



PT Link Net Tbk
Company Presentation
FY 2018

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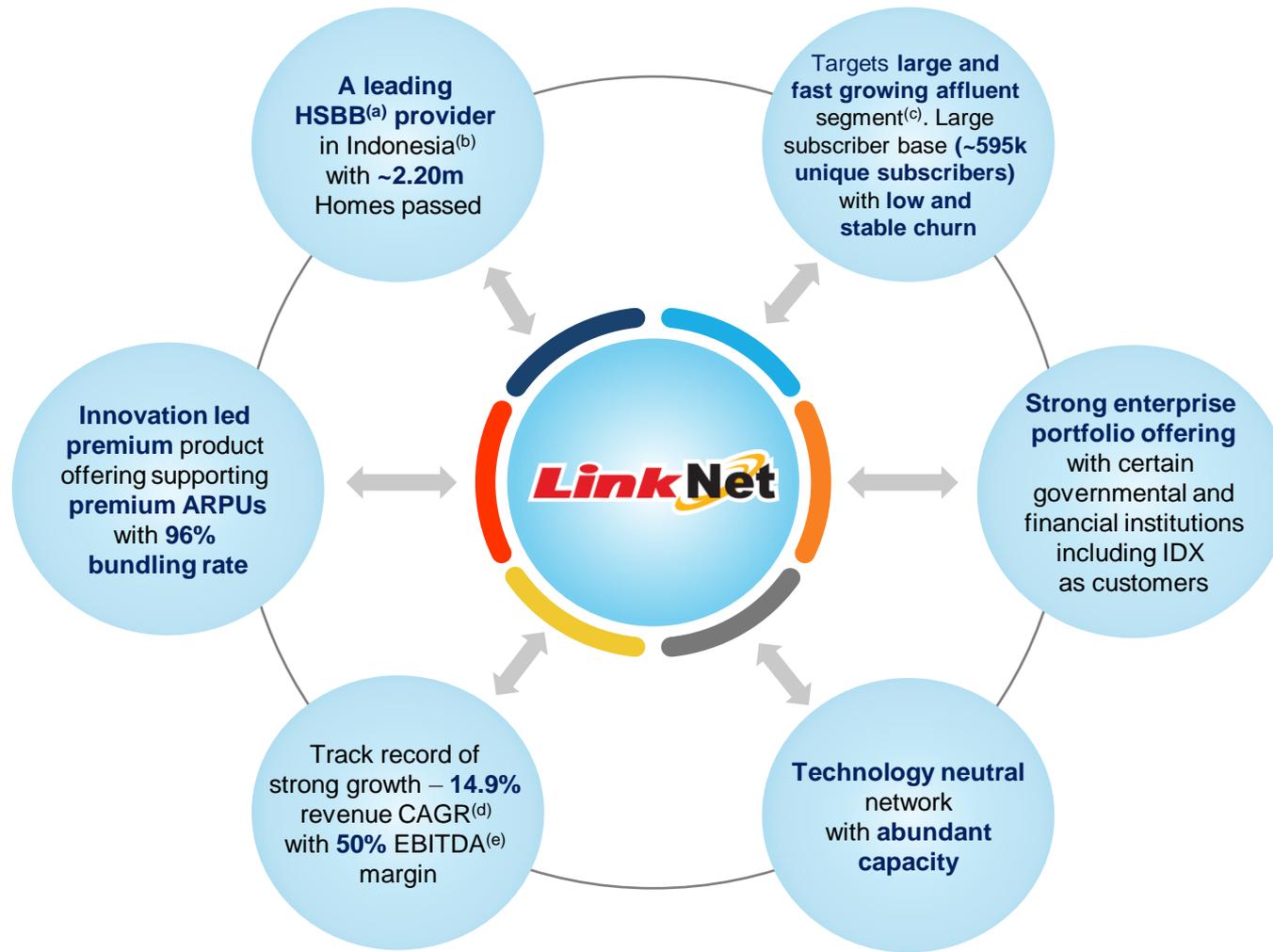
- 5. Appendix**

The background features a dynamic, abstract composition of glowing blue fiber optic lines that curve and swirl across the frame. Interspersed among these lines are faint, semi-transparent binary digits (0s and 1s) and alphanumeric characters, creating a sense of digital connectivity and data flow. The overall color palette is a range of blues, from deep navy to bright, vibrant cyan.

Section 1

Company overview

Link Net – The gateway to Indonesian consumer homes



Note: Company data as of 30 June 2018 unless otherwise stated

a) HSBB refers to High Speed Broadband which is a fixed network capable of providing internet speeds of at least 4Mbps

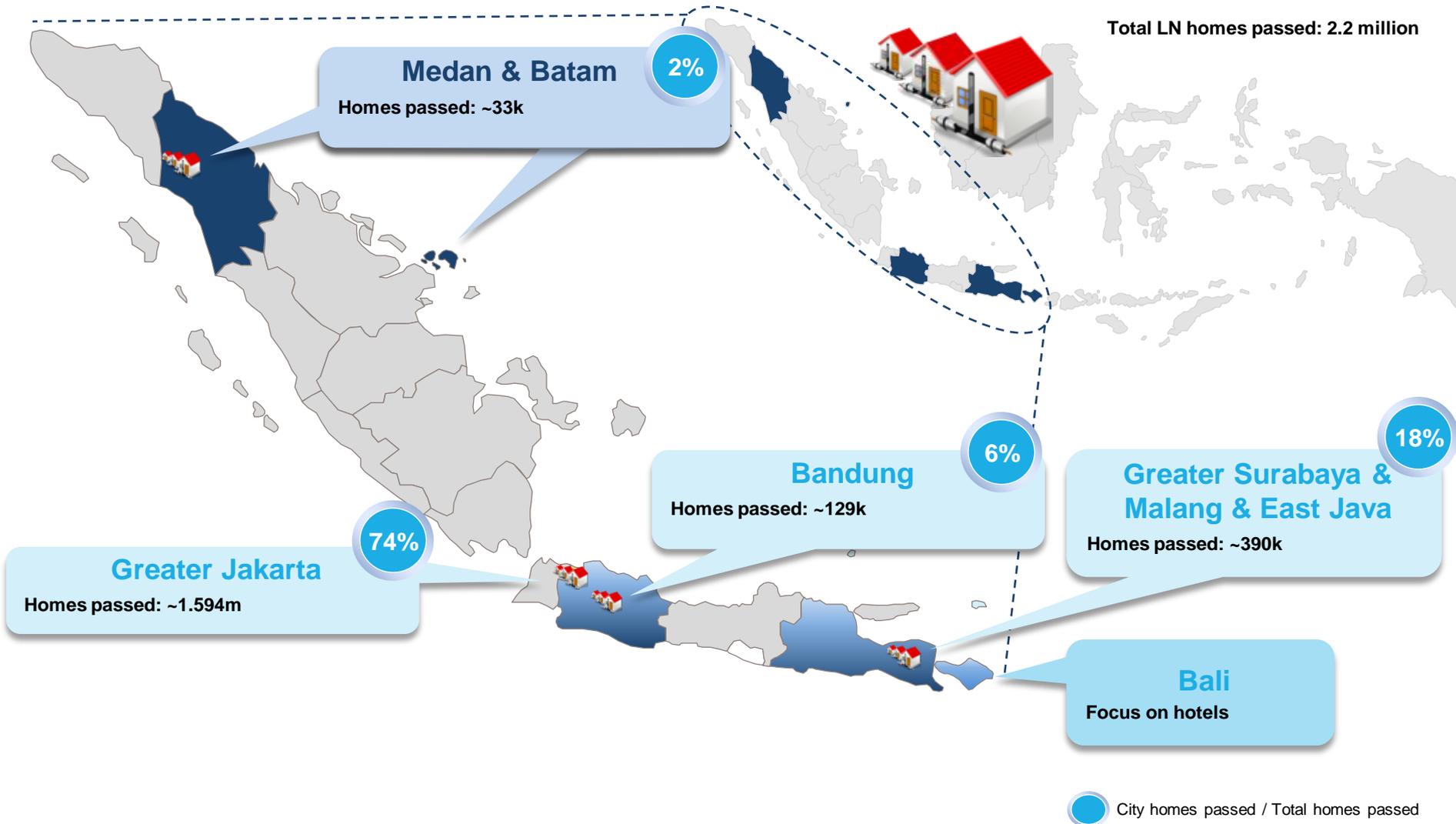
b) Source: 2017 Media Partners Asia. Link Net is a leading HSBB provider in Indonesia in terms of subscriber market share as of 30 June 2017 according to Media Partners Asia

c) 7.3m addressable homes – According to, and based on addressable market of Upper 1, Upper 2 and Middle 1 SEC households, as defined by, Nielsen (2Q17 definition of SEC classification) – For Greater Jakarta, Greater Bandung, Greater Surabaya (Includes Malang) and Medan. Nielsen reports based on number of people aged 10 and above. Addressable homes or households is derived by assuming each home or household has 4 people each

d) Revenue CAGR over FY2013 to FY2017

e) EBITDA is a non-GAAP financial measure of the Company's performance and should not be considered as an alternative to performance measures derived in accordance with IFAS. Other companies may calculate this non-GAAP measure differently which limits its usefulness as a comparative measure. EBITDA margin is defined as EBITDA divided by revenue

HSBB provider of SCALE, operating in the some of the most attractive metropolitan areas of Indonesia



Regional expansion through intercity hub acquisition in Java

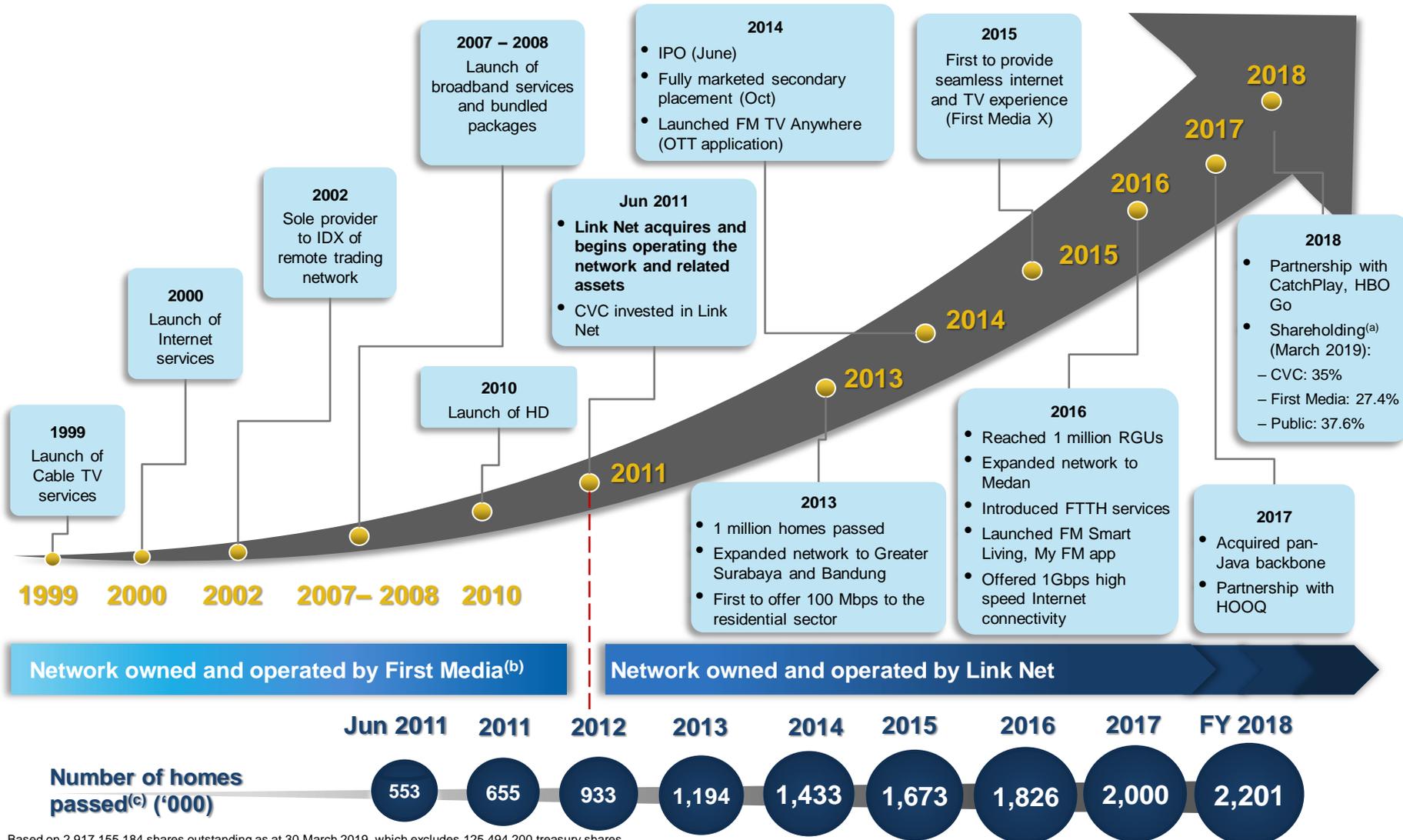
The intercity fiber backbone will open doors to more than 30 cities that were previously untapped by Link Net



CITIES COVERED:

No	City	No	City	No	City	No	City	No	City (Capital)
1	Purwakarta	9	Ciamis	17	Mojokerto	25	Pekalongan	31	Jogjakarta
2	Tegal	10	Purwokerto	18	Lamongan	26	Bojonegoro	32	Semarang
3	Weleri	11	Gandrung	19	Salatiga	27	Kebumen	33	Bandung
4	Sumedang	12	Cepu	20	Jombang	28	Cilacap	34	Jakarta
5	Sukabumi	13	Purwodadi	21	Bobotsari	29	Solo	35	Bandung
6	Garut	14	Wates	22	Subang	30	Madiun	36	Semarang
7	Ciranjang	15	Nganjuk	23	Indramayu			37	Surabaya
8	Cirebon	16	Gendingan	24	Karawang				

Key corporate milestones

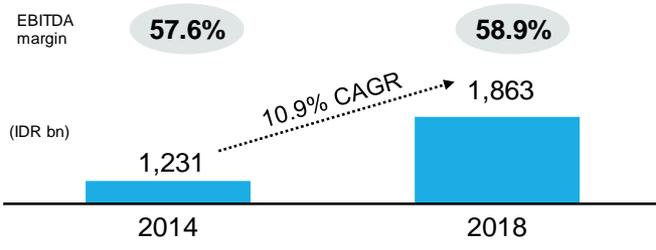
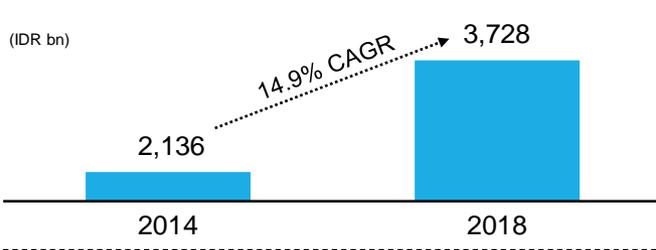
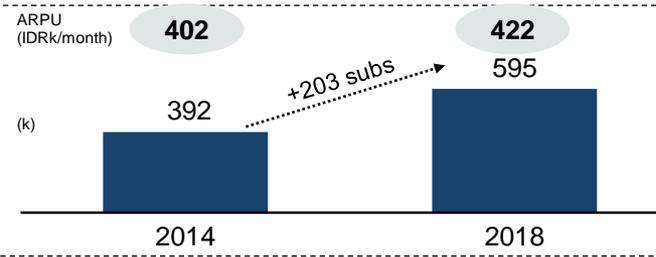
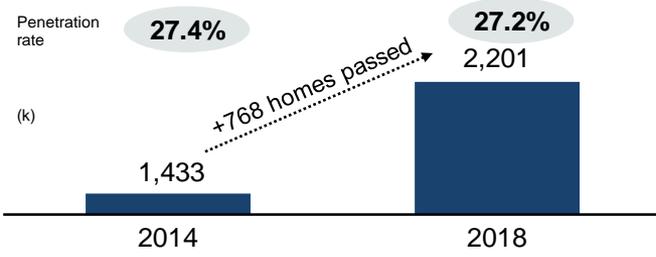
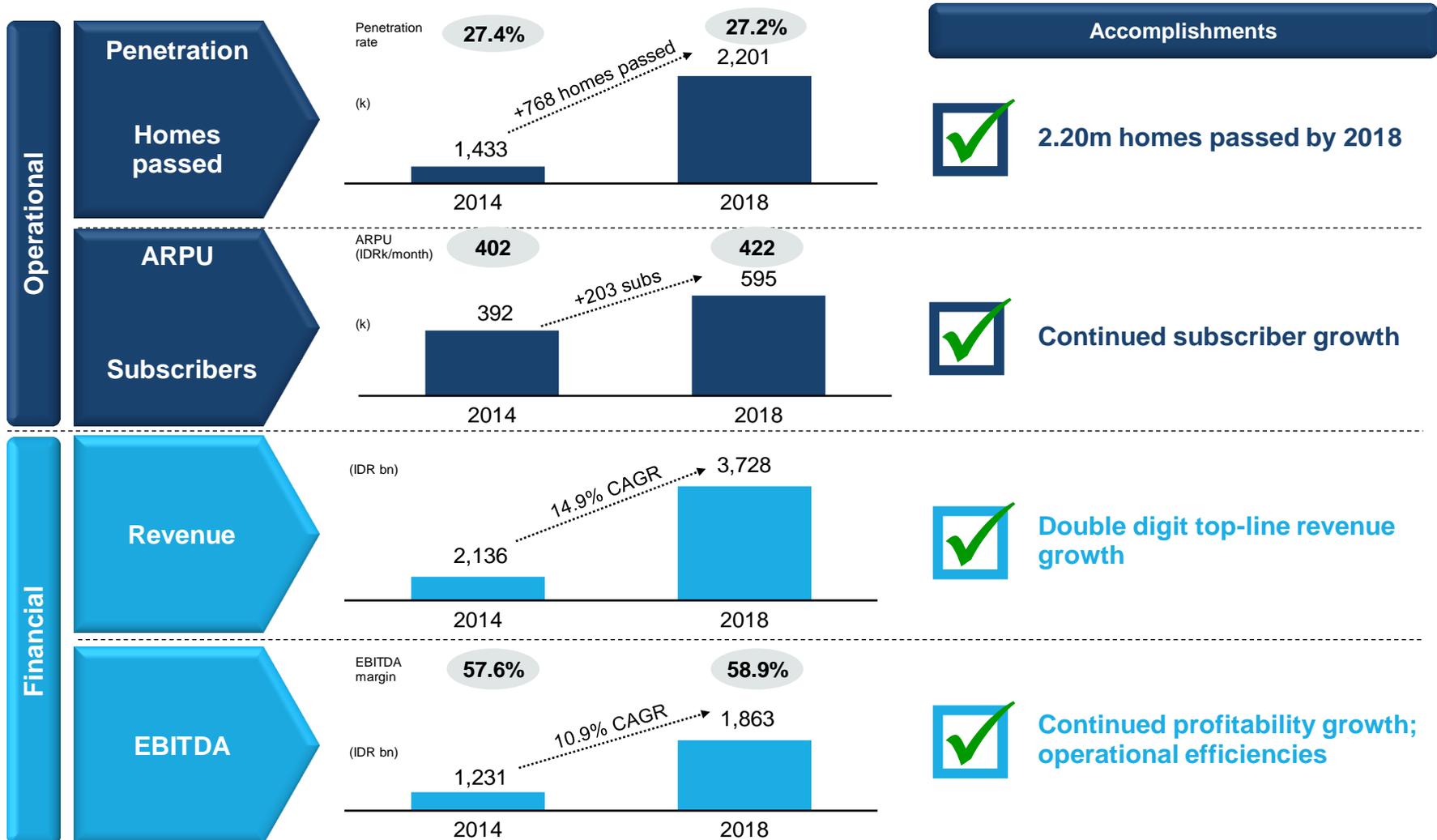


a) Based on 2,917,155,184 shares outstanding as at 30 March 2019, which excludes 125,494,200 treasury shares

b) The Company acquired certain assets, liabilities and rights of use relating to the Network from PT First Media Tbk ("First Media") in June 2011 and commenced its current broadband and cable TV business thereafter. As of 31 May 2018, First Media held 27.4% of the outstanding shares of Link Net

c) Number of homes passed are as at the end date for each period

Link Net has delivered since its 2014 re-IPO



The background features a dark blue field with numerous glowing blue light trails that curve and swirl across the frame. Interspersed among these trails are faint, semi-transparent characters from the hexadecimal system (0-9, A-F), creating a digital or data-centric atmosphere.

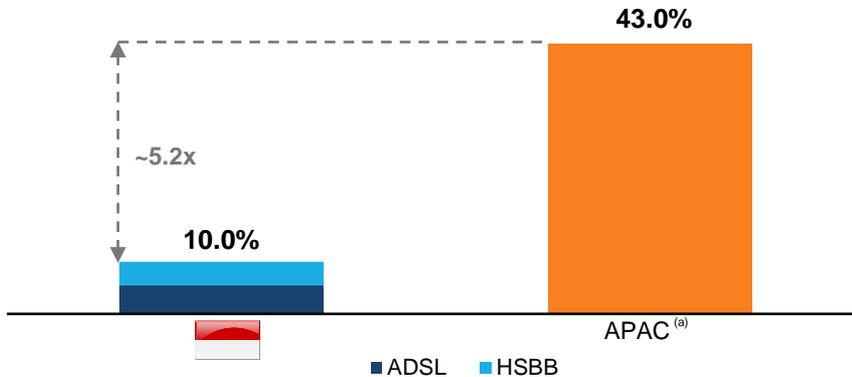
Section 2

Key investment highlights

1 Highly attractive long term fundamentals for Indonesia's fixed broadband markets and pay TV markets

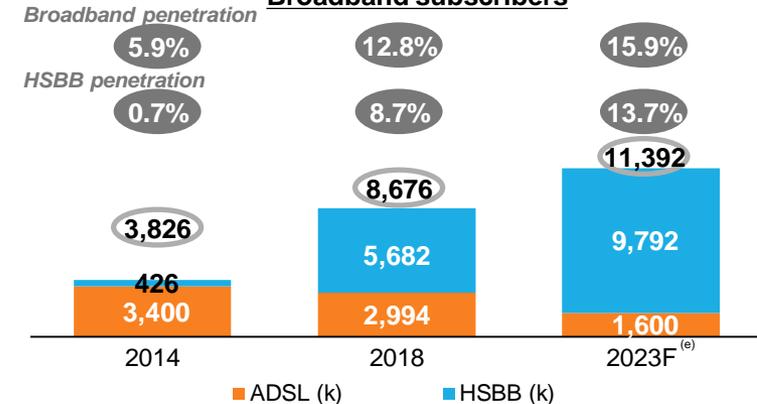
Underpenetrated Broadband segment with ADSL being the dominant technology

Broadband penetration (2018)



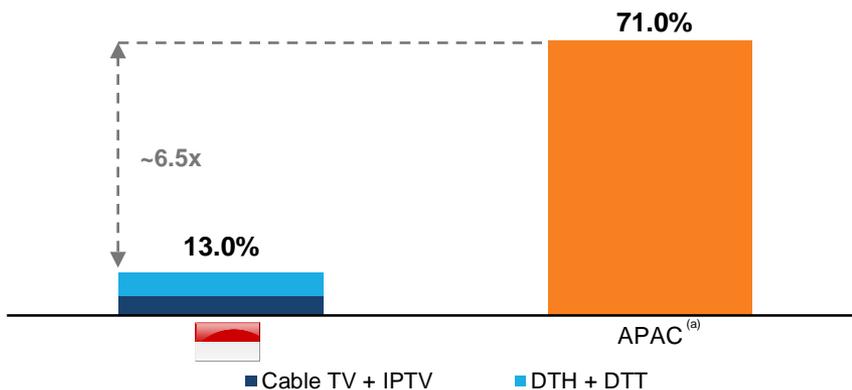
Explosive growth in Broadband market driven by HSBB demand

Broadband subscribers



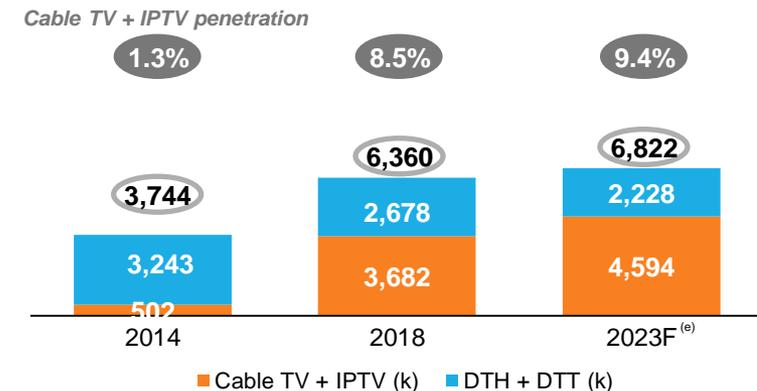
Underpenetrated Pay TV segment

Pay TV penetration (2018)^(b)



Explosive growth in Cable TV & IPTV markets

Pay TV subscribers



Source: 2017 Media Partners Asia unless otherwise stated

a) Refers to average APAC Broadband and Pay TV penetration rates respectively

b) Pay TV penetration is as a % of TV households

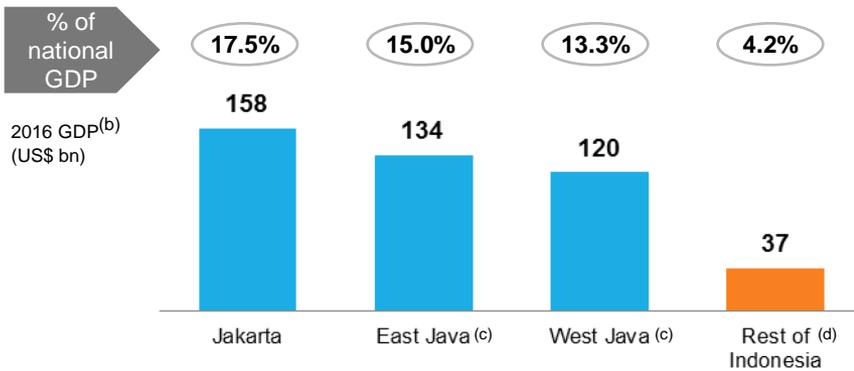
c) Refers to DTH and DTT CAGR

d) Refers to Cable TV and IPTV CAGR

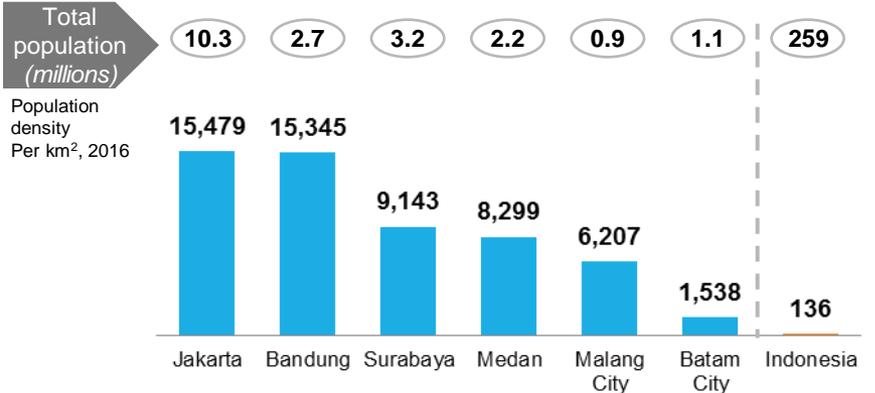
e) Indicates a forecast, which is inherently subject to various risks and uncertainties. Actual results and future events could differ materially

2 Link Net – Leading HSBB provider of scale and operating in some of the most attractive metropolitan areas of Indonesia...

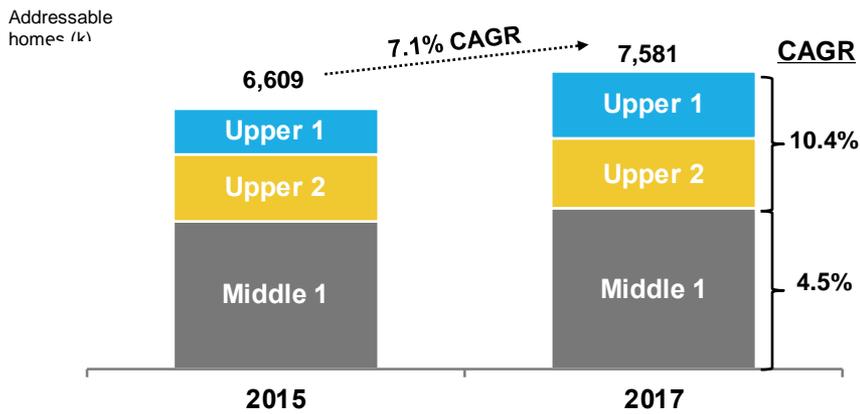
Operating in provinces with high GDP contribution...(a)



...and in some of the most densely populated cities(a)



Link Net's large and fast growing addressable market(e)



Source: 2017 Media Partners Asia unless otherwise stated
 a) Source: Badan Pusat Statistik ("BPS")
 b) GDP assumes USD/IDR exchange rate of 13,322
 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) According to, and based on addressable market of Upper 1, Upper 2 and Middle 1 SEC households as defined by Nielsen (2Q17 definition of SEC classification) – For Greater Jakarta, Greater Bandung, Greater Surabaya (Includes Malang) and Medan. Nielsen reports based on number of people aged 10 and above. Addressable homes or households is derived by assuming each home or household has 4 people each

2 ...with high barriers to entry

High barriers to entry from...

- 
Access to Existing Subscribers: Existing subscribers reluctant to provide access for new cable laying, which would result in disruptions and a high degree of inconvenience
- 
Financial Capability: Able to invest in significant capital expenditure to improve existing network and support future expansion plans
- 
Strong Brand and Customer Base: Established position and significant market share results in attractive economies of scale in the long run

Link Net business profiles

Geographic focus



Urban areas

with high population density and GDP concentration (2.2m homes passed)

Product focus

Superior **fixed broadband and pay TV** offerings

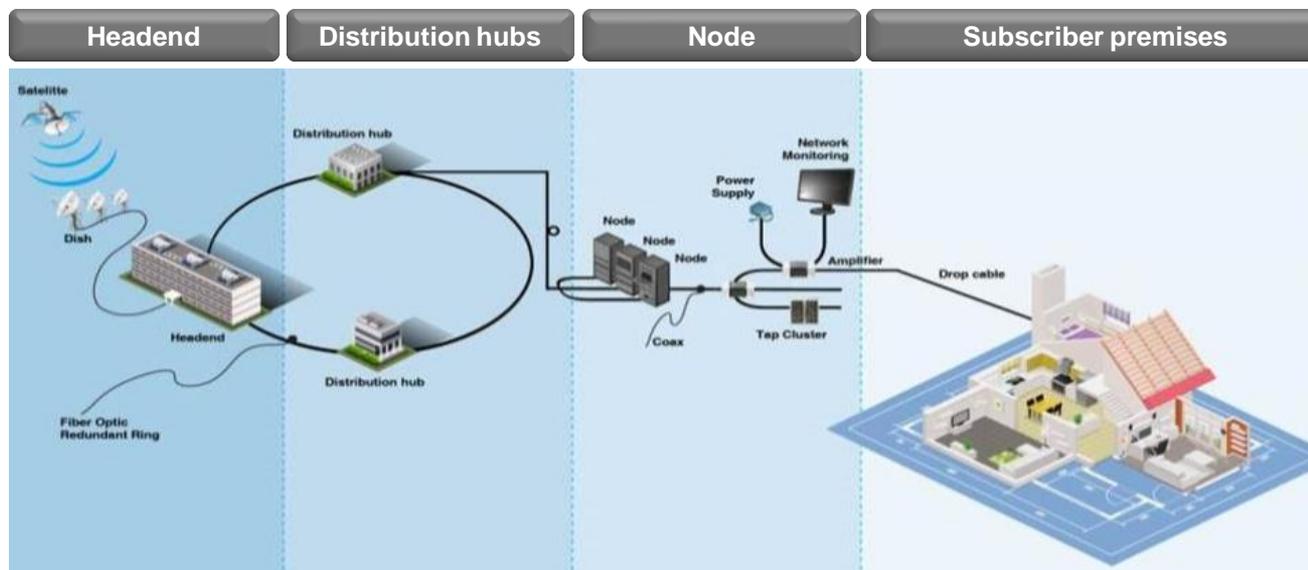
Demographic focus

Affluent households

Upper 1, Upper 2 & Middle 1^(a)

3 Technologically resilient HSBB network

Future proof network with abundant bandwidth capacity and high level of network redundancy



- ✓ More than 26,000 km's of cable across Indonesia^(a)
- ✓ Has access to a total of 780 Gbps of International bandwidth capacity
- ✓ Substantially self-owned last mile roll-out^(b)

- ✓ Technologically agnostic approach to future rollout:
 - HFC network in the existing brownfield areas and FTTH network to be rolled out in new areas rolled out within parts of existing coverage areas for enhancement
 - FTTH network to be rolled-out in greenfield areas with market skewed to the fiber-centric infrastructure
- ✓ Offering a high quality network using HFC and FTTH capable of speeds up to 10 Gbps

a) As of 30 June 2018

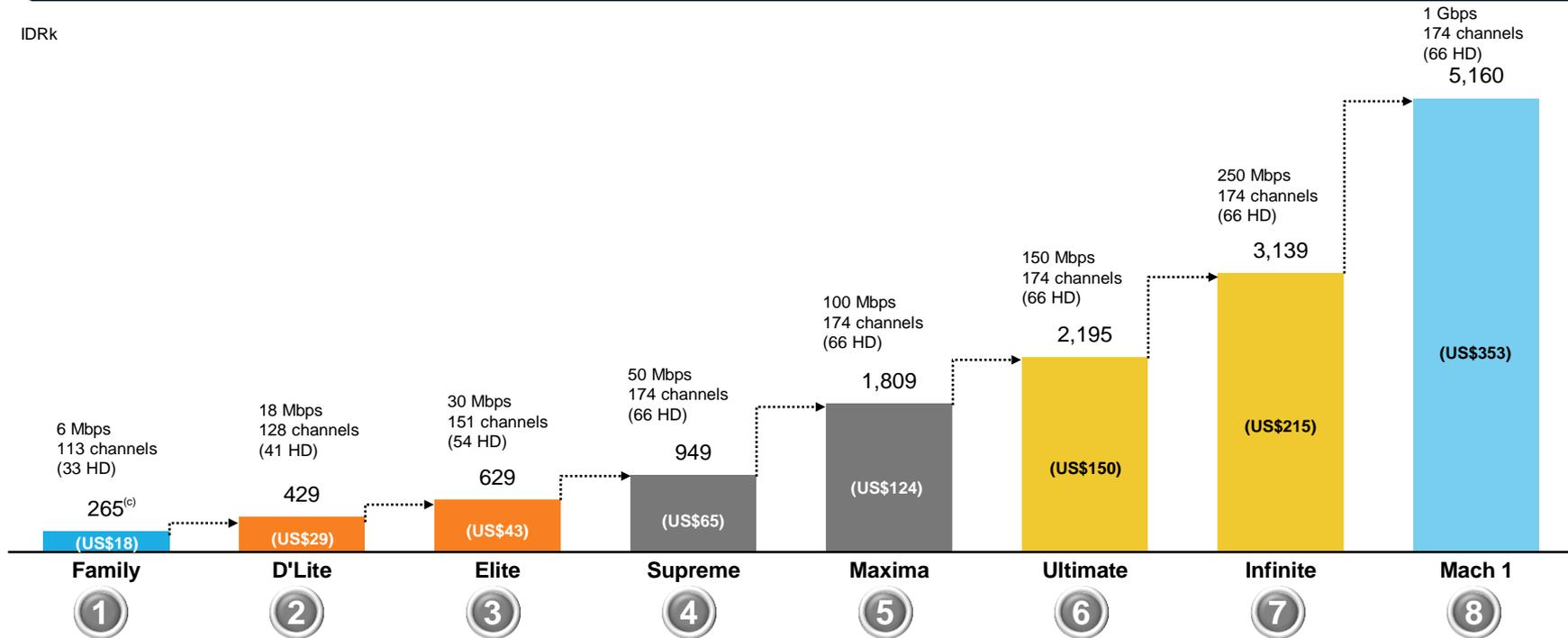
b) Limited exceptions for certain last mile owned by property developers

4

Compelling product offerings with superior service quality (cont'd)

Wide range of product offerings to cater to different customer needs^(a,b)

IDRK



- Entry-level package offering for subscribers with basic internet and TV channel needs
- Basic package offering for subscribers with basic internet and TV channel needs
- Incremental add-on packages which deliver faster internet and more TV channel genres
- Package targeted for consumers who are looking for full access to high speed internet and all channels
- Designed for heavy users of high speed internet who require full access to all channels
- Highest tier packages, offering the highest speed available from the Company combined with dedicated premium customer and technical service for users that demand the Company's best service available

Profitability margins are similar across all packages from entry-level to most premium tier package

Note: As of Sep 2018

a) All price is including CPE rental, excluding 10% VAT and add-on channels. Total Link Net channel offering are 174 .

b) Wireless Docsis 3.0 Modem (previously Docsis 2.0) and HD STB for FAMILY and D'LITE & Wireless Docsis 3.0 Wi-fi Modem and X1 4K STB (previously X1 HD STB) for ELITE. Prices for all packages include First Media X

c) USD/IDR exchange rate of 14,600

6 Experienced management team with a strong track record



Marlo Budiman, Chief Executive Officer

- More than 15 years experience in senior executive roles across various industries including telecommunications and consulting.
- Has had multiple leadership roles and has excelled in growing revenue, cost management, debt restructuring and corporate strategy.
- Holds degrees in finance and real estate from Ohio State University.



Victor Indajang, Chief Operations Officer & Deputy CEO

- Extensive experience as director of operations and technology roles across banking and the high speed broadband industry over the last 13 years
- Previously served as Link Net's operations director from 2009 until 2015
- Played a pivotal role in developing operations that support Link Net's network



Johannes, Chief Financial Officer

- Worked for Sinarmas Group for over 15 years in a range of senior executive finance roles.



Desmond Poon, Chief Technology Officer & Product Director

- Over 22 years of experience in technology, media and networks
- Prior to joining Link Net, he was the VP/Head, Home Solutions & Architecture (SHINE) in StarHub Ltd, Singapore



Santi Basuki, Acting Chief Marketing Officer

- 13 years experience in marketing and customer relationship management
- Currently covers marketing strategic planning for acquisitions, customers portfolio management, and marketing communications



Agus Setiono, New Roll Out Director

- Seasoned leader in operations, marketing in major foreign bank with more than 28 years of experience in technology, media and networks
- Prior to joining Link Net, he was the VP of Card Marketing in Citibank Indonesia



Edward Sanusi, Operations Director

- Over 21 years of experience in managing technology related business models for software development, ISP, Cable TV, social media, and system integration
- Previously Director / CEO in PT Plexis Erakarsa Pirantiniaga (PlasMedia)



Ferliana Suminto, Corporate Resource Director

- Seasoned leader with more than 23 years of experience in finance, business development, information and communication technology, including an exposure in UPH, and PT. Matahari Putra Prima
- Prior to joining Link Net, she was the Chief Financial Officer in PT. Indonesia Media Televisi



Sutrisno Budidharma, Sales Director

- Over 27 years of extensive experience in leading product sales teams in banking and branch management in the banking sector
- Previously Business Development and Direct Sales Director in Link Net



Agung Wiguna, Enterprise Sales Director

- Over 17 years experience in senior leadership positions across telecom, media, and consulting companies, including PT Solusi Tunas Pratama Tbk
- Holds a Masters of Management in Finance and a Bachelor degree in Civil Engineering

Complementary skills and expertise with strong domestic and international track record

The background features a dynamic, abstract composition of glowing blue fiber optic lines that curve and swirl across the frame. Interspersed among these lines are various hexadecimal characters (0-9, A-F) in a lighter blue, semi-transparent font, creating a sense of digital data flow and connectivity.

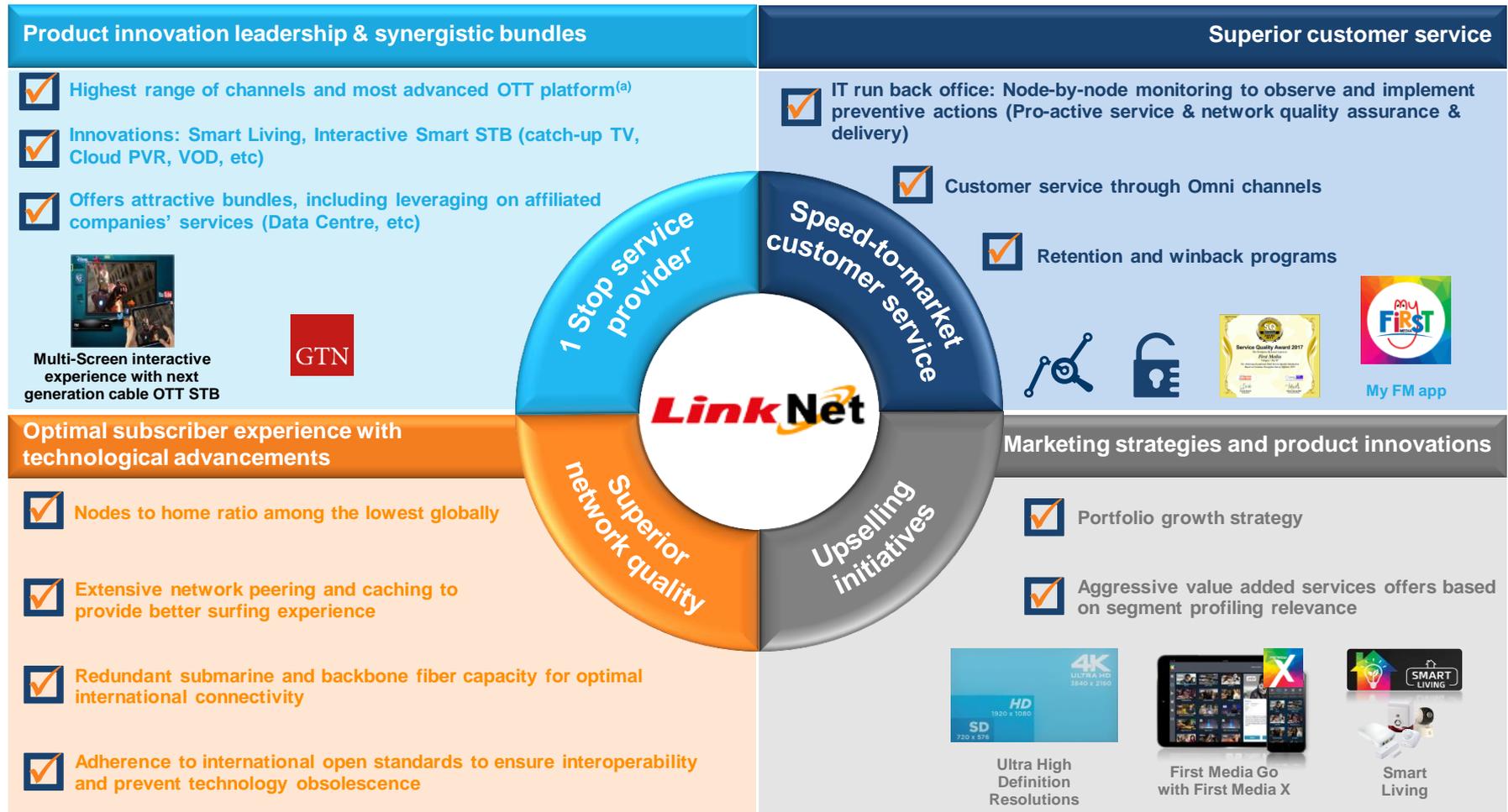
Section 3

Key strategies

Four strategic growth pillars

	1	2	3	4
Focus	Maintain expansion momentum through strategic roll-out	Maximize capital utilization through intensifications	Cementing position as a leading HSBB provider of choice	Continued expansion of enterprise business
Description	<ul style="list-style-type: none"> • Extend strategic partnerships & extensions • Continue to “Fill in the gaps” in existing cities • Explore, utilize and test new technologies 	<ul style="list-style-type: none"> • Boost penetration rates and increase returns via remarketing initiatives & compelling bundles • Upsell with value added services 	<ul style="list-style-type: none"> • Continuously enhance overall product & network service quality • Innovative product offerings 	<ul style="list-style-type: none"> • Standardized service packages to cater to SMEs • Experiment different product offerings, technologies and services for large Enterprises • Further develop internal resource competencies

Cementing position as a leading HSBB provider of choice



Note: HSBB refer to high-speed broadband (broadband connections of 4 Mbps or faster)

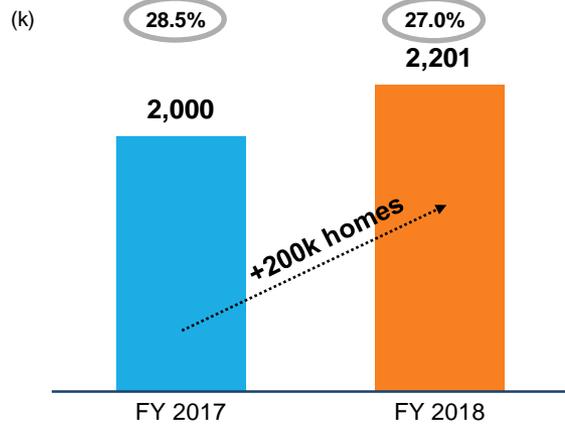
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Section 4

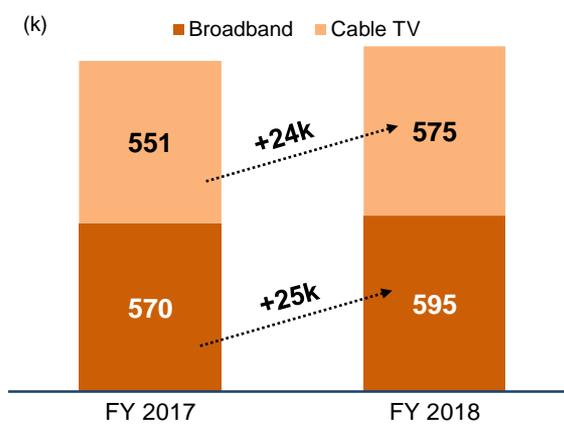
Financial overview

Our key drivers

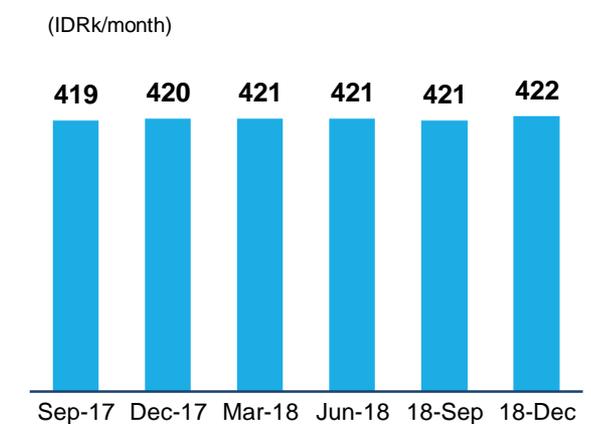
Homes passed / Penetration^(a)



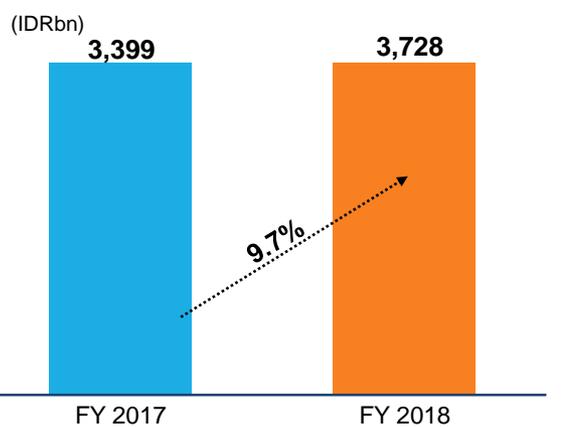
RGUs



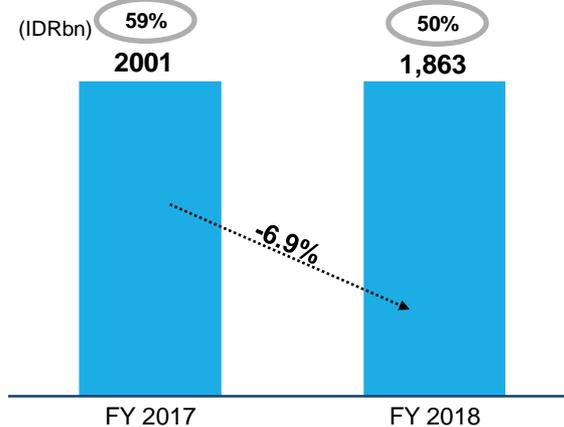
ARPU^(b)



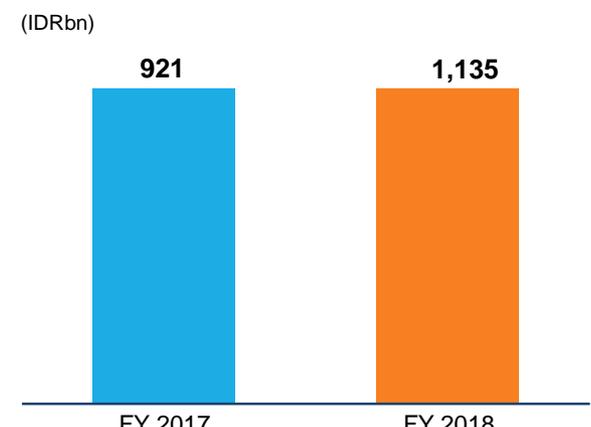
Revenue



EBITDA & margins^(c)



CAPEX



a) Broadband penetration based on broadband subscribers divided by homes passed

b) ARPU is calculated by dividing revenue generated during a period by the number of total RGUs at the end of such period, then dividing the quotient by the number of months in such period

c) EBITDA is a non-GAAP financial measure of the Company's performance and should not be considered as an alternative to performance measures derived in accordance with IFAS. Other companies may calculate this non-GAAP measure differently which limits its usefulness as a comparative measure. EBITDA margin is defined as EBITDA divided by revenue

Continued robust revenue growth across segments

Revenue by services offered

ARPU (IDRk/month)^(a)

402

415

407

421

429

Penetration rate(%)^(b)

27.4%

27.3%

28.5%

28.5%

27.0%

■ Broadband

■ Cable TV

■ Others^(c)



Continued growth in our subscriber base

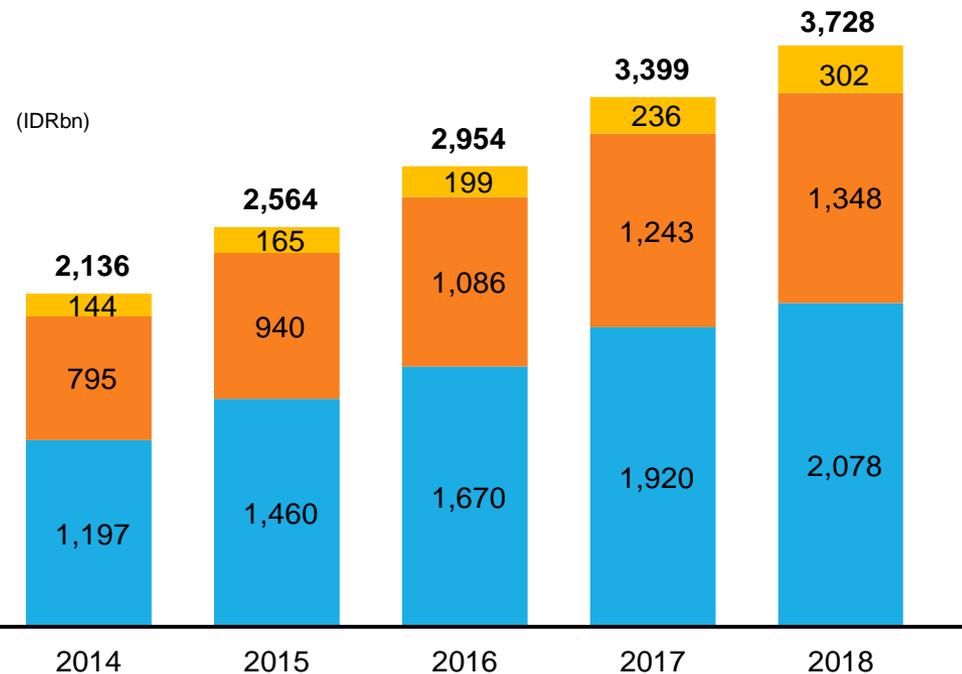
■ Continued subscriber growth



ARPU expansion with premium product offerings and upselling to higher product package



96% bundling rate^(d)



a) ARPU is calculated by dividing revenue generated during a period by the number of total RGUs at the end of such period, then dividing the quotient by the number of months in such period

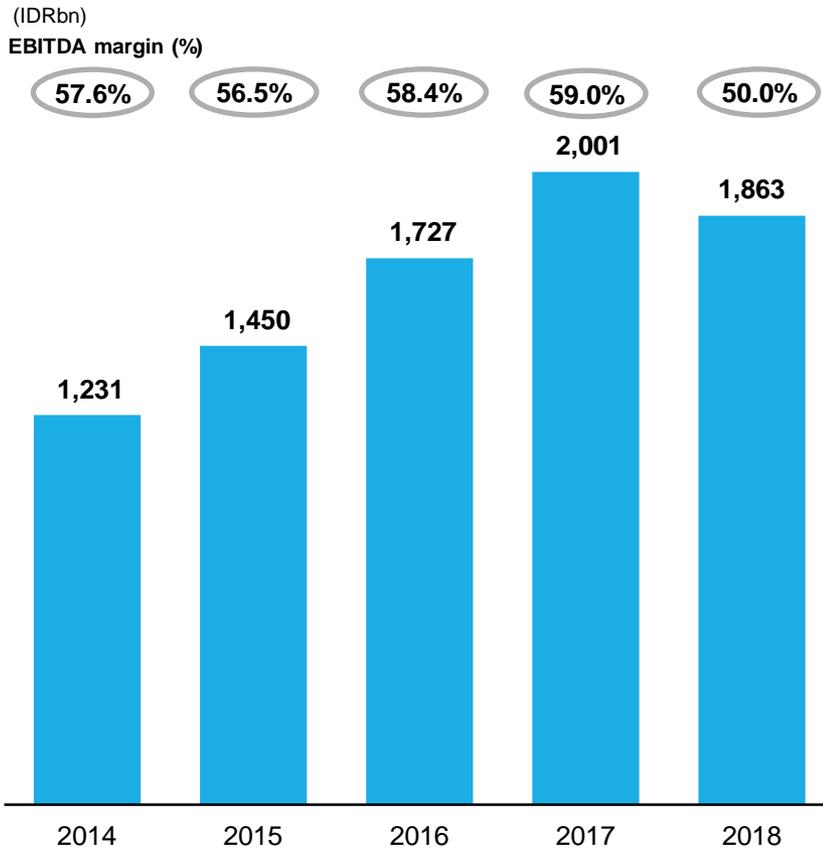
b) Penetration rate calculated as number of broadband RGUs divided by homes passed

c) Others include advertising sales, fees related to payment gateway providers, fees on late payments, installation charges in connection with new service setup, and sales of customer premises equipment

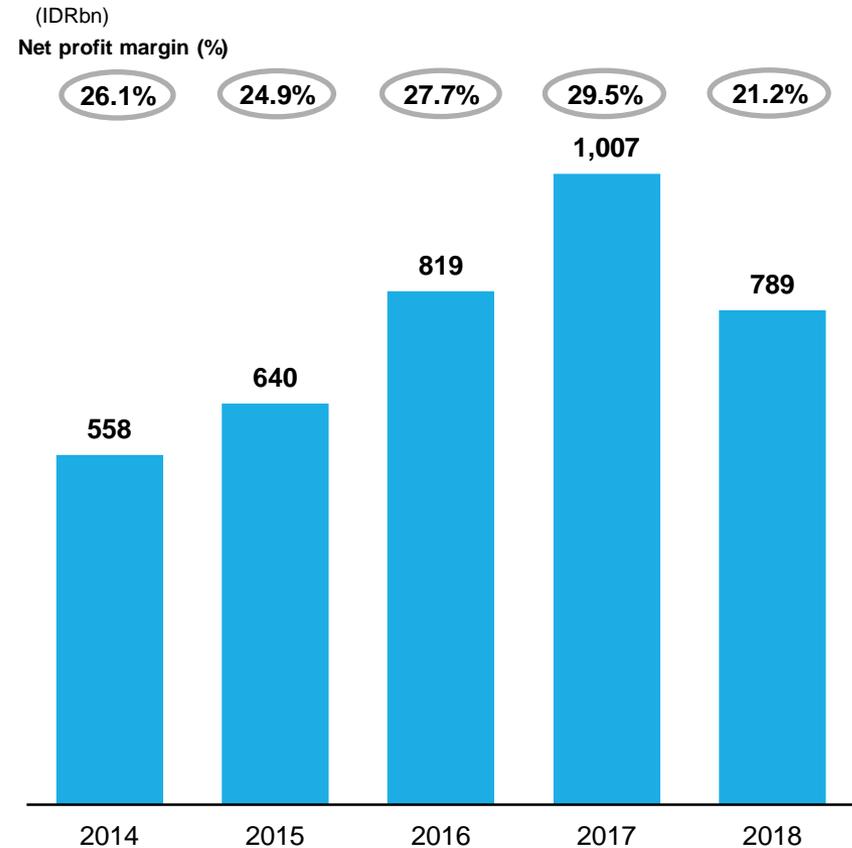
d) As at 30 June 2018

Operational efficiencies continue to drive profitability growth

EBITDA & margins^(a)



Net profit & margins^(b)



a) EBITDA is a non-GAAP financial measure of the Company's performance and should not be considered as an alternative to performance measures derived in accordance with IFAS.

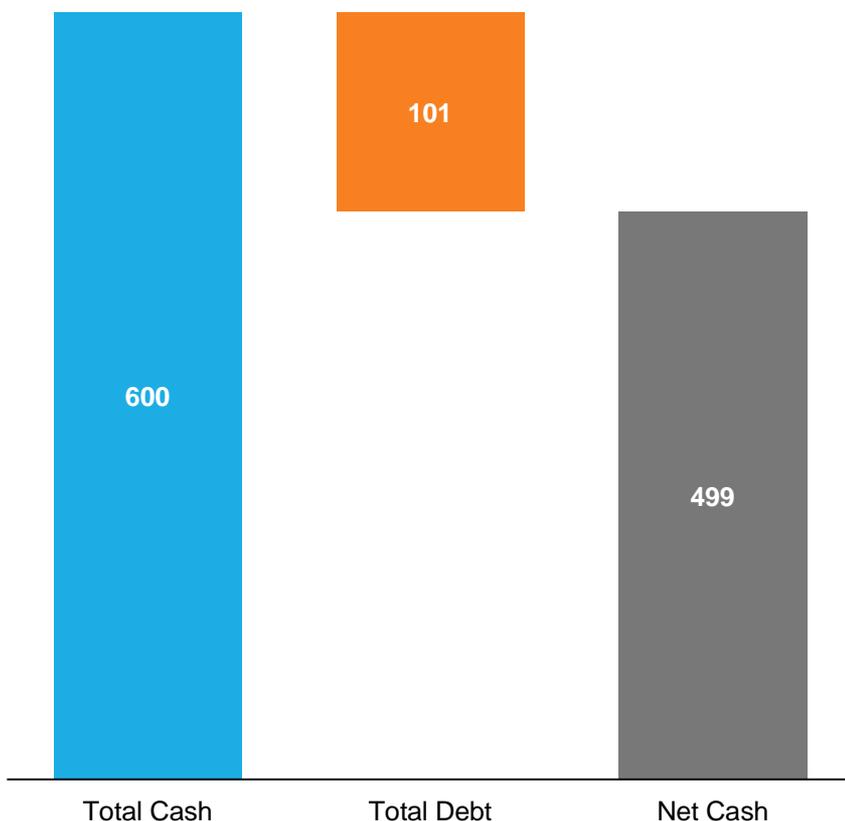
EBITDA margin is defined as EBITDA divided by revenue

b) Net profit margin is defined as net income / total revenue

6 Strong balance sheet and significant cash flow generation capabilities

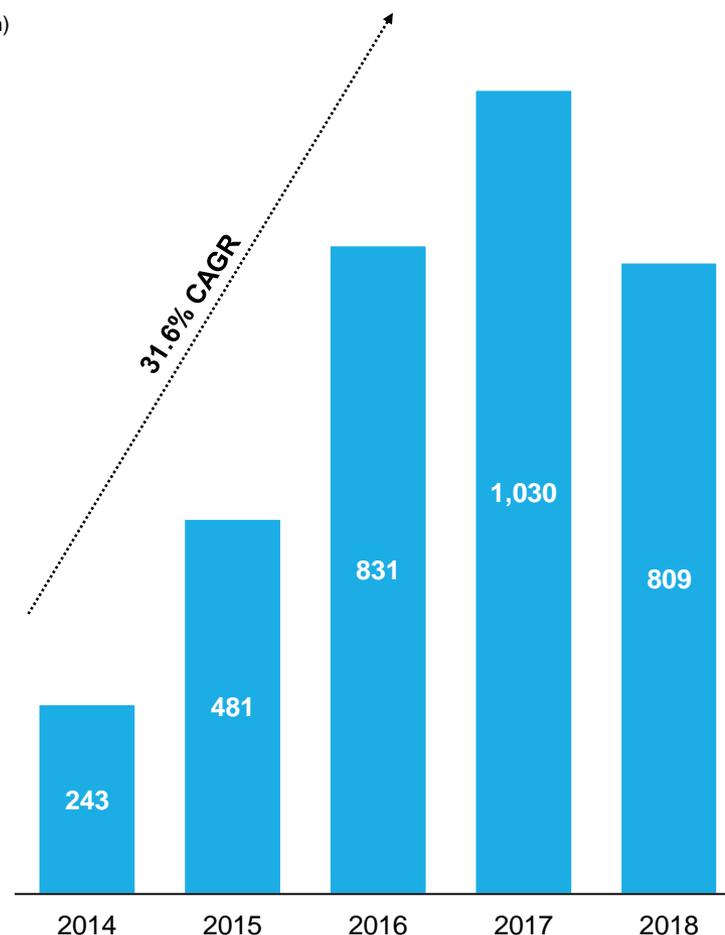
Net cash with potential leverage capacity^{(a)(b)}

(IDRbn)



EBITDA less capex^(c)

(IDRbn)



a) Net cash is defined as total debt (current portion of long-term debt and finance lease payables plus non current portion of finance lease payables) less cash and cash equivalents

b) Total cash and debt as of 30 June 2018

c) EBITDA less cash capital expenditures (comprising purchases of property, plant and equipment for installation and purchase of intangible assets plus IDR140bn representing the one-time amount spent on acquisition of B2JS subsea cables in 2015) does not take into account the Company's mandatory debt service requirements or other non-discretionary expenditures and should not be relied on as a measure of the Company's residual cash flow available for discretionary expenditures. EBITDA less cash capital expenditure is a non-GAAP financial measure of the Company's liquidity, excludes components that are significant in understanding and assessing the Company's cash flows and should not be considered as an alternative to liquidity measures derived in accordance with IFAS. The Company's cash from operating activities was IDR1,182.6bn, IDR1,181.7bn, IDR1,560.7bn, IDR1,547.2bn for 2014, 2015, 2016 and 2017. The Company's cash used in investing activities was IDR1,039.7bn, IDR1,127.6bn, IDR744.6bn, IDR970.6bn for 2014, 2015, 2016 and 2017. Other companies may calculate this non-GAAP measure differently which limits its usefulness as a comparative measure

Profit and loss summary

(IDR bn)	Year ended December 31		
	FY17	FY18	FY18 Adjusted
Revenue	3,399.1	3,728.4	
EBITDA	2,001	1,863.1	2,197.4
Margin %	58.4%	50.0%	58.9%
D&A	(644.1)	(718.8)	
Operating Profit	1,365.9	1,144.3	
<i>Margin %</i>	<i>39.9%</i>	<i>30.7%</i>	
Finance Income	25.4	35.8	
Finance Cost	(42.9)	(59.6)	
Share in Loss of Associate	-	-	
Profit Before Tax	1,339.4	1,120.5	
Tax Expense	(332.1)	(331.6)	
Net Profit	1,007.3	788.9	1,123.2
<i>Margin %</i>	<i>29.6%</i>	<i>21.2%</i>	<i>30.1%</i>

The background features a dynamic, abstract composition of glowing blue fiber optic lines that curve and swirl across the frame. Interspersed among these lines are various hexadecimal characters (A-F, 0-9) in a lighter blue, semi-transparent font, creating a sense of digital data flow and connectivity. The overall aesthetic is high-tech and futuristic.

Section 5

Appendix

Accolades received



Contact Center Service Excellence Award 2018

Excellent (First Rank)
For ISP & PayTV Category

From Service Excellence Magazine
and Carre-CCSL



Indonesia WOW Brand 2018

Silver Champion,
Pay TV Category

From Markplus Inc