

Tuesday, 26 September 2023

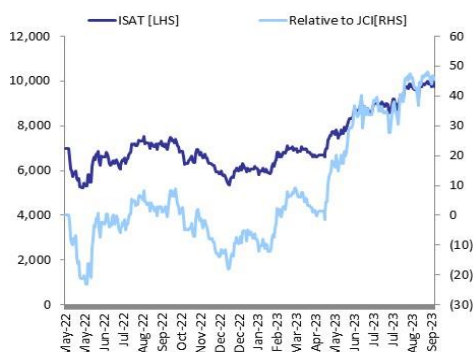
OVERWEIGHT

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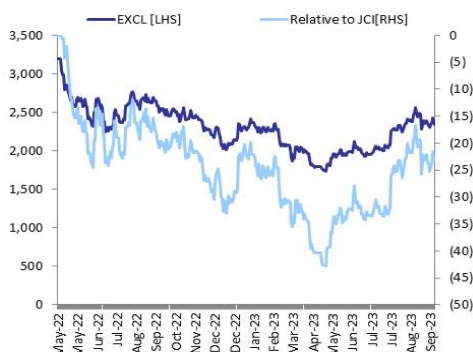
Telco

Healthy sector conduct with limited downside

ISAT relative to JCI Index



EXCL relative to JCI Index



Source : Bloomberg

We noted healthy development in the sector, with FREN applying price increases in 3 product lines for the price sensitive segments. IOH price hikes in Jul - Aug months have largely endured in September and Hutch3 now is applying more product innovation. On the back of its expansion in ex-Java, we think ISAT's earnings should outperform the sector in 2H23. We like EXCL for its undemanding valuation; we also see more reason for a telco merger with FREN to take place.

Smartfren raised prices for 3 product lines by ~10%, namely: a) short validity 1GB/day Unlimited, b) Unlimited Non-Stop for short/long validity, and c) Quota based package denominations with no incremental quotas. **This is significant for the sector given that Smartfren is present in the price-sensitive segment and was a sector laggard in regard to raising prices.**

Hutch3 is betting on product innovation. Across-the-board price hikes in Jul-Aug period appear to have largely endured in September month. Following the barrage of price increases, Hutch bets now on simplification and giving users the freedom to choose quotas (between 1GB-150GB) based on their needs. IOH appears to have more trust in its ICT systems, billing and network capacity, and this definitely raises the stakes.

TSEL is following the same tempo. Telkomsel (TSEL) did not attempt to change prices in September. It will be long before TSEL engages again in across-the-board price hikes. This stance helps to shift focus to drive take up in FMC products.

Mixed impressions from XL's September price catalogues. The flagship 30-day XTRA Combo Plus (Regular & VIP) is subject to more price discounts than in August with a data yield of below Rp2,000 possibly due to macro & competition factors. By contrast, XTRA Combo Flex saw sharp price increases by 10-47% with additional quotas (the median implied data yield reached Rp4,600 or +10%).

Financially unconstrained IOH executing its transformation strategy. IOH is financially unconstrained and is in a uniquely favorable position whereby its network and operations transformation strategy is expected to continue generate synergies. Fiber divestments are in due process and can provide plenty of leeway to offer more dividends and compensate shareholders even more.

Smartfren is setting near-term targets before any other corporate action. According to Smartfren, merger talks with XL were held 2 years ago. They did not end then and have now resumed. FREN has set a timeframe to conclude its capex program by 1H24 at the latest for an additional 2,000 sites, and the planning may well be tied to the timing of the current merger talks with XL, we believe.

Merger preparations could be underway. The current enterprise values of EXCL IJ and FREN IJ are Rp73.6tn/Rp43.1tn with market caps of Rp31.1tn and Rp18.9tn, respectively. FREN is highly leveraged with ~5.0x ND/EBITDA vs. 2.7x for EXCL. We think **the fastest way for FREN to deleverage is for principal shareholders to add more share capital.** Moreover, the Sinarmas ICT subsidiaries have been operating autonomously till now. A telco merger would be the catalyst for such ICT integration to take place in Sinarmas and generate synergies from a merger.

Reiterate sector Overweight. On the back of healthy market development based on our findings for Sep-23, we reiterate our sector Overweight rating on the Telco. We prefer ISAT (Buy, TP Rp11,100) - for its financial strength and revenue outlook; short-term catalyst coming from selling fiber assets is justified. We like EXCL (Buy, TP Rp3,900) for its non-demanding valuation; We see indications and more reasons for another telco merger to take place.



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Company	Ticker	Rec	Target Price (Rp)	Market Cap. (RpBn)	P/E (x)		P/BV (x)		ROE (%)
					2023F	2024F	2023F	2024F	
IOH	ISAT IJ	BUY	11,100	78,611.4	23.9	21.7	2.7	2.5	11.8
XL Axiata	EXCL IJ	BUY	3,900	30,588.3	22.1	14.6	1.2	1.1	7.7
Telkom	TLKM IJ	BUY	4,600	372,473.9	14.7	13.2	2.7	2.5	19.8

Hutch 3 is betting on Happy and simplification. The quota-based pack Happy (no-frills) is now being offered as Happy Flex which lets the user buy any quota between 1GB – 150GB for 1/3/7 or 30 days with corresponding prices. While quota-based packs are common, we rarely see such breadth in denominations. This requires significant flexibility in systems, billing and network capacity which IOH appears to be in position to support. Hutch3 is definitely raising the stakes by making quota choices a much more interesting consumer experience. Following across-the-board price hikes in July and August, **Hutch is now betting on simplification and giving the user the freedom to consume quotas based on how they think best. This goes against other standardized packs with predetermined quotas and quotas for Sosmed/OTT content use.**

Smartfren made a bold move to raise prices on 3 product lines, namely: a) short validity 1GB/day Unlimited by ~10%, b) 10% price increases across the family of Unlimited Non-Stop offerings for short/long validity, and c) 10% price increases across its quota-based package denominations without offering incremental quotas for all 3 product lines. **This is in itself significant for the sector given that Smartfren was a sector laggard in regard to raising prices and because the brand is mostly positioned in the price sensitive segment.**

With an eye on the macroeconomy, TSEL is following the same tempo. Telkomsel (TSEL) did not attempt to change prices in September. Rather, TSEL's approach is different than its peers as it is focusing on filling any supply gaps to fully address the market demand. TSEL has been very dynamic in that respect adding new variations to its products introducing opportunistic series accompanied by SoSmed or OTT Content such as 7-day Special Promo packs with quotas of 10.5GB - 20.5GB incl. SosMed and 28-day Super Seru in the 100-330GB range that includes OTT content. The long-standing fighting product lines Internet Sakti and Combo Sakti remain dynamic introducing new variations for short and long validity packs (Internet Sakti's 15GB YouTube quota has now been removed). TSEL executives are closely scrutinizing macroeconomic data, which contributes to their conservative stance, we believe. **Any TSEL marketing plan is not expected to implement price hikes across-the-board. Instead, we believe the focus will be to encourage users to take up FMC.**

Future use cases to be supported mainly by 4G. Garnering impressions from Telkom analyst day, we understand that TSEL incl. other telcos have limited appetite to acquire 5G spectrum (except for low range 700MHz) referencing shortcomings. We expect 4G to be the main revenues and growth engine in the next 2-3 years. 4G will suffice for 4G-based FWA for consumers and industrial IOT for enterprises and SMEs. **As such, we expect the regulator to be pragmatic and choose not to enforce 5G spectrum auctions (higher bands) unless they come at a significant discount.** Those conditions could shape a more profitable outlook (at least margins will not deteriorate and capital returns may continue to improve).

Mixed impressions from XL's September price catalogues. The flagship 30-day XTRA Combo Plus (Regular & VIP) is subject to more price discounts than in August. 4 of 6 price discounts led to final prices below Rp100,000 for 44GB quotas with an implied data yield below Rp2,000. This is a defensive move, we believe, which is most likely to address macroeconomic factors and potential competition from IOH and Hutch. By comparison, XTRA Combo Flex was subject to sharp price increases from 10-47% with increases in quotas (on a net basis, the median implied data yield reached Rp4,600 or +10%). Additionally, we see price increases in the complementary booster quotas for both XL and AXIS brands.

Smartfren is setting near-term targets before any other corporate action. Smartfren mentioned during our call that it added an incremental 2,500 BTS sites in 1H23, and is looking to add another 2,000 to conclude its capex program. Smartfren has a timeframe to conclude its capex program by 1H24 at the latest, and we believe this coincides with the timing of the current merger talks with XL. According to Smartfren, merger talks with XL were held 2 years ago and have now resumed. This means FREN has ~3-9 months to show improvements to negotiate a higher valuation for itself in the case a merger deal materializes. Kemkominfo acknowledged that merger talks are in process and the minister pledged his support for a deal.

Merger preparations could be underway. The current enterprise values (EV) of EXCL IJ and FREN IJ are Rp73.6tn/Rp43.1tn with market caps of Rp31.1tn and Rp18.9tn, respectively. FREN is highly leveraged with ~5.0x ND/EBITDA vs. 2.7x for EXCL. The fastest way for FREN to deleverage is for principal shareholders to add more share capital as one potential option, which FREN may consider. We recall that Hutch3 (prior to its merger with Indosat) deleveraged its balance sheet with a share capital increase of Rp47tn and converted all its **debt to equity, becoming debt-free and a more attractive merger target.**

Catalyst for Smartfren and Sinarmas to realize ecosystem synergies. The combined EBITDA of XL Axiata and Smartfren are in the proportion 76%/24%, respectively, in terms of 1H23/FY23F revenues and EBITDA. To achieve a merger between equals, FREN shareholders would have to compensate for the gap with an equity injection in the form of cash or an in-kind transaction offering stakes in Sinarmas ICT ecosystem companies such as MyRepublic, Oxygen in fixed broadband, and Moratelindo for backbone. We believe the latter is relatively low hanging fruit as the Sinarmas ICT subsidiaries have been operating autonomously till now. A telco merger would be the catalyst for such ICT integration in Sinarmas to pursue FMC strategies as well as more telco expansion in ex-Java regions. A potential deal with XL Axiata would necessitate such an integration process and support Sinarmas ICT to align with market trends.

IOH executing its merger strategy and moving swiftly to attain more cash.

IOH is considering divestment of its fiber assets (Bloomberg article) which contains cables for FTTT and FTTH. IOH can jumpstart its fixed broadband operations supported with the supply of homepasses by a 3rd party (tender process ongoing).

IOH is in a uniquely favorable position whereby its transformation strategy in network and operations is financially unconstrained. Fiber divestments can provide plenty of leeway to offer higher dividends and compensate shareholders even more (fiber assets valued at USD1bn as per Bloomberg article). IOH will continue to extract synergies in its core network, ICT systems and business processes. IOH, in the span of 18 months post-merger, is reported to be on track to deliver merger synergies of USD400mn in 3 years. 1H23 synergies effectively stood at USD180mn (IDR128mn recurring).

XL's asset-light strategy is taking more shape: Its partner Linknet is approved for a Rp3tn loan facility.

XL's cashflow generation is smaller than the Telkom group's and IOH's given the size factor (subscriber numbers, spectrum amount, leverage on distribution networks, cashflow) and thus its sector displacement factor is less. Nonetheless, in this asymmetric battle, XL has been resilient in terms of profitability and being at the forefront of telco innovations. Moreover, EXCL has built a reliable ecosystem of partners trusting the company with the supply of FTTT, FTTH and potentially backbone decoupling itself from the infra biz. Very recently, its main partner Linknet secured a loan facility from BCA of up to Rp3tn with a tenor of 3 years to build 1mn homepasses. We believe Linknet's new infra model is viable with potential payback of its investment by year 7 with around a 60+% EBITDA margin in its new wholesale / B2B infrastructure business serving 1 to 2 clients. LINK can become more attractive to new shareholders if it acquires a stake in EXCL IJ, as the subs and brand name can be divested to XL via inbreng in one potential scenario.

The XL asset-light strategy can be more robust with the potential merger of FREN and Sinarmas ICT ecosystem companies supplying the merged telco with fiber in ex-Java areas, and potentially homepasses.

Exhibit 1: Indosat Ooredoo Hutchison IOH (ISAT IJ) forward 2023-24 3yr EV/EBITDA multiple band

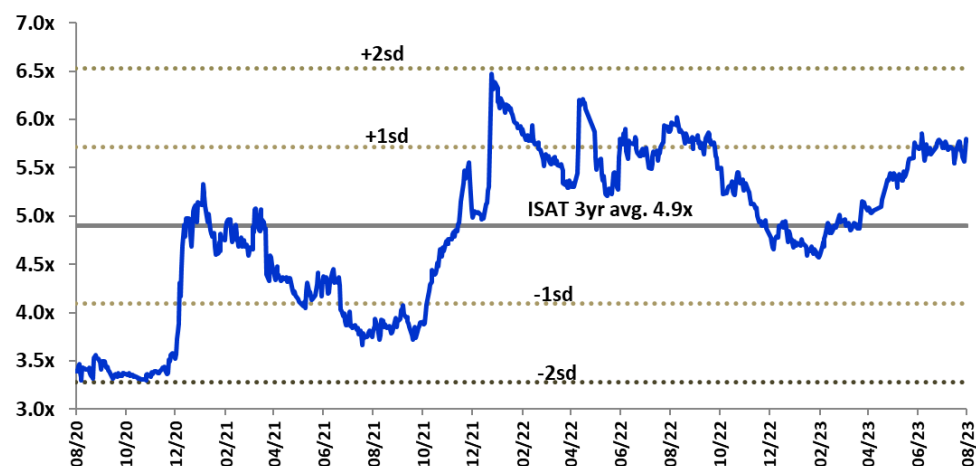


Exhibit 2: Telkom (TLKM IJ) forward 2023-24 EV/EBITDA 3yr multiple band



Exhibit 3: XL Axiata (EXCL IJ) 3yr forward 2023-24 EV/EBITDA 3yr multiple band



Exhibit 4: Smartfren (FREN IJ) forward 2023-24 EV/EBITDA 3yr multiple band



Exhibit 5a: IOH – Hutch3 price catalogue – key product lines AON, AddON, BIMA+ offerings, Happy and season sales

Hutchison Tri 3 - Selected programs	Total GB (Jul'23)	Total GB (Aug'23)	Total GB (Sep'23)	Prices Jul'23	Prices Aug'23	Prices Sep'23	Δ %	yield/gb Jul'23	yield/gb Aug'23	yield/gb Sep'23
Long validity data packs - Masa aktif kartu AlwaysON (AON)										
AON 3GB 2-5 3GB	3	3	3	20,000	22,000	22,000	0%	6,667	7,333	7,333
AON 3-5GB 4GB	4	4	4	25,000	27,000	27,000	0%	6,250	6,750	6,750
AON 6GB 7GB	7	7	7	40,000	43,000	43,000	0%	5,714	6,143	6,143
AON 9GB 10GB	10	10	10	50,000	54,000	54,000	0%	5,000	5,400	5,400
AON 12GB 14GB	14	14	14	60,000	65,000	65,000	0%	4,286	4,643	4,643
AON 32 40GB	40	40	40	100,000	106,000	106,000	0%	2,500	2,650	2,650
UNLIMITED + AON 26GB	26	26	26	80,000	80,000	80,000	0%	3,077	3,077	3,077
Average implied data yield								4,785	5,142	5,142
Median implied data yield								5,000	5,400	5,400
Internet Kombo Spesial 2G/3G/4G										
Combo 2GB 30day	2	2	2	35,000	35,000	35,000	0%	17,500	17,500	17,500
Combo 3GB 30day	3	3	3	40,000	40,000	40,000	0%	13,333	13,333	13,333
Combo 32GB 30day	32	32	32	85,000	85,000	85,000	0%	2,656	2,656	2,656
Combo 38GB 30day	38	38	38	90,000	95,000	95,000	0%	2,368	2,500	2,500
Combo 5GB 1day	5	5	5	10,000	10,000	10,000	0%	2,000	2,000	2,000
Combo 6GB 3day	6	6	6	15,000	15,000	15,000	0%	2,500	2,500	2,500
Average implied data yield								6,726	6,748	6,748
Median implied data yield								2,578	2,578	2,578
AddON										
AddOn "HOME" 32GB 30day	32	32	32	80,000	85,000	80,000	-6%	2,500	2,656	2,500
AddOn "HOME" 38GB 30day	38	38	38	90,000	95,000	95,000	0%	2,368	2,500	2,500
AddOn "HOME" 60GB 30day		60	60		125,000	125,000	0%		2,083	2,083
AddOn "HOME" 100GB 7day	100	100	100	100,000	200,000	200,000	0%	1,000	2,000	2,000
AddOn "HOME" 117GB 30day	117	117	117	125,000				1,068		
AddOn "HOME" 120GB 30day	220	220	220	130,000	250,000	250,000	0%	591	1,136	1,136
AddOn "HOME" 150GB 30day	150	150	150	160,000	300,000	300,000	0%	1,067	2,000	2,000
Data packs only in BIMA+										
Only in Bima+ 30-day 66 65 60GB		66	66		140,000	125,000	-11%		2,121	1,894
Only in Bima+ 30day 47GB		47	47		100,000	100,000	0%		2,128	2,128
Only in Bima+ 30day 75GB		75	75		150,000	150,000	0%		2,000	2,000
Only in Bima+ 30day 130GB	130	130	130	150,000	260,000			1,154	2,000	
Only in Bima+ 30day 50GB	55	55	55	100,000	110,000			1,818	2,000	
Only in Bima+ 7 5day 5 7GB	5	5	5	20,000	22,000	25,000	14%	4,000	4,400	5,000
Only in Bima+ 7day 4.5GB		4.5	4.5		20,000	20,000	0%		4,444	4,444
Only in Bima+ 2day 2.5GB		2.5	2.5			10,000				4,000
Only in Bima+ 2day 3GB	3	3	3	10,000	11,000	11,000	0%	3,333	3,667	3,667
Only in Bima+ 37 7day 50GB	50	50	50	15,000				300		
Only in Bima+ 30day 32GB 35 30GB	35	35	35	70,000	75,000			2,000	2,143	
Only in Bima+ 1day 5 3GB	5	5	5	5,000	5,000	5,000	0%	1,000	1,000	1,000
Only in Bima+ 30day 100GB	100	100	100	140,000	205,000			1,400	2,050	
Only in Bima+ 30day 48 13GB	18	13	13	50,000	55,000				4,231	
Only in Bima+ 30day 12GB 11GB		18	18		50,000	50,000	0%		2,778	2,778
Only in Bima+ 3day 6GB	6	6	6	10,000	12,000	15,000	25%	1,667	2,000	2,500
Only in Bima+ 12hours 2.5GB		2.5	2.5		5,500	5,500	0%		2,200	2,200
Only in Bima+ 3hours 1GB		1.0	1.0			3,500				3,500
Only in Bima+ 1hours 0.5GB		0.5	0.5			2,500				5,000
Only in Bima+ 1hours UL	UL	UL	UL	2,500						
Only in Bima+ 3hours UL	UL	UL	UL	3,500						
Only in Bima+ 12hours UL	UL	UL	UL	5,000						
Paket HAPPY										
Kuota Happy 1-5GB 2GB 1day	2	2	2	5,000	5,500	5,500	0%	2,500	2,750	2,750
Kuota Happy 2 2.5GB 1day	2	2	2	6,000	6,000	6,000	0%	3,000	3,000	3,000
Kuota Happy 5GB 1day	5	5	5	11,000	11,000	11,000	0%	2,200	2,200	2,200
Kuota Happy 3GB 2day	3	3	3	10,000	11,000	11,000	0%	3,333	3,667	3,667
Kuota Happy 3GB 3day	3	3	3	11,000	12,000	12,000	0%	3,667	4,000	4,000
Kuota Happy 5GB 3day	5	5	5	15,000	16,500	16,500	0%	3,000	3,300	3,300
Kuota Happy 1.5GB 7day	2	2	2	10,000	10,000	10,000	0%	6,667	6,667	6,667
Kuota Happy 3.5GB 7day 5day	4	4	4	17,000	17,500	17,500	0%	4,250	5,000	5,000
Kuota Happy 5GB 7day	5	5	5	20,000	22,000	22,000	0%	4,000	4,400	4,400
Kuota Happy 4.5GB 7day		4.5	4.5		20,000	20,000	0%		4,444	4,444
Kuota Happy 6GB 9GB 5day	9	9	9	25,000	27,500	27,500	0%	2,778	3,056	3,056
Kuota Happy 9GB 10GB	10	10	10	35,000	38,000	38,000	0%	3,500	3,800	3,800
Kuota Happy 3GB 3.5GB 30day	3	3	3	20,000	22,000	22,000	0%	6,667	7,333	7,333
Kuota Happy 7GB 30day	12	7	7	30,000	32,000	32,000	0%	2,500	4,571	4,571
Kuota Happy 11GB 30day		11	11		50,000	50,000	0%		4,545	4,545
Kuota Happy 11GB 13GB 30day	18	13	13	50,000	55,000	55,000	0%	2,778	4,231	4,231
Kuota Happy 12GB 19 14GB 30day	19	14	14	60,000	60,000	60,000	0%	3,158	4,286	4,286
Kuota Happy 25GB 26GB 35 30GB 30day	35	30	30	70,000	75,000	75,000	0%	2,000	2,500	2,500
Kuota Happy 42GB 30 day			42		90,000	90,000				
Kuota Happy 50 47GB 30day	47	47	47	90,000	100,000	100,000	0%	1,915	2,128	2,128
Kuota Happy 52GB 30day	57	52	52	80,000	83,000	83,000	0%	1,404	1,596	1,596
Kuota Happy 55 50GB 30day	60	50	50	100,000	110,000	110,000	0%	1,667	2,200	2,200
Kuota Happy 65GB 30 day		65	65		140,000	140,000	0%		2,154	2,154
Kuota Happy 75GB 30 day		75	75		150,000	150,000	0%		2,000	2,000
Kuota Happy 100GB 30 day	105	100	100	140,000	205,000	205,000	0%	1,333	2,050	2,050
Kuota Happy 130GB 30 day	150	130	130	150,000	260,000	260,000	0%	1,000	2,000	2,000
Offers - HOT SALES										
Hot Sale 117GB, 30day	117			125,000				1,068		
Hot Sale 100GB, 30day	105			140,000				1,333		
Hot Sale 18GB, 30day	-			-				-		
Hot Sale 52 GB, 30 day	-			-				-		
Hot Sale 55GB 47GB, 30 day	60	47	47	100,000	100,000	100,000	0%	1,667	2,128	2,128
Hot Sale 11GB 18GB 11GB, 30 day	18	11	11	50,000	50,000	50,000	0%	2,778	4,545	4,545
Hot Sale 33GB 35GB 30GB, 30 day	35	30	30	70,000	75,000	75,000	0%	2,000	2,500	2,500
Hot Sale 130GB, 30 day		130	130		150,000				1,154	
Hot Sale 30GB, 7 day	30	0	0	20,000				667		

Exhibit 5b: IOH – Hutch3 price catalogue for Happy Flex – selected denominations (not exhaustive)

Hutchison Tri 3 - Selected programs	Total GB (Sep'23)	Prices Jul'23	Prices Aug'23	Prices Sep'23	yield/gb Jul'23	yield/gb Aug'23	yield/gb Sep'23
Paket HAPPY Flex selected denominations							
Active Period: 1 Day							
1GB	1			4,000			4,000
2GB	2			5,500			2,750
3GB	3			7,000			2,333
4GB	4			9,000			2,250
5GB	5			11,000			2,200
6GB	6			12,600			2,100
7GB	7			14,200			2,029
8GB	8			15,800			1,975
9GB	9			17,300			1,922
10GB	10			18,500			1,850
Active Period: 3 Day							
1GB	1			7,500			7,500
2GB	2			9,000			4,500
3GB	3			12,000			4,000
4GB	4			14,000			3,500
5GB	5			16,500			3,300
6GB	6			17,000			2,833
7GB	7			17,600			2,514
8GB	8			19,100			2,388
9GB	9			20,600			2,289
10GB	10			22,100			2,210
11GB	11			23,600			2,145
12GB	12			25,100			2,092
13GB	13			26,600			2,046
14GB	14			28,100			2,007
15GB	15			29,600			1,973
16GB	16			31,100			1,944
17GB	17			32,600			1,918
18GB	18			34,100			1,894
19GB	19			35,600			1,874
20GB	20			37,100			1,855
Active Period: 7 Day							
2GB	2			13,000			6,500
10GB	10			28,500			2,850
20GB	20			45,100			2,255
30GB	30			60,400			2,013
40GB	40			74,600			1,865
50GB	50			87,300			1,746
60GB	60			98,600			1,643
70GB	70			108,900			1,556
80GB	80			117,900			1,474
90GB	90			125,500			1,394
100GB	100			132,000			1,320
110GB	110			138,000			1,255
120GB	120			144,000			1,200
130GB	130			149,000			1,146
140GB	140			154,000			1,100
150GB	150			159,000			1,060
Active Period: 30 Day							
3GB	3			20,000			6,667
10GB	10			42,000			4,200
20GB	20			70,000			3,500
30GB	30			75,000			2,500
40GB	40			87,600			2,190
50GB	50			106,000			2,120
60GB	60			125,200			2,087
70GB	70			142,400			2,034
80GB	80			155,000			1,938
90GB	90			165,000			1,833
100GB	100			150,000			1,500
110GB	110			189,000			1,718
120GB	120			202,000			1,683
130GB	130			215,000			1,654
140GB	140			228,000			1,629
150GB	150			240,000			1,600

Exhibit 6: XL Axiata price catalogue – selected product lines: XTRA Combo Plus reguler/VIP, XTRA Combo Flex

Indosat Data Plans - DKI Jakarta - (selected)	Total GB (Jul'23)	Total GB (Aug'23)	Total GB (Sep'23)	Prices Jul'23	Prices Aug'23	Prices Sep'23	Δ %	yield/gb Jul'23	yield/gb Aug'23	yield/gb Sep'23
FREEDOM INTERNET 30day										
Freed. Int. 7GB 9GB 6-5 5GB 30day	5	5	5	30,000	33,000	33,000	0.0%	6,000	6,600	6,600
Freed. Int. 3GB 5GB 4GB 3GB 30day	3	3	3	20,000	22,000	22,000	0.0%	6,700	7,300	7,300
Freed. Int. 13GB 14GB 16GB 12GB 30day	12	12	12	50,000	55,000	55,000	0.0%	4,200	4,600	4,600
Freed. Int. 21GB 25GB 38GB 28GB 24GB 30day	24	24	24	80,000	88,000	88,000	0.0%	3,300	3,700	3,700
Freed. Int. 35GB 30 day	35	35	35	100,000	110,000	110,000	0.0%	2,900	3,100	3,100
Freed. Int. 30GB 42GB 60GB 50GB 30day	50	50	50	120,000	133,000	120,000	-9.8%	2,400	2,700	2,400
Freed. Int. 70GB 30 day		70	70		150,000	140,000	-6.7%		2,100	2,000
Freed. Int. 100GB 30 day	100	100	100	150,000	200,000	200,000	0.0%	1,500	2,000	2,000
Freed. Int. 200GB 30 day	200	200	200	200,000				1,000		
Freed. Int. 100GB 90 day	100	100	100	250,000	250,000	250,000	0.0%	2,500	2,500	2,500
Freed. Int. 200GB 180 day	200	200	200	450,000	450,000	450,000	0.0%	2,300	2,300	2,300
Freed. Int. 400GB 360 day	400	400	400	850,000	850,000	850,000	0.0%	2,100	2,100	2,100
Average implied data yield								3,173	3,545	2,969
Median implied data yield								2,500	2,700	2,500
FREEDOM INTERNET short validity										
Freed. Int. 1GB 2day	1.0	1.0	1.0	5,000	6,000	6,000	0.0%	5,000	6,000	6,000
Freed. Int. 2GB 2.5GB 1day 5day	2.0	2.0	2.0	10,000	12,000	12,000	0.0%	5,000	6,000	6,000
Freed. Int. 5GB 3day 5day	5.0	5.0	5.0	15,000	17,000	17,000	0.0%	3,000	3,400	3,400
Freed. Int. 7GB 5day 7day	7.0	7.0	7.0	20,000	22,000	22,000	0.0%	2,900	3,100	3,100
Freed. Int. 15GB 3day	25.0	25.0	25.0	25,000	28,000	28,000	0.0%	1,000	1,100	1,100
Average implied data yield								3,380	3,920	3,920
Median implied data yield								4,000	4,700	4,700
FREEDOM U –30day- (unlimited with 64kbps after apps kuota exhausted)										
Package can only be bought for IM3 subs registered from 12 Feb 2018.										
Freed. U 5.5GB 30day	5.5	5.5	5.5	31,000	34,000	34,000	0.0%	5,600	6,200	6,200
Freed. U 9.5GB 10GB, 30day	10	10	10	52,000	57,000	57,000	0.0%	5,200	5,700	5,700
Freed. U 18GB 20GB 30day	20	20	20	74,000	80,000	80,000	0.0%	3,700	4,000	4,000
Freed. U 27GB 35GB 30day	35	35	35	96,000	104,000	104,000	0.0%	2,700	3,000	3,000
Freed. U 35GB 45GB 30day TEBUS	45	45	45	107,000	115,000	115,000	0.0%	2,400	2,600	2,600
Freed. U 60GB 90GB 30day	90	90	90	162,000	162,000	162,000	0.0%	1,800	1,800	1,800
Average implied data yield								3,567	3,883	3,883
Median implied data yield								3,200	3,500	3,500

Exhibit 7: XL Axiata price catalogue – selected product lines: XTRA Combo Plus reguler/VIP, XTRA Combo Flex

XL Axiata selected data packages only through myXL app	Total GB (Jul'23)	Total GB (Aug'23)	Total GB (Sep'23)	Prices Jul'23	Prices Aug'23	Prices Sep'23	Promo Price Jul'23	Promo Price Aug'23	Promo Price Sep'23	Δ %	yield/gb Jul'23	yield/gb Aug'23	yield/gb Sep'23
30day Combo = incl. 20-30mins voice and/or SMS Kuota Antigangus = Quota Rollover Productivity apps = WA, Map, Conference, Education, Work													
30 DAY - XTRA COMBO PLUS Reguler Unlimited WA (phone 1 Gold-status)													
20GB 19GB Offering													
XTRA Combo Plus 28GB 18 19GB 25GB 19GB 20GB 30day	19	19	19	59,900	59,900	59,900				0.0%	3,153	3,153	3,153
XTRA Combo UL Productivity apps 18 19GB 25GB 19GB 20GB 30day	19			63,400							3,337		
XTRA Combo Vidio Platinum 18 19GB 25GB 19GB 20GB 30day	19			69,900			62,900				3,311		
XTRA Combo UL Rollover 18 19GB 25GB 19GB 20GB 30day	19			64,900							3,416		
30GB Offering													
XTRA Combo Plus 48GB 29 30GB 42GB 30GB 31GB 30day	30	30	30	89,900	89,900	89,900	76,415			0.0%	2,547	2,997	2,997
XTRA Combo UL Productivity apps 29 30GB 42GB 30GB 30day	30			93,400							3,113		
XTRA Combo Vidio Platinum 42GB 30GB 30day	30			86,415			79,415				2,647		
XTRA Combo UL Rollover 29 30GB 42GB 30GB 30day	30			94,900							3,163		
44GB Offering													
XTRA Combo Plus 75GB 42 44GB 68GB 44GB 48GB 30day	44	44	44	134,000	134,000	134,000	67,000		80,400	-40.0%	1,523	3,045	1,827
76GB Offering													
XTRA Combo Plus 120GB 71 76GB 96GB 76GB 81GB 30day	76	76	76	182,900	182,900	182,900	173,755		173,755	-5.0%	2,286	2,407	2,286
112GB Offering													
XTRA Combo Plus 175GB 107 112GB 142GB 112GB 117GB 30day	112	112	112	244,900	244,900	244,900	232,655	195,920		25.0%	2,077	1,749	2,187
Average implied data yield											2,779	2,670	2,490
Median implied data yield											3,113	2,997	2,286
30 DAY - XTRA COMBO PLUS VIP Network & AntiHangus (Phone 1 Gold status)													
XTRA Combo VIP 20 18 19GB 25GB 19GB 20GB 30day	19	19	19	71,500	71,500	71,500	-			0.0%	3,763	3,763	3,763
XTRA Combo VIP 30 29 30GB 42GB 30GB 31GB 30day	30	30	30	101,000	101,000	101,000	84,830	99,800	99,800	0.0%	2,828	3,327	3,327
XTRA Combo VIP 50 42 44GB 68GB 44GB 48GB 30day	44	44	44	141,000	141,000	141,000	71,500	85,400	85,400	-39.4%	1,625	3,205	1,941
XTRA Combo VIP 76 71 76GB 96GB 76GB 81GB 30day	76	76	76	192,000	192,000	192,000	182,550	203,700	182,550	-4.9%	2,402	2,526	2,402
XTRA Combo VIP 116 107 112GB 142GB 112GB 117GB 30day	112	112	112	253,500	253,500	253,500	241,050	203,700	95,000	24.4%	2,152	1,819	2,263
XTRA Combo VIP 30GB, Gopay Special Package				101,000	101,000	101,000			95,000	0.0%	3,167	3,167	3,167
Average implied data yield											2,554	2,968	2,739
Median implied data yield											2,402	3,186	2,402
UNLIMITED TURBO for existing XTRA Combo Reguler, VIP, Lite subscribers (no FUP, assume average 7days validity)													
UL T. Joox 7day	UL	UL	UL	20,000	20,000	20,000	10,000	10,000	10,000	0.0%			
UL T. Viu 7day	UL	UL	UL	50,000	50,000	50,000	25,000	25,000	25,000	0.0%			
UL T. YouTube 7day	UL	UL	UL	25,000	25,000	25,000	12,500	12,500	15,000	20.0%			
UL T. TikTok 7day	UL	UL	UL	50,000	50,000	50,000	25,000	25,000	25,000	0.0%			
UL T. Netflix 7day	UL	UL	UL	50,000	50,000	50,000	25,000	25,000	25,000	0.0%			
UL T. Iflix 7day	UL	UL	UL	50,000	50,000	50,000	25,000	25,000	25,000	0.0%			
UL T. Vidio 7day	UL	UL	UL	50,000	50,000	50,000	25,000	25,000	25,000	0.0%			
UL T. Basic WA, LN, GJ 7day	UL	UL	UL	55,000	55,000	55,000	10,000	10,000	33,000	230.0%			
UL T. Standard WA, LN, GJ, FB 7day	UL	UL	UL	85,000	85,000	85,000	20,000	20,000	51,000	155.0%			
UL T. Super WA, LN, GJ, FB, IG 7day	UL	UL	UL	125,000	125,000	125,000	30,000	30,000	75,000	150.0%			
UL T. Premium WA, LN, GJ, FB, IG, YT 7day	UL	UL	UL	165,000	165,000	165,000	50,000	50,000	99,000	98.0%			
Xtra Combo Flex													
Xtra Combo Flex S	3	3	3	15,000	15,000	22,000				46.7%	5,000	5,000	7,333
Xtra Combo Flex S+	6	6	6	29,000	29,000	32,000				10.3%	4,833	4,833	5,333
Xtra Combo Flex M	8	8	8	38,000	38,000	43,000				13.2%	4,750	4,750	5,375
Xtra Combo Flex L	13	13	13	55,000	55,000	65,000				18.2%	4,231	4,231	5,000
Xtra Combo Flex XL	21	21	21	82,000	82,000	93,000				13.4%	3,905	3,905	4,429
Xtra Combo Flex XXL	32	32	45	115,000	115,000	126,000				9.6%	3,594	3,594	2,800
Xtra Combo Flex XXXL	44	44	80	137,000	137,000	156,000				13.9%	3,114	3,114	1,950
											4,231	4,231	5,000
STAR Series													
Vidi Aldiano Beats, 7GB, Ytb, IG, Tktk/gaming, 7day	7	7	7	29,900	29,900	25,000	UL Spotify				4,271	4,271	3,571
Dyland Pros Champion, 7GB, Ytb, IG, Tktk/gaming, 7day	7	7	7	29,900	29,900	25,000	UL MLBB & Freefire				4,271	4,271	3,571
Yasmin Naper Glam 7GB, Ytb, IG, Tktk/gaming, 7day	7	7	7	29,900	29,900	25,000	Vidio Plat. Access				4,271	4,271	3,571
Devina Hermawan Eats 7GB, Ytb, IG, Tktk/gaming, 7day	7	7	7	29,900	29,900	25,000	Voucher McD Wings & Oreo				4,271	4,271	3,571
Vidi Aldiano Beats, 20GB, Ytb, IG, Tktk/gaming, , 30day	17	17	20	75,000	75,000	54,500	UL Spotify, UL WA				4,412	4,412	2,725
Dyland Pros Champion, 20GB, Ytb, IG, Tktk/gaming, 30day	17	17	20	75,000	75,000	54,500	UL MLBB & Freefire, UL WA				4,412	4,412	2,725
Yasmin Naper Glam 20GB, Ytb, IG, Tktk/gaming, 30day	17	17	20	75,000	75,000	54,500	Vidio Plat. Access, UL WA				4,412	4,412	2,725
Devina Hermawan Eats 20GB, Ytb, IG, Tktk/gaming, 30day	17	17	20	75,000	75,000	54,500	Voucher McD Wings & Oreo, UL WA				4,412	4,412	2,725
XTRA Main Quota													
XTRA Main Quota 2 GB 12hours	2	2	2	4,500	6,000	4,500		5,600		-19.6%	2,250	2,800	2,250
XTRA Main Quota 2 GB 24hours	2	2	2	5,600	7,500	5,600		4,500		24.4%	2,800	2,250	2,800
XTRA Main Quota 2 GB 48hours		2	2		9,000	6,750		6,750		0.0%		3,375	3,375

Exhibit 8: Smartfren price catalogue – selected product lines: Smartfren Umlimiteds, Unlimited Non Stop, and quota based packs

Smartfren data plans PREPAID (selected) - DKI Jakarta	Total GB (Jul'23)	Total GB (Aug'23)	Total GB (Sep'23)	Prices Jul'23	Prices Aug'23	Prices Sep'23	Δ %	yield/gb Jul'23	yield/gb Aug'23	yield/gb Sep'23
"Smartfren Unlimited"										
UL FUP/D:1GB 1day	1.0	1.0	1.0	9,000	9,000	10,000	11.1%	9,000	9,000	10,000
UL FUP/D:1GB 7day	7.0	7.0	7.0	25,000	25,000	27,500	10.0%	3,600	3,600	3,900
UL FUP/D:1GB 14day	14.0	14.0	14.0	45,000	45,000	49,500	10.0%	3,200	3,200	3,500
UL Pro FUP/D:0.75GB 28 30day	19.6	19.6	19.6	70,000	70,000	77,000	10.0%	3,600	3,600	3,900
UL FUP/D:1GB + 1GB 28 30day	56.0	56.0	56.0	100,000	100,000	100,000	0.0%	1,800	1,800	1,800
UL FUP/D:1.5GB + 1.5GB 28 30day	84.0	84.0	84.0	120,000	120,000	120,000	0.0%	1,400	1,400	1,400
UL FUP/D: 4GB 30day				160,000	160,000	160,000	0.0%	4,000	4,000	4,000
Average								3,800	3,800	4,071
Median								3,600	3,600	3,900
Unlimited NONSTOP - Stay online if run out of quota										
Unlimited Nonstop 2GB 10day	2.0	2.0	2.0	10,000	10,000	11,000	10.0%	5,000	5,000	5,500
Unlimited Nonstop 3GB 14day	6.0	6.0	6.0	15,000	15,000	16,500	10.0%	2,500	2,500	2,800
Unlimited Nonstop 6GB 30day	10.0	10.0	10.0	35,000	35,000	38,500	10.0%	3,500	3,500	3,900
Unlimited Nonstop 12GB 30day	18.0	18.0	18.0	50,000	50,000	55,000	10.0%	2,800	2,800	3,100
Unlimited Nonstop 30GB 30day	30.0	30.0	30.0	70,000	70,000	77,000	10.0%	2,300	2,300	2,600
Unlimited Nonstop 45GB 30day	45.0	45.0	45.0	100,000	100,000	110,000	10.0%	2,200	2,200	2,400
Unlimited Nonstop 60GB 30day	60.0	60.0	60.0	125,000	125,000	137,500	10.0%	2,100	2,100	2,300
Average								2,914	2,914	3,229
Median								2,500	2,500	2,800
Kuota										
Paket Data Kuota M 30day	21.0	21.0	21.0	38,000	38,000	42,000	10.5%	1,800	1,800	2,000
Paket Data Kuota L 30day	40.0	40.0	40.0	55,000	55,000	60,500	10.0%	1,400	1,400	1,500
Paket Data Kuota 2L 30day	65.0	65.0	65.0	82,000	82,000	90,500	10.4%	1,300	1,300	1,400
Paket Data Kuota 3L 30day	100.0	100.0	100.0	115,000	115,000	126,500	10.0%	1,200	1,200	1,300
Paket Data Kuota 4L 30day	125.0	125.0	125.0	137,000	137,000	151,000	10.2%	1,100	1,100	1,200
Paket Data Kuota 100GB 30day	100.0	100.0	100.0	100,000	100,000	100,000	0.0%	1,000	1,000	1,000
Paket Data Kuota 3GB 14days	3.0	3.0	3.0	15,000	15,000	16,500	10.0%	5,000	5,000	5,500

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