

# **PT Link Net Tbk**

1Q2022 Earnings Webinar Presentation





## **President Director & CEO**

Mr. Marlo Budiman



“As our new shareholders enter the register, we have the opportunity for both **revenue enhancement and cost management initiatives**. Link Net’s new shareholder structure will provide **stability** along with the ability to drive projects to **maximize the value of our assets**.”

# Migration Project Update

Management team took the bold move to embark on a project to move all our cables that were attached to the national electricity company's poles to our own pole infrastructure. By successfully executing this project, we take control of our own destiny and substantially remove 3rd party risk for our shareholders and enhance our long-term profitability.

The end of our migration project will result in an increase in cash flow and EBITDA as we will no longer be paying pole rental fees of 3.6% of our revenue per annum. Over the past 2 years we have built up a large operational capacity. In the future, this capacity can be shifted to network expansion and Link Net can get underway with an acceleration of growth.

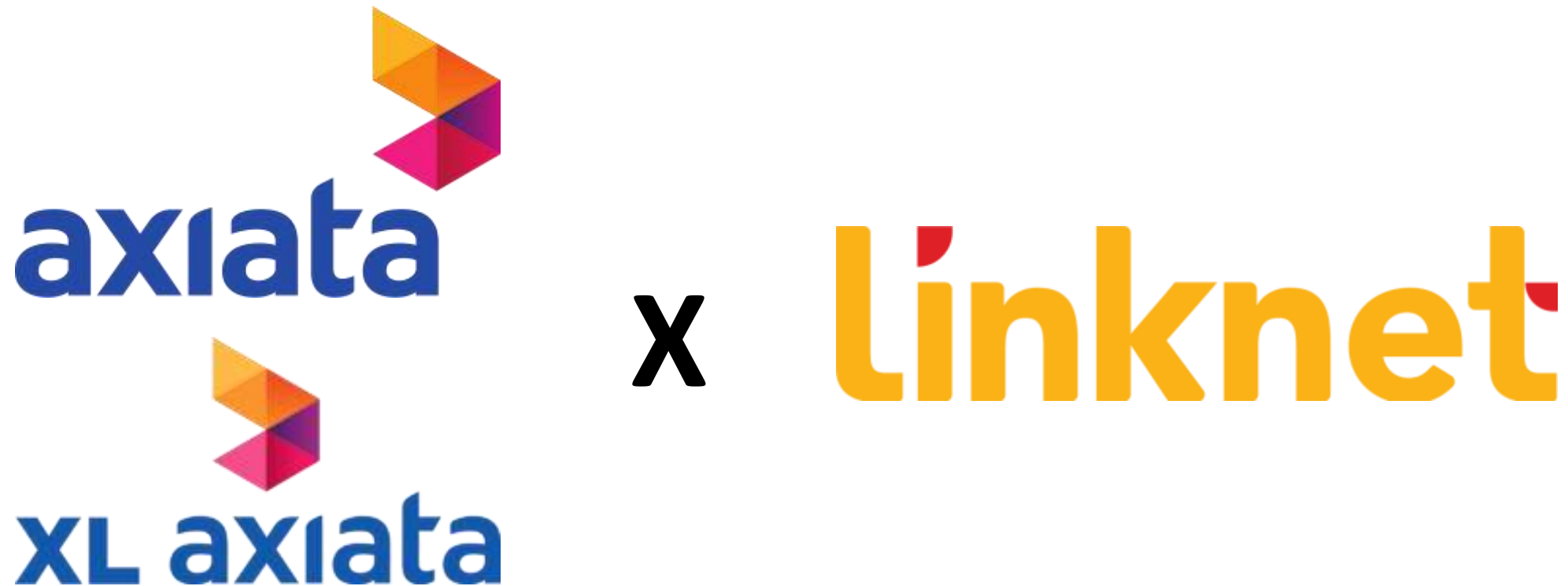


# Share Purchase Agreement – New Shareholders of Link Net

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Link Net presently has 2 major shareholders who have agreed to sell their shares in our company to Axiata's subsidiary All and XL Axiata. This brings an end to a period of uncertainty about the future of Link Net's shareholder base.

Our new major shareholders will be companies with long histories within the telecommunications industry across Asia. Our new shareholders will be making a long-term investment and Link Net's management team will have support to invest and plan for well into the distant future.





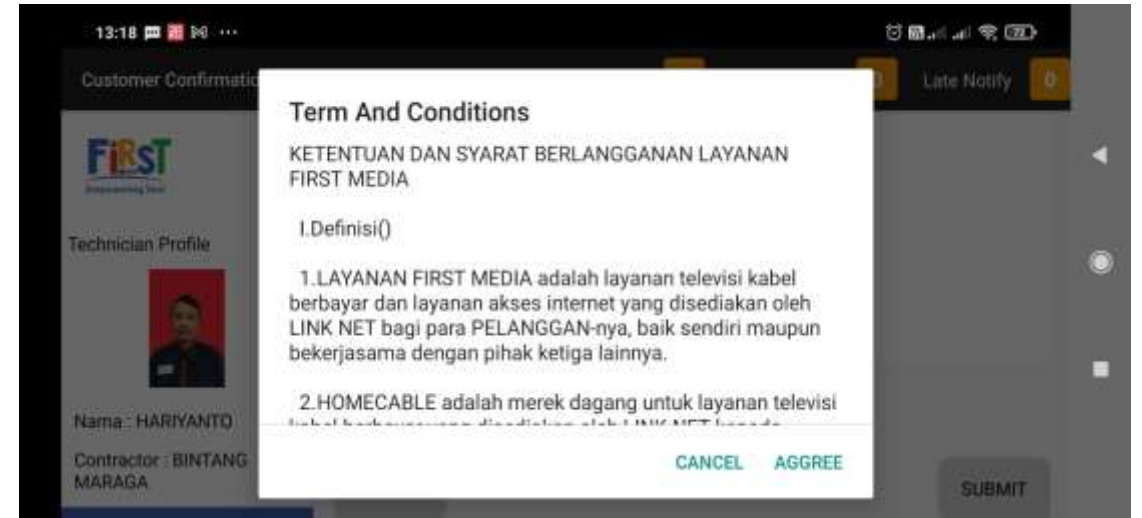
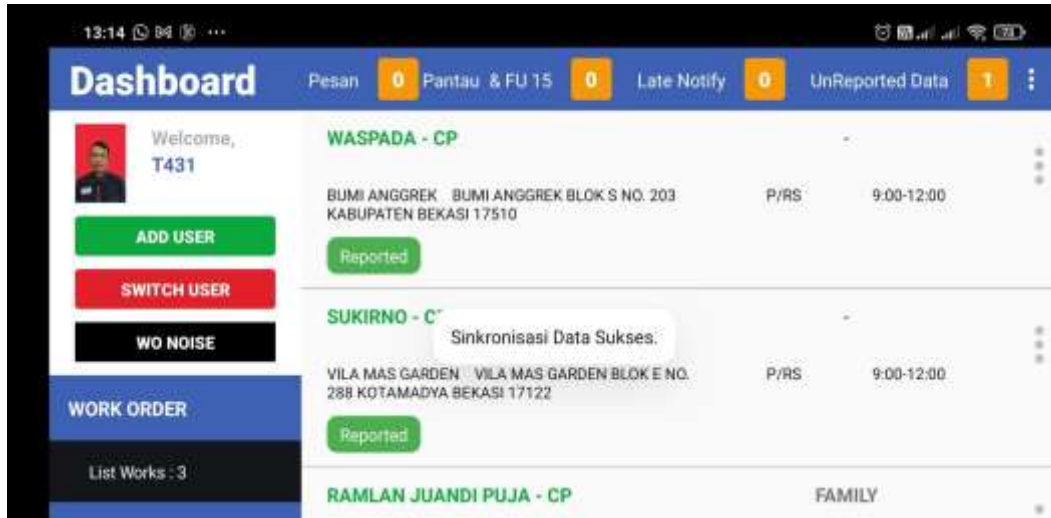
▀ **Deputy CEO & Chief Operating Officer**

Mr. Victor Indajang



“Our businesses operations are crucial to support our **customer base, employees and all our infrastructure**. One of our key focuses is to reduce churn. We do this in part by investing in the improvement of the **customer experience and increasing sales quality**.”

# Developing Technician's Knowledge



We've developed an online digital knowledge center for our technicians. Each of our technicians in the field have access to up-to-date product and technical information to ensure they provide a good customer experience.

Likewise, each technician has access to a senior technician through their personal technician portal. They're able to receive live assistance when required.



# Continued Investments in Digital Self-Service Capabilities



We continue to invest in our digital self-service capabilities to increase customer convenience and to reduce our costs.

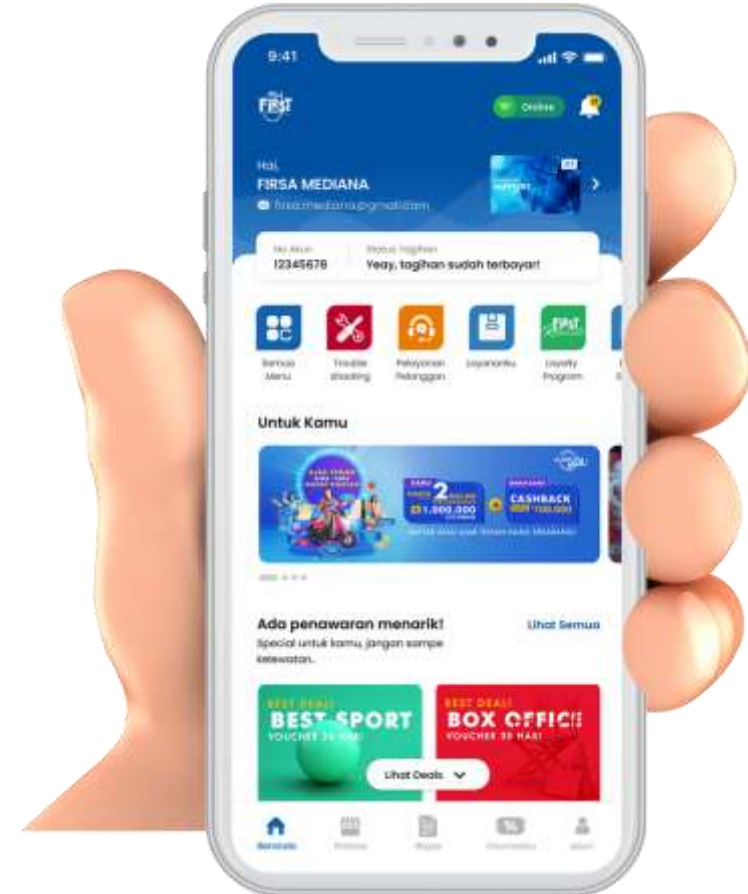
We now provide the option for customers to add various value-added services via our self-care app, My FirstMedia.

Customers are becoming more comfortable with digital self-service application and e-Wallet payment options, and we will continue to invest and grow our digital sales channels.

# Implementation of Digital Customer Applications

To maximize efficiency for our customers we're initiating a digital customer application. This will reduce the time that a customer needs to spend on completing the application and likewise it will increase the processing speed by Link Net.

In addition, this will increase the data quality that we have in our database for each of our customers.



# Anticipating for Future Expansion



In anticipation of future expansion, we've begun building our infrastructure into 4 new cities: Sukabumi, Sumedang, Subang and Purwokerto.



As the migration project nears completion, we are anticipating further growth opportunities. These new cities will provide additional homes passed for our sales team to canvass in the coming quarters.



# Chief Marketing Officer

Ms. Santiwati Basuki



“In the 2nd quarter and beyond we expect to see a **reduction in churn and an acceleration of subscriber additions**. Link Net has one of Indonesia’s most comprehensive internet and content offering and we’ll continue to invest in our service to **maintain our market leadership**.”

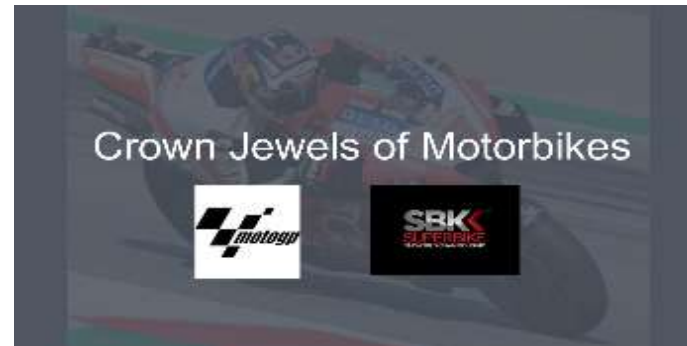
# Content Pack Addition – SPOTV Package

We've added a content pack called SPOTV which our customers can use to watch popular sports including MotoGP, Golf, Tennis Grand Slams and the Badminton World Tour. This package along with our existing sports content provides our customers with the markets most comprehensive content offering.

**Mandalika – Indonesian Moto GP  
March 2022**



**Moto GP & Superbike  
All Year**



**BWF - Badminton  
All Year**



**Wimbledon (Jun 2022)  
US Open (Aug 2022)**



**The Open (GOLF)  
Jul-Aug 2022**



**Others**



# First+ Cloud Offerings to Residential Customers

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We have created a residential customer cloud product that we've called First+ Cloud. This cloud product will provide a mechanism for our customers to store any data and it is also part of our product roadmap to enable personal video recording content stored on the cloud. We anticipate this product to gain popularity as it will provide customers with their own personal digital storage.

# Intensive Marketing Campaign and Tactical Deposit Program

To drive customer acquisition, we've implemented an intensive grass-roots marketing and branding placement campaign. These campaigns strengthen awareness of our brand and product and importantly generate new customer leads.

We focus these activities on areas where it's more difficult for our sales team to penetrate through door-to-door sales.



In addition to customer service and product enhancements, we've begun tactically using a deposit program. Customers who through data analysis are determined to be of higher risk of defaulting on their 1-year contract may be asked to provide a deposit for the service.





# Chief Financial Officer

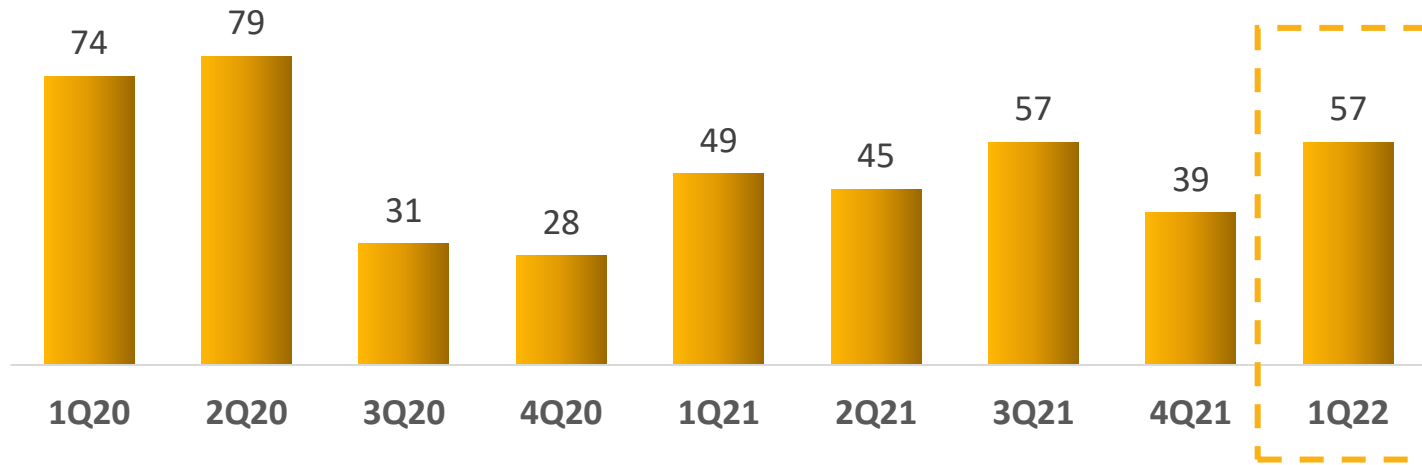
Mr. Johannes



“Link Net’s management expect an **improvement** in the operating environment as the sting of COVID reduces and the economy begins to grow. As our business can turn its **focus to network and subscriber growth** post the migration project, investors can look forward to a **renewed growth trajectory** for Link Net.”

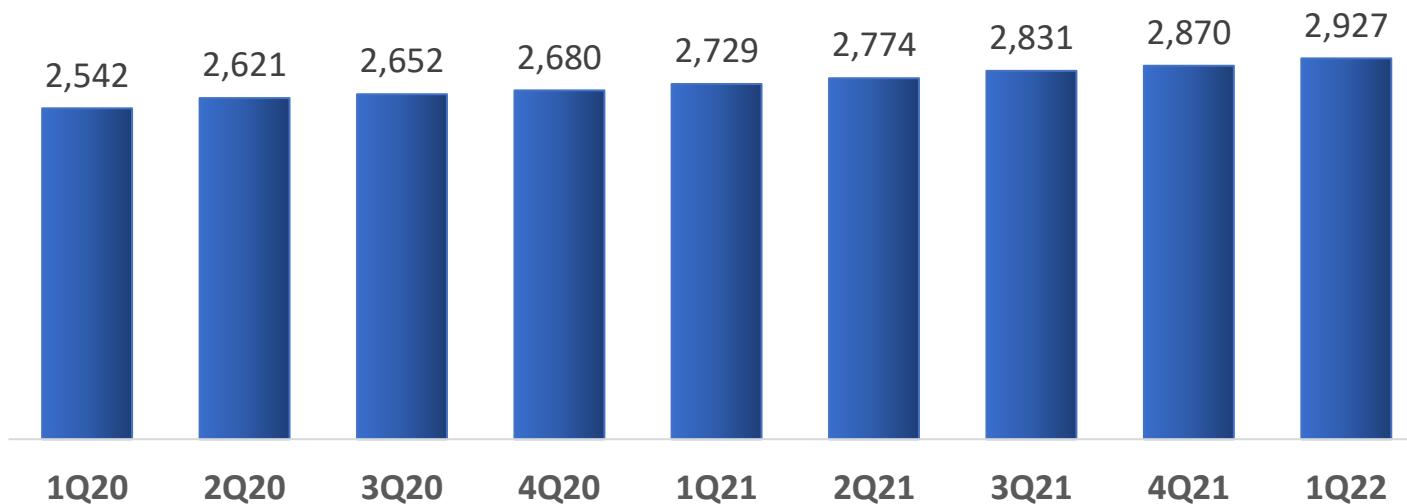
# Homes Passed Additions

Homes Passed Additions (in '000)



Link Net's added 57 thousand home pass additions to our network in the first quarter of 2022 taking our network size to over 2.9 million homes passed.

Total Homes Passed (in '000)



This is despite the bulk of our operational capacity being focused on completing our migration project.

In the future we will be able to shift our operational capacity towards accelerating our network expansion as the migration project is completed.

# Migration Project Update

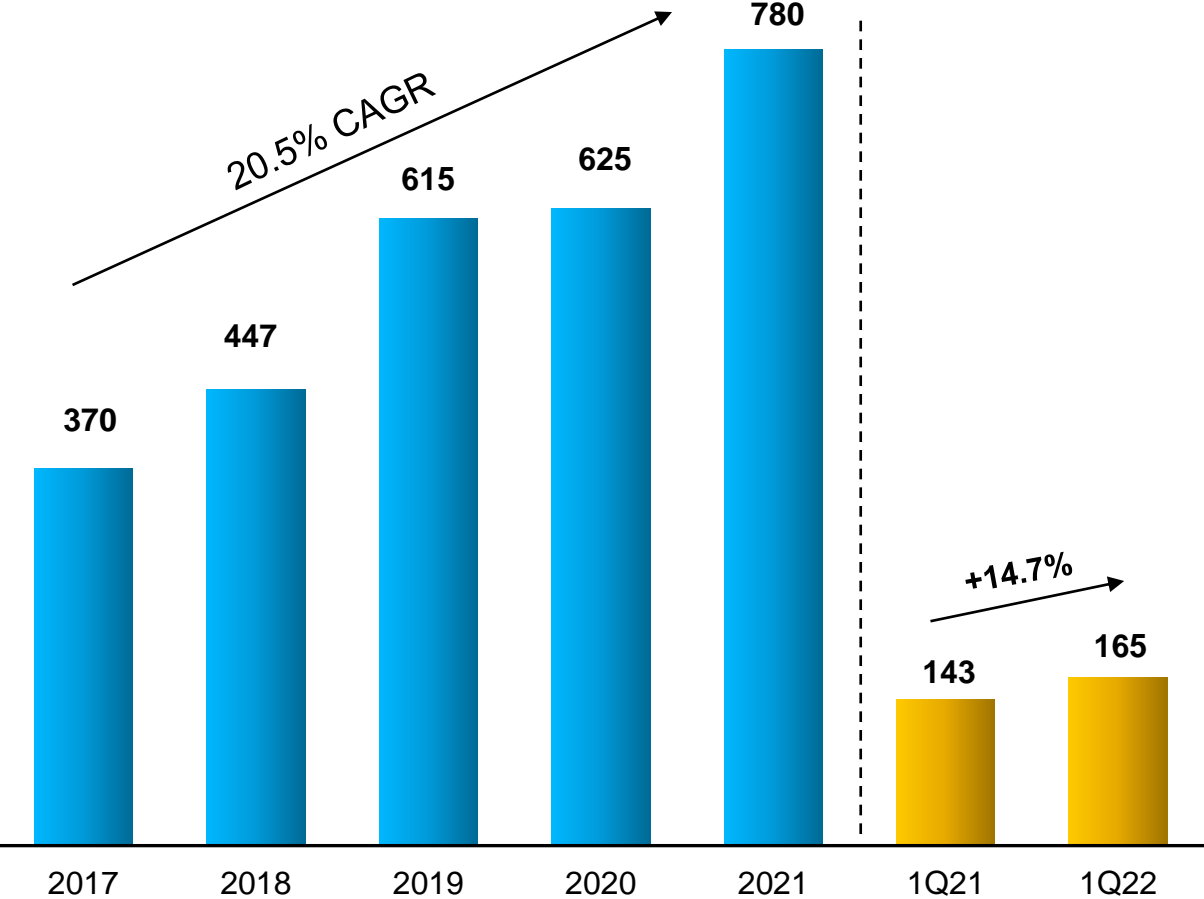
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Over the past 2 years Link Net has been paying 3.6% of revenue for the use of these poles. These fees amounted to more than Rp160bn in 2021. As we move into the 2nd half of 2022 the cash flow previously allocated to pole rental fees can be shifted to more productive purposes.

# Enterprise Business – Clear Upward Growth Path

Enterprise Business Revenue (IDR bn)



Link Net's enterprise business has been on a clear growth path, and this is set to continue in the coming quarters. In the 1st quarter of 2022, our enterprise business contributed to 15.6% of revenue.

Our Enterprise business booked revenue of Rp165bn in 1Q2022, an increase of 14.7% compared with Rp143bn in 1Q2021.

# 1Q22 Financial Results at Summary

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Revenue booked at  
**IDR1.05tn**  
decreased by  
**1.6%**  
in 1Q22 vs 1Q21

EBITDA booked at  
**IDR570bn**  
decreased by  
**8.8%**  
in 1Q22 vs 1Q21

EBITDA Margin at  
**54%**  
in 1Q22

Net Profit booked at  
**IDR128bn**  
decreased by  
**48.6%**  
in 1Q22 vs 1Q21

Net Profit Margin at  
**12%**  
In 1Q22

# Thank You

Earnings Video Playback

YouTube

<https://youtu.be/LW3qHyeHa4g>

IGTV:

[https://www.instagram.com/tv/CeNpm4VB9Hx/?utm\\_source=ig\\_web\\_copy\\_link](https://www.instagram.com/tv/CeNpm4VB9Hx/?utm_source=ig_web_copy_link)

LinkedIn:

<https://www.linkedin.com/feed/update/urn:li:activity:6937294320144109569>

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