

HOLD (from BUY)

Target Price (IDR) **3,700**
 Potential Upside (%) **4.2**

Price Comparison

Cons. Target Price (IDR) **3,720**
 SSI vs. Cons. (%) **99.5**

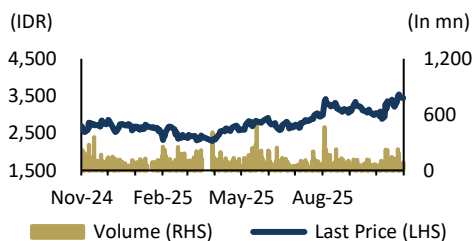
Stock Information

Last Price (IDR) **3,550**
 Shares Issued (Mn) **99,062**
 Market Cap. (IDR Bn) **351,671**
 52-Weeks High/Low (IDR) **3,630/2,050**
 3M Avg. Daily Value (IDRbn) **337.1**
 Free Float (%) **47.8**
Shareholder Structure:
 Biro Klasifikasi Indonesia (%) **52.1**
 Indonesia Govt. (%) **0.0001**
 Public (%) **47.8**

Stock Performance

(%)	YTD	1M	3M	12M
Absolute	26.9	13.2	17.0	25.1
JCI Return	18.5	1.6	11.4	15.2
Relative	8.4	11.5	5.6	9.9

Stock Price & Volumes, 12M



Company Background

PT Telkom Indonesia (Persero) Tbk is the largest telecommunications provider in Indonesia, offering mobile services through Telkomsel, fixed broadband via Indihome, and a range of other digital solutions. As a State-Owned Enterprise, Telkom plays a crucial role in driving Indonesia's digital transformation and supporting the country's infrastructure development.

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3Q25 Results: Double-Digit Earnings Downgrades

Flattish 3Q25 revenue: higher ARPU offset by weaker legacy business. Despite 5.3% QoQ hike in ARPU to IDR 43.4K and relatively stable subscribers at 157.6mn (-0.5% QoQ, -0.5% YoY), TLKM reported flat revenue of IDR 36.6tn (+0.7% QoQ; -0.9% YoY) due to faster decrease in legacy revenue, which fell to IDR 1.8tn (-18.2% QoQ; -30.2% YoY). Data payload dropped -3.0% QoQ, though growing +11.8% YoY to 5,757PB with data yield increasing to IDR 3,406/GB (+11.2% QoQ; -8.8% YoY), leading to lower data consumption per subscriber at 14.9GB/month (2Q25: 15.2GB; 3Q24: 13.2GB). Cumulatively, 9M25 revenue reached IDR 109.6tn (-2.3% YoY), in line with both our (72.2%) and consensus (72.0%) estimates.

Net profit pressured by higher salary costs and depreciation. TLKM booked 3Q25 EBITDA margin of 49.9% (2Q25: 49.1%; 3Q24: 50.8%), translating to earnings of IDR 18.3tn, up +2.3% QoQ, mainly driven by higher ARPU and lower inter-connection expenses, but down -2.5% YoY primarily caused by higher salary costs. On the bottom line, TLKM posted net profit of IDR 4.81tn (-6.9% QoQ; -18.7% YoY), pressured by higher depreciation and amortization, including accelerated depreciation charges of IDR 771bn for underutilized assets. As a result, net margin dropped to 13.1% (2Q25: 14.2%; 3Q24: 16.0%) with 9M25 bottomline margin of 14.4%, reflecting cumulative net profit of IDR 15.8tn (-10.7% YoY), falling short of both our unrevised estimate (65.8%) and consensus (64.7%) figures.

Short-term mediocrity, but the future looks promising on corporate actions. Going forward, we expect TLKM's revenue to grow in low single digits, reaching IDR 152tn (+2.8% YoY) in FY26, as faster-than-expected decline in the legacy business and fierce competition in fixed broadband market may continue to weigh on short-term performance. However, TLKM has outlined several corporate actions to enhance its long-term profitability, including Infranexia's spin-off (with CSPA signed to transfer IDR 35.8tn in wholesale fiber assets), the search for global strategic investors to support its data center business along with efforts to reduce subsidiaries by two-thirds from 61 to 19-20. These initiatives, along with expected growth in data consumption to 16.3GB/month and additional revenues from leased fiber optics through Infranexia's open-access collaboration in 2026F, should help boost TLKM's future performance.

Cut to HOLD with unrevised TP of IDR 3,700 due to limited upside. As TLKM form partnerships with major players to support corporate actions, including assets monetization and data center formations with potential global strategic investors, we expect market sentiment to improve ahead. Nevertheless, despite more rational approach in cellular segment expected to help core business recovery, we see short-term key risks: 1) intensifying competition, 2) lower subscriber growth, and 3) FBB price war. Thus, we cut rating to HOLD with unchanged TP of IDR 3,700, implying 2026F EV/EBITDA of 5.4x and limited 4.2% upside potential.

Key Data, Ratios & Valuations (at closing price IDR 3,550 per share)

Y/E Dec	23A	24A	25F	26F	27F
Revenue (IDR Bn)	149,216	149,967	147,520	151,658	156,530
EBITDA (IDR Bn)	77,579	75,029	72,777	75,681	78,979
EV/EBITDA (x)	5.0	5.3	5.3	5.1	4.8
Net Profit (IDR Bn)	24,560	23,649	21,153	22,606	24,207
P/E (x)	14.3	14.9	16.1	15.1	14.1
DPS (IDR)	168	179	212	190	203
EPS Growth (%)	18.3	(3.7)	(10.6)	6.9	7.1
DY (%)	4.7	5.0	6.0	5.5	5.9
ROAE (%)	18.5	17.0	14.9	15.7	16.3
ROIC (%)	3.9	2.7	0.0	1.7	1.8
Net Gearing (%)	28.8	30.2	30.8	29.1	27.4
Interest Coverage (x)	9.7	8.1	7.3	7.6	7.9

Figure 1. 3Q25 Results

TLKM Results: (IDR Bn)	3Q25	2Q25	3Q24	QoQ (%)	YoY (%)	9M25	9M24	YoY (%)	SSI (%)	Cons (%)
Revenue	36,613	36,365	36,927	0.7	-0.9	109,617	112,219	-2.3	72.2	72.0
Operating Profit	9,418	9,726	10,638	-3.2	-11.5	29,321	32,377	-9.4	67.0	67.5
EBITDA	18,287	17,869	18,759	2.3	-2.5	54,388	56,627	-4.0	72.3	71.2
Net Profit	4,809	5,165	5,914	-6.9	-18.7	15,784	17,675	-10.7	65.8	64.7
Key Ratios										
OPM (%)	25.7	26.7	28.8	-	-	26.7	28.9	-	-	-
EBITDA Margin (%)	49.9	49.1	50.8	-	-	49.6	50.5	-	-	-
NPM (%)	13.1	14.2	16.0	-	-	14.4	15.8	-	-	-

Sources: Company, SSI Research

TLKM reported 3Q25 revenue of IDR 36.6tn (+0.7% QoQ, -0.9% YoY) and net profit of IDR 4.81tn (-6.9% QoQ, -18.7% YoY), impacted by higher depreciation, including IDR 771bn for underutilized assets

Figure 2. Earnings Changes

IDRbn	Old			New			Percentage		
	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F
Revenue	151,842	157,005	161,872	147,520	151,658	156,530	-2.8%	-3.4%	-3.3%
% growth	1.3%	3.4%	3.1%	-1.6%	2.8%	3.2%	-	-	-
EBIT	43,753	45,591	47,460	38,880	41,245	44,015	-11.1%	-9.5%	-7.3%
% growth	3.2%	4.2%	4.1%	-3.0%	6.1%	6.7%	-	-	-
EBITDA	75,277	78,439	81,576	72,777	75,681	78,979	-3.3%	-3.5%	-3.2%
% growth	0.3%	4.2%	4.0%	0.0%	4.0%	4.4%	-	-	-
Net Profit	23,981	26,451	28,964	21,153	22,606	24,207	-11.8%	-14.5%	-16.4%
% growth	1.4%	10.3%	9.5%	-10.6%	6.9%	7.1%	-	-	-
% to cons	107.1%	112.1%	116.4%	94.5%	95.8%	97.3%	-	-	-

Sources: Company, SSI Research

We revised down our earnings due to larger-than-expected decline in the legacy business and higher depreciation

Figure 3. Peer Comparison, 2026F

Company	Ticker	Market Cap. (USDbn)	EV/ EBITDA (x)	EBITDA Growth (x)	Net Debt to EBITDA (x)	Net Gearing (%)	ROE (%)
Indonesia							
Telekomunikasi Indonesia	TLKM IJ	19,915	5.4	4.0	0.6	29.1	15.7
Indosat Ooredoo Hutchison	ISAT IJ	3,726	4.0	0.8	2.0	137.5	13.8
XL Axiata	EXCL IJ	2,960	5.5	8.9	3.5	170.3	-1.4
Average		26,600	5.2	4.1	1.1	57.4	13.7
Malaysia							
Celcom Digi	CDB MK	10,119	9.2	1.1	2.2	79.2	8.8
Maxis	MAXIS MK	7,243	9.2	2.1	2.0	149.4	24.7
Axiata Group	AXIATA MK	5,581	6.9	-37.8	1.8	107.1	5.5
Average		22,943	8.6	-8.0	2.0	108.1	13.0
Philippines							
PLDT Inc	TEL PM	4,079	4.6	6.2	3.1	278.8	27.1
Globe Telecom	GLO PM	3,640	5.6	2.0	4.2	205.2	12.4
Average		7,718	5.0	4.2	3.6	244.1	20.1
Thailand							
Advanced Info Service	ADVANC TB	27,986	9.1	8.8	1.5	196.3	40.5
True Corp	TRUE TB	12,259	7.6	7.9	4.6	551.5	-5.8
Average		40,244	8.6	8.5	2.5	304.5	26.4
India							
Bharti Airtel	BHARTI IN	138,982	12.3	23.5	1.9	134.2	34.0
Vodafone Idea	IDEA IN	10,811	14.7	9.9	12.2	Net Cash	N/A
Average		149,794	12.4	22.5	2.7	124.5	31.5

Sources: Bloomberg, SSI Research

TLKM's 2026F ROE is 15.7%, above industry average of 13.7%, with net gearing at 29.1%, significantly lower than industry average of 57.4%.

COMPANY OVERVIEW

Established on November 19, 1991, PT Telkom Indonesia (TLKM) is a State-Owned Enterprise (SOE) and holding company that oversees several industry-leading subsidiaries, including PT Telekomunikasi Selular (Telkomsel), Indihome, PT Dayamitra Telekomunikasi (Mitratel), Telkomsigma, and others.

TLKM has a diverse range of businesses, including...

Figure 4. TLKM's Subsidiaries & Ownership



... mobile network operations, telecommunications tower services, IT services, and other related telecommunications solutions

Source: Company

Cellular

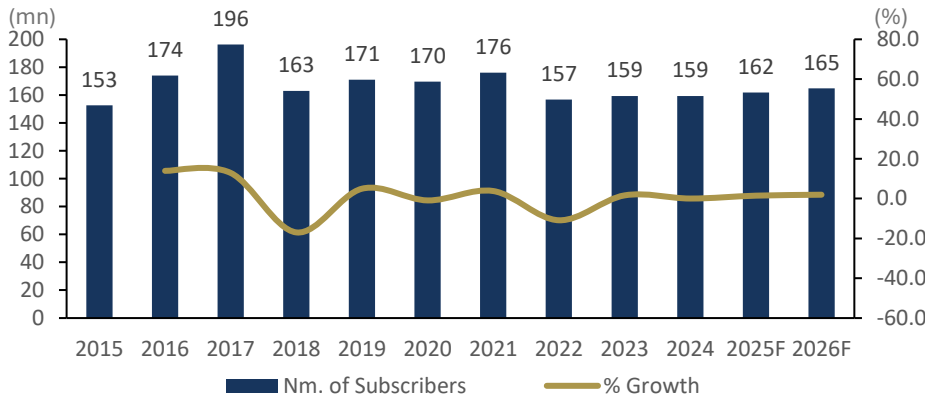
Telkomsel (TSEL) is the market leader in Indonesia's telecommunications industry, holding a 50.9% market share with 159.4mn subscribers in 2024 (0.0% YoY growth). It offers SIM cards and data packages under the "Telkomsel" brand, as well as "Telkomsel Lite" and "by.U" to cater to the lower market segments.

TSEL is the market leader with 50.9% market share, and...

For 2025F, we expect Telkomsel's subscriber base to increase to 162mn (1.5% YoY) as the company plans to simplify its service packages to reduce choice overload, leverage Artificial Intelligence to enhance user personalization, and maintain competitiveness. Meanwhile, ARPU is projected to remain stable at IDR 45.3K in 2025F, supported by efforts to adjust ARPU levels in ex-Java regions to defend its market share as competition in these areas intensifies.

... we expect its subscriber base to grow as it improves service packages and stabilizes its ARPU

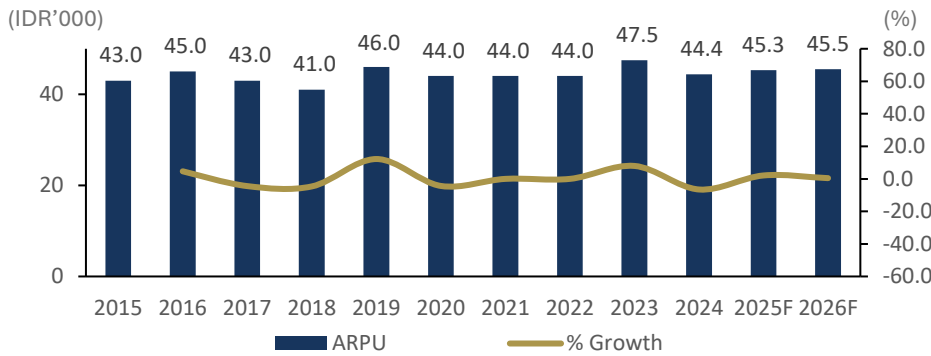
Figure 5. Number of Subscribers Trend



Sources: Company, SSI Research

TLKM's number of subscribers is expected to increase slightly to 162 million, while...

Figure 6. ARPU Trend



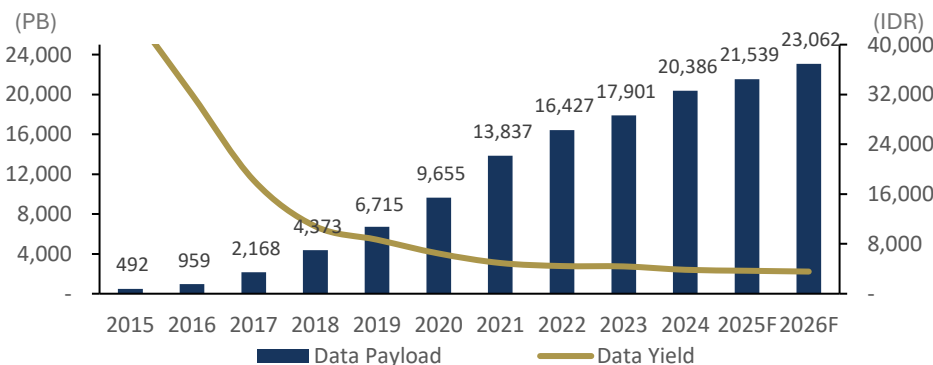
Sources: Company, SSI Research

... ARPU is projected to remain stable at IDR 45.3K

The data traffic trend is expected to continue increasing, having already grown exponentially over the past 10 years from 492 PB in 2015 to 21,386 PB in 2024, with data consumption per subscriber reaching 13.2 GB. On the other hand, data yield has declined as technology becomes more efficient each year and operators aim to maintain affordability. Looking ahead, as internet usage becomes part of daily life and digitalization continues to transform traditional activities such as banking and shopping, we expect data traffic to keep growing while data yield gradually declines, further supported by developments in Artificial Intelligence and the Internet of Things.

Data traffic is expected to continue increasing, while data yield is anticipated to decline...

Figure 7. Data Payload & Data Yield Trend



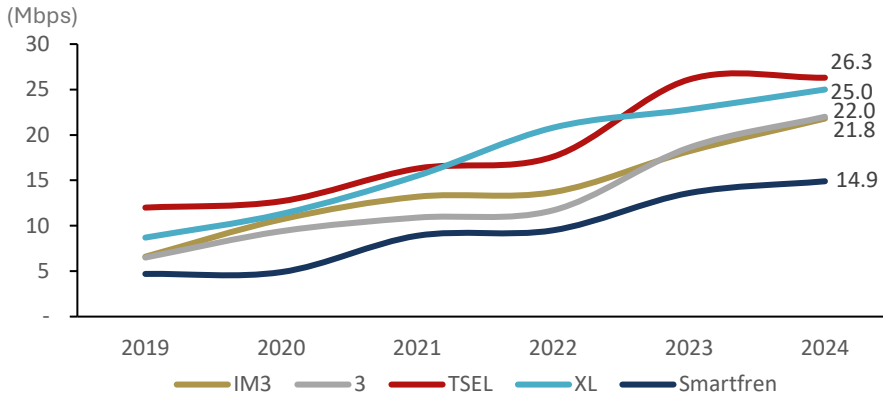
Sources: Company, SSI Research

... as internet usage becomes part of daily life and digitalization

In terms of performance, TLKM, through Telkomsel, recorded the fastest download speed among competitors at 26.3 Mbps, regaining its position after being overtaken by XL in 2022. However, for upload speed, it ranked third at 10.4 Mbps, behind ISAT's brands, IM3 and Tri. We believe TLKM's market leadership is well-deserved, as it aligns with its strong download speed performance, which is more heavily utilized by users compared to upload speed.

TLKM's market leadership is well-deserved, as...

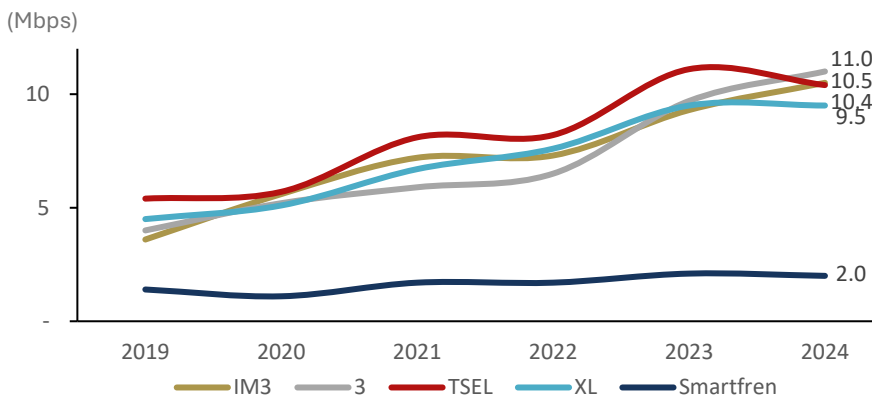
Figure 8. Download Speed Trend



Sources: Opensignal, SSI Research

... it has the fastest download speed among competitors, reaching 26.3 Mbps, but...

Figure 9. Upload Speed Trend



Sources: Opensignal, SSI Research

... ranks third in upload speed at 10.4 Mbps

From the table below, we can see that Telkomsel dominates nationwide, particularly in download speed experience, followed by strong performance in upload speed, video experience, and gaming experience, while voice application experience is led by Tri.

Telkomsel dominates both download and upload speeds,...

Figure 10. Regional Mobile Network Experience

Region	Video Experience	Games Experience	Voice App Experience	Download Speed Experience	Upload Speed Experience
Banten	T	T	3 T	T	T
Jakarta Raya	T	T	3 I T X	T	T
West Java	T	3 T	3	T	3
Central Java	3	3 T	3	T	3
East Java	3 I	3	3	T	3
Kalimantan	3	3	3	T	3
NTT & NTB	3 I	3	3	3	T
Sulawesi	3	3	3	T	3
Sumatra	3	3	3	T	T
Yogyakarta	I T	3 T	3	T	T

Sources: Opensignal, SSI Research

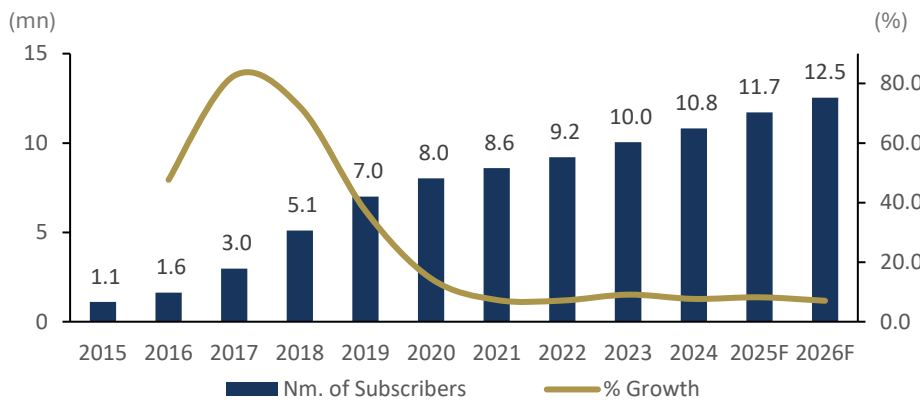
... followed by video and gaming experience

Fixed Broadband

TLKM, through Telkomsel, also offers fixed broadband (FBB) services under the "Indihome" brand for the B2C segment. In 2024, Indihome recorded 10.8mn subscribers (+7.7% YoY), maintaining its leadership position with a market share of ~67%. Supported by its wide availability across Indonesia, with ~37mn homes passed, we believe Indihome still has room for further growth. However, its ARPU is expected to experience a slight decline to IDR 233K (-2.0% YoY) from IDR 238K, as the FBB market continues to face intense price competition.

Indihome is the market leader in the Fixed Broadband segment, holding ~67% market share with...

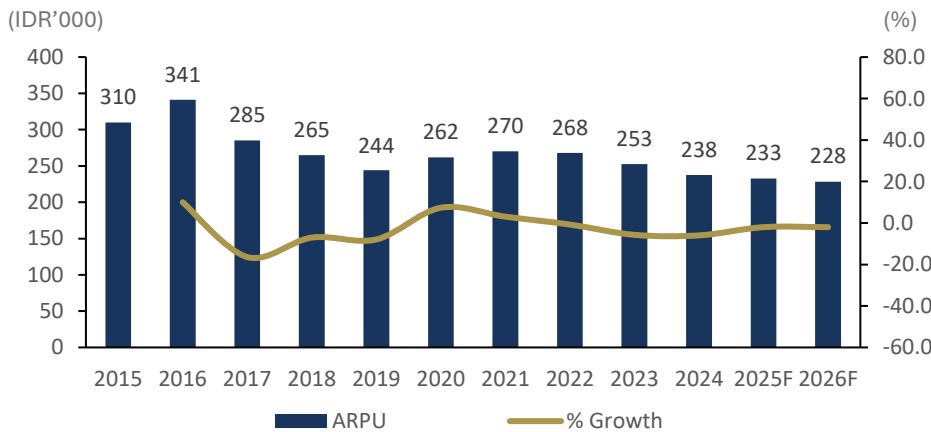
Figure 11. Number of Indihome Subscribers Trend



Sources: Company, SSI Research

... 10.8 million subscribers in 2024, and is expected to see continued growth, although...

Figure 12. Indihome's ARPU Trend



Sources: Company, SSI Research

... ARPU is projected to decline slightly by -2.0%

Other Businesses

In addition to its cellular and fixed broadband businesses, TLKM has diversified into various other sectors, including telecommunications tower operations through Dayamitra Telekomunikasi (MTEL IJ), which manages 39,404 towers, 59,868 tenants, and 51,039 km of fiber optic infrastructure. TLKM also operates 35 data centers with a total IT load capacity of 42 MW and a utilization rate of ~78%, alongside offering IT services and a range of other telecommunications solutions.

TLKM also operates in other sectors, including telecommunications towers, data centers, IT services, and more

Figure 13. Management Profile

Board of Commissioners	Position	Years of Experience	Shareholding Composition
 <p>Bambang Permadi Soemantri Brodjonegoro (58 years old). He received his Ph.D. in Urban Planning from the University of Illinois at Urbana-Champaign in 1997. Bambang joined PT Telekomunikasi Indonesia Tbk in 2021 and, in addition to this role, he also holds the position of President Commissioner at PT Bukalapak Tbk.</p>	<p>President Commissioner</p>	<p>11</p>	<p>-</p>
 <p>Wawan Iriawan (61 years old). Wawan earned his Doctor of Law from Universitas Padjadjaran in 2018 and became part of PT Telekomunikasi Indonesia Tbk in 2020, where he has been actively contributing since.</p>	<p>Independent Commissioner</p>	<p>25</p>	<p>-</p>
 <p>Bono Daru Adji (56 years old). A graduate of Monash University with a Master of Law in 1995, Bono began his tenure at PT Telekomunikasi Indonesia Tbk in 2021. He currently serves on the Board of Directors of the Indonesian Audit Committee Association.</p>	<p>Independent Commissioner</p>	<p>6</p>	<p>-</p>
 <p>Arya Mahendra Sinulingga (54 years old). After obtaining his Bachelor's Degree in Civil Engineering from Institut Teknologi Bandung in 1995, Arya joined PT Telekomunikasi Indonesia Tbk in 2021. He also plays an active role as a Member of the Executive Committee of the All-Indonesian Football Association (PSSI).</p>	<p>Commissioner</p>	<p>29</p>	<p>< 0.01</p>
 <p>Marcelino Rumambo Pandin (58 years old). Marcelino holds a Ph.D. in Technology and Innovation from the University of Queensland, which he earned in 2007. He has been with PT Telekomunikasi Indonesia Tbk since 2019.</p>	<p>Commissioner</p>	<p>7</p>	<p>< 0.01</p>
 <p>Ismail (54 years old). He completed his Doctorate in Electrical and Informatics Engineering at Institut Teknologi Bandung in 2010. In 2019, he joined PT Telekomunikasi Indonesia Tbk and is currently serving as Chairman of MASTEL.</p>	<p>Commissioner</p>	<p>16</p>	<p>< 0.01</p>



Rizal Mallarangeng (60 years old). Rizal earned his Doctorate in Comparative Politics from Ohio State University in 2000. He joined PT Telekomunikasi Indonesia Tbk in 2020 and is presently serving as Commissioner at PT Energi Mega Persada.

Commissioner **16** **< 0.01**






Isa Rachmatarwata (58 years old). Isa completed his Master's degree in Mathematics, specializing in Actuarial Science, from the University of Waterloo in 1994. He joined PT Telekomunikasi Indonesia Tbk in 2021 and concurrently serves as Director General of Budget at the Ministry of Finance of the Republic of Indonesia.

Commissioner **18** **< 0.01**



Silmy Karim (50 years old). He obtained his Master's degree in Defense Management from the Naval Postgraduate School (NPS), United States, in 2014. Silmy became part of PT Telekomunikasi Indonesia Tbk in 2022 and currently holds the position of Director General of Immigration at Indonesia's Ministry of Law and Human Rights.

Commissioner **14** **< 0.01**

Board of Directors	Position	Years of Experience	Shareholding Composition	
	<p>Ririek Adriansyah (61 years old). He earned his Bachelor's Degree in Electrical Engineering from Institut Teknologi Bandung in 1989. Ririek joined PT Telekomunikasi Indonesia Tbk in 2019 and currently serves as the company's President Director.</p>	<p>President Director</p>	<p>16</p>	<p>< 0.01</p>
	<p>Heri Supriadi (59 years old). After completing his Doctoral Degree in Business Management from Universitas Padjadjaran in 2013, Heri joined PT Telekomunikasi Indonesia Tbk in 2020. He now also holds the position of Commissioner at PT Telekomunikasi Selular (Telkomsel), while serving as Director of Finance & Risk Management.</p>	<p>Director of Finance & Risk Management</p>	<p>17</p>	<p>< 0.01</p>
	<p>Herlan Wijanarko (59 years old). Herlan obtained his Master's in Management from Sekolah Tinggi Manajemen Bisnis Telkom in 2005. He became part of PT Telekomunikasi Indonesia Tbk in 2020 and presently serves as Director of Network & IT Solution, in addition to being Commissioner of PT Dayamitra Telekomunikasi.</p>	<p>Director of Network & IT Solution</p>	<p>17</p>	<p>< 0.01</p>



Muhamad Fajrin Rasyid (38 years old). He completed his Executive Education in Innovations and Growth at the Stanford University of Business in 2019. In 2020, he joined PT Telekomunikasi Indonesia Tbk and also serves as Commissioner at PT Digital Aplikasi Solusi (Digiverse), while holding the role of Director of Business Digital.

Director of Business Digital 15 < 0.01



Bogi Witjaksono (57 years old). Bogi holds a Master of Telecommunication Engineering from Institut Teknologi Bandung, earned in 1995. Since joining PT Telekomunikasi Indonesia Tbk in 2021, he has taken on the role of Director of Wholesale & International Service and Commissioner at PT TelkomData Ekosistem (NeutraDC).

Director of Wholesale & International Service 15 < 0.01



Afriwandi (53 years old). He completed his Master's in Management at Universitas Islam Sumatera Utara in 2011. Afriwandi has been with PT Telekomunikasi Indonesia Tbk since 2020, serving as Director of Human Capital Management.

Director of Human Capital Management 16 < 0.01



FM Venusiana R (58 years old). She earned her Master of Management from Universitas Hasanuddin in 2004. In 2023, she joined PT Telekomunikasi Indonesia Tbk and is currently positioned as Director of Enterprise & Business Service.

Director of Enterprise & Business Service 19 0.01



Budi Setyawan Wijaya (52 years old). Budi received his Master of Management from Sekolah Tinggi Manajemen Bisnis Telkom in 2003. He has served at PT Telekomunikasi Indonesia Tbk since 2020 and currently also holds a Commissioner role at PT Sigma Cipta Caraka, in addition to serving as Director of Strategic Portfolio.

Director of Strategic Portfolio 11 < 0.01

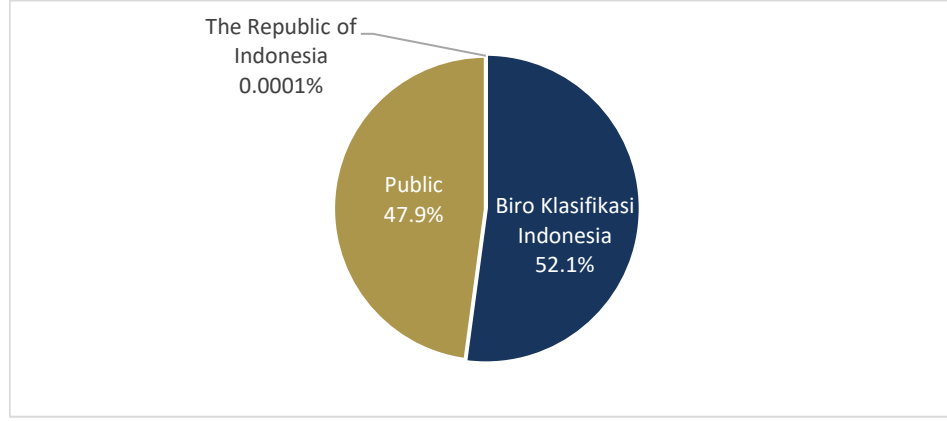


Honesti Basyir (56 years old). Having earned his Master of Corporate Finance from Institut Manajemen Telkom in 2002, Honesti joined PT Telekomunikasi Indonesia Tbk in 2023 and is now part of the company's executive leadership team.

Director of Group Business Development 12 < 0.01

Source: Company, SSI Research

Figure 14. Company Ownership



Sources: Company, SSI Research

The company is now owned by the government of Indonesia through Danantara (Biro Klasifikasi Indonesia)

Figure 15. Income Statement

Y/E Dec (IDR Bn)	23A	24A	25F	26F	27F
Revenue	149,216	149,967	147,520	151,658	156,530
Cost of Revenue	(104,300)	(107,581)	(108,640)	(110,413)	(112,515)
Operating Profit	44,916	42,386	38,880	41,245	44,015
EBITDA	77,579	75,029	72,777	75,681	78,979
Interest Income	1,061	1,367	1,571	1,598	1,561
Interest Expense	(4,652)	(5,208)	(5,358)	(5,415)	(5,576)
Other Incomes (Expenses)	(531)	608	29	41	54
Pre-tax Profit	40,794	39,153	35,123	37,469	40,055
Taxes	(8,586)	(8,410)	(7,624)	(8,082)	(8,586)
Minority Interest	(7,648)	(7,094)	(6,345)	(6,781)	(7,261)
Net Profit	24,560	23,649	21,153	22,606	24,207

Source: Company, SSI Research

We expect 2026F revenues to reach IDR 152tn (+2.8% YoY), with EBITDA margin of 50%, driven by higher data payload despite lower legacy business

Figure 16. Balance Sheet

Y/E Dec (IDR Bn)	23A	24A	25F	26F	27F
Cash	29,007	33,905	32,366	35,956	39,597
Receivables	10,667	12,193	12,161	12,502	12,903
Inventories	997	1,096	1,106	1,121	1,143
Others	14,942	15,886	15,627	16,065	16,581
Total Current Assets	55,613	63,080	61,259	65,644	70,224
Net Fixed Assets	180,755	180,566	175,906	173,251	170,768
Other Assets	50,674	56,029	61,738	68,093	74,709
Total Asset	287,042	299,675	298,904	306,988	315,702
Payables	18,608	15,336	15,475	15,689	15,990
ST. Debt and CMLTD	25,501	32,882	30,242	31,027	31,856
Other Current Liabilities	27,459	28,549	28,083	28,871	29,798
Current Liabilities	71,568	76,767	73,800	75,587	77,645
LT. Debt	42,623	43,986	45,964	47,487	48,933
Other LT. Liabilities	16,289	16,432	16,164	16,617	17,151
Total Liabilities	130,480	137,185	135,928	139,691	143,729
Minority Interest	20,818	20,396	20,457	20,999	21,586
Total Equity	156,562	162,490	162,976	167,298	171,972

Source: Company, SSI Research

We expect the company's balance sheet to remain healthy, given...

Figure 17. Cash Flow

Y/E Dec (IDR Bn)	23A	24A	25F	26F	27F
Net Profit	24,560	23,649	21,153	22,606	24,207
D&A	32,471	32,392	33,897	34,436	34,964
Others	(7,256)	(4,225)	(45)	207	289
Operating CF	49,775	51,816	55,005	57,249	59,461
Capital Expenditure	(46,396)	(38,388)	(36,010)	(38,703)	(39,612)
Others	2,631	830	1,064	567	515
Investing CF	(43,765)	(37,558)	(34,946)	(38,136)	(39,097)
Dividend Paid	(16,603)	(17,683)	(21,048)	(18,826)	(20,119)
Net Borrowings	5,083	8,744	(662)	2,307	2,276
Others	2,570	(421)	112	996	1,121
Financing CF	(8,950)	(9,360)	(21,598)	(15,523)	(16,722)
Net - Cash flow	(2,940)	4,898	(1,539)	3,590	3,641
Cash at Beginning	31,947	29,007	33,905	32,366	35,956
Cash at Ending	29,007	33,905	32,366	35,956	39,597

Source: Company, SSI Research

... stable cash levels and capex

Figure 18. Key Ratios

Y/E Dec	23A	24A	25F	26F	27F
Revenue Growth (%)	1.3	0.5	(1.6)	2.8	3.2
Operating Margin (%)	30.1	28.3	26.4	27.2	28.1
Net Profit Margin (%)	16.5	15.8	14.3	14.9	15.5
EBITDA Margin (%)	52.0	50.0	49.3	49.9	50.5
EBITDA Growth (%)	(1.8)	(3.3)	(3.0)	4.0	4.4
Net Gearing (%)	28.8	30.2	30.8	29.1	27.4

Source: Company, SSI Research

We expect net margin to improve next year, following this year's one-off accelerated depreciation

Figure 19. Key Assumptions

Y/E Dec	23A	24A	25F	26F	27F
Nm. of Subscribers (mn)	159.3	159.4	159.6	163.2	166.6
Blended Mobile ARPU (IDRk)	47.5	44.4	43.1	43.3	43.7
Data Payload (PB)	17,901	20,386	23,533	25,721	27,961
Data Consumption/Subs (GB)	12.0	13.2	15.1	16.3	17.3
Data Yield (IDR)	4,384	3,840	3,187	3,028	2,892
Nm. Of FBB Subscribers (mn)	10,049	10,818	11,419	12,157	12,792
Blended FBB ARPU (IDRk)	252.7	237.6	223.3	212.6	204.5

Source: Company, SSI Research

TLKM's market share may receive substantial support from package simplification, personalization, and price adjustments

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