



Mandiri Investment Forum

Friday, 5 February 2021



Part 1

Impact of COVID-19 to the Industry

Drastic Changing Behaviors During Covid-19 Situation

WFH

May relevant for certain business and certain functions

- More productive – no commuting time
- Cost efficient – no need office space & utilities



ONLINE MEETING

Be more confident to make meetings online for certain topics

- Easier schedule arrangement
- No commuting time, no space needed



E-COMMERCE

High potential to overtake the traditional channels – grocery shopping, foods delivery.



ONLINE PAYMENT



- Increase the trust level of using online payment
- Touchless payment vs “high-touch” form of cash – more health safety.

ONLINE LEARNING

To reinforce Schools, teachers, students and parents on faster adoption of eLearning complementing with the face-to-face class.



TELEMEDICINE



Patients may still prefer to visit their doctors in person at first; however, telemedicine platform may become a complementary for regular medical consultation with their preferred doctors.

DIGITAL TRANSFORMATION WILL BECOME ONE OF BUSINESS PRIORITIES GOING FORWARD

Demand of Video Conferencing Increased Significantly

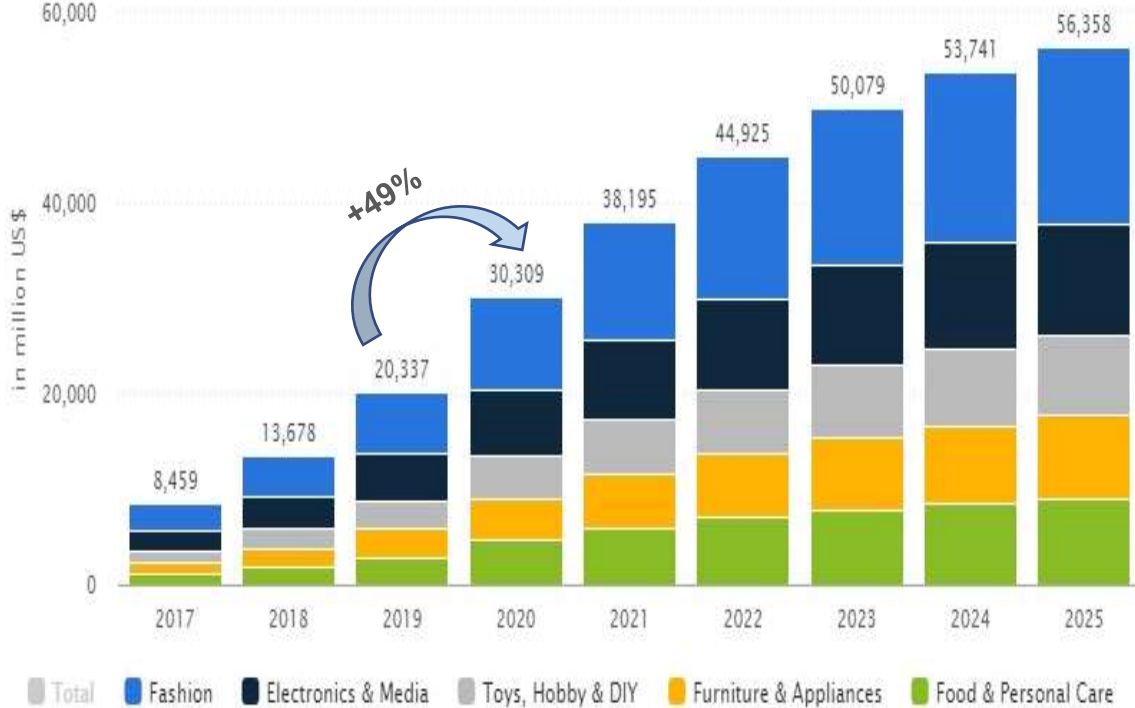
Pengguna aktif aplikasi *online meeting* (dalam jumlah orang pengguna)

	28 Feb-5 Maret	6-12 Maret	13-19 Maret	20-26 Maret
Zoom	8.714	8.985	91.030	257.853
Hangouts Meet	1.448	1.554	7.917	10.454
Skype	60.614	60.641	65.875	71.115
Cisco Web Meeting	3.983	4.123	8.257	8.748
GoToMeeting	479	505	696	977

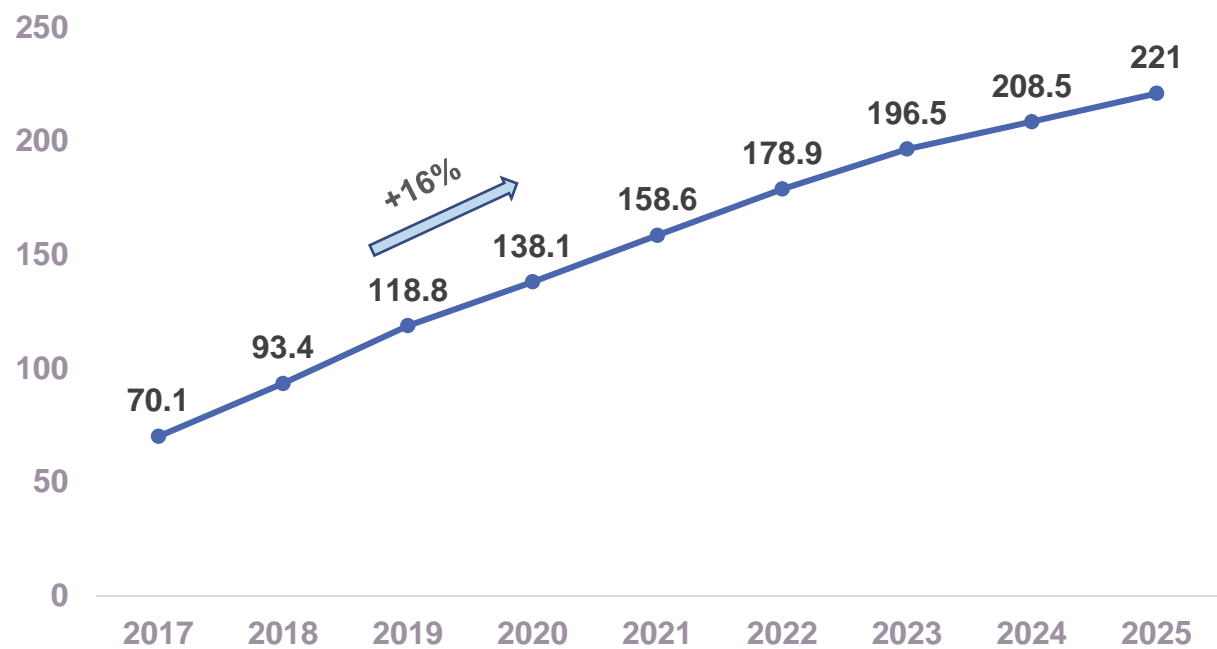
Sumber: Statqo Analytics, 2020

Indonesia e-Commerce Revenue and Users Increased Significantly

Revenue (in million US\$)



E-Commerce Users (in millions)

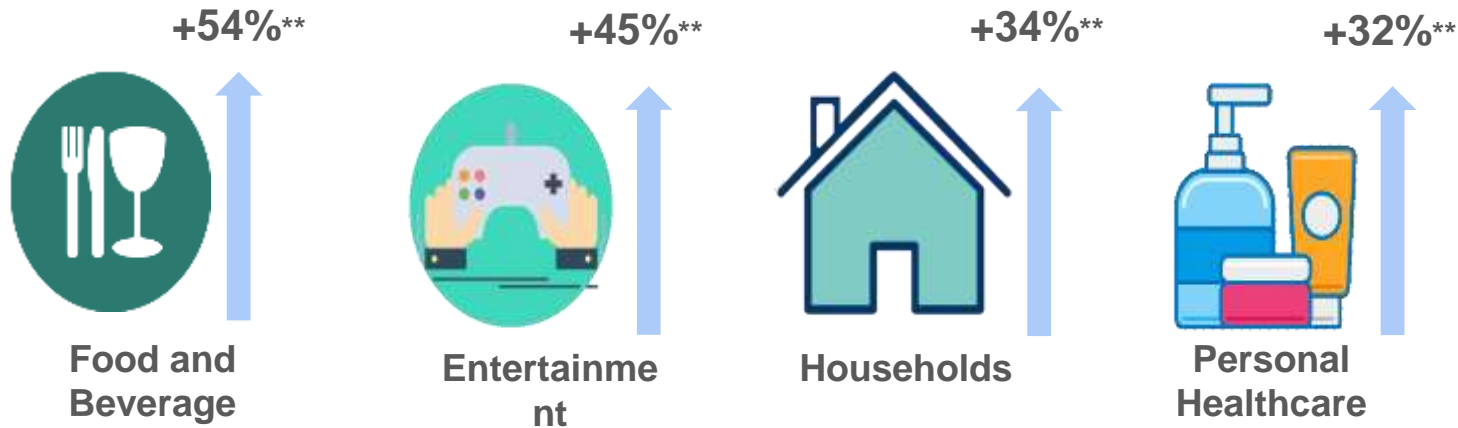


E-Commerce Revenue Grew 49% in 2020 vs 2019; while E-Commerce Users Increased 16% in 2020 vs 2019

E-Commerce Shopping Trend During 2020

84.9 mn
(+28%)
No. of
Visitors
(Tokopedia)*

98.3 mn
(+18.1%)
No. of
Transactions*



Global e-Commerce Revenue

Top 5	
1. 🇨🇳 China	US\$1,260,539m
2. 🇺🇸 United States	US\$469,245m
3. 🇯🇵 Japan	US\$112,465m
4. 🇬🇧 United Kingdom	US\$103,916m
5. 🇩🇪 Germany	US\$94,998m
9. 🇮🇩 Indonesia	US\$38,195m

* % increase vs 2019
** % increase vs before COVID-19

Covid-19 Force Digital Transformation

COVID-19: INCREASE IN ONLINE AND DIGITAL ACTIVITIES

SPENDING LONGER USING SOCIAL MEDIA



47%

WATCHING MORE ON DIGITAL ENTERTAINMENT



57%

SPENT MORE PLAYING VIDEO GAMES



45%

SPENT MORE ON E-LEARNING




27%

CREATING & UPLOADING VIDEO




15%

Key Essential Factors Triggering Behaviors changes

 **01** SOCIAL DISTANCING

Limited interaction with people, products, and devices that may have been in contact with other people.

 **02** CONVENIENCE

 **03** SPEED

People who haven't been as comfortable with ecommerce and other digital technology have been pushed to overcome their hesitancy.



Part 2

Introduction to Link Net



With over 20 years of experiences in the network industry, **PT Link Net Tbk** always strives to provide unlimited high speed broadband internet connections and home entertainment solutions for **residential customers**, also complete connectivity and ICT solutions for **enterprise customers**.

Our products are supported by the latest technology, infrastructure of Fiber-To-The-Home (FTTH) and Hybrid Fiber Coax (HFC) cable system.

VISION

To be the first Choice for Broadband and Media Services

MISSION

We transform lives by providing innovative and exceptional Broadband, Media Services and Solutions





Link Net's Culture

When we look at the culture of organization, we are looking at the values and behaviors of all employees in Link Net.

I Am First Squad as our identity and pride of every employee.

In 2020, Link Net adapted **First Squad Connect** as our digital platform for all employees to communicate, recognize and measure our culture in actions. This is part of our strategy to reinforce our culture by strengthen our camaraderie as First Squad and grow to served our customer better.

Great Place To Work®

The global authority on building, sustaining and recognizing High-Trust, High-Performance Culture™ at workplaces and partners more than 10,000 organizations every year around the world. Link Net is certified as **Great Place To Work**® for Jan-Dec 2021. This is our achievement and trust from our employee that they agree Link Net is a **Great Place To Work**®



Balanced Scorecard (BSC)

Link Net has been implementing BSC since 2019 as a strategic management performance matrix to identify and improve Link Net's internal business functions as well as to measure and provide feedback in achieving goals.

BSC is currently applied from middle manager up to senior management in organization.

Regional Expansion through Java Backbone

The intercity backbone will open doors to 45 cities

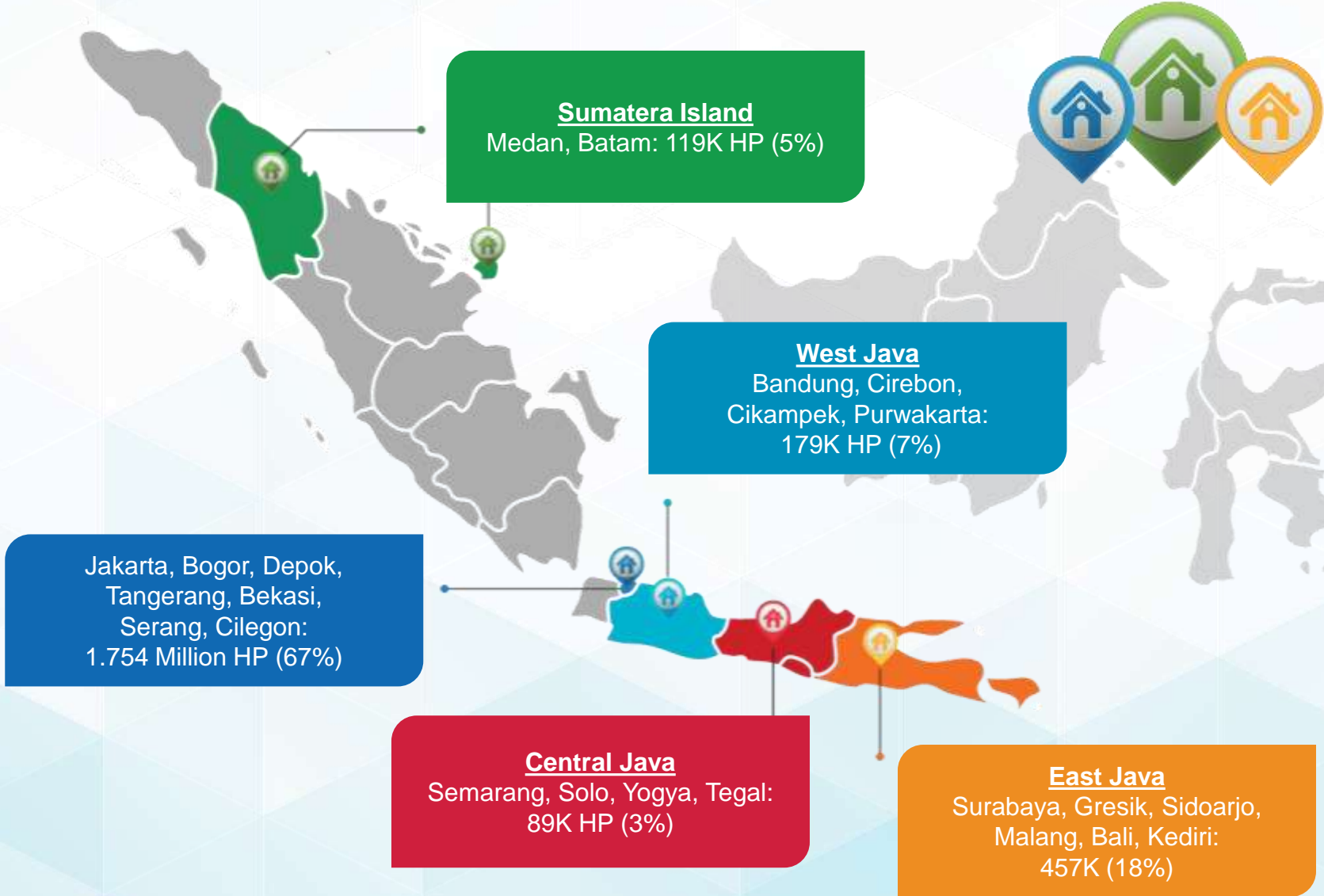


Current Coverage

- | | |
|------------|------------|
| Jakarta | Semarang |
| Bogor | Solo |
| Depok | Yogyakarta |
| Tangerang | Tegal |
| Bekasi | Surabaya |
| Bandung | Malang |
| Cirebon | Gresik |
| Cikampek | Sidoarjo |
| Purwakarta | Kediri |
| Serang | Denpasar |
| Cilegon | Medan |
| | Batam |

OUR FOOTPRINTS

Continuously expanding our coverage to reach more cities in Indonesia

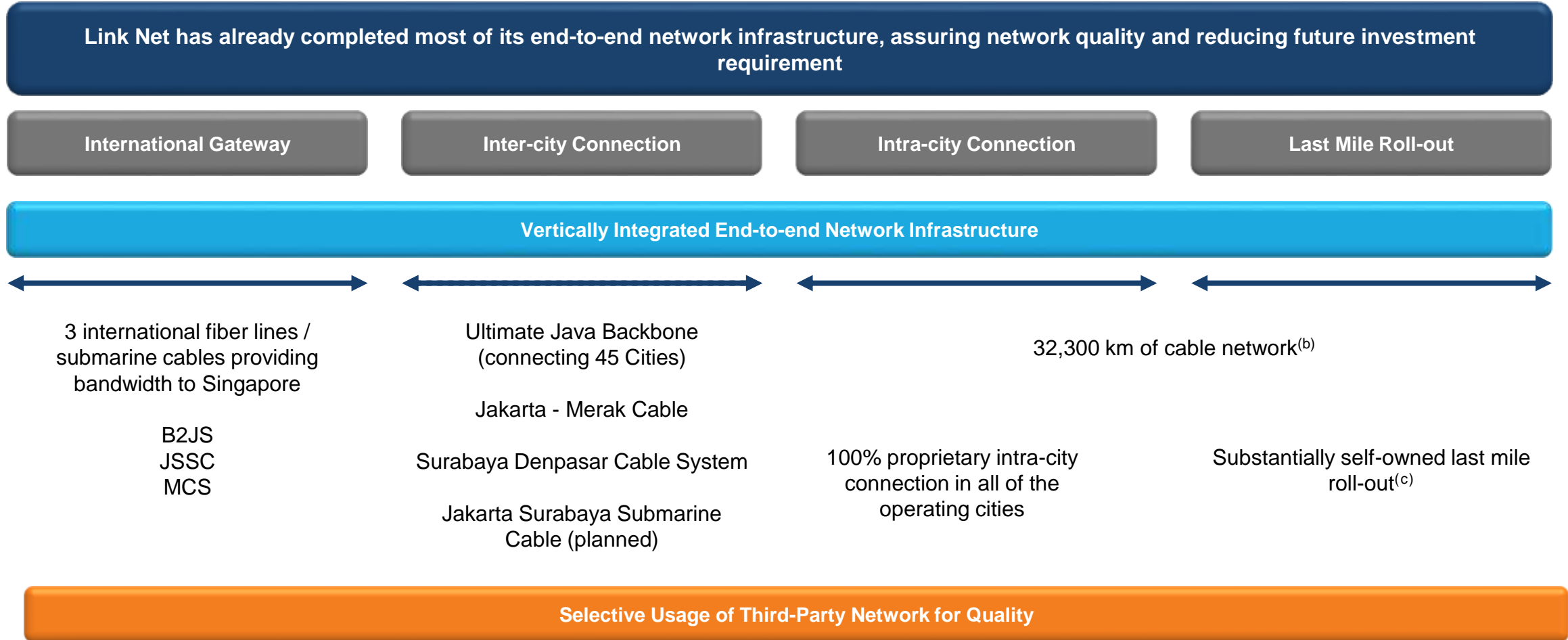


TOTAL HOMES PASSED

2.7+ million

in 23 cities

Technologically Resilient HSBB Network

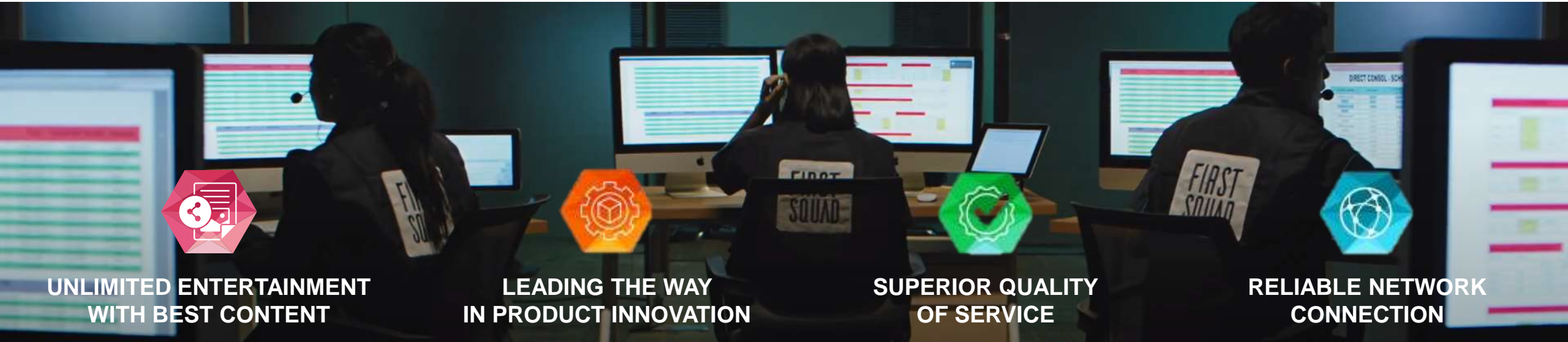


Note:

- a) Link Net acquired a 15-year right to use the Ultimate-Java backbone in 2017
- b) Total cable length includes HFC and FTTH as of December 2020
- c) Limited exceptions for certain last mile owned by property developers

OUR COMPETITIVE EDGE

Always serves customers with best products & service quality



UNLIMITED ENTERTAINMENT WITH BEST CONTENT

Most Channels & Highest number of **HD** channels of any provider in Indonesia (235 channels; 106 HD)

OTT (Catchplay, HBO GO, VIU, and more to come)

LEADING THE WAY IN PRODUCT INNOVATION

Digital Smart Box X1
An interactive smart TV experience

FirstMediaX
TV anywhere application

DOCSIS 3.1
Ready (up to 10Gbps)

SuperWifi
Mesh Wifi router for best coverage

SUPERIOR QUALITY OF SERVICE

SLA (3 – 4 hours)
to respond to network issues

24 Hours Call Centers
Dedicated Lines to Premium Customers

My FirstMedia App
one stop digital self care for 24 hours quick solution

RELIABLE NETWORK CONNECTION

Regular upgrade & maintain networks

Implementation of **CNH** (Customer Network Health Status), a system that monitors the general health of our Network

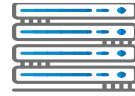
20 years of experience in Network Architecture

Total ICT Solutions for Enterprise Customers

OUR SERVICES



Connectivity



Data Center



Manage Services



Cloud Services



Voice

INDUSTRY SOLUTIONS



Financial Services



Hospitality



Telecommunication



Government & Public Services



Energy & Resources



Media & Entertainment



Manufacture



Education



Property



Transportation



FIRST KLAZ

Enjoy excellent Learning Management System and learning experience with integrated solution for School, Teacher, Parents, Students.



HUMAN TEMPERATURE SCREENING SYSTEM

Detect fever real time per millisecond with AI and face recognition for preventive solution to minimize risk for manufacture and office building



CISCO WEBEX MEETING

Working at home or remotely shouldn't impact your normal business meetings, no matter what device you are on for small, medium and large enterprise



IdeaHUB

Breaks the limitation of traditional conference and space by all in one collaborative boards to have more efficient teamwork



Serve More Than 2500 Enterprise Customers

Financial Sector Industry (FSI)



Digital Business / e-commerce



TMT



Retail



Hospitality



Government





Part 3

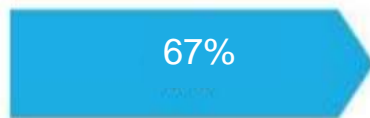
Impact of COVID-19 to Link Net

Increasing Internet Traffic During WFH

Traffic Increase During WFH

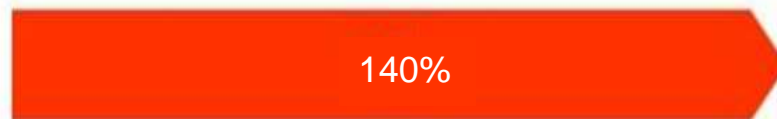
(As of December 2020)

Customers Traffic



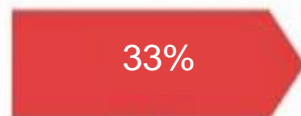
NETFLIX

Peak Traffic

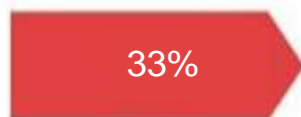


YouTube

Peak Traffic



Google



Netflix data usage

Stream Quality	Data Per Hour	Data Per Month
Low	300MB	14.1GB
Standard Definition	1GB	47GB
High Definition	3GB	141GB
Ultra HD (4K)	7GB	329GB

Zoom data usage a group call

Quality	Download	Upload	Total
High	450MB per hour	360MB per hour	810MB per hour
720p	675MB per hour	675MB per hour	1.08GB per hour
1080p	1.2GB per hour	1.2GB per hour	2.4GB per hour

Increased Data Downloaded by Subscribers per Month

Year	Approx. Data Downloaded per Month (GB)
2018	246
2019	261
2020	325

These factors cumulate into us getting a record number of subscribers and thus growing revenue and earnings. In 2020 we built a larger client base and these clients will help to generate revenue and earnings for years to come.



Part 4

Link Net's Response to COVID-19

CSR Programs

Appreciation to Medical Workers & Giving Back to Communities

Free 3-mths FM Services for Medical Workers: 3K registered customers



Provide 63.5K multivitamins & 4.5K Hazmat suit, donated to 16 Hospitals located in 10 cities - Jabodetabek, Bandung, Cirebon, Surabaya, Sidoarjo, Malang, Semarang, Yogyakarta, Batam, Medan



In collaboration with

- Donated 1,000 rapid test kit to Pemkab Tangerang
- Donated 1,050 test kit COVID-19 & 15K groceries packages to Perkumpulan Adat Marga Simbolon



CSR Programs

Giving Back to Communities



First Community program, First Media donated several trash cans (25 units) to the Jatimulya Housing area, Tambun, East Bekasi which was hit by the flood in early January 2020.



Scholarship Program in collaboration with UPH for FM subscribers



In Collaboration with **BeritaSatu Media Holdings** and **Palang Merah Indonesia (PMI)** held **First Festival From Home '10.000 Cinta Untuk Indonesia'**, music streaming concert with **fund raising** program to provide medical needs in hospitals and health centers



Community Engagement & Relationship Building During COVID-19

First Squad Home Services (FSHS):

- Building sanitization stations within communities
- Offering home sanitization service for new installation and network maintenance
 - Providing sanitization packs to communities



Encouragement and Appreciation for Our Staff

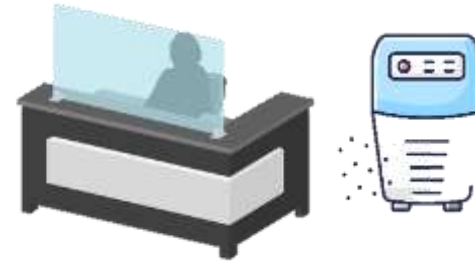
70%



70% WFH Ratio since the start of the COVID-19 pandemic



Split offices to reduce COVID-19 exposures



Installed plexiglass and air purifier to safeguard employees



Routine Serology and PCR testings



Provide free meals for employees working in the office



Provide mask, hand sanitizer and vitamins for employees on monthly basis



Part 4

Financial and Operational KPIs

Definitions

- **Home Passed**

- A home is classified as a 'home passed' where we have physically rolled our network passed the curb of the home. This is the clearest and most accurate and genuine way to define a 'home passed'. Any of our homes passed can be connected to our service very rapidly upon signing up to our service
- Importantly our definition does not mean that a home is within 200-300 meters of a Network Access Point or HFC Port. If we were to use this definition this would expand our homes passed significantly

- **Gross Subscribers**

- Is the number of new subscribers which were added by our sales team in a time period. This does not include the number of accounts which churned (disconnected) out of our service

- **Net Subscribers**

- Is the number of additional subscribers to our service after deducting those subscribers which have churned (disconnected)

Definitions

- **Backbone**

- Cables that carry aggregation traffic from Last Mile, consist of:
 - Inner-City Backbone: connecting last mile aggregation
 - Inter-City Backbone: connecting cities
 - Internet Backbone (usually submarine cable for Indonesia): connecting the ISP to the internet

- **Last Mile**

- These are the cables which are connected from the Network Access Point or HFC Node to the home

- Link Net's backbone is completely fiber. The last mile is a mixture of HFC & FTTH. Of our last mile of 2.679 million homes passed, 86% us HFC and 14% is FTTH.
The total length of our cables, backbone and last mile is 32,337kms, of this 16,265kms are fiber and 16,072kms are HFC

- **Hybrid Fiber Coaxial (HFC)**

- Refers to a broadband telecommunications network that combines optical fiber and coaxial cable
- Top Speed Link Net provides via HFC: 1Gbps
- Top theoretical speed with existing technology: 10Gbps

- **Fiber To The Home (FTTH)**

- Is broadband network architecture using optical fiber to provide all or part of the local loop used for last mile telecommunications
- Top Speed Link Net provides via FTTH: 1Gbps
- Top theoretical speed with existing technology: 10Gbps

- **What We Don't Use**

- **Link Net does not use any copper based ADSL technology**

Operational Overview

Penetration Rate

27.4%

27.3%

28.5%

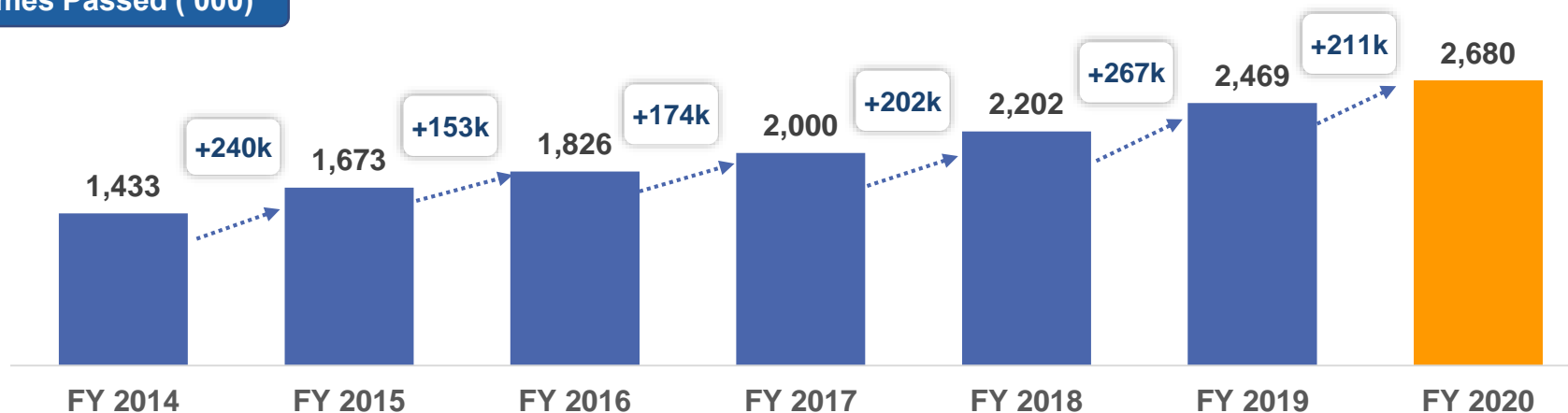
28.5%

27.0%

27.1%

31.3%

Homes Passed ('000)



Total Subscribers('000)

Bundling Rate

93.4%

95.5%

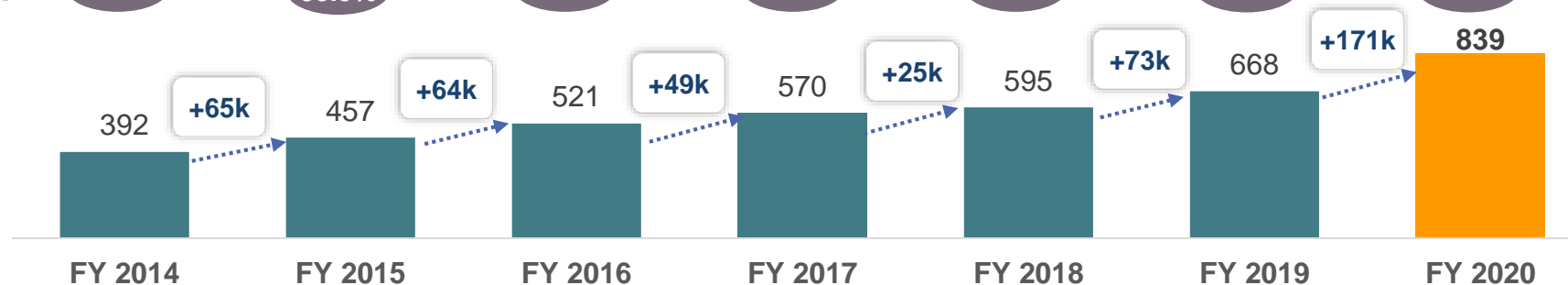
97.1%

98.0%

95.7%

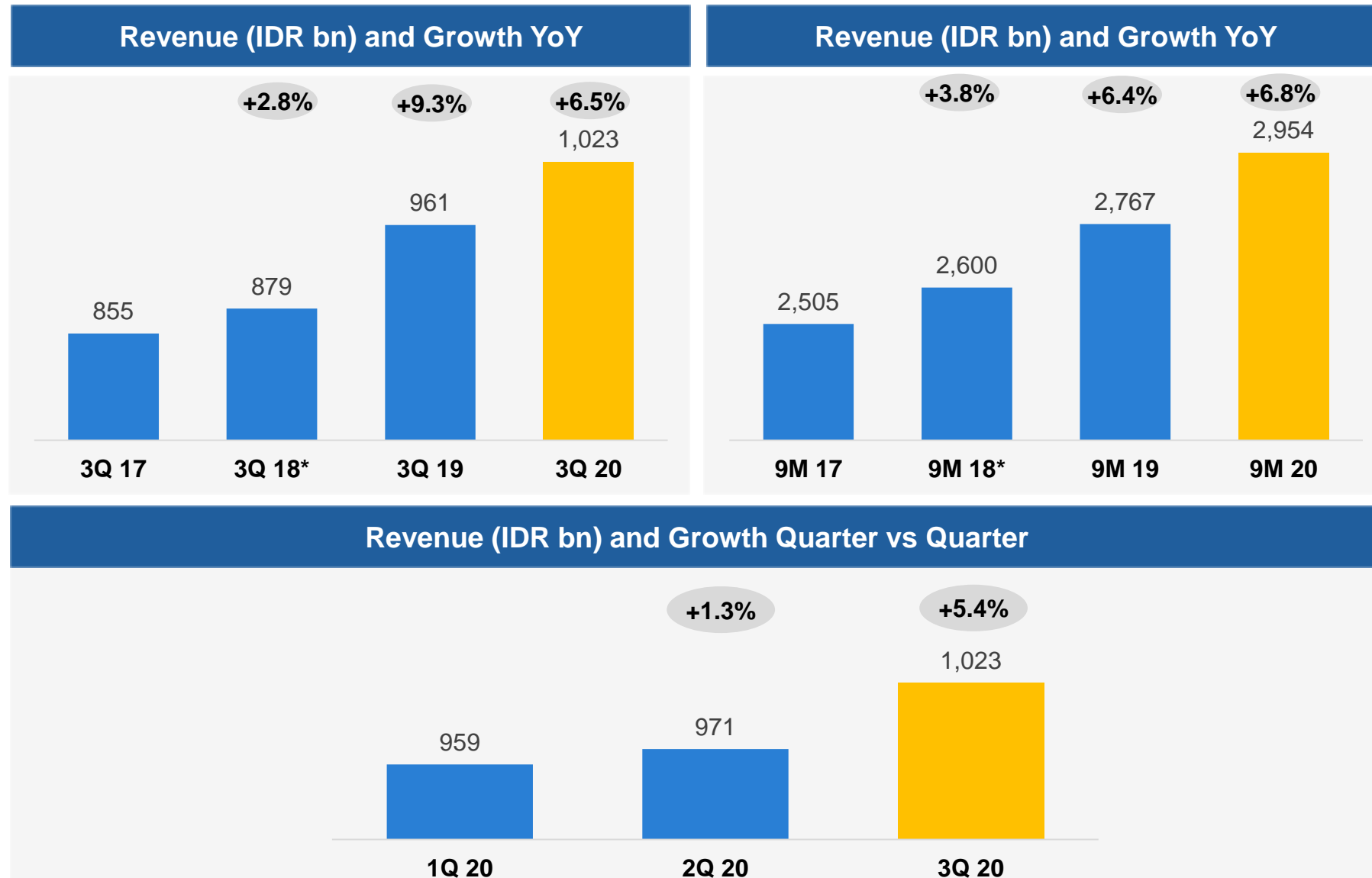
95.7%

96.5%



Financial Results Overview

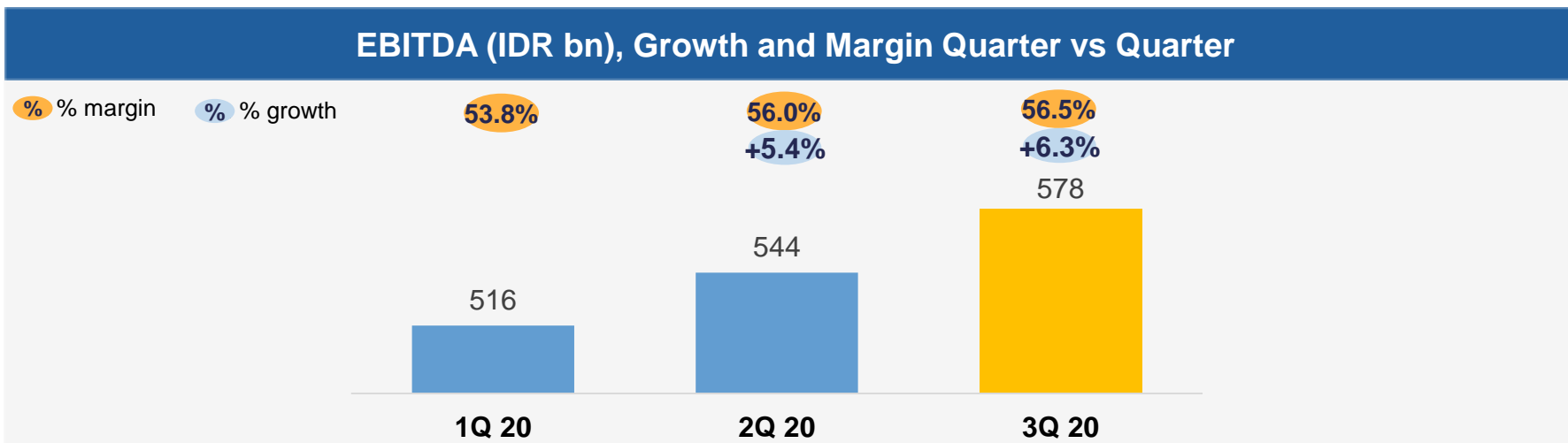
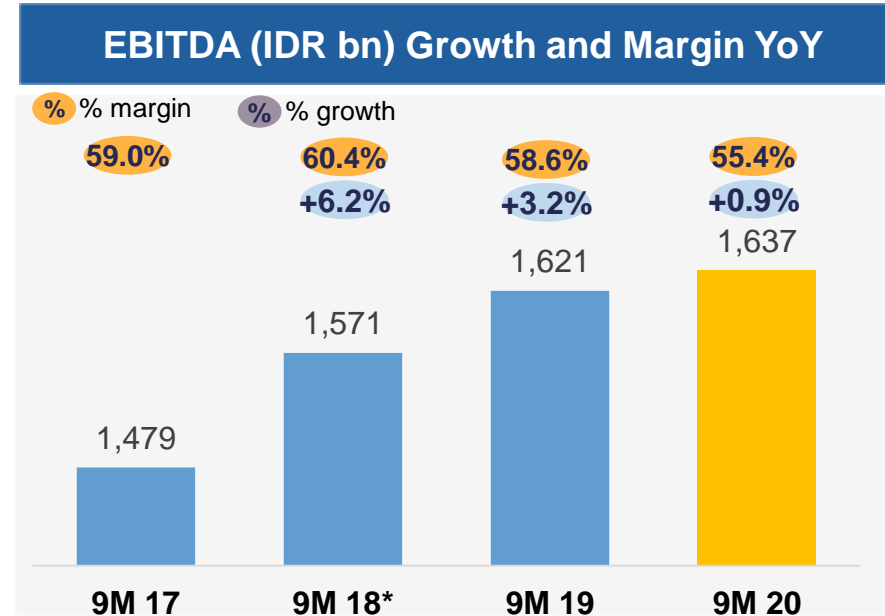
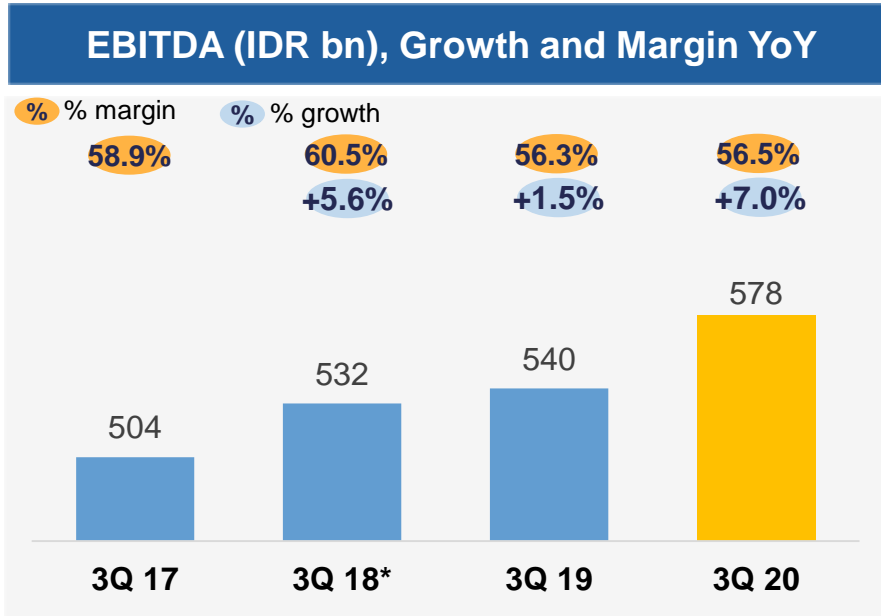
(IDR bn)



*Normalized Revenue for 2018

Financial Results Overview

(IDR bn)



*Normalized EBITDA for 2018

Historical Share Buy-Back

Issued Capital & Treasury Shares:

- Total issued capital: 2,863,195,484
- Since 2016 Link Net has bought back a total of 291,068,500 shares worth Rp1,240,009,065,500

Buyback Mandates:

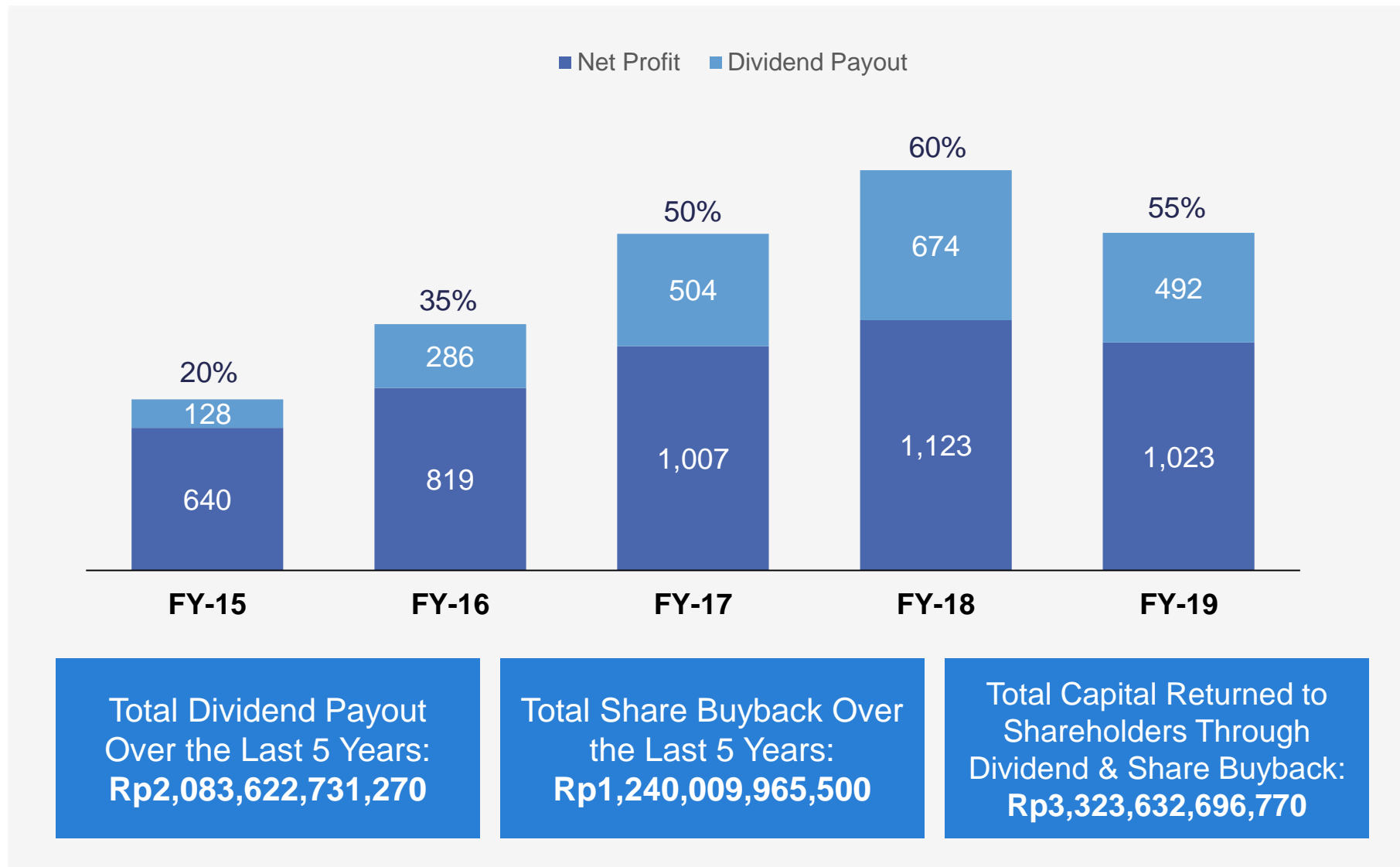
- Maximum of 75,146,002, up until July 2020
- Approved New Buy-Back 211,173,546 until February 2021
- Total Buy-Back Mandate: 286,319,548

Price Limit of all Buy-Backs Rp6,000 Per-Share

Period	Amount (Rp)	Unit	Average Price
2016	386,228,396,000	83,963,800	4,600
2017	15,414,088,000	3,147,600	4,897
2018	223,627,798,500	43,796,900	5,106
2019	309,568,804,000	74,332,600	4,069
2020	305,170,879,000	85,827,500	3,556
Total	1,240,009,965,500	291,068,000	4,260

Historical Dividend Payout

IDR bn





Part 5

Migration Project

Migration Project

- At present, around 47% of Link Net's network uses ICON+ electricity poles
- Under our previous contract, Link Net paid 1.8% net of our revenue for a 5-year period. Under the new arrangement, the price has moved up to 3.6% net of revenue. When we signed the previous contract in 2014, around 80% of our network was attached to ICON+ poles. Despite our reliance on ICON+ poles decreasing from 80% to 50% the rate is still paid as % of our total revenue
- To increase the Company's infrastructure independence and provide greater certainty for shareholders, the business has made the decision to migrate its network away from ICON+
- This project is estimated to cost around Rp3 trillion Rupiah
- The project will be funded from our business cash flow and credit facilities. Presently, Link Net has bank loans of Rp1.5 trillion and we are increasing this to Rp2.5 trillion to fund the project

Migration Project	Achievement of Total (%)
2H20	18%
FY21	50%
FY22	32%



THANK YOU