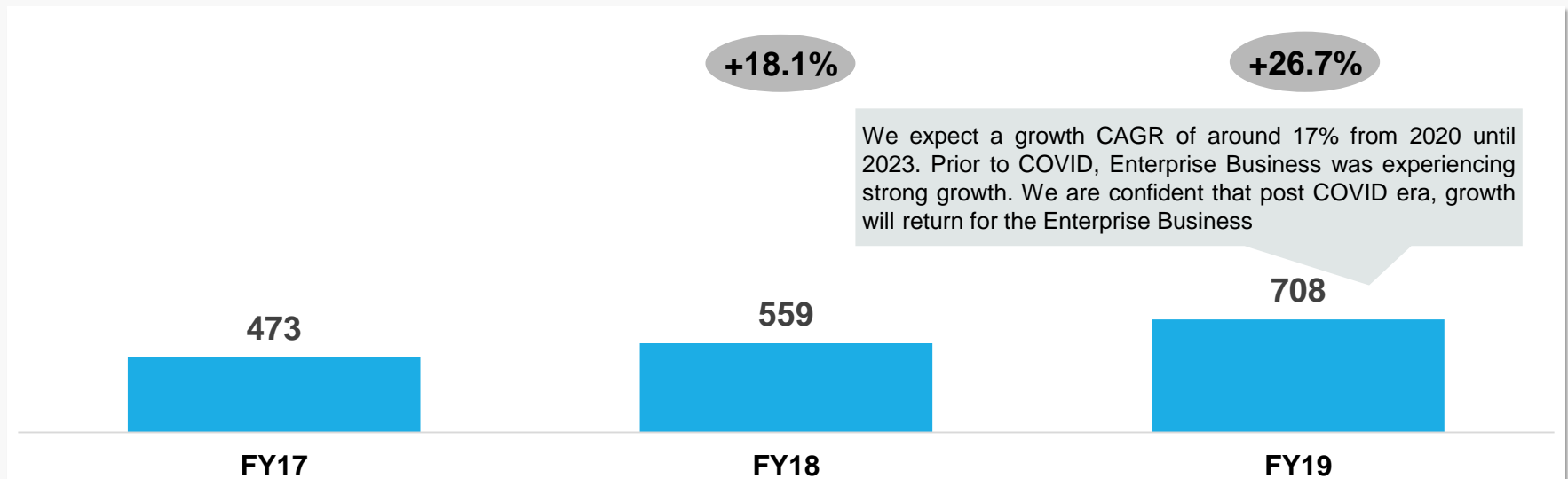
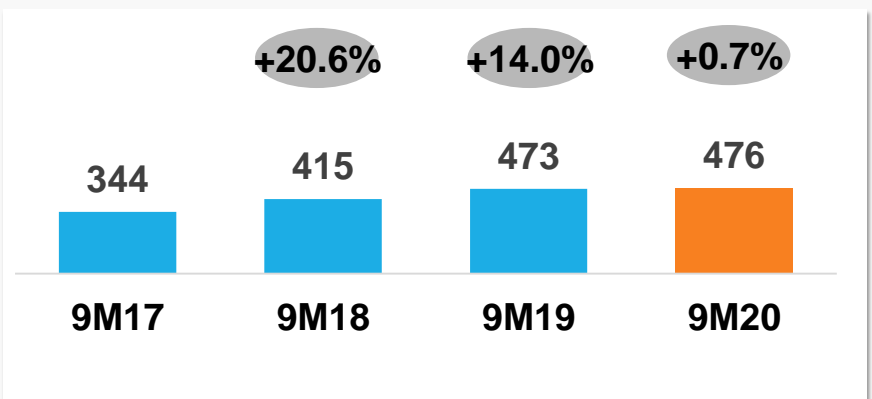
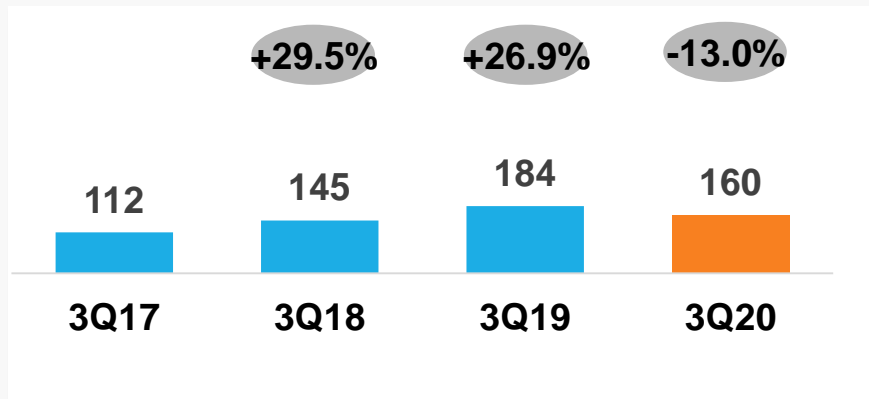
(a) Refers to mission critical customers like IDX. For normal enterprise customers, redundancy is c.99.8%

★ Sole provider to IDX's capital markets integrated network since 2002



# Enterprise Business Performance

## Enterprise Revenue (IDR bn) Historical & Projected Revenue



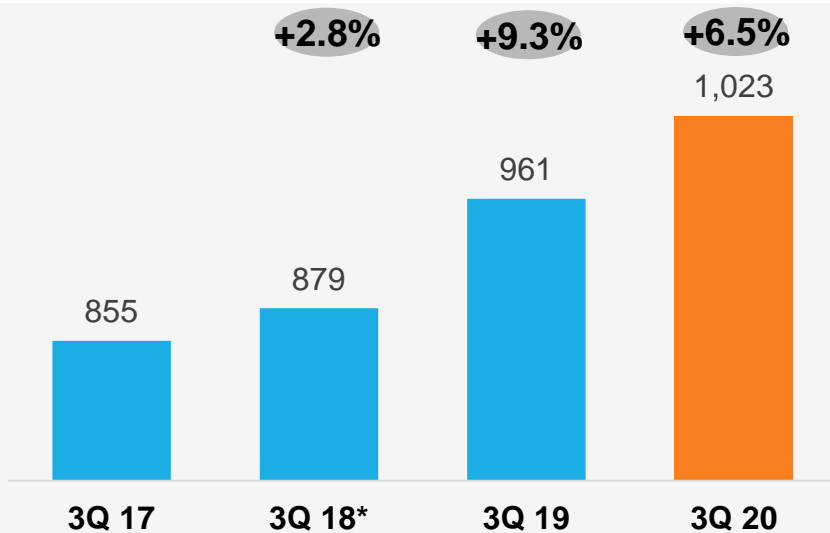
The background of the slide is a dark blue field filled with glowing, swirling light trails in a vibrant cyan-blue color. These trails create a sense of dynamic movement and energy. Scattered throughout the background are various hexadecimal characters (0-9 and A-F) in a lighter blue, semi-transparent font, giving the impression of digital data or code. A semi-transparent dark blue horizontal band is positioned across the middle of the slide, serving as a backdrop for the title text.

## Financial Results Overview

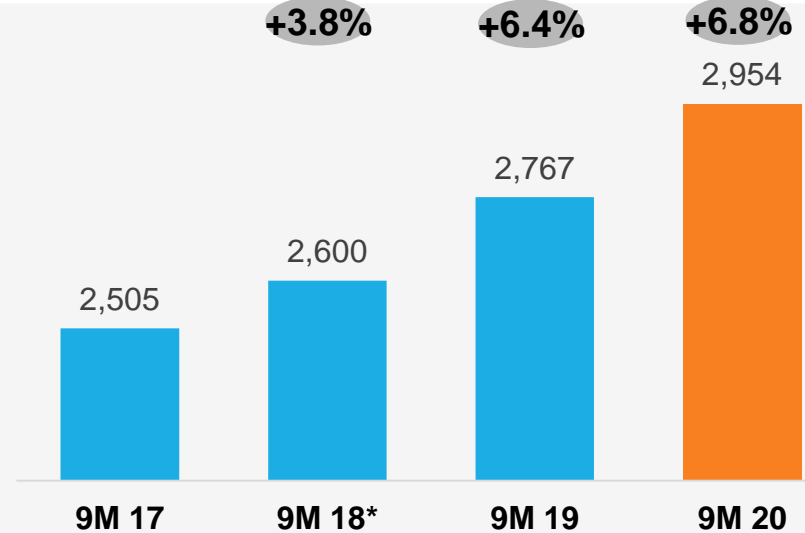
# Financial Results Overview

(IDR bn)

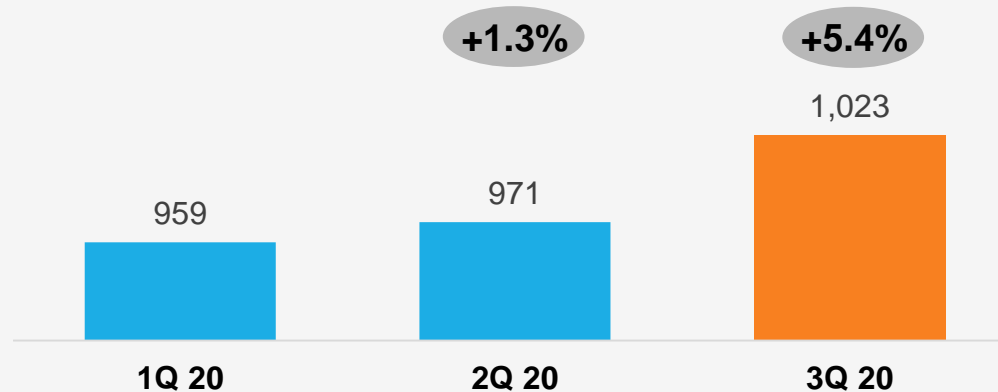
## Revenue (IDR bn) and Growth YoY



## Revenue (IDR bn) and Growth YoY



## Revenue (IDR bn) and Growth Quarter vs Quarter



# COS & OPEX

(% of Revenue)

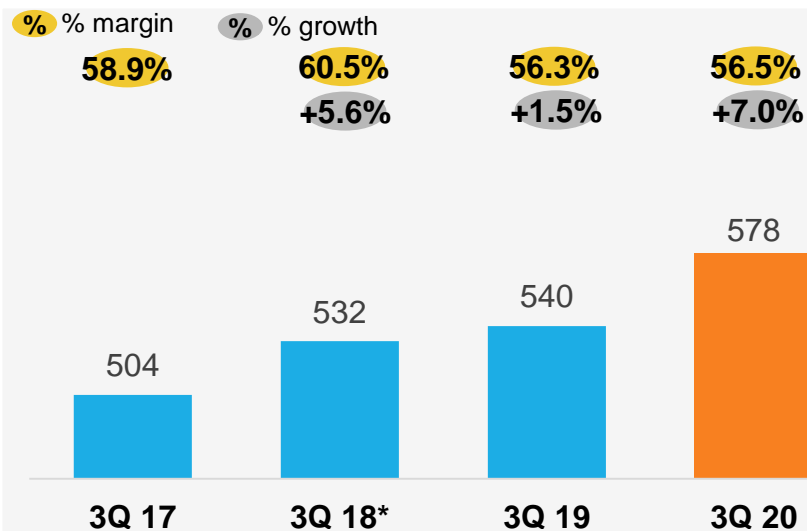
Cost Components (% of Revenue)	FY19A	1Q20	2Q20	3Q20	2023F
<b>Cost of Sales</b>					
Content Cost % of Revenue	8.8%	9.3%	9.3%	9.1%	8.0-8.25%
Internet Cost % of Revenue	6.0%	6.2%	4.6%	4.4%	3.5-4.0%
Pole Rental % of Revenue	1.8%	3.6%	3.6%	3.6%	0.0%
<b>OPEX</b>					
Sales & Marketing Expense % of Revenue	8%	9.5%	9.8%	9.5%	7.5-8.0%
General & Administration Expense % of Revenue	14.1%	14.7%	14.4%	13.1%	13.75- 14.25%



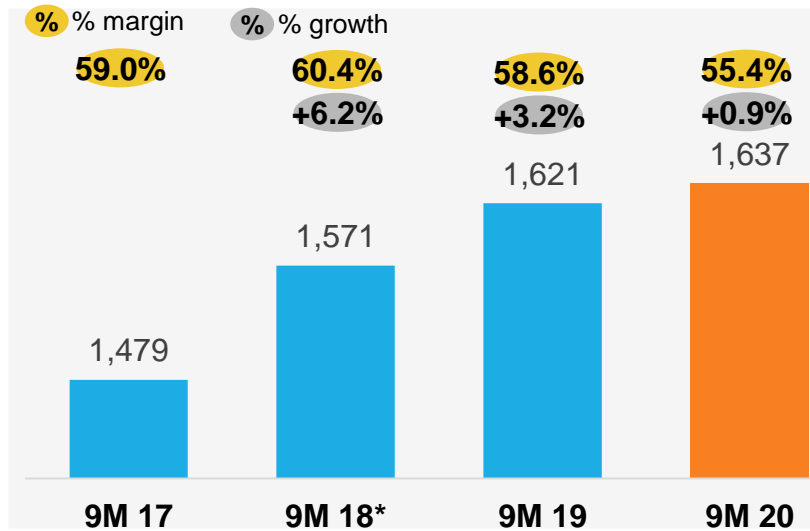
# Financial Results Overview

(IDR bn)

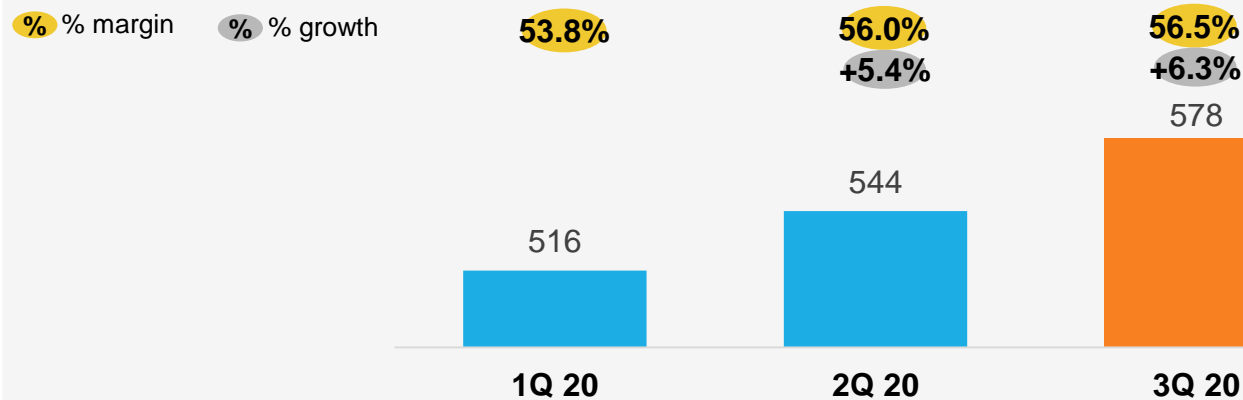
## EBITDA (IDR bn), Growth and Margin YoY



## EBITDA (IDR bn) Growth and Margin YoY



## EBITDA (IDR bn), Growth and Margin Quarter vs Quarter



## Government Regulations – Reduction in Corporate Tax Rate

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- The Government has implemented a tax policy to reduce the corporate tax rate. Link Net's corporate tax rate in the coming years will be as follows:
  - 2019: 25%
  - 2020: 22%
  - 2021: 22%
  - 2022: 20%