

13 February 2023
Full Year 2022 Results

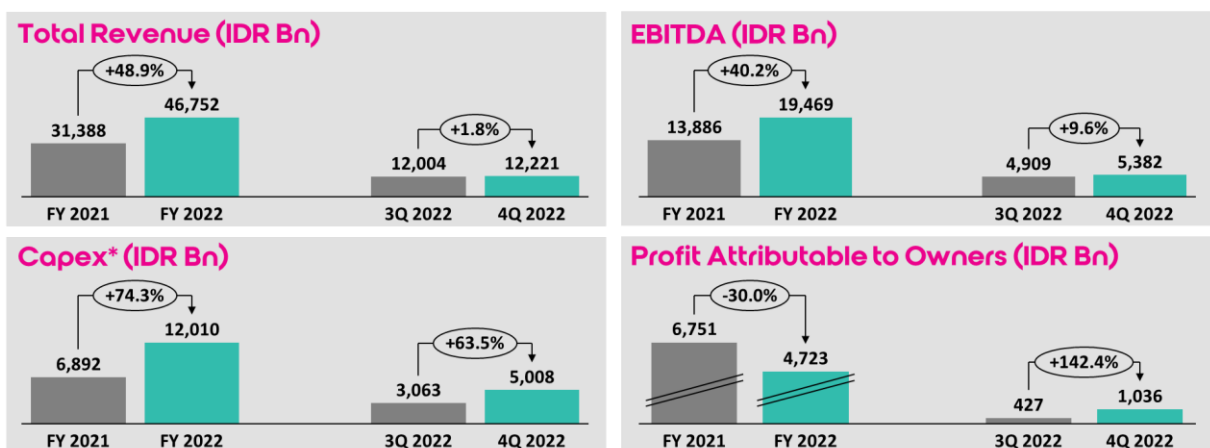
*Total Revenue of IDR46,752.3 bn, 48.9% YoY.
EBITDA of IDR19,468.7 bn, 40.2% YoY. Sustained Net Profit of IDR4,723.4 bn*

PT Indosat Tbk. (“the Company”) closed 2022, which is the first year post-merger, with a solid set of results delivering a strong performance. This is seen in the 48.9% YoY increase in total revenue to IDR46,752.3 billion while EBITDA of IDR19,468.7 billion increased by 40.2% YoY, due to the merger and strong operational momentum. EBITDA margin stood at 41.6% in FY 2022. Profit For The Year Attributable To Owners Of The Parent was IDR4,723.4 billion.

Powered by two brands and also the combined businesses, the Company’s customer base increased by 62.5% to 102.2 million for FY 2022. The increment in customers had only a slight impact to the decrement of Average Revenue per User (ARPU) in FY 2022 of IDR33.9 thousand, from previously IDR34.4 thousand in FY 2021.

The enlarged customer base resulted in strong data traffic growth by 91.8% YoY in FY 22. In addition, the Company’s network size has also increased with 4G BTS count rising to 137k enabling it to handle the strong rise in traffic.

Financial Highlights



* excluding Right of Use Assets under PSAK 73

The main focus of the Company was on the integration process post-merger to maximize both cost and capex synergies while achieving the revenue upside potential. The Company’s integration development is tracking ahead of schedule due to consistent execution of its integration strategy with support from vendor partners. In December 2022, supported by Ericsson, the Company successfully finished its network integration in Jabodetabek area.

On December 9th, 2022, the Company celebrated reaching its 100 million customer. The Company presented a special promo of 100GB data package for IDR 100K, as a form of appreciation to 100 million IOH cellular customers of both the IM3 and Tri brands. The Company celebrates this milestone with all employees and representative of customers at the IOH Jakarta head office and in several regional offices such as in Palembang, Semarang, Surabaya, and Makassar. At the head office, the Company also invited its 100 millionth customer, appreciating and welcoming her to the IOH family.

On December 23rd, 2022, The Company launched the Digital SIM (eSIM), a new technology that allows customer to access network from devices/mobile phones without using a physical SIM card. eSIM has a similar function with a physical SIM card, it can save phone numbers, package subscriptions and network configurations. At this stage, customer can activate new number and replace their physical SIM card at certain Gerai (IOH’s stores) in Jakarta and it will be available nationwide in the near future.



FULL YEAR 2022 OPERATING AND FINANCIAL RESULTS

The Company has released its audited consolidated financial statements for the year 2022 ("FY 2022"). The audited consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards (IFAS).

Audited Consolidated Statements of Profit or Loss and Other Comprehensive Income

Key Indicators (in IDR billion)	Annually			Quarterly		
	FY 2022	FY 2021	Growth %	4Q 2022	3Q 2022	Growth %
Revenues	46,752.3	31,388.3	48.9	12,221.5	12,004.2	1.8
• Cellular	40,242.8	25,398.5	58.4	10,399.9	10,305.9	0.9
• MIDI	5,725.9	5,415.0	5.7	1,630.0	1,477.9	10.3
• Fixed Telecom	783.6	574.8	36.3	191.6	220.5	(13.1)
Expenses	(36,161.5)	(21,034.3)	71.9	(9,530.6)	(10,201.5)	(6.6)
Operating Profit	10,590.8	10,354.0	2.3	2,690.9	1,802.7	49.3
Other Expenses - Net	(4,055.0)	(2,847.0)	42.4	(933.1)	(1,000.5)	(6.7)
Profit for the Year						
Attributable to Owners of The Parent	4,723.4	6,750.9	(30.0)	1,035.8	427.3	142.4
EBITDA*	19,468.7	13,885.5	40.2	5,382.0	4,908.8	9.6
EBITDA Margin	41.6%	44.2%	(2.6ppt)	44.0%	40.9%	3.1ppt

Financial Ratios

	Formula	FY 2022	FY 2021
Interest Coverage**	EBITDA/Interest Payment	16.06	10.81
Net Debt to EBITDA***	(Debt - Cash & Cash Equivalent)/Total EBITDA	0.61	0.94

* EBITDA (earnings before interest, taxes, depreciation and amortization) is a non-IFAS measure that management believes is a useful supplemental measure of cash generated prior to debt service, capital expenditures and income tax. Investors are cautioned that EBITDA should not be construed as an alternative to net income determined in accordance with IFAS as an indicator of the Company's performance or to cash flows from operations as a measure of liquidity and cash flows. EBITDA does not have a standardized meaning prescribed by IFAS. The Company's method of calculating EBITDA may differ from the methods used by other companies and, accordingly, it may not be comparable to similarly titled measures used by other companies.

** Calculated using EBITDA and interest payment for the years ended 31 December 2022 and 2021.

*** Net debt excludes lease liabilities.

AUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Revenues of IDR46,752.3 billion were recorded for FY 2022, an increase of IDR15,364.0 billion or 48.9% higher compared to FY 2021. The Company's Cellular, MIDI, and Fixed Telecommunication business each contributed 86.1%, 12.2%, and 1.7%, respectively to the consolidated operating revenues for the year ended 31 December 2022.

- **Cellular Revenues** increased by 58.4% compared to FY 2021, attributable to increase in Data revenue, VAS and Interconnection, offsetting with decrease in Voice, SMS, and Tower rental revenues.
- **MIDI Revenues** increased by 5.7% compared to FY 2021, attributable to increase in IT Services and Fixed Internet.
- **Fixed Telecommunication Revenues** increased by 36.3% compared to FY 2021 driven by increase in International Call and Fixed Line revenues.

Expenses of IDR36,161.5 billion were recorded for FY 2022, an increase of IDR15,127.2 billion or 71.9% higher compared to FY 2021. This increase was mainly due to increases in all expenses as impact from merger of two companies.

- **Cost of Services:** increased by IDR7,569.2 billion or 55.7% higher over FY 2021, in line with higher number of sites and higher revenue as impact from merger, which resulted in increased frequency fee, interconnection, maintenance, utilities, rent, leased circuit, USO, and concession fee.
- **Depreciation and Amortization:** increased by IDR3,499.2 billion or 34.3% higher over FY 2021, mainly due to impact of depreciation from additional fixed assets from merger impact and network roll out.
- **Personnel Expenses:** increased by IDR1,588.4 billion or 72.4% higher over FY 2021 mainly due to one-off from organization rightsizing, higher headcount as impact from merger, one-off provision for Jiwasurya restructuring, and one-off reversal related with implementation new labor law in 2021.

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- **Marketing Expenses:** increased by IDR361.6 billion or 34.9% higher over FY 2021, mainly due to higher promotion, advertising, marketing agency and exhibition, as impact from merger of two companies.
- **General and Administration Expenses:** increased by IDR261.6 billion or 37.7% higher over FY 2021 mainly due to higher professional fee, public relations, transportation, and insurance as impact from merger of two companies, offsetting with decrease in provision for bad debt expenses due to better collection.
- **Other Operating Income:** decreased by IDR1,847.2 billion or 27.7% lower over FY 2021 mainly due to net gain from tower sale in 2021 offset by net gain associated with the loss of control of a subsidiary in 2022 and impairment loss on PPE in 2021.

Other Expense - net: The Company recorded expenses of IDR4,055.0 billion, increased by IDR1,208.0 billion or 42.4% higher over FY 2021. This increase was due to higher finance costs by IDR1,343.4 billion mainly due to higher finance charges under lease liabilities, offset by higher gain on foreign exchange by IDR182.3 billion.

Profit for the Year Attributable to Owners of the Parent: The Company recorded net profit of IDR4,723.4 billion, decreased by IDR2,027.5 billion primarily driven by higher operating expense, higher depreciation and amortization, and higher financing cost, as impact from merger of two companies, offset by higher revenue.

AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Key Indicators (in IDR billion)	FY 2022	FY 2021	Growth %
ASSETS			
Current Assets	18,683.1	11,499.4	62.5
Non-Current Assets	95,197.1	51,897.7	83.4
TOTAL ASSETS	113,880.2	63,397.1	79.6
LIABILITIES			
Current Liabilities	35,874.0	28,658.1	25.2
Non-Current Liabilities	46,391.2	24,436.2	89.8
TOTAL LIABILITIES	82,265.2	53,094.3	54.9
TOTAL EQUITY	31,615.0	10,302.8	206.9
TOTAL LIABILITIES & EQUITY	113,880.2	63,397.1	79.6

- **Current assets** increased by 62.5% to IDR18,683.1 billion, mainly due to an increase in cash and cash equivalent.
- **Non-current assets** increased by 83.4% to IDR95,197.1 billion, mainly due to higher fixed assets and higher Goodwill & intangible asset impact from merger of two companies.
- **Current liabilities** increased by 25.2% to IDR35,874.0 billion mainly due to higher current maturities of lease liabilities as impact of reclassification of long-term portion to current portion net with repayment during the year, higher procurement payable and higher unearned revenue, offset by lower current maturities of long-term debt & bonds impact from repayment.
- **Non-current liabilities** increased by 89.8% at IDR46,391.2 billion mainly due to higher long-term lease liabilities as impact from additional number of rented sites and higher non-current loans and bonds payables, as impact from merger of two companies.

Cash Flow and Capital Expenditure

Key Indicators (in IDR billion)	FY 2022	FY 2021	Growth %
Net Cash Flows Provided by Operating Activities	15,676.8	10,971.9	42.8
Net Cash Flows Used in Investing Activities	(4,012.4)	(1,209.1)	231.8
Net Cash Flows Used in Financing Activities	(6,154.6)	(7,764.6)	(20.7)
Net Foreign Exchange Differences from Cash and Cash Equivalents	209.1	8.6	2,333.2
Net Increase in Cash and Cash Equivalents	5,718.9	2,006.8	185.0
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	3,789.0	1,782.2	112.6
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	9,507.9	3,789.0	150.9

Capex in FY 2022 amounted to IDR12,010.4 billion (excluding IDR10,022.2 billion of Right of Use Assets). Approximately 93.3% of the Capex was allocated to cellular, to support data services demand and the remaining balance was allocated to MIDI, infrastructure and IT Capex.

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STATUS OF DEBT

Total outstanding debt: As of 31 December 2022, the Company had total outstanding gross debts (excluding unamortized transaction costs and lease liabilities) of IDR21,323.3 billion. The Company's cash position as at 31 December 2022 stood at IDR9,507.9 billion and net debt is at IDR11,815.4 billion. The composition of the Company's gross debt, excluding lease liabilities, is as follows:

Debt Proportion (Principal amount)	FY 2022	FY 2021	Growth %
IDR Loans (billion)	13,727.3	6,861.1	100.1%
IDR Bonds (billion)	7,596.0	10,045.0	(24.4%)

Total maturing debt: in the next twelve months, IDR4.27 trillion of the Company's debt is maturing. The average tenor of debt is 3.1 years as of 31 December 2022.

OPERATIONAL RESULTS

Key Indicators	Annually			Quarterly		
	FY 2022	FY 2021	Growth	4Q 2022	3Q 2022	Growth %
Customers - Postpaid (million)	1.6	1.6	(1.1)	1.6	1.6	1.6
Customers - Prepaid (million)	100.6	61.3	64.2	100.6	97.1	3.7
Customers - Total (million)	102.2	62.9	62.5	102.2	98.6	3.7
ARPU (Postpaid) (IDR thousand)	68.2	73.8	(7.6)	71.2	71.5	(0.4)
ARPU (Prepaid) (IDR thousand)	33.3	33.3	0.1	33.3	33.9	(1.5)
ARPU (Blended) (IDR thousand)	33.9	34.4	(1.5)	33.9	34.5	(1.5)
MoU	11.0	19.8	(44.8)	9.1	12.0	(24.6)
Data Traffic (TB)	12,862,448	6,707,724	91.8	3,460,183	3,241,995	6.7
SMS Traffic (bn)	2.8	5.4	(49.0)	0.6	0.7	(9.1)

The Company ended FY 2022 with a total cellular customer base of 102.2 million. FY 2022 customer number increased by 39.3 million customers compared with FY 2021.

ARPU for cellular customers in FY 2022 stood at IDR33.9 thousand or IDR0.5 thousand lower compared to FY 2021.

Average Minutes of Usage (MOU) per customer decreased to 11.0 minutes, a 44.8% decrease compared to FY 2021 in-line with the decrease of industry trend related of traditional voice services.

NETWORKS

As of 31 December 2022, the Company has operated ~137K 4G BTS (adding ~65K 4G BTS during the year) and 90 5G BTS.

Key Indicators	Annually			
		FY 2022	FY 2021	% Change
Base Transceiver Stations (BTS)	2G	39,875	28,903	38.0
	3G	3,121	19,134	(83.7)
	4G	137,037	71,778	90.9
	5G	90	35	157.1

About Indosat Ooredoo Hutchison

Indosat Ooredoo Hutchison (IDX: ISAT)'s vision is to become the most preferred digital telco of Indonesia. Through its world-class digital telecom services and preeminent network, Indosat Ooredoo Hutchison strives to connect and empower every Indonesian. Jointly controlled by Ooredoo Group and CK Hutchison, Indosat Ooredoo Hutchison was formed through the merger of PT Indosat Tbk and PT Hutchison 3 Indonesia in 2022.

Ticker: **ISAT**; Closing Price: **IDR6,175**; Market Capitalization: **IDR49.8 trillion**; Ratings: **Pefindo idAAA (Stable)**; **Fitch AA_(idn) (Stable)**; USD Rate: **IDR15,731**

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**AUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**
For The Years Ended 31 December 2022 and 2021
(Expressed in Billions of Rupiah)

Description	2022	2021	Growth (%) ⁽¹⁾
REVENUES			
Cellular	40,242.8	25,398.5	58.4
Multimedia, Data Communication, Internet ("MIDI")	5,725.9	5,415.0	5.7
Fixed Telecommunications	783.6	574.8	36.3
TOTAL REVENUES	46,752.3	31,388.3	48.9
(EXPENSES) INCOME			
Cost of Services	(21,149.3)	(13,580.1)	55.7
Depreciation and Amortization	(13,703.2)	(10,204.0)	34.3
Personnel	(3,782.1)	(2,193.7)	72.4
Marketing	(1,397.0)	(1,035.4)	34.9
General and Administration	(955.2)	(693.6)	37.7
Net Gain Associated with The Loss of Control of a Subsidiary	3,494.6	978.1	257.3
Net Gain on Remeasurement of Equity Interest from a Step Acquisition	1,002.8	-	100.0
Amortization of Deferred Gain on Sale and Leaseback of Towers	84.8	141.1	(39.9)
Share of Net Profit of Associates and Joint Ventures	28.2	57.4	(51.0)
(Loss) Gain on Foreign Exchange - net	(5.6)	0.4	(1,346.3)
Net Gain on Sale and Leaseback of Towers	-	6,017.4	(100.0)
Reversal of Due to Related Party on Brand License Fee	-	263.9	(100.0)
Impairment Losses on Property and Equipment	-	(541.3)	(100.0)
Others - Net	220.5	(244.5)	190.2
TOTAL EXPENSES	(36,161.5)	(21,034.3)	71.9
OPERATING PROFIT	10,590.8	10,354.0	2.3
Gain (Loss) on Foreign Exchange - net	172.3	(10.0)	1,817.7
Interest Income	117.6	152.0	(22.6)
Gain on Change in Fair Value of Derivatives - net	0.1	12.6	(98.9)
Finance Costs	(4,345.0)	(3,001.6)	44.8
OTHER EXPENSES - Net	(4,055.0)	(2,847.0)	42.4
PROFIT BEFORE INCOME TAX	6,535.8	7,507.0	(12.9)
INCOME TAX EXPENSE	(1,165.6)	(646.9)	80.2
PROFIT FOR THE YEAR	5,370.2	6,860.1	(21.7)
PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
OWNERS OF THE PARENT	4,723.4	6,750.9	(30.0)
NON-CONTROLLING INTERESTS	646.8	109.2	492.0
TOTAL	5,370.2	6,860.1	(21.7)

1) Percentage changes may vary due to rounding.

Disclaimer

This document contains certain financial information and results of operation, and may also contain certain projections, plans, strategies, and objectives of Indosat Ooredoo Hutchison, that are not statements of historical fact which would be treated as forward-looking statements within the meaning of applicable law. Forward looking statements are subject to risks and uncertainties that may cause actual events and Indosat Ooredoo Hutchison's future results to be materially different than expected or indicated by such statements. No assurance can be given that the results anticipated by Indosat Ooredoo Hutchison, or indicated by any such forward looking statements, will be achieved.

The financial information provided herein is based on Indosat Ooredoo Hutchison's consolidated financial statements in accordance with Indonesian Financial Accounting Standards.

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