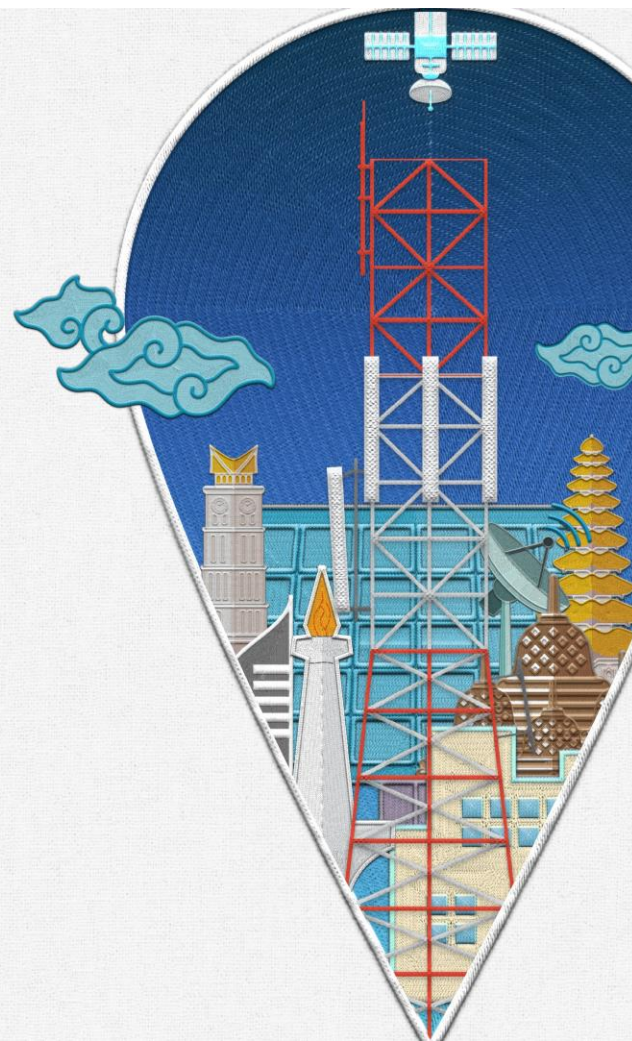


Indonesia's Premier Digital Infrastructure Company

3Q 2023 Results Presentation



PT Sarana Menara Nusantara Tbk

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SMN Investment Highlights

Premier digital infrastructure company in Indonesia

One of the **largest** digital infrastructure companies in Indonesia with **29,915** towers and **196,912 km** fiber*

Solid build-to-suit model for towers and fiber with long-term **predictable** cash flows

Investment grade ratings with S&P and Fitch with **stable** outlook



Continuous strong performance
5-yr Revenue CAGR **13.8%**^(a)
5-yr EBITDA CAGR **14.1%**^(a)

Sustained strong returns
ROI **8.9%** and ROE **22.8%**

TOWR shares included
in **IDX30**,
LQ 45, IDX ESG leaders,
ESG Sector Leaders IDX KEHATI,
FTSE Emerging Asia Pacific Index,
Index Bisnis-27
MSCI ESG rating of BBB^(b)

(a) CAGR = Compounded Annual Growth Rate; CAGR 2018 – 2023

(b) Latest reviewed IDX30 (July 2023). LQ 45 (July 2023). IDX ESG Leaders (June 2023). ESG Sectors Leaders IDX KEHATI (June 2023). FTSE Emerging Asia Pacific Index (May 2023). MSCI ESG Rating (January 2023). Inclusion into Index Bisnis-27 in Oct-2023

* Including 178,329 kms revenue generating tower fiber

TOWR strategy supports ESG & sustainability goals

1. Capital Management

- Access to low-cost funding
- Liquidity amounts to \$757 mn¹ as of 30 Sept 2023
- Investment grade ratings from top rating agencies inline with global best practice

2. Low-risk business

- Digital infrastructure business with high demand difficult to replace.
- Proven enforceability of long-term irrevocable contracts

3. ESG-conscious company

- Very small carbon footprint
- 95% of internet traffic in Indonesia is wireless
- Towers and fiber are important to reduce digital gap

4. Attractive industry structure

- Industry consolidating
- Opportunities for acquisitions still exist with fragmented players

5. Most unique in asset class

- Contracted revenue of Rp67.7 tn is largest in market
- Attractively valued business with high annual recurring FCF that funds capex, dividend, share buybacks
- TOWR has been successful a consolidator

6. Efficient infrastructure provider

- EBITDA and AFFO 5-year CAGR of 14.1% and 13.8%, respectively, with 2022 ROE of 22.8%.

Going into the future

A. Best positioned to benefit from growth in internet

1. Invest strong FCF and low cost of capital.
2. Indonesia still in middle of 4G cycle
3. Telco business for tower cos to include more SoW, asset types; inline with TOWR strategies.

B. Improve Indonesia internet

1. Internet speed and traffic have each grown at 50% for the past year³
2. Only 50% of Indonesia territory is served with 4G signal⁴
3. Towers per capita ratio of 1:2700 is roughly 1/3 that of USA or China⁵

C. Prepared for new opportunities

1. Proven successful track record in expanding product offering
2. Strategy driven by evolving customer needs
3. Fixed-mobile converge & 5G represent another set of opportunities

¹ includes committed or offered term sheets from financial institutions and cash in bank ²USO is Universal Service Obligation. Government is mandating for nation-wide telecommunication infrastructure spending to reduce digital gap ³ for 2020; adapted from industry sources ⁴ source: PT Telkom, September 2020. ⁵ source: Verdhana Sekuritas.



The Industry

Tower and Fiber Business

Long-term Predictable Revenue with Upside

PREDICTABLE REVENUE

Long-term contracts* (10 years for tower and can be longer for fiber), **non-cancellable** and renewable

DEPENDENT TENANTS

Contract renewal likely due to high relocation cost and significant network impact

UPSIDE FROM ADDITIONAL REVENUE

Incremental revenue from colocation or higher asset utilisation at minimal additional cost

HIGH BARRIERS TO ENTRY

Significant investment needed, as well as **economies of scale**, knowledge of government rules and local conditions

FAST GROWING INDUSTRY

- **Surging data demand** creates need for more towers and fibers
- 4G consumers require reliable and high speed internet leading to increase in FTTT
- Impact from 5G to come in 2-3 years

**In general, lease price includes annual inflation escalator for opex portion*

Typical Tower Company Growth Model

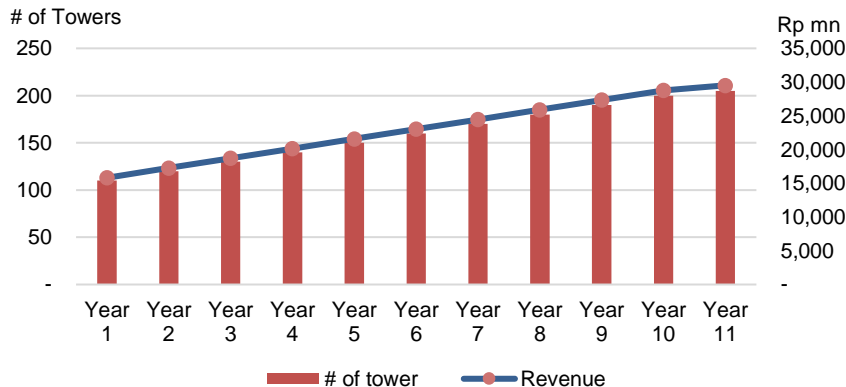
New Built-to-Suit Tower

Additional towers and contract renewals grow revenue

	Year 1	Year 2	Year 3	Year 4-10	Year 11
Existing tower	100				
Additional tower	10	10	10	70	10
Contract ended					-100
Renewed contract					100
Churn rate (5%)					-5
Total tower	110	120	130	200	205
Revenue (Rp mn)	15,840	17,280	18,720	29,520

Contract renewals

Assuming 100 existing towers with 10 year lease period, renewed at Year 11 with 5% churn rate. Additional new site assumes 10 towers p.a.



Colocation Boosts ROI

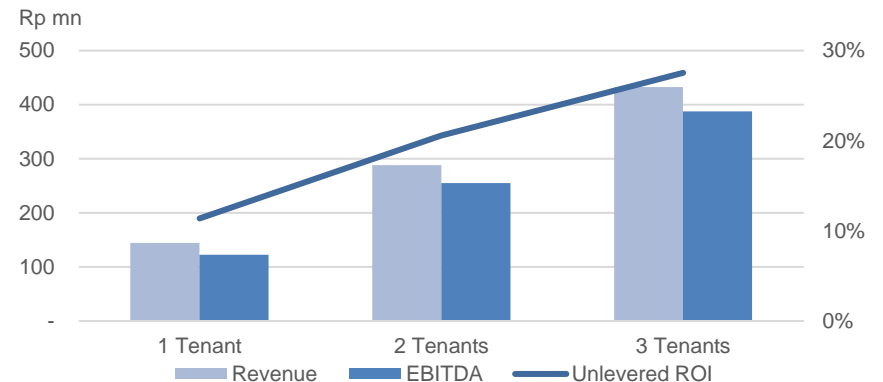
Colocation boosts unlevered ROI and accelerates payback period

SIMULATION FOR 1 TOWER

		1 Tenant	2 Tenants	3 Tenants
Revenue	Rp mn	144	288	432
EBITDA	Rp mn	122	255	387
EBITDA margin	%	85.0%	88.5%	89.7%
Capex & ground lease*	Rp mn	950	1,100	1,250
Unlevered ROI**	% p.a.	11.4%	20.6%	27.5%
Payback period	years	8.80	4.87	3.63

*Assuming 10 years ground lease

** EBITDA minus 10% final tax divided by total capex



Indonesia Tower Industry – A Growing Market

Low network penetration with significant headroom in 4G expansion and low 4G internet speed



4G penetration rate	78%
4G-LTE internet speed	15.1 mbps*
Credit Rating	BBB/Baa2
2022 GDP/capita	\$4,783

(source: Company filings, BMI, TowerXchange, S&P Market Intelligence, broker reports and SNL)

*compared to median of 20.6 mbps in other advanced Asian countries

High EBITDA margin, low capex, no colocation discount, no obligation to provide power in contract

	Indonesia	USA	Western Europe	India	China
Predominant Tower business model	Independent	Independent	Independent ²	Non Independent/ Captive	Non Independent/ Captive
Average Lease Rate per Tenant per month (USD) ¹	800 - 900	2,500 - 3,000	1,400 - 2,600	600 - 800	400 - 600
Colocation discounts / rebate	No discount	No discount	No discount	Range from 5% - 20%	Range from 30% - 45%
Average EBITDA margins (%)	82% - 86%	55% - 70%	40% - 50%	40% - 50%	55% - 60%
Tower + Power	No	No	No	Yes	Yes
New Tower Capex (USD '000 per tower) ^{1,3}	35 - 50	200 - 250	75 - 90	35 - 50	35 - 50

Source: Analysys Mason, public filings, Company

Notes:

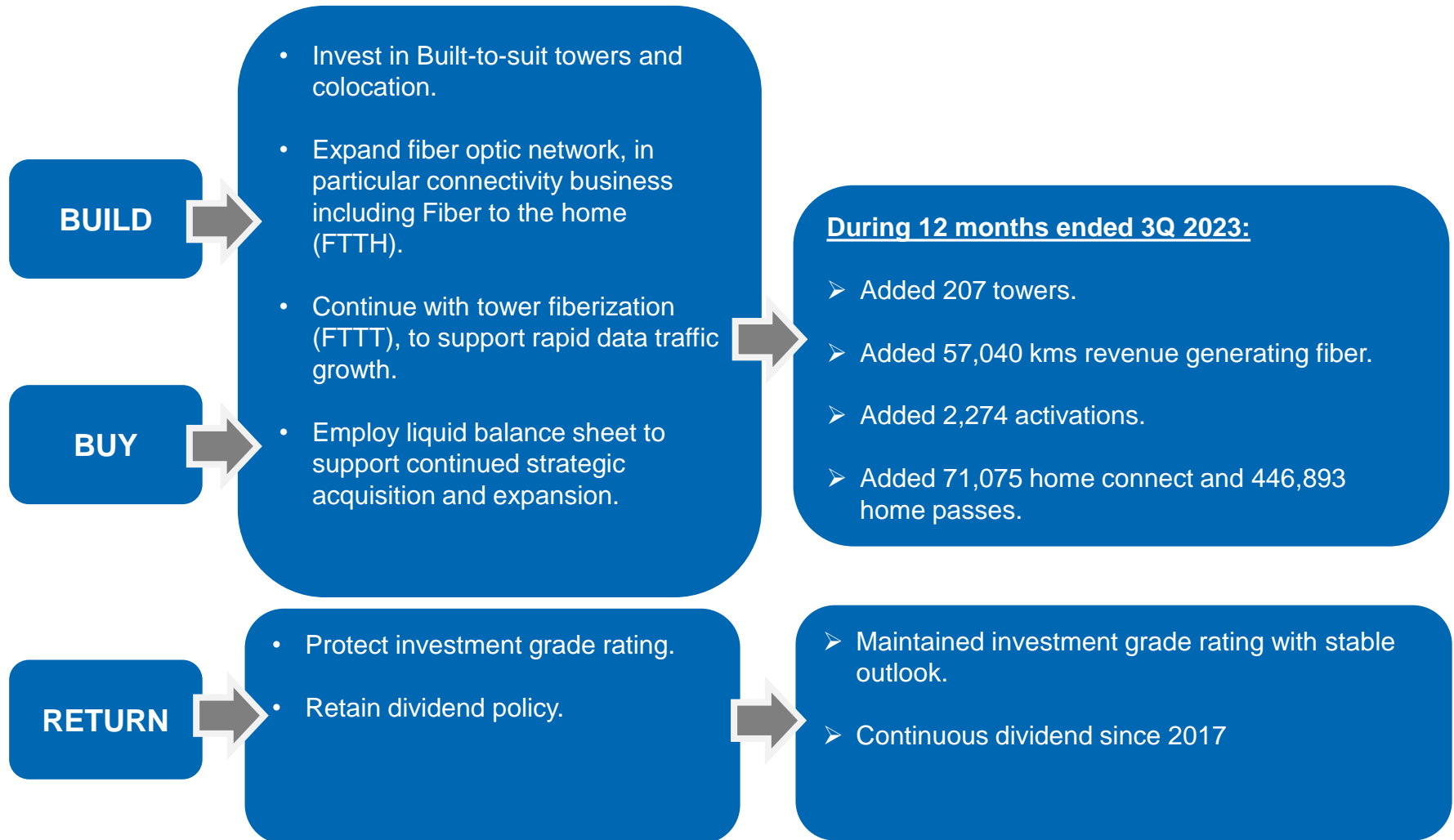
1. In local currency, and stated in approximate USD for comparison purposes.
2. Independent tower business model in Western Europe, with the exception of Inwit in Italy
3. Does not include pre-paid ground lease. Indonesian tower companies typically pay in advance for ground leases of 5-10 years.



SMN 3Q2023 Performance

Company Strategy: **Build – Buy – Return**

We will maintain our position as a leading telecom infrastructure company and continue to deliver optimal value to our stakeholders.



Diverse Product Portfolio

Currently we are the only tower provider that provides end to end services to teleco operators

TOWER

- Total 29,915 towers and 54,249 tenants as of 30 September 2023. Tenancy ratio 1.8x.
- 53% of towers located in Java and 47% ex-Java.
- MNOs have growing need for additional scope from TowerCos tower providers such as managed service and additional assets such as batteries

There continued to be new organic site opportunities for coverage and capacity.

Fiber to The Tower (FTTT)

- FTTT increases the value and utility of our network to Telcos.
- ~178,300 kms revenue generating fiber by end of Sept 2023.
- Network focus to support surging data traffic.
- Like tower model, non-cancellable, long term contracts and opportunity for higher utilization with other fiber solutions for customers.

Tower business offers a platform for sustained FTTT growth.

CONNECTIVITY

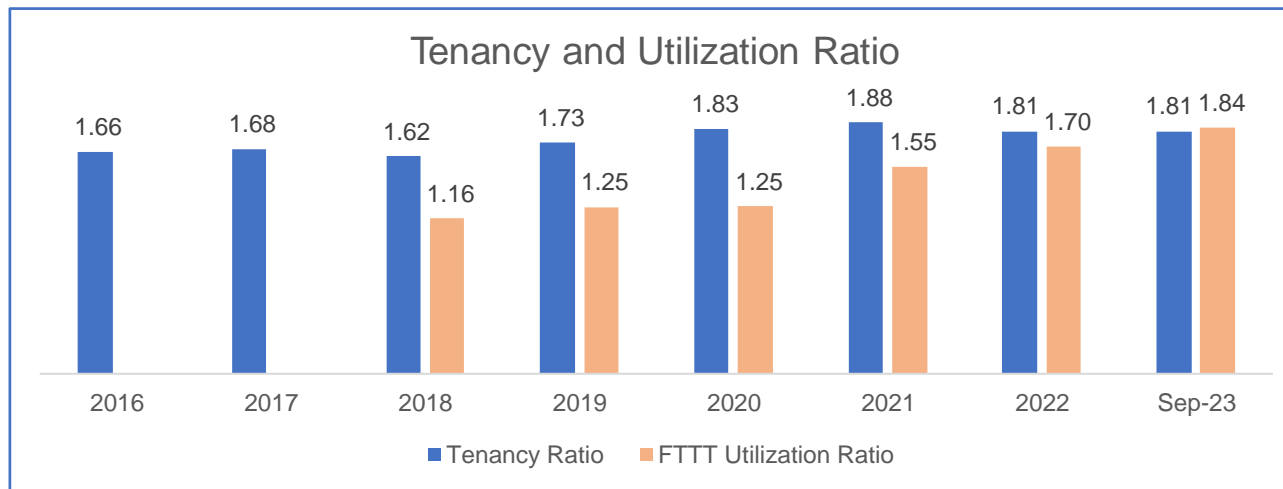
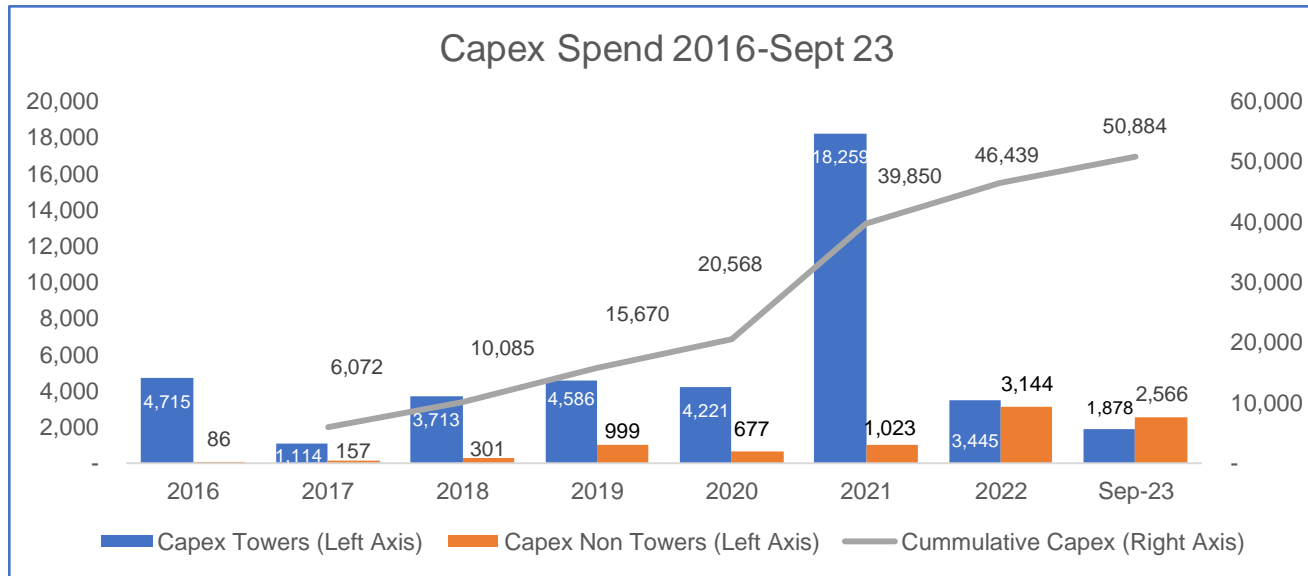
- Actively seeking opportunities to provide connectivity (with various offering using VSAT, wireless/wireline, etc.) under B2B or B2G arrangements.
- Currently have 12,510 activations by the end of Sept 2023.

Fiber to the Home (FTTH)

- FTTH assets reaches ~559,800 home passes by the end of Sept 2023.
- Currently have 77,682 home connect with 13.9% penetration rate

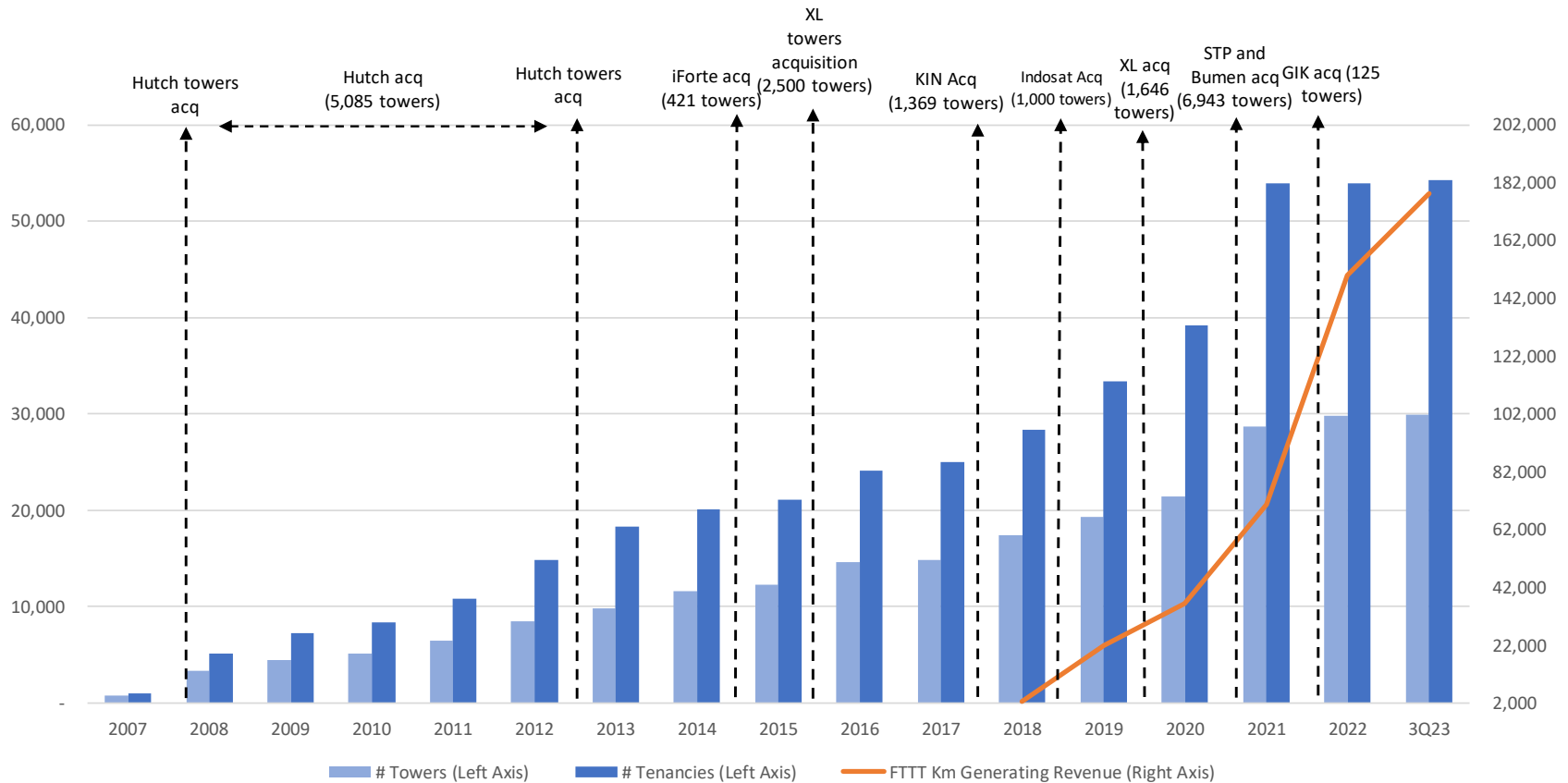
Strong growth potential given low penetration and increased demand for integrated offerings.

Diversifying Business Base



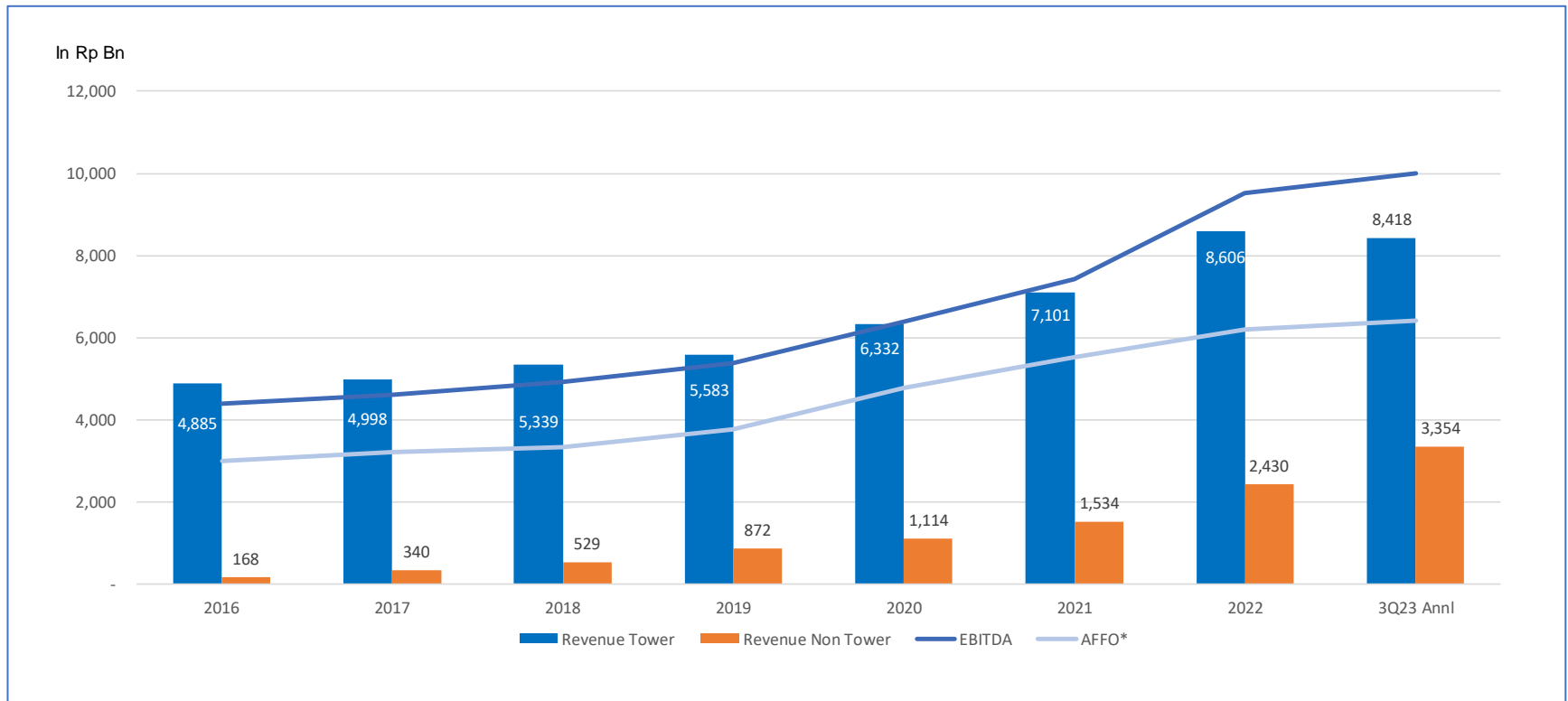
Note: Tower tenancy ratio and Fiber utilization ratio calculation does not include asset and operational synergies between Towers, FTTH and FTTH business

Track Record of Consistent Growth ...



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	3Q23
# Towers	781	3,312	4,415	5,072	6,427	8,482	9,766	11,595	12,237	14,562	14,854	17,437	19,319	21,381	28,698	29,794	29,915
# Tenancies	984	5,137	7,282	8,365	10,798	14,849	18,322	20,138	21,038	24,144	25,011	28,319	33,346	39,127	53,975	53,967	54,249
FTTT Km Generating Revenue												2,345	21,977	36,346	70,465	149,811	178,329
Number of Activations under Connectivity												5,612	7,041	7,503	9,283	10,572	12,510

and Strong Financial Performance

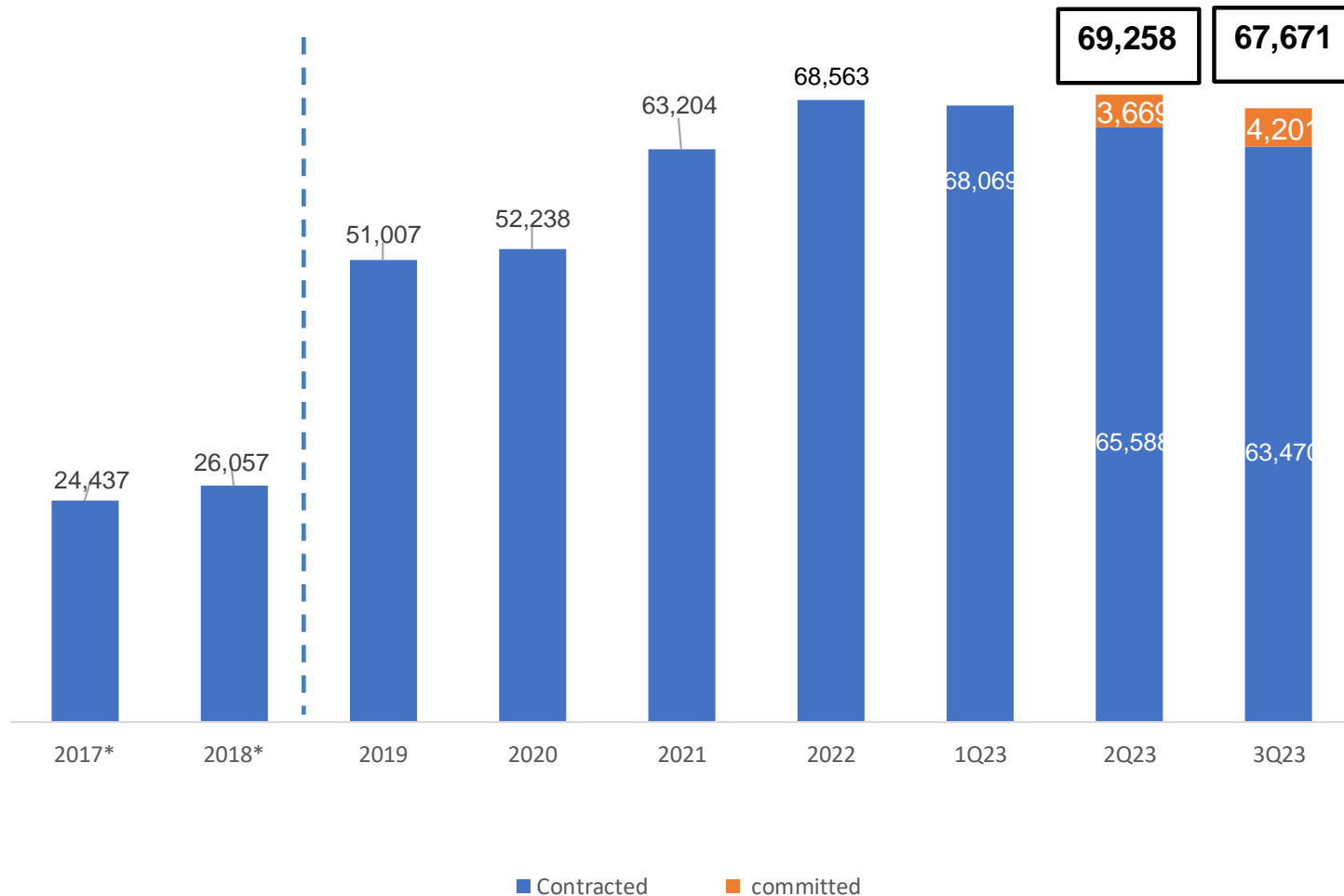


	2016	2017	2018	2019	2020	2021	2022	3Q23 (Ann)	CAGR
Revenue Tower	4,885	4,998	5,339	5,583	6,332	7,101	8,606	8,418	8.1%
Revenue Non Tower	168	340	529	872	1,114	1,534	2,430	3,354	53.3%
EBITDA	4,408	4,604	4,932	5,385	6,405	7,434	9,517	10,011	12.4%
AFFO*	3,009	3,213	3,348	3,776	4,774	5,525	6,210	6,417	11.4%

* AFFO = EBITDA – (Interest + Tax + Maintenance Capex)

... with Excellent Future Revenue Visibility

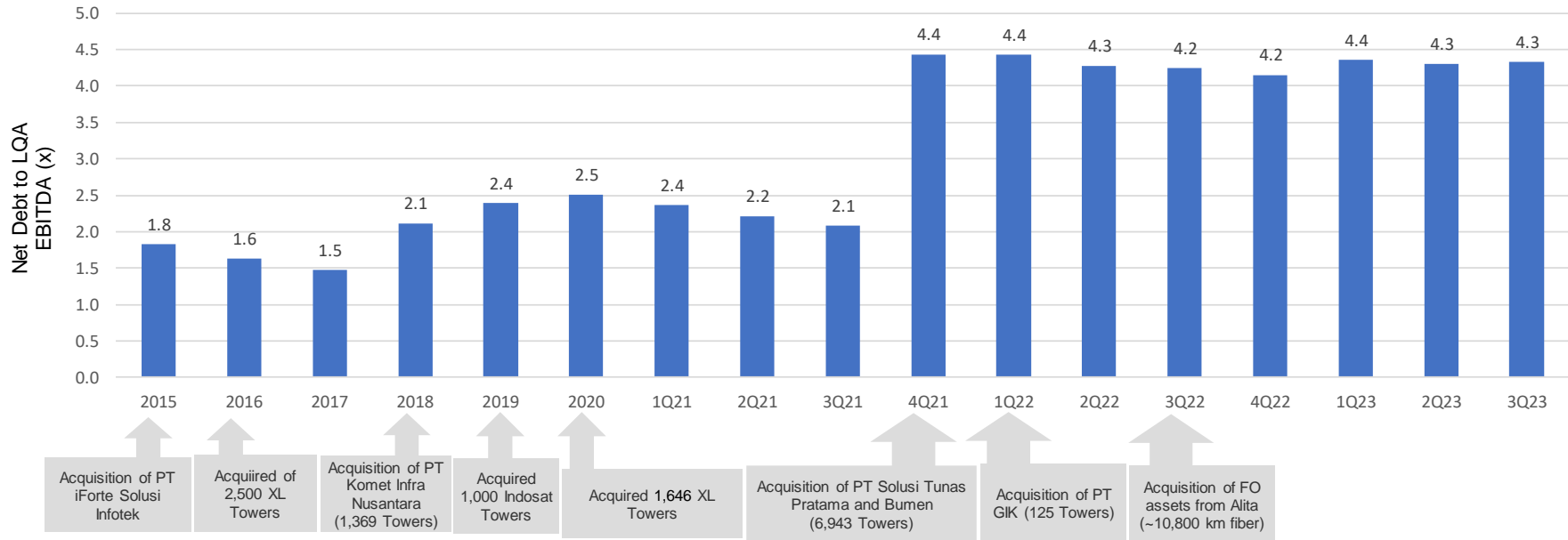
Long term contracts and commitments underwrite more than Rp67.7 trillion of committed future revenue through 2042, not including value of potential future contract renewals.



* 2017 & 2018 exclude committed revenue and renewals

Strong Investment Grade Balance Sheet

Leverage comfortably within investment grade range despite acquisitions and dividend.



3Q23 Credit Matrix

Gross Debt	Rp43,806bn
Interest Coverage Ratio	4.0x
Average Interest Rate (as of 30 Sept 2023)	6.1%
Corporate Credit Rating (S&P/Fitch National/Fitch Global)	BBB-/ AAA/BBB



SMN 3Q2023 Summary of Financial Results

Sarana Menara Nusantara (SMN) Group

Abridged consolidated statement of profit and loss.

(In RP Bn)	2018	2019	2020	2021	2022	9M23	3Q22	3Q23
Revenues	5,867.9	6,454.3	7,445.4	8,635.3	11,035.7	8,719.4	2,790.8	2,943.1
Cost of revenues	(427.5)	(458.3)	(415.2)	(480.4)	(607.8)	(521.5)	(154.8)	(175.8)
Depreciation and amortization	(1,114.4)	(1,349.6)	(1,644.0)	(1,859.8)	(2,306.7)	(1,944.2)	(587.9)	(661.9)
Gross income	4,325.9	4,646.4	5,386.2	6,295.2	8,121.2	6,253.7	2,048.1	2,105.4
Operating expenses	(508.5)	(610.7)	(625.3)	(720.7)	(911.3)	(781.1)	(240.0)	(264.6)
Operating income	3,817.4	4,035.7	4,760.9	5,574.5	7,209.9	5,472.6	1,808.0	1,840.8
Other income								
Interest income	33.9	39.1	33.6	24.7	23.4	16.6	5.8	3.8
Finance charges	(872.3)	(957.9)	(1,090.6)	(1,262.0)	(2,276.4)	(2,087.4)	(514.1)	(660.3)
Finance charges (PSAK 73)	-	-	(110.7)	(108.3)	(115.5)	(84.3)	(32.6)	(25.6)
Foreign exchange gains/(losses), net	(37.3)	56.0	(182.8)	8.9	(92.8)	(15.2)	(22.9)	7.0
(Impairment expense)/reversal of allowance for impairment	153.9	(103.0)	32.5	(13.5)	(4.8)	-	1.5	-
Others, net	(143.9)	(61.0)	(44.0)	(173.3)	(284.6)	(202.3)	(113.7)	(62.9)
Other income / (expense), net	(865.7)	(1,026.8)	(1,362.0)	(1,523.5)	(2,750.6)	(2,372.7)	(675.9)	(738.0)
Profit before tax	2,951.7	3,008.9	3,398.9	4,051.0	4,459.3	3,099.9	1,132.1	1,102.7
Corporate income tax expense								
Tax expense	(695.8)	(722.5)	(691.6)	(810.7)	(930.4)	(688.6)	(202.4)	(251.5)
Deferred tax expense	(55.8)	66.7	146.3	207.6	(32.4)	62.7	(50.0)	23.9
Total corporate income tax expense	(751.6)	(655.8)	(545.3)	(603.1)	(962.7)	(625.9)	(252.4)	(227.6)
Minority Interest	0.0	11.1	17.6	20.5	26.7	-48.5	(12.2)	(8.6)
Net Income	2,200.1	2,342.0	2,836.0	3,427.4	3,442.0	2,425.6	867.6	866.5
EBITDA	4,931.8	5,385.3	6,404.9	7,434.3	9,516.6	7,416.8	2,396.0	2,502.7
YoY Revenue growth	9.9%	10.0%	15.4%	16.0%	27.8%	7.6%	33.2%	5.5%
Gross margin	73.7%	72.0%	72.3%	72.9%	73.6%	71.7%	73.4%	71.5%
EBITDA margin	84.0%	83.4%	86.0%	86.1%	86.2%	85.1%	85.9%	85.0%
Net income margin	37.5%	36.3%	38.1%	39.7%	31.2%	27.8%	31.1%	29.4%

Sarana Menara Nusantara (SMN) Group

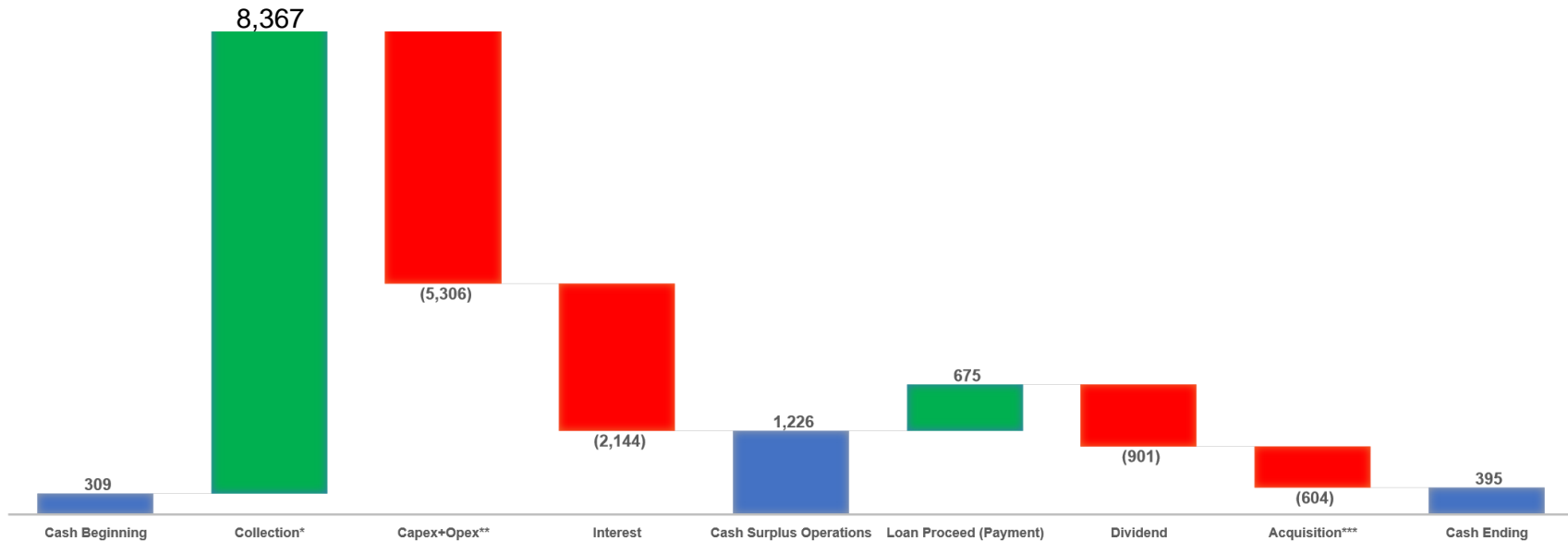
Abridged consolidated statement of financial position.

(In RP bn)	2018	2019	2020	2021	2022	9M23
ASSETS						
<i>Current assets</i>						
Cash and cash equivalents	963.4	593.8	1,442.6	4,748.4	308.6	395.2
Restricted cash	-	6.6	4.9	2.0	0.0	0.1
Trade receivables	821.0	1,347.6	1,240.1	2,171.3	2,557.8	3,084.6
Other current asset	490.9	526.5	314.7	476.5	784.7	859.2
Total current assets	2,275.3	2,474.4	3,002.3	7,398.1	3,651.1	4,339.2
Total non-current assets	20,684.2	25,191.3	31,247.2	58,430.5	61,974.0	63,885.4
TOTAL ASSETS	22,959.5	27,665.7	34,249.6	65,828.7	65,625.1	68,224.6
LIABILITIES AND EQUITY						
<i>Current liabilities</i>						
Current portion of long-term loans	1,732.8	1,944.8	4,073.9	15,432.2	8,062.6	8,222.0
Current portion of long-term bonds	657.9	-	35.9	1,008.2	1,113.9	3,656.9
Leasing payable	-	-	281.3	353.3	387.0	434.3
Other current liabilities	2,361.1	2,620.3	2,834.1	5,086.6	4,882.5	5,549.7
Total current liabilities	4,751.8	4,565.1	7,225.2	21,880.3	14,446.1	17,863.0
<i>Non-current liabilities</i>						
Long-term loans, net of current portion	7,069.7	11,247.1	11,926.3	23,535.5	29,261.6	26,788.3
Bonds payable	2,023.4	1,976.3	2,148.7	4,463.3	4,556.4	4,943.5
Leasing payable	0.8	-	1,730.7	2,192.3	1,590.6	1,121.2
Other non-current liabilities	1,080.6	1,116.6	1,034.6	1,695.3	1,338.1	1,413.2
Total non-current liabilities	10,174.5	14,340.0	16,840.3	31,886.4	36,746.7	34,266.1
Total liabilities	14,926.3	18,905.1	24,065.5	53,766.7	51,192.8	52,129.1
<i>Equity</i>						
Common shares	530.7	530.7	530.7	530.7	530.7	530.8
Treasury Stock	(126.6)	(514.1)	(786.9)	(931.4)	-931.4	-931.3
Share Based Payment	-	-	-	23.9	64.9	89.6
Difference arising from transactions resulting in changes in the equity of subsidiary	-	-	-	(11.9)	38.4	0.0
Other comprehensive income	81.4	2.8	44.6	25.7	62.1	113.0
Retained earnings / (accumulated deficit)	7,547.8	8,705.1	10,365.6	12,394.0	14,635.9	16,160.1
Non-controlling interests	-	36.1	30.0	31.0	31.8	133.4
Total equity	8,033.3	8,760.6	10,184.0	12,062.0	14,432.3	16,095.5

Sarana Menara Nusantara (SMN) Group

Abridged consolidated statement of cashflows (9 months ended Sept 2023).

in Rp Bn



* Numbers included VAT

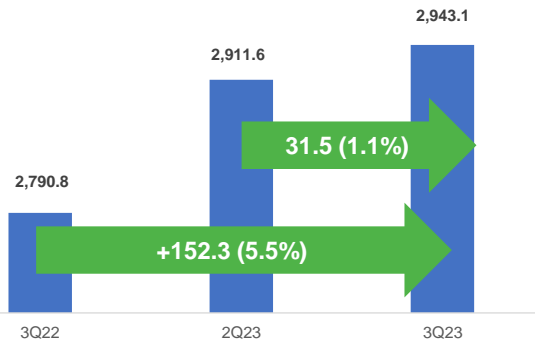
** Including ground lease

*** ATMI, MCP, Alita and Varnion Acquisition

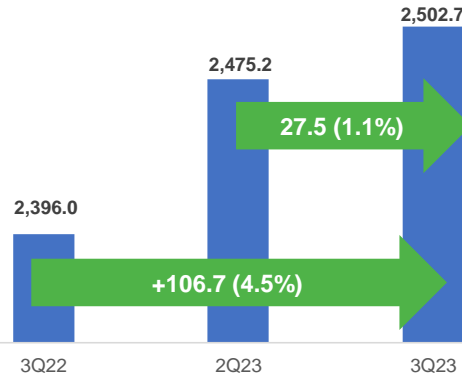
Profit and Loss Movement 3Q2023

in Rp Bn

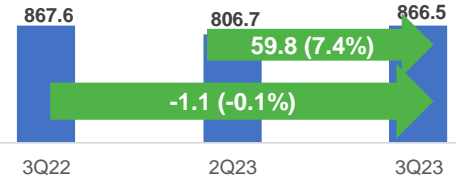
Revenue



EBITDA

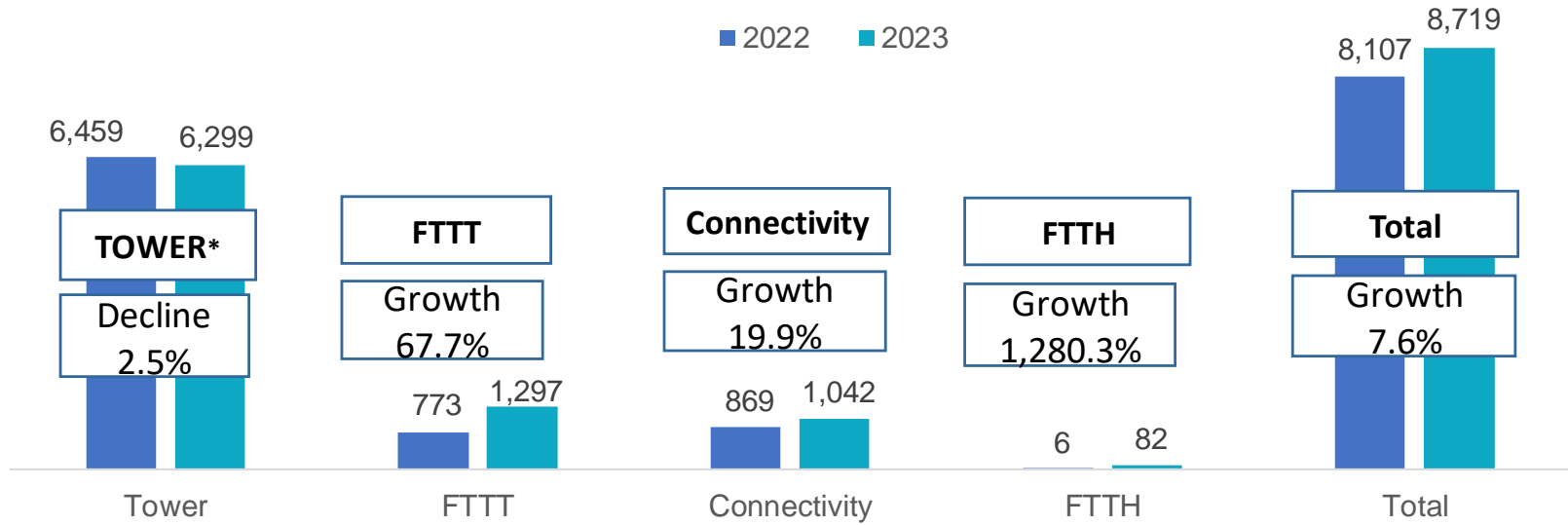


Net Income



Revenue Analysis (9M22 vs 9M23)

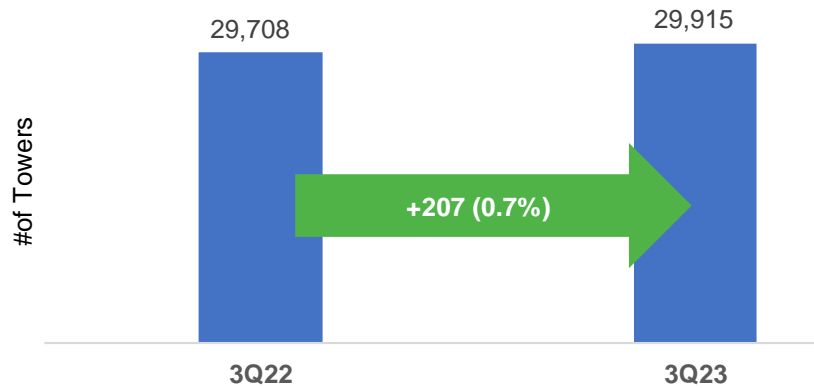
in Rp Bn



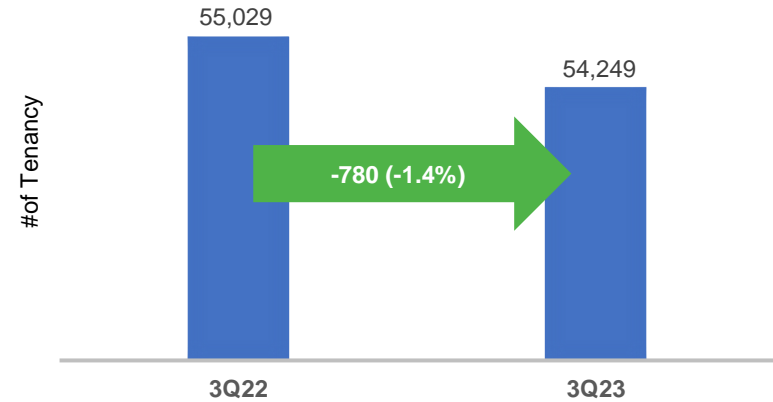
* Including managed services

Summary Operational Data (Sept 22 vs Sept 23)

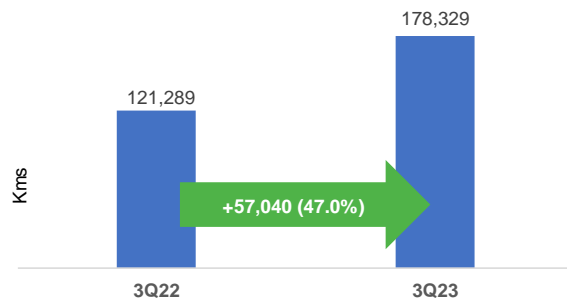
Towers



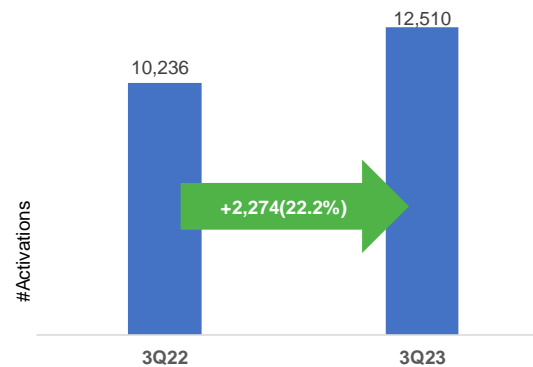
Tenancy



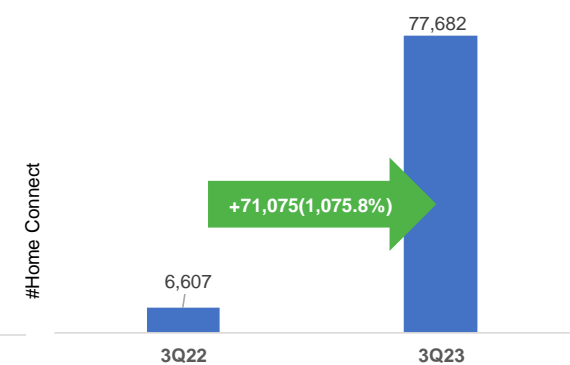
FTTT



Connectivity



FTTH





Appendix

Foreign Exchange Exposure as of 30 Sept 2023

Low risk from FX exposure as balance sheet is hedged.

Risk Mitigation:

- USD financial assets and USD contracted revenue provide natural hedge for liabilities denominated in foreign currencies
- Incremental borrowing of the Company has been done in Rupiah, or in some cases where there are USD borrowing, financial hedges are then employed
- USD debt maturing 2025, 2028 and 2029 are covered with financial hedges at Rupiah to USD exchange of 14,510, 15,000 and 15,000, respectively

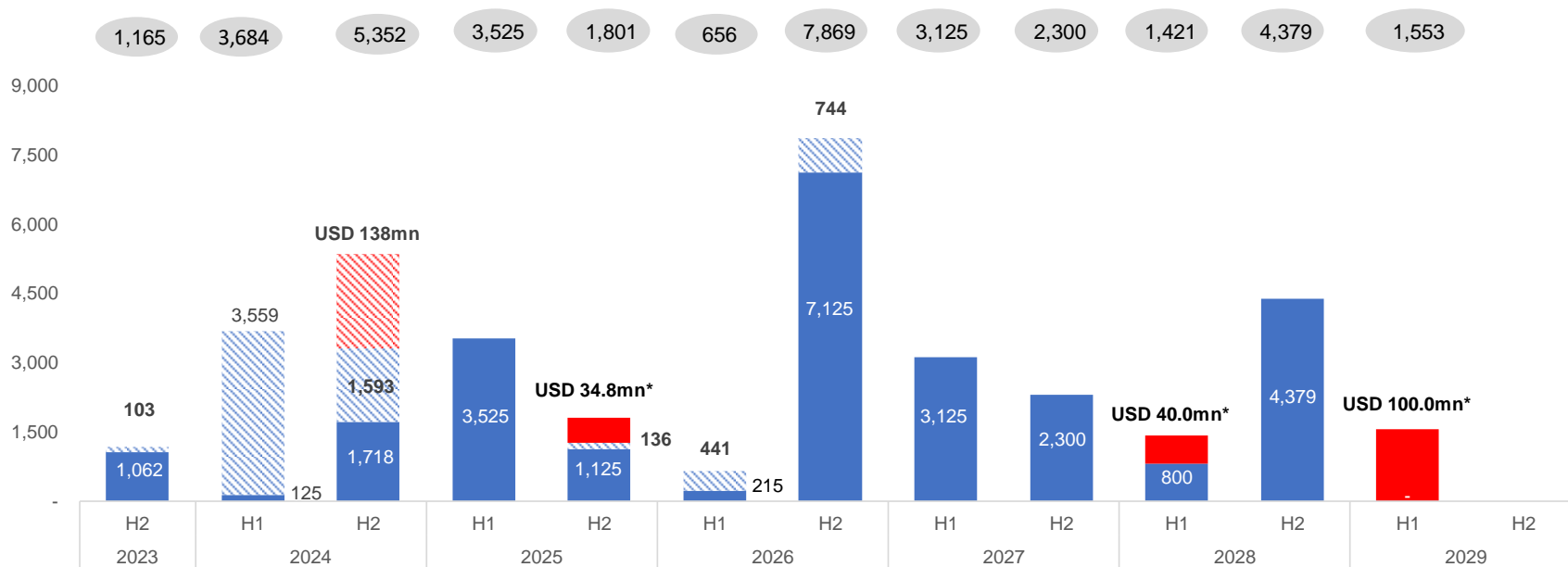
ASSET		CONTRACTED REVENUE		LIABILITIES	
Cash	USD 156.0mn	2024	- USD 18mn	<u>Bond</u>	
				USD 138mn	
<hr/>		<hr/>		<hr/>	
Total	USD 156.0mn	Total	- USD 18mn	Total	~USD 138mn

Long Term Debt*: 49.0% floating, 51.0% fixed, avg. interest 6.1%

- Incremental borrowing of the Company has been done in Rupiah, or in some cases where there are USD borrowing, financial hedges are then employed.
- USD debt maturing 2025, 2028 and 2029 are covered with financial hedges at Rupiah to USD exchange of 14,510, 15,000 and 15,000, respectively.

Maturity Profile

* USD loan hedged into IDR
in Rp Billion



- As of Sept 2023
- BI Middle rate as of September 2023: 1USD = IDR15,526 ; 1JPY = IDR104.20

■ IDR Loan ■ IDR Bond ■ USD Loan ■ USD Bond



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