Telkom metra

by Telkom Indonesia

Strengthening Fundamental
to Accelerate Core Business and Future Profitability

2019
ANNUAL REPORT

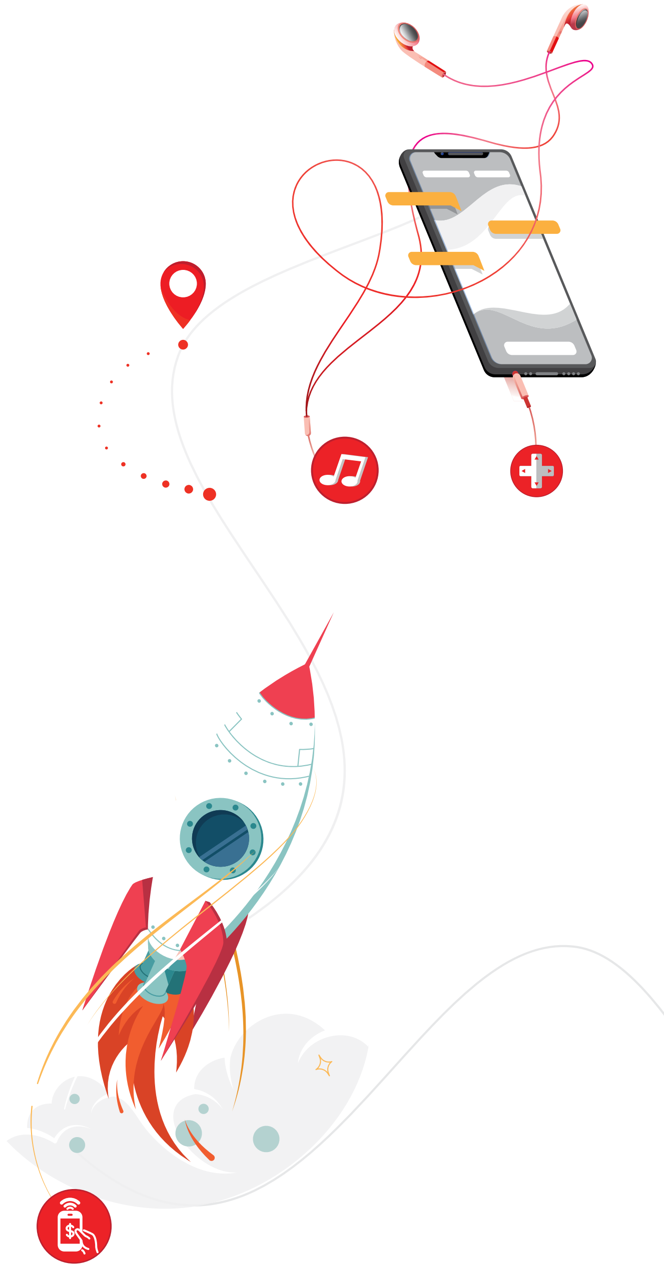
Disclaimer

Annual Report or "Report" contains the word "Company" and "TelkomMetra" defined as PT Multimedia Nusantara which carries out business activities in Information, Media, Edutainment and Services (IMES). Occasionally the word "We" is used on the basis of easiness to mention PT Multimedia Nusantara in general. This report contains subjects related to the Company's performance for the period of January 1 - December 31, 2019. In addition, this Report also contains forward-looking statements such as target, expectation, estimation or projection in the future. However, we are aware that such information contains the uncertainty risk in the future even if it has been carefully considered. The prospective statements in this Report are prepared based on various assumptions on current condition and upcoming condition as well as business environment in which the Company carries out business activities.

About the Annual Report

Welcome to the 2019 Annual Report of PT Multimedia Nusantara (TelkomMetra) with theme "Strengthening Fundamental to Accelerate Core Business and Future Profitability". The selection of the theme is based on careful consideration by looking at the direction of TelkomMetra Group's business growth in 2019 which holds many challenges.

This Annual Report contains description of the Company's performance on the aspects of business, operations, governance and social responsibility in various areas, namely the environment, employment, occupational health and safety, social development, and customers. This Annual Report is compiled comprehensively to provide a clearer description of the Company's performance for readers as well as being used as an evaluation tool for the Management to improve the Company's performance in the future.



Preface

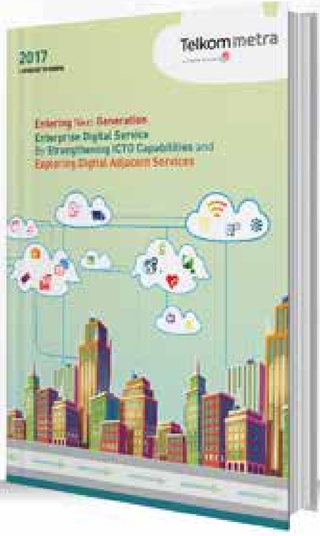
Strengthening Fundamental

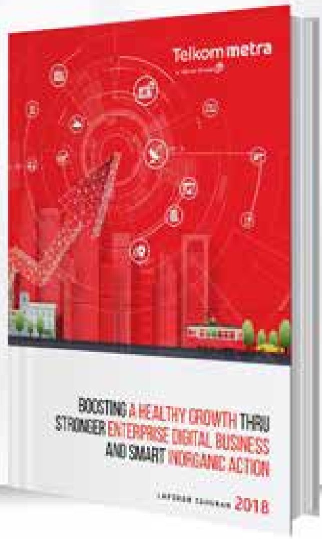
to Accelerate Core Business and Future Profitability

Rapid technological change presents its own challenges where the Company is required to be agile and responsive in order to adapt in the era of digital transformation. In making various investment decisions, the Company strives to be more selective, prudent and focused on maintaining profitability.

The efforts of strengthening fundamentals are carried out in various ways, one of which is by directing each portfolio to fit the core business of each subsidiary. The Company strives to build strong foundation in 2019 to support short-term and long-term strategies to drive core business and future performance growth.

Theme Continuity





2016

Winning Arena by Customer Facing Unit Approach

The establishment of a new business concept called Customer Facing Unit ("CFU") in 2016 is a form of business strategy transformation of TelkomMetra which initially focused on product based shifted to customer-based. The enforcement of CFU concept led TelkomMetra to undergo dual roles, both as a sub-holding in the context of Telkom Group and its new role as a part of the CFU Enterprise. This transformation step was executed by TelkomMetra properly as a commitment to support changes in the Corporate Strategic Scenario ("CSS") of Telkom Group in 2016-2020 that brought a new vision namely "Be the King of Digital in the Region", wherein a part of this adjustment also strengthens the position of TelkomMetra as one of the IME companies (Information, Media and Edutainment) at the forefront, leading, and reliable in digital solutions to support digital lifestyle of Indonesian people.

2017

Entering Next Generation Enterprise Digital Service by Strengthening ICTO Capabilities and Exploring Digital Adjacent Services

TelkomMetra's position as the major player in Information, Media, Edutainment and Services (IMES) industry was affirmed by business diversification carried out during 2017. TelkomMetra has managed to acquire various companies engaged in domestic strategic sectors, such as acquisition of PT Bosnet Distribution Indonesia engaging in logistic industry and PT Nutech Integrasi which became a strong player in Transportation ICT Solution Provider. Equipped with endless product innovation, the strength of system and financial integration, as well as competent human resources, TelkomMetra also supported the Telkom Group's vision to "Be the King of Digital in the Region" while actively contributing to the country's infrastructure equality and reaching a brighter future business.

2018

Boosting a Healthy Growth thru Stronger Enterprise Digital Business and Smart Inorganic Action

Through three basic strategies, Build, Borrow, and Buy, the Company affirmed itself as the major player in Information, Media, Edutainment, and Services (IMES) industry as proven by the achievements of most business portfolios in 2018 which stood above the economic and industrial growth. Aside from orchestrating all portfolios in subsidiaries as a whole, the Company also acquired several companies both directly and through subsidiaries, among others PT Swadharma Sarana Informatika (SSI) and PT Collega Inti Pratama (Collega) in order to improve the ICT competency in Banking & Financial Service industry. As the leader in IMES industry, TelkomMetra Group will continue to support the Government's commitment in digitalization by carrying out the Telkom Group's spirit of synergy to digitalize Indonesia.

Theme Continuity

2019

Strengthening Fundamental to Accelerate Core Business and Future Profitability

The 2019 is a year full of business challenges for the Company. This condition requires the Company to be realistic and prudent in implementing various strategies focused on core business, healthy profitability and sustainable growth. Throughout the year, we have strived to utilize our resources to strengthen the capabilities of each portfolio. With these fundamental strengthening efforts, we believe that the Company will be well positioned to accelerate profitability growth in the future.

Glossary

KEYWORD	DESCRIPTION
AdMedika	PT Administrasi Medika
AGMS	Annual General Meeting of Shareholders
BoC	Board of Commisioners
BoD	Board of Directors
Bosnet	PT Bosnet Distribution Indonesia
BPO	Business Process Outsourcing
BUMN	Badan Usaha Milik Negara (State Owned Enterprise)
CAPEX	Capital Expenditure
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFU	Customer Facing Unit
CFUE	Customer Facing Unit Enterprise
Collega	PT Collega Inti Pratama
CRM	Customer Relationship Management
CSR	Corporate Social Responsibility
CSS	Corporate Strategic Scenario
EBIS	Enterprise & Business Service
EBITDA	Earning Before Interest Tax Depreciation and Amortization
Edutainment	Education and Entertainment
e-F3STIVAL	entrepreneurship, Focus, 3S (Solid, Speed, Smart), Trustworthy, InnoVation, Action and Learning
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
EV	Enterprise Value
EVP	Employee Volunteer Program
EY	Ernst & Young
Finnet	PT Finnet Indonesia
FSA	Financial Services Authority
FU	Functional Unit
GCG	Good Corporate Governance
GMS	General Meeting of Shareholders
HCM	Human Capital Management
IA	Internal Audit
ICT	Infomation and Communication Technology
IDN	Indonesian Digital Network
IDN	International Domain Name
IFA	Imagine, Focus, Action
IFRS	International Financial Reporting Standard
ILCS	PT Integrasi Logistik Cipta Solusi
Infomedia	PT Infomedia Nusantara
IoT	Internet of Things

Glossary

KEYWORD	DESCRIPTION
IPO	Initial Public Offering
ISO	International Organization for Standardization
Jalin	PT Jalin Pembayaran Nasional
KPI	Key Performance Indicator
LED	Light Emitting Diode
MD Media	PT Metra Digital Media
Metranet	PT Metra-Net
MelOn	PT Melon Indonesia
Metraplasa	PT Metraplasa
M & A	Merger & Acquisition
MDI	PT Metra Digital Investama
MNS	Managed Network Services
Nutech	PT Nutech Integrasi
OHSAS	Occupational Health and Safety Assessment System
OJK	Otoritas Jasa Keuangan (Financial Services Authority)
PINS	PT PINS Indonesia
PIS	Premises Integration Services
PKWT	Perjanjian Kerja Waktu Tertentu (Fixed-term Employment Contract)
PKWTT	Perjanjian Kerja Waktu Tidak Tertentu (Permanent Employment Contract)
Pointer	PT Pojok Calebes Mandiri
Poslog	PT Pos Logistik Indonesia
RAMS	Rest Area Monitoring System
RKAP	Rencana Kerja Anggaran dan Pendapatan (Work & Budget Plan)
SBU	Strategic Business Unit
SBU MH	Strategic Business Unit Media Hub
SBUL	Strategic Business Unit Logistic (Metra Logistics)
SBUT	Strategic Business Unit Transportation (Metransportation)
HR	Human Resource
SEKAR	Serikat Karyawan Telkom (Telkom Employees Union)
SEOJK	Surat Edaran Otoritas Jasa Keuangan (Circular Letter of Financial Services Authority)
SME	Small and Medium Enterprises
SOE	State Owned Enterprise
SSI	PT Swadharma Sarana Informatika
Telkomsat	PT Telkom Satelit Indonesia
Telkomtelstra	PT Teltranet Aplikasi Solusi
Telkomsigma	PT Sigma Cipta Caraka
TIMES	Telecommunication, Information, Media, Edutainment and Services
TLT	Telkom Landmark Tower
VP	Vice President

Contents

Brief Performance

Portfolio Growth Until 2019

As a strategic investment holding company, TelkomMetra plays the role of shareholder and parenting. At present, TelkomMetra manages 32 product portfolios through of 5 SBUs, 11 subsidiaries with majority shareholding, 5 subsidiaries with minority shareholding and 3 parenting as reflected in the following scheme:

NO	PRODUCT PORTFOLIO
01	Satellite
02.	Bill Payment
03.	System Integration
04.	Managed Service (Cloud)
05.	Business Resource Management
06.	Customer Relationship Management (CRM)
07.	e-Commerce
08.	Data Center
09.	Digital Printing
10.	e-Payment Platform
11.	Online Payment Solution
12.	Health Claim Management System
13.	Digital Music
14.	Premises Integration Services (PIS)
15.	SI Maritime
16.	Integrated Digital Media (IDM)
17.	Digital Advertisement Agency
18.	IT Service Management
19.	Direct Carrier Billing (UPoint)
20.	Digital Advertising Platform (UAd)
21.	Managed Network Service (MNS)
22.	Corporate Venture Capital
23.	Health Provider Management Services
24.	Consumer Broadband
25.	Content Aggregation & Distribution Platform
26.	Internet of Things (IoT) Solutions
27.	e-Logistics
28.	SI Transportation
29.	Interbank Switching
30.	BPO – ATM Managed Services
31.	Digital Tax Hub
32.	SI Logistics

Remarks:

- Portofolio CFU *Enterprise*
- 1st *Launching*
- Portofolio CFU *Digital Business*
- 1st Launching
- Portofolio Functional Unit
- 1st *Launching*

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
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Brief Financial Performance

Revenue

Rp25,103 billion

EBITDA

Rp502 billion

Net Profit (Loss)

Rp(1,636) billion

STRATEGIC ACHIEVEMENTS

Acquisition of 60% shares of PT Bosnet Distribution Indonesia by TelkomMetra

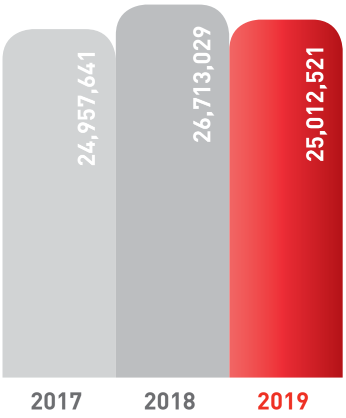
On April 11, 2019, in the framework of the process of consolidating the logistics business at Metra Logistics, thereby it is not only parenting, but may also provide horizontal synergy benefits in TelkomMetra Group in accordance with Telkom's CSS directives, the Company acquired 60% majority stake in PT Bosnet Distribution Indonesia ("Bosnet").

Financial Highlights

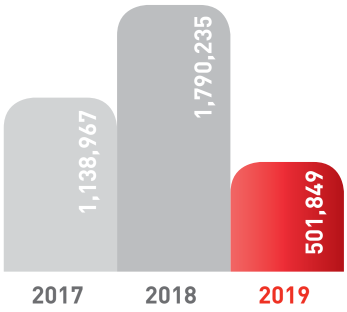
Description (in million Rupiah except Financial Ratio)	2019	2018	2017	YoY % 2018/2019
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS				
Revenue	25,012,521	26,713,029	24,957,641	-6.4%
Operating Expenses	26,009,202	25,800,971	24,393,767	0.8%
Profit (Loss) Before Tax	(1,475,330)	474,480	216,268	-410.9%
Profit (Loss) for the Year	(1,677,229)	227,284	3,909	-837.9%
Profit (Loss) for the Year Attributable to Owners of the Parent Entity	(1,635,907)	211,653	148,376	-872.9%
Comprehensive Income for the Year	(1,742,713)	256,114	(46,723)	-780.4%
Comprehensive Income for the Year Attributable to Owners of the Parent Entity	(1,694,179)	233,908	100,230	-824.3%
EBITDA	501,849	1,790,235	1,138,967	-72.0%
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION				
Assets	16,477,721	16,524,086	13,275,271	-0.3%
Current Assets	9,227,521	10,171,728	8,307,314	-9.3%
Non-Current Assets	7,250,200	6,352,358	4,967,957	14.1%
Liabilities	11,955,597	10,676,632	8,233,283	12.0%
Short Term Liabilities	9,975,044	8,475,734	6,067,743	17.7%
Long Term Liabilities	1,980,553	2,200,898	2,165,540	-10.0%
Equity Attributable to Owners of the Parent Entity	4,139,260	5,432,104	4,688,203	-23.8%
Shares Issued and Fully Paid	5,355,528	4,933,028	4,395,278	8.6%
Total Equity	4,522,124	5,847,454	5,041,988	-22.7%
CONSOLIDATED STATEMENTS OF CASH FLOWS				
Cash and Cash Equivalents at Beginning of Year	1,797,357	1,360,993	1,454,390	32.1%
Net Cash Flows Provided from (Used in) Operating Activities	(297,301)	455,801	(1,366,585)	(165.2%)
Net Cash Flows Provided from (Used in) Investing Activities	(1,015,399)	(1,422,833)	(775,370)	(28.6%)
Net Cash Flows Provided from (Used in) Financing Activities	1,601,796	1,365,660	2,037,489	17.3%
Effect of Foreign Exchange Rate Changes	(467)	518	(1,527)	(190.2%)
Beginning Balance of Acquisition	-	37,218	12,596	-
Cash and Cash Equivalents at End of Year	2,085,986	1,797,357	1,360,993	16.1%
FINANCIAL RATIO				
Net Profit Margin	-6.54%	0.79%	0.59%	-7.3%
Return on Equity	-36.18%	3.62%	2.94%	-39.8%
Return on Assets	-9.93%	1.28%	1.12%	-11.2%
Current Ratio	0.93	1.20	1.37	-22.9%
Debt to Equity	2.64	1.83	1.63	44.8%
Debt to Assets	0.73	0.65	0.62	12.3%

Financial Highlights Graph

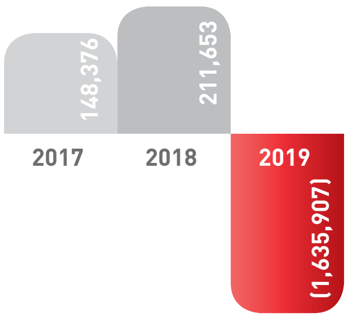
Revenue
(in million Rupiah)



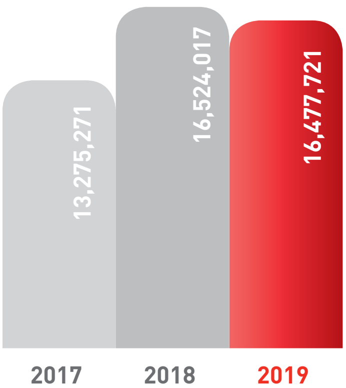
EBITDA
(in million Rupiah)



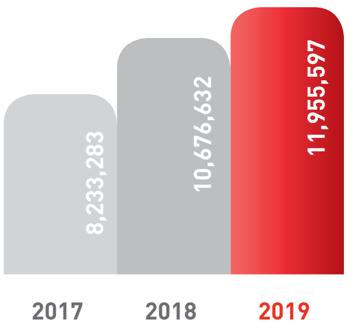
Net Income (Loss)
(in million Rupiah)



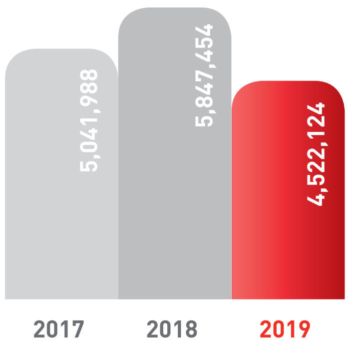
Total Assets
(in million Rupiah)



Total Liabilities
(in million Rupiah)



Total Equity
(in million Rupiah)



Investment in Subsidiaries

The following table shows TelkomMetra's investment in its subsidiaries until the end of 2019.

COMPANY	BUSINESS PORTFOLIO	SHAREHOLDING ACQUISITION/ ESTABLISHMENT		DATE		*NURTURE*	*CAPTURE*
		MAJORITY	MINORITY	ESTABLISHMENT	ACQUISITION		
CFU ENTERPRISE							
Finnet	> *Bill Payment* > *e-Payment Platform* > *Online Payment Solution*	✓		October 2005		✓	
Telkomsigma	> *System Integration* > *Managed Service (Cloud)* > *Data Center*	✓		May 1987	February 2008		✓
Infomedia	> *Business Process Management* > *Customer Relationship Management (CRM)* > *IT Service Management*	✓		January 1987	June 2009		✓
AdMedika	> *Health Claim Management* > *Provider Management Services*	✓		August 2002	February 2010		✓
ILCS	> *SI Maritime*		✓	September 2012		✓	
MD Media	> *Integrated Digital Media* > *Digital Printing* > *Digital Ads Agency*	✓		January 2013		✓	
Telkomtelstra	*Managed Network Services (MNS)*	✓		October 2014		✓	
Nutech	*SI Transportation*	✓		July 2001	December 2017		✓
SSI	*BPO-ATM Managed Services*	✓		May 1996	April 2018		✓
Bosnet	*SI Logistics*	✓			April 2019		✓
CFU DIGITAL BUSINESS							
Metranet	> *Direct Carrier Billing (UPoint)* > *Digital Advertising Platform (UAd)*		✓	April 2009		✓	
MelOn	*Digital Music*		✓	August 2010		✓	
Metraplasa	*eCommerce*	✓		2 April 2012		✓	
TransVision	*Digital Media Home - Media Entertainment (Pay TV)*		✓	May 1997	August 2008		✓
STRATEGIC PORTFOLIO							
MDI	*Corporate Venture Capital*	✓		January 2013		✓	

Stock Performance Highlights

Until the end of 2019, TelkomMetra has not listed its shares on any stock exchange both in Indonesia and abroad. Therefore, information related to the stock performance overview is only about TelkomMetra's shareholding which is 100% held by Telkom Indonesia.

Bonds Information

Until the end of 2019, TelkomMetra did not issue bonds on any stock exchanges both in Indonesia and abroad. Therefore, there is no information related to the summary of bond performance.

Information on Corporate Action

During 2019, TelkomMetra did not conduct stock split, reverse stock, stock dividend, bonus shares, suspension and delisting.

Significant Events 2019

January 24

MD Media was entrusted as the organizer of Telkom Click 2019 event participated by all Telkom Group employees.

January 29

Infomedia held a Performance Kick Off Meeting in 2019 as part of a commitment to provide experience for its customers. Infomedia launched the tagline "Your Digital CX Partner" at Fatmawati Head Office.

January 30

AdMedika held a Kick Off Meeting in order to sign targets for each Account Manager (AM) at ASL AdMedika.

January 31 – February 1

TelkomMetra conducted the TelkomMetra Group Thought Leadership Forum in Ndalem Ngabean Keraton, Yogyakarta with the theme "Committed to Healthy Growth & Profitability in 2019: Enhancing Subsidiaries Healthiness". This forum was attended by all Directors within the TelkomMetra Group.

February 14

Signing of Cooperation between Metranet and PT Global Media Nusantara (GMN) for the Indonesian Work Platform.

February 26

BLANJA.com and 5 other market places officially launched the 2019 Go Online MSME cooperative program which was attended by the Director General of Aptika and SME around the PSPT Tebet market.

February 28

BLANJA.com and 50 Indonesian fashion designers joined the Indonesia Fashion Chamber (IFC), an annual event and also a gathering place for fashion designers from all over Indonesia who are members of the IFC.

March 5

Infomedia signed the AA Lincah application contract, a data center, command center, application, ERP, mobile service and broadcast SMS where Infomedia acts as a platform provider. The signing ceremony was held at PDAM Tirtawening in Bandung.

March 5

The CEO of BLANJA.com was the guest speaker at the exclusive live interview on CNBC Indonesia TV in the PROFIT program. With duration of approximately 30 minutes, the live interview discussed the business prospects of BLANJA.com which was aired on CNBC TV Indonesia

March 6

AdMedika held a workshop and signing of the commitment for the first quarter of 2019 in order to expose the strategy and achievement of targets by the Directors and General Managers of each segment to the entire Marketing & Business team with the aim of providing direction and an overview of the strategies that must be implemented to achieve the target.

March 20

BLANJA.com also enlivened the 2019 National Consumer Day event by opening a booth together with several other marketplaces. At the event, VP Marketing & PR Bernhard Sitohang also introduced BLANJA.com to the Minister of Trade Enggartiasto Lukita and West Java Governor Ridwan Kamil.

March 25

The signing of cooperation agreement for the Management of CC and HR of SOE creative houses at Sultan Hotel, South Jakarta. It was attended by Infomedia Board of Directors, Executive Vice President of Telkom Digital Business Solution and Deputy Executive Vice President of Telkom Digital Business Solution (DBS).

April 11

TelkomMetra acquired the majority stake (60%) in PT Bosnet Distribution Indonesia (Bosnet) from Telkomsigma. The acquisition was aimed to strengthen TelkomMetra's portfolio, particularly in the Telkom Group e-logistics and e-commerce business ecosystem and to strengthen Telkom's synergy in the logistics business.

April 24

Blanja.com had the opportunity to be one of the speakers on the first day of Jakarta Marketing Week, an annual event organized by Markplus. Carrying theme "BUMN Day", the event was attended by Adhitya Insan (Brand Manager, Blanja.com) who gave a presentation on e-commerce literacy and BUMN Goes Digital.

April 29

Finnet in collaboration with Reliance launched JKN Mobile called Reli.ID to access various financial services in one platform. Through this collaboration, Reli.ID will be synergized with Finnet Indonesia's digital financial platform. The collaboration was expected to encourage public financial inclusion and increase the number of service users.

April 30

PINS inaugurated its representative office in Mataram.

May 7

BEDUG BLANJA Press Conference which became the official launching as well as sharing event on Blanja.com programs during Ramadan. The event was attended by 92 national media.

May 8

The Indonesian e-Commerce Association (idEA) held the "idEA Finance Forum" which was packed up in casual discussions before breaking the fast with the theme "Telisik Pajak e-Commerce"(Look for e-Commerce Taxes). On this occasion, Blanja.com was one of the speakers.

May 15

Metranet in collaboration with AMA and Amoeba held AMOEBA Management workshop to identify the Scaling Up stage at Metranet.

June 20

TelkomMetra held an Annual GMS at Telkom Landmark Tower 41st floor. The AGMS was held as a form of responsibility toward the management of the Company throughout 2018 and fulfillment to the obligations of Law No. 40/2007 Article 78 paragraph 2 concerning Limited Liability Companies.

July 7

TelkomMetra inaugurated the new Strategic Business Unit offices, for KSO Metrasat, MediaHub, Metransportation, Metra Logistics and TelkomPajakku which are located at Telkom Landmark Tower 22nd Floor. The new offices reflects digital, creative & open space, modern and dynamic concepts.

July 8

MD Media was entrusted to arrange the 54th Telkom Anniversary event held at The Telkom Hub Building.

July 11

Metranet teamed up with PT Laris Intisari Nusantara (Larisin), a startup company that focuses on empowering retailers and wholesalers throughout the country through modern payment technology. In this collaboration, Metranet acts as a channel distribution provider.

July 12

Infomedia launched Contact Center for Volvo CE & SDLG Indonesia at the Infomedia City Walk Service Office. The event was attended by the Managing Director of Volvo CE, VP Marketing & Product Development and VP Arena & Intersubsidiaries Sales of Infomedia.

July 18

Catholic University Widya Mandala Surabaya visited Blanja.com office.

July 25

Finnet signed a partnership with AdMedika, where Finnet acts as a Payment Gateway provider.

August 7

AdMedika and RS Pelabuhan (Port Medical Center) conducted a go live and the signing of the cooperation agreement for Health Administration Services at the RS Pelabuhan. The event was attended by the Board of Directors and Senior Leaders of AdMedika and the RS Pelabuhan. This service will serve Pelindo 2 retirees managed by IPC Healthcare which is a subsidiary of PT RS Pelabuhan.

August 13

Metro TV interview with the CEO of Blanja.com which was a special coverage of the welcoming Indonesia's independence episode.

August 28

Finnet held the launching of the MPN (Generation 3 State Revenue Module), which was attended by the Minister of Finance of the Republic of Indonesia and the President Director of Finnet.

August 30

Blanja.com kicked off new channels for BUMN creative houses. This was an offline to online implementation of the Pekalongan City of Batik Radio Outlet in collaboration with Blanja.com.

September 9

As a form of consistency and commitment to #TerusBergerakMaju (Keep Moving Forward) campaign to strengthen the digital ecosystem in the field of Micro, Small and Medium Enterprise (MSME), Telkomsel together with Blanja.com and 4 communities teamed up to accommodate MSMEs in Indonesia. This collaboration agreed on a joint commitment in transformation of MSME operators in #AkselerasikanPeluang menuju "Go Digital" (Accelerating Opportunities to "Go Digital") through the use of digital-based Telkomsel Enterprise service features, i.e., 99% Usahaku.

September 11

Finnet and Shopee collaborated on Telkom's Payment Gateway in order to increase transaction experience for all IndiHome customers. The collaboration ceremony was attended by Director of Consumer Service of Telkom, President Director of Finnet, and Director of Shopee Indonesia.

September 17

AdMedika held the annual event Olympia AdMedika at GOR Cempaka Putih, which was attended by all AdMedika and TelkoMedika employees.

September 18

The signing of MOU in collaboration with Blanja.com and Koperasi Astra in providing the needs for Astra International employees.

September 26

Metranet and UseeTV collaborated with Uzone in terms of exchanging content, promos and traffic.

September 30

Blanja.com was exclusively one of the speakers in the Metro TV Economic Challenges for CEO program with the theme "Adu Kuat Modal di Lapak Digital.

October 3

Delivery of the Pinang Rezeki KOIN BLANJA Prize which was attended and witnessed by the Ministry of Social Affairs, Social Office and the authorities.

October 7

Signing of Google Station service which is a collaboration between Telkom, Metranet and Google witnessed by Telkom's Director of Digital Business.

October 17

AdMedika and the Polytechnic of the Ministry of Health Malang signed an MoU on field work practices and apprenticeship AdMedika for final-year students, and prospective workers of claim operation management or health insurance personnel.

October 24

Metranet teamed up with Collega to develop banking digital business.

November 7

Blanja.com held press conference in order to launch and introduce BLANJAINVEST features to media and public.

November 13

Finnet and Bukalapak teamed up with Telkom's Payment Gateway to launch the cross-selling add on Indihome, which was attended by Director of Telkom Consumer Service Director, Managing Director of Finnet, and Fintech & Virtual Product Director of Bukalapak.

December 13

Finnet and PT Jasa Raharja signed a cooperation agreement in terms of JRku Co-Branding in which Finnet acts as an e-Money platform provider.

December 15

The CEO of Blanja.com had the opportunity to be a speaker at the 14th Annual Markplus Conferences 2020 with the topic of Digital Shopping Insight 2019 discussing trends in the world of e-Commerce in the last two years.

December 17

Finnet and Telkomsel signed a cooperation agreement as an Aggregator attended by Business & Marketing Director of Finnet, VP Government Sector and VP Telecommunication Sector of Telkomsel.

Management's Report

Message from the President Commissioner

Edi Witjara
President Commissioner

The Board of Commissioners appreciates the performance of the Board of Directors during 2019. This year, challenging business competition had an impact on business growth. However, in accordance with the mandate of the Shareholders, 2019 is the year in which the Company was focused on strengthening business fundamentals as a basis for maintaining sustainable business growth in the future.

Our gratitude goes to the God Almighty because of His guidance, the Company was able to overcome various business challenges properly and present the 2019 Annual Report for the Shareholders and our respected Stakeholders.

As a leading provider of Information, Media, Edutainment and Services (IMES) in Indonesia, the Company was exposed to the business risks that affect the Company's performance during 2019. Uncertain macroeconomic conditions have plenty impacts on the Company's performance. However, the Company has been proven to be able weathering these obstacles and maintain the business continuity.

Evaluation on Performance of the Board of Directors

The Board of Commissioners appreciates the performance of the Board of Directors throughout 2019. This year, challenging business competition had an impact on business growth. However, in accordance with the mandate of the Shareholders, 2019 is the year in which the Company was focused on strengthening business fundamentals as a basis for maintaining sustainable business growth in the future.

The Board of Commissioners considers the efforts of the Board of Directors in strengthening business fundamentals in the form of reinforcing the implementation of Good Corporate Governance, both through revisions to existing policies, formulating new policies, and coordinating intensively with its subsidiaries, to the maximum extent. The Board of Commissioners also appreciates other efforts undertaken in 2019 by the Board of Directors, in accordance with the directions of the Board of Commissioners including those that focus on cost efficiency and profitability, as well as strengthening foundations and portfolios at the subsidiary level.

Supervision on the Company's Strategy Implementation and Provision of Advices

The Board of Commissioners is fully committed to carry out the oversight and directing functions as well as advice to the Board of Directors in managing and organizing the Company. The Board of Commissioners also carries out supervisory activities at an advanced stage to ensure that the advice has been carried out and comply with the prevailing regulations and the Articles of Association. Various programs and strategies executed by the Board of Directors have undergone the process of supervision by the Board of Commissioners in order to improve the performance of the Company.

The supervisory and advisory functions are provided by the Board of Commissioners to the Board of Directors through regular joint meetings to periodically monitor performance and non-routine meetings to discuss incidental issues that require immediate action.

Throughout 2019, the Board of Commissioners held eight Joint Meetings with the Board of Directors. Both the Board of Commissioners and the Board of Directors have established transparent and positive communication and governance relations.

Strengthening Corporate Governance and Whistleblowing System

The Board of Commissioners ensures that the implementation of Good Corporate Governance (GCG) practices within the Company has been carried out effectively and consistently in 2019. All elements of the Company continued to strive to improve the mechanisms, structure and organs of governance and evaluate the implementation of GCG sustainably to better flourish in the coming years.

The Board of Commissioners also considers that the implementation of the Whistleblowing System (WBS) within the Company has been running properly where the Audit Committee in collaboration with the Internal Audit Unit has made a number of planned initiatives to build employee awareness of the existence of this WBS. The Board of Commissioners has also provided input so that the implementation of WBS may continue to be improved, especially those related to the mechanism for complaints of violations.

New Composition of the Board of Commissioners

Throughout 2019, the composition of the Board of Commissioners underwent three changes, based on the Circular Resolution of the General Meeting of Shareholders on November 1, 2019, the final composition of the Board of Commissioners consisted of myself as President Commissioner and Mr. Bogi Witjaksono, Mr. Devindra Kamal and Mr. Pramasaleh Hario Utomo as Commissioners. I would like to congratulate my three colleagues and hope that their presence will strengthen the Board of Commissioners in carrying out their duties and responsibilities properly.

On this occasion, I would also like to express my gratitude to Mr. Dian Rachmawan, Mr. David Bangun and Mr. Ririek Adriansyah for their dedication, contribution and cooperation during their services as members of the Board of Commissioners.

BOARD OF COMMISSIONERS

From left to right:
Devindra Kamal > Commissioner
Edi Witjara > President Commissioner
Bogi Witjaksono > Commissioner
Pramasaleh Hario Utomo > Commissioner

On this good opportunity, we also want to welcome the new members of TelkomMetra's Board of Commissioners. We hope that this may strengthen the Board of Commissioners in carrying out their duties and responsibilities at best.

Overview on Business Prospect in 2020

Global economic conditions in 2020 are not expected to be as conducive as in the previous year due to various factors that cause higher levels of uncertainty. Therefore, national economic growth is also influenced and ultimately affected the performance of many industries including the Company.

This condition requires the Company to be adaptive and anticipatory to all dynamics occur both at the national and global levels that may affect the Company's performance.

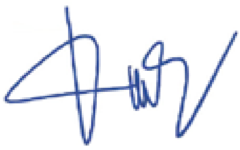
The Board of Commissioners is still convinced that the Information Communication Technology (ICT) industry still offers good growth opportunities in the future even though the Company must deal with growing challenges.

Therefore, the Board of Commissioners also urges the Board of Directors to be prudent in making investment decisions in the coming year and expects that the strategic policies adopted may strengthen the fundamentals of the Company and be able to maintain business sustainability in the coming years.

Closing

To conclude this message, on behalf of the Board of Commissioners, I would like to express my deepest gratitude to the Board of Directors and all employees of the Company and its subsidiaries who have synergized and demonstrated their hard work, dedication and loyalty so far. In addition, I also appreciate the trust and support given by PT Telekomunikasi Indonesia (Persero) Tbk as shareholders, loyal customers, business partners and all other stakeholders. The Board of Commissioners expects that all Management and employees of TelkomMetra Group can continue to establish good synergy to post achievement of the Company's performance in the coming years that exceed the predetermined targets.

Edi Witjara



President Commissioner

Report of the President Director

Setyanto Hantoro
President Director

Throughout 2019, we carried out distinct strategic policies rather than the previous year by being selective in making various investment decisions or new projects with an emphasis on profitability and risk management as well.

Our valued Shareholders and Stakeholders

Our gratitude to God Almighty for His grace and blessings, the Company was able to weather various business challenges throughout 2019. On this occasion, allow me to represent the Board of Directors of the Company to deliver the Board of Directors' accountability report on the management of the Company for the financial year ending December 31, 2019 along with the Consolidated Financial Statements that had been audited by Public Accounting Firm Purwantono, Sungkoro & Surja, and received "fair in all material aspects" opinion.

Global and Domestic Economic Growth

In 2019, global economic growth remained the slowest since the financial crisis. The IMF has once again reduced its forecast for global economic growth in 2019 for the fifth time from 3.2% to 3.0%, reflecting the increasing intensity of global economic risks.

Meanwhile, the World Bank expected that Indonesia's economic growth until the end of 2019 will only reached 5%. This figure slowed down compared to the achievement of Indonesia's highest economic growth for 5 years which stood at 5.2% in 2018.

Strategic Policy, Business Challenges, and Performance Achievement

Throughout the year we carried out various strategic policies as our real commitment to manage the Company at best in order to increase the value of the Company in front of Shareholders and other stakeholders.

Unlike the previous year where we were quite aggressive in investing and adding our portfolio, in 2019 we tried to be selective in making various investment decisions or new projects with an emphasis on profitability accompanied by risk assessment. We realize that with 32 existing business portfolios, it is time for us to be realistic and begin to analyze each portfolio to see the level of effectiveness and quality. Focus is aimed at directing each portfolio to tailor the core competencies of each at the subsidiary level.

The challenge we face is how to make the existing portfolio of quality acceptable to the market. To that end, we strive to capitalize on existing resources to strengthen the capabilities of each portfolio by improving and enhancing the quality of all 32 business portfolios and ensuring that we provide customers a guaranteed quality.

In addition, in order to assist our subsidiaries, together with our subsidiaries, we enter the market through a consulting approach by understanding the wishes of our clients and developing strategies and programs.

Overall portfolio performance of the TelkomMetra Group is classified as good in accordance with industry growth. In determining portfolio management policies, we use the GE Mckinsey Matrix method. With this method, we are able to determine competitive strength as well as market analysis to analyze each portfolio.

We are aware that our strategic policies have impacts on the drop in the Company's consolidated financial performance compared to the previous year. We can say that the overall performance of the Company was still below the predetermined targets. Revenue were recorded at Rp25.0 trillion, fell 6.4% compared to the prior year of Rp26.7 trillion or 89.7% of the 2019 Corporate Budget and Work Plan (RKAP). Finnet remained the major contributor of the Company by recording Revenues of Rp13.7 trillion, followed by Telkomsigma which contributed Rp4.2 trillion. Meanwhile, EBITDA and Net Income were Rp501.8 billion or 25.2% of the 2019 RKAP and Rp(1.6) trillion or (443.3)% of the 2019 RKAP, respectively.

Meanwhile, Total Assets decreased by 0.3% to Rp16.47 trillion compared to Rp16.52 trillion in prior year. The Company's capital was well maintained, as reflected in Total Equity of Rp4.1 trillion.

Since its launch in 2018, the number of Telkompajakku service users has increased, with the implementation of H2H Tax e-Invoice in several TelkomMetra Group Subsidiaries, and 2 (SOE) which includes Perum Jasa Tirta II, and PT Wijaya Karya Tbk (WIKA). We are aware that the trend of digital transformation has now touched public services where Governments around the world have begun to be exposed in providing public services using digital technology, including utility payments, taxes, and business registration. To this end, in order to support the Hard Selling process, create Brand Awareness within the scope of SOEs, SOE Subsidiaries and SOE Partners, we actively participate in the SOE Tax Forum. In addition, we are also in the midst of initiating an MOU and a Cooperation Agreement to conduct a joint development program with the Central Tax Director General's ICT Team as part of the acceleration and ease of the Tax Data Integration process.

Commitment to Good Corporate Governance

We are convinced that to sustain the Company's long-term growth, we shall ensure that governance is understood and implemented consistently in all aspects of our business. All employees of the Company at every level of the organization have realized and participated in the implementation of the five main principles of corporate governance, i.e., openness, responsibility, accountability, independence and fairness as contained in the Code of Conducts that applies to every person of the Company and the Company's values.

Changes in Composition of the Board of Directors

Based on the resolutions of the GMS held on November 1, 2019 as outlined in Deed No. 66 dated 8 November 2019, the composition of the Company's Board of Directors has changed. Mr. Otong Iip and Mr. Bambang Lusmiadi were no longer joining the Company due to the mandate from the Shareholders to hold a new position. Mr. Otong Iip will later serve as President Director of PT Industri Telekomunikasi Indonesia, while Mr. Bambang Lusmiadi will hold a new position as President Director of PT Sarana Usaha Sejahtera Insanpalapa (TelkoMedika). Representing the Company, I would like to express my utmost appreciation to both of them for their contribution in building a better fundamental of the Company up to present. As the successors, two new members of the Board of Directors have joined, namely Mr. Bagyo Nugroho as Director of Strategic Planning & Portfolio Management and myself as President Director.

Business Prospect in 2020

The high uncertainty in 2020, making projections for global economic growth continues to decline. In the April 2020 World Economic Outlook, the IMF estimated that global economic growth in 2020 would drop drastically to -3%. Meanwhile, ASEAN-5 economic growth is also expected to decline from 4.8% in 2019 to -0.6% in 2020. In line with the decline in global economic growth, according to Bank Indonesia (BI), the Indonesian economy is forecast to grow by 2.3% in 2020.

We believe that 2020 still remains the "challenging year" as the Company is required to maximize all available resources and to continue the programs and strategies that have been carried out in the previous year.

Over the last few years, digitalization has shown a rapidly growing trend with the emergence of various digital platforms that offer convenience to consumers. According to the Indonesian Data Corporation (IDC), this economy digitalization became one of the digital and technological trends throughout 2019 and the next three years. Digital growth will also encourage information technology spending of USD78 billion starting from 2019 to 2022.

The rapid technological change presents a challenge for the Company to find talents that may support the digital transformation process of the Company. Therefore, as we enter 2020, the focus of the HR development strategy, among others, increasing the effectiveness and cost efficiency and composition of employees and improving business processes in HR management, the Company also seeks to improve HR competency. This is expected to support the Company's agility in winning the increasingly competitive competition going forward. Meanwhile, to support the process of digitizing the company's business processes in order to increase the Company's value proposition, the Company has prepared several IT development programs in 2020 including the development of the BPM Program (Business Process Management) and the implementation of ERP system integration with IFRS 16 and 9 systems.

In accordance with Telkom Group's Corporate Strategic Scenario (CSS) for the period of 2020-2024, the Company will become a sub-holding with a new role mapping in order to improve business performance, namely in the areas of financial management, shared services, strategic investment and restructuring, and go to market alignment for non-connectivity projects. In addition, the Company also functions as a business line lead for other digital services, professional services, and devices, where all these functions must be adopted into the Company's RKAP.

BOARD OF DIRECTOR

From left to right:

Roby Roediyanto > Director of Corporate Finance & Shared Service

Setyanto Hantoro > President Director

Bagyo Nugroho > Director of Strategic Planning & Portfolio Management

The CSS also includes a plan to strengthen Information Communication Technology (ICT) through the portfolio orchestration program that will commence in 2020 in order to support Telkom's actions to improve digital capabilities, in order to develop a National Digital Platform development plan.

We have received direction from the Board of Commissioners to be prudent in taking strategic initiatives and steps in the coming year. In the midst of unfavorable macroeconomic context, our top priority is to strengthen the Company's foundation. We believe that a fundamentally strong company will be well positioned for future profitability growth.

Appreciation

In closing, we would like to humbly express our gratitude to the Shareholders, the Board of Commissioners, clients and business partners for their support and trust in us. Not to mention, our great appreciation also goes to all members of the Company for their hard work and dedication in carrying out their duties and responsibilities so far. Let us work together to make the Company a trusted partner and new engine in advancing the business of stakeholders.

Setyanto Hantoro

President Director

Profile of TelkomMetra

Company Data

Company Name
PT Multimedia Nusantara (TelkomMetra)

Establishment Date
May 28, 1997

Business Line
Multimedia Network and Services Provider (Satellite, Information Technology, Media, and Edutainment).

Business Activities
1. Planning, building, providing, developing, operating, marketing, selling, leasing, maintaining multimedia network and services covering data communication system service, portal service, and online transaction service, among others.
2. Providing advice, direction, operational assistance for other businesses and organizations on various management issues in various management and operational aspects, such as strategy and organization planning, decision related to financial, marketing objective and policy, planning, practice, and policy of human resources, schedule planning and production controlling.
3. Conducting investment including equity participation in other companies in line with and to achieve the Company's purpose and objective.

Legal Basis of Establishment
Notarial Deed of Soekaimi, SH., No. 116 dated May 28, 1997, as ratified by the Minister of Justice of the Republic of Indonesia No. C2-31. HT.01.01. TH.98 dated January 14, 1998.

Authorized Capital
Rp7,000,000,000,000

Issued and Paid Up Capital
Rp5,355,528,490,000

Shareholding as of December 31, 2019
- PT Telekomunikasi Indonesia (Persero) Tbk. held 535,528,489 shares or 99.99%
- Mr. Dwi Heriyanto B.S held one share or 0.01%

Total Employees of TelkomMetra Group as of December 31, 2019
4,014 people

Address
The Telkom Hub
Telkom Landmark Tower 2, 41st Floor
Jl. Jenderal Gatot Subroto Kav. 52
South Jakarta, 12710
Tel. +62 21 5210 123
Fax. +62 21 5210 124
Email: corpcomm@metra.co.id
www.telkommetra.co.id

Investor Relations
Name: Sigit Adi Pramono
Designation: VP General Affair & Legal
Tel. +62 21 5210 123
Fax. +62 21 5210 124
Email: sigitadi@metra.co.id

Company in Brief

"Established on May 28, 1997, TelkomMetra set up its business activities as a Pay TV service provider. TelkomMetra's business has grown since it was taken over by PT Telekomunikasi Indonesia Tbk (Persero) in 2003 with various strategic initiatives through acquisitions, business consolidation, and the establishment of new subsidiaries."

Since 2015 TelkomMetra began aligning its business strategy with the Telkom Group strategy which focuses on the implementation of the Customer Facing Unit (CFU), where the TelkomMetra Group is included in the Enterprise CFU, Digital Services CFU, Functional Unit (FU) and Digital and Strategic Portfolio (DSP).

In addition to CFU-based business activities, TelkomMetra also acts as a strategic investment holding company and plays a strategic control function that focuses on operational integration of its subsidiaries by emphasizing on revenue growth and efficiency to increase net income. In running its business, TelkomMetra plays 2 (two) main roles, namely:

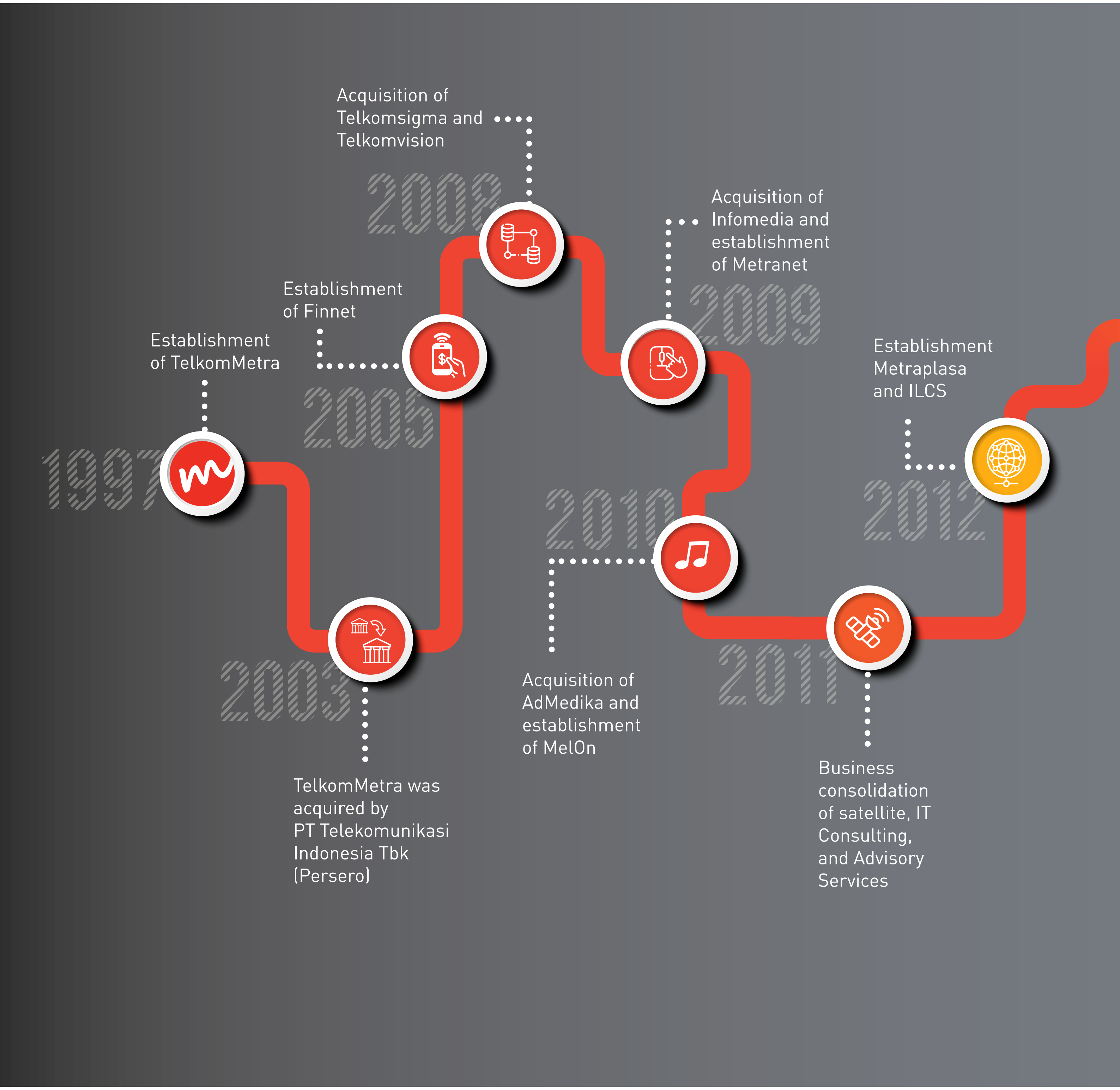
1. Integrated Operation: Functions that are applied to SBU where TelkomMetra as the parent consisting of marketing communication, legal, billing & collection, and others.

2. Strategic Control: Functions that are applied to for subsidiaries through strategic control in which subsidiaries are given ample opportunity to develop their respective strategies, but TelkomMetra as the parent continues to perform coordination function to create competitive advantages, in addition to remaining exercise strict control over financial targets.

At present, TelkomMetra manages 32 product portfolios consisting of 5 SBUs, 11 subsidiaries with majority shareholding, 5 non-consolidated subsidiaries with minority shareholding and 3 parenting companies.

As a leading provider of Telecommunication, Information, Edutainment and Services (TIMES) services in Indonesia, TelkomMetra is committed to be more effective and efficient in managing the companies within the group to be more competitive in facing digital era competition. Harmonization of TelkomMetra Group's business aims at meeting customer demand and accelerate the process of Indonesia's digital transformation towards the Industrial Revolution 4.0.

Milestones


1997
Establishment of TelkomMetra
2003
TelkomMetra was acquired by PT Telekomunikasi Indonesia Tbk (Persero)
2005
Establishment of Finnet
2008
Acquisition of Telkomsigma and Telkomvision
2009
Acquisition of Infomedia and establishment of Metranet
2010
Acquisition of AdMedika and establishment of MelOn
2011
Business consolidation of satellite, IT Consulting, and Advisory Services
2012
Establishment Metraplasa and ILCS

2013

Establishment of Metraplasa and ILCS

2014

Establishment of Telkomtelstra

2015

- Acquisition of TelkoMedika and CDCL
- Business consolidation of satellite (Metrasat and Patrakom)
- Activation of e-F3STIVAL

2016

- Acquisition of 100% stake in AdMedika
- Divested stake in Pointer to Telkomsigma.
- Divested stake in Melon to Metranet
- Became a part of business concept of Customer Facing Unit (CFU) Enterprise initiated by Telkom Group

2017

- Acquisition of Bosnet and Nutech
- Divested 75% stake in TelkoMedika to AdMedika
- Launch of Shared Service Operation Infomedia

2018

- Acquisition 51% stake in SSI
- SBU development: Metransportation, Metra Logistics and Telkompajakku

2019

- Acquisition of 60% stake of Bosnet in Telkomsigma by TelkomMetra

Vision, Mission, and Strategic Objective

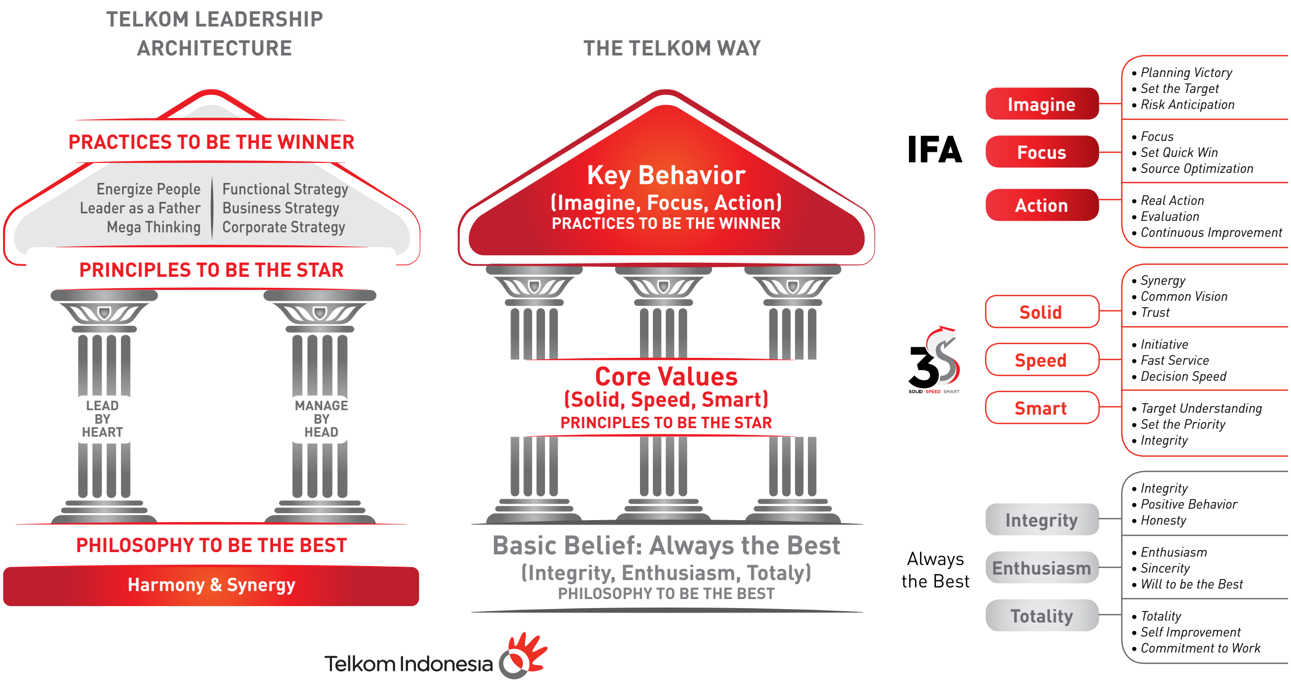
From July 2015 to the end of December 2019, TelkomMetra Group began to apply the CFU business concept in order to realize the Telkom Group's vision, mission and strategic objectives which are described as follows:

"Be the King of Digital in the Region"

"Lead Indonesia Digital Innovation and Globalization"

"Top 10 Market Capitalization Telco in Asia-Pacific by 2020"

Architecture of Leadership and Corporate Culture of Telkom Group



a. Telkom Leadership Architecture

A basic philosophy, principle, and practice which shall be applied by each Telkom leader to be the best leader, the star leader and the winning leader.

Philosophy to be the Best is a commitment that shall be embedded in a Leader like a foundation for a building. Philosophy Always the Best is further reflected in Principles to be the Star and is translated in behavior practices to achieve its objective of becoming the Winner in TIMES business competition.

Philosophy Harmony & Synergy is a basic faith for a Leader to always create a harmony between Heart and Head (2H) and synergy between Spirit and Strategy (2S).

Principles to be the Star is a principle that a leader has to use heart or feeling, or Lead by Heart in carrying out his/her leadership role. Meanwhile, in managing the work, he/she has to use sense or ratio, or Manage by Head. Lead by Heart emphasizes on leading people, both their own self and other people, while Manage by Head emphasizes on managing organization and business.

Practice to be the Winner, covering Mega Thinking, Leader as a Father and Energize People which are translated from Lead by Heart principle. Meanwhile, Manage by Head principle consists of Corporate Strategy, Business Strategy, and Functional Strategy.

Mega Thinking is a way of strategic thinking which focuses on delivering benefits for all people both Indonesian people and mankind on the whole. Therefore, Mega thinking is the way or thinking at community need level which delivers benefit for all mankind.

Leader as a Father is a leader who carries out role as a father with sincerity to always love, protect and defend his children. A great leader will inherit a greater leader and Human Resources than himself.

Energize People is leadership practice that requires a leader to be booster and encouragement for all of his/her teams to achieve an astounding results. In managing work, a leader is demanded to be able to solve various strategic problems by using his/her minds. Manage by Head is closely related to qualified strategy management practice at corporate, business, and functional levels.

b. Corporate Culture

A strong commitment is shown by TelkomMetra which always support the realization of vision, mission, and strategic objective of Telkom Group. One of the efforts is by building and improving capabilities of all employees of TelkomMetra in order to produce Human Resources with excellent character, always bring innovation, and have entrepreneurship spirit in conducting business within TelkomMetra Group.

Therefore, TelkomMetra renders "The Telkom Way" as Corporate Culture which has been conducted since June 10, 2013 as stipulated in Decree of the Board of Directors of PT Telekomunikasi Indonesia Tbk. No. PD.201.00/r.00/HK250/COP-B0020000/2013 on Architecture of Leadership and Corporate Culture. Moreover, guidance of Corporate Culture implementation within the Telkom Group is stipulated in Director of Human Capital & General Affair's Rule Number PR.201.01/r.00/HK250/COP-B0400000/2013 on Corporate Culture of Telkom Group. Principally, the enactment of the said corporate culture refers to the management concept of Telkom Group based on 8S elements, Spirituality, Style, Shared Values, Strategy, Staff, Skill, System, and Structure. The Telkom Way is formulated as follows:

1. ***Philosophy to be the Best: Always the Best***
   A fundamental faith containing basic philosophies that shall be held and comprehended by all individuals of Telkom Group to always be the best.

2. ***Principle to be the Star: Solid-Speed-Smart (3S)***
   A core values containing basic principle to be the star individual and 3 (three) core values known as 3S: Solid, Speed, Smart strengthened by TelkomMetra values, namely Trustworthy and Innovative.

   a) ***Solid***
   All individuals of Telkom Group shall give their best (Always The Best) and enhance solidarity among all individuals of Telkom Group as a Great Team.

   b) ***Speed***
   All individuals of Telkom Group shall work fast in every opportunity to win the competition since the fast one will beat the slower one.

   c) ***Smart***
   All individuals of Telkom Group is demanded to work smart, to understand the objective, determine priority and always find a better new way to achieve the objective.

3. ***Practices to be the Winner: Imagine, Focus, Action***
   A key behavior built within the Telkom Group strengthened by TelkomMetra through values of Imagine, Entrepreneurship and Action.

   Practices to be the Winner from The Telkom Way is IFA that functions as key behavior guidance, namely:

   Imagine, a key behavior that is always starting from the end in planning and conducting activities, a substantial work shall begin from the dream and big ambition to be achieved.

   Focus is a key behavior that always prioritizes the priority so it is a necessity to determine and carry out priority of an activity by allocating resources that fit the priority to win the business competition.

   Action is behavior that always emphasizes on a real action to achieve a result. Imagine and Focus are only ended on the real results if there is action or implementation as well as control, demanded to always learn from other parties (benchmark) and achieve the Quick Wins to build self confidence to reach the success. Vision without action is a fantasy, Action without a Vision is sensation.

   Tailoring TelkomMetra's increasingly dynamic business, the Company emphasizes Telkom's cultural values through the e-F3STIVAL tagline (entrepreneurship Focus, 3S (Solid, Speed, Smart), Trustworthy, InnoVation, Action, Learning).

Corporate Strategy

TelkomMetra's strategy is divided into 3 dimensions, namely directional strategy, portfolio strategy, and parenting strategy designed to realize Telkom Group's vision, mission and strategic objectives.

Directional Strategy

Disruptive Competitive Growth

Disruptive competitive growth through leveraging innovative business model, value chain, and digital technology.

Portfolio Strategy

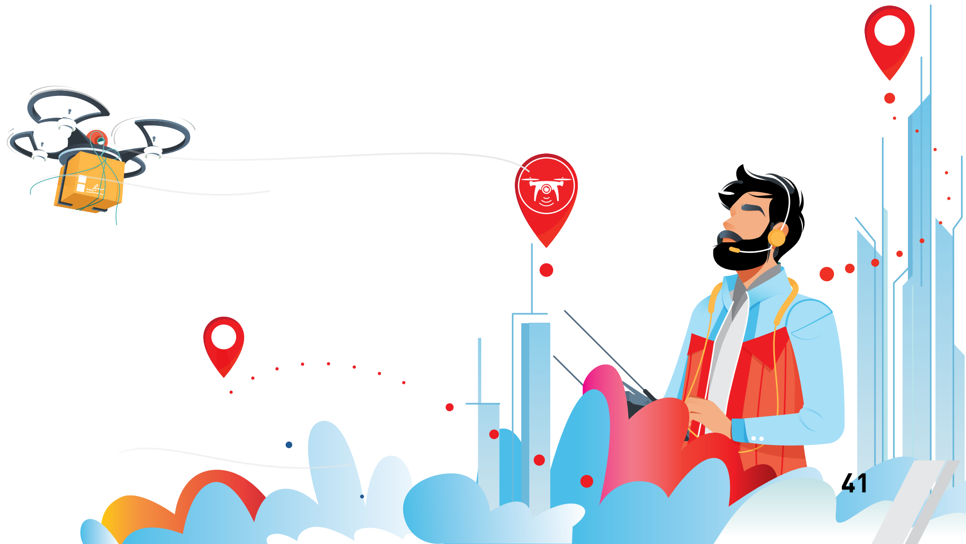
Customer value through digital TIMES Portfolio

More focus on costumer facing digital businesses.

Parenting Strategy

Strategic Control

More streamlined control on subsidiaries.



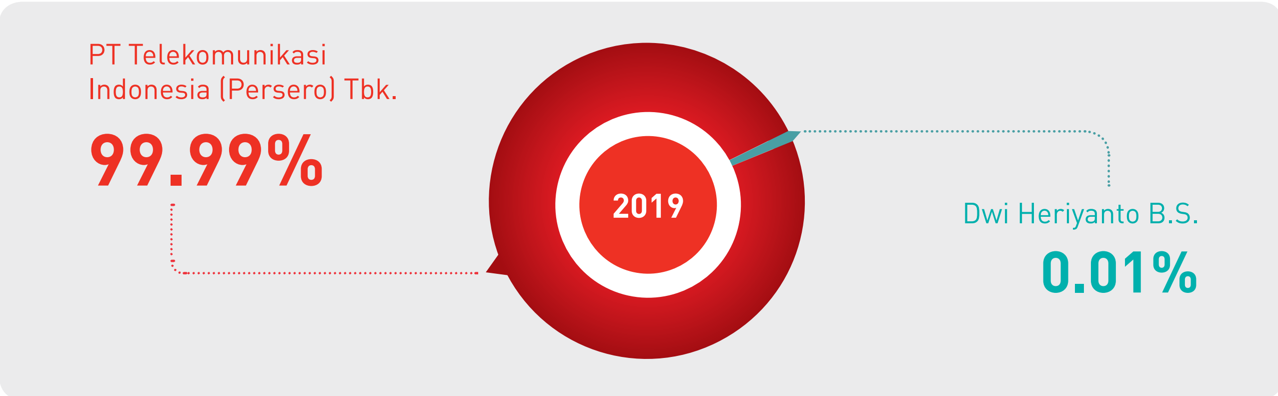
Business Portfolios

Aside from carrying out a function as holding company, namely Corporate Financing, Portfolio Management, Merger & Acquisition, Shared Services and Strategic Business Unit (SBU) Management, TelkomMetra also managed 32 business portfolios, among others:

	Banking Financial (BFI)	Government	Energy, Utility, Manufacture	Logistic & Transport	Retail, FMCG	Media	Tourism	Telco	Health
ADJACENT SERVICE (TO CORE BUSINESS)									
	28. *BPO-ATM Managed Services*								**13.** *Health Claim Management* **23.** *Provider Mgt Services*
DIGITAL SERVICE									
	28. *Bill Payment* **11.** *ePayment Platform* **12.** *Online Payment Solution* **29.** *Interbank Switching*		**26.** *IoT Solutions*			**09.** *Integrated Digital* Media **10.** *Digital Printing* **17.** *Digital Ads Agency*			
BUSINESS PROCESS OUTSOURCING									
	05. *Business Process Management* **06.** *Customer Relationship Management*								
IT SERVICE									
	03. *System Integration* **18.** *IT Service Management*			**16.** *SI Maritime* **31.** *SI Transportation* **32.** *SI Logistics*					
DC & CLOUD									
	04. *Managed Service (Cloud)* **08.** *Data Center*								
DEVICE & HW									
	15. *Premise Integration Services*								
SATELLITE									
	01. *Satellite*								
CONNECTIVITY									
	21. *Managed Network Service*								

Composition of Shareholders

Detail of Shareholders of TelkomMetra as of December 31, 2019



Shareholding in TelkomMetra by the Board of Commissioners and the Board of Directors

Until the end of 2019, there were no Members of the Board of Commissioners and the Board of Directors of the Company who held the shares of TelkomMetra.

TelkomMetra is not a public company whose shares are not traded to the public at large. Therefore, information related to shareholding by the public, whether grouped by institution, ownership of less than 5% or the 20 largest shareholders, are irrelevant to be presented.

Chronology of Stocks and Other Securities

As a private limited company, TelkomMetra does not issue shares for being held by public. During 2019, TelkomMetra had issued shares twice which were fully held by Telkom with the following details:

DATE	BASIS	NUMBER OF SHARES	HOLDER	COMPOSITION OF SHAREHOLDERS
August 5, 2019	Notarial Deed of Utiek R Abdurachman SH., MLI., Mkn No. 6	35,250,000	TELKOM	TELKOM: 528,552,848 shares **(99.99%)** Dwi Heriyanto: 1 shares **(0.01%)**
September 4, 2019	Notarial Deed of Utiek R Abdurachman SH., MLI., Mkn No. 6	1,000,000	TELKOM	TELKOM: 529,552,848 shares **(99.99%)** Dwi Heriyanto: 1 shares **(0.01%)**
December 11, 2019	Notarial Deed of Utiek R Abdurachman SH., MLI., Mkn No. 6	4,500,000	TELKOM	TELKOM: 534,052,848 shares **(99.99%)** Dwi Heriyanto: 1 shares **(0.01%)**
December 18, 2019	Notarial Deed of Utiek R Abdurachman SH., MLI., Mkn No. 6	15,000,000	TELKOM	TELKOM: 535,552,848 shares **(99.99%)** Dwi Heriyanto: 1 shares **(0.01%)**

Corporate Structure

Telkommetra by Telkom Indonesia

Metrasat	MediaHub	Metransportation	Metra Logistics	Telkompajakku	PT Finnet Indonesia	PT Infomedia Nusantara	PT Administrasi Medika	PT Metra Digital Media	PT Sigma Cipta Caraka	PT Teltranet Aplikasi Solusi	PT Bonet Distribution Indonesia
Satellite *Consumer Broadband*	*Content Aggregation & Distribution Platform for Pay TV Advertising*	*Transportation as a Service (TaaS)*	*eLogistics*	*Digital Tax Hub*	*Bill Payment* *e-Payment Platform* *Online Payment Solution*	*Business Process Management* *Customer Relationship Management (CRM)* *IT Service Management*	*Health Claim Services* *Provider Management Services*	*Integrated Digital Media (IDM)* *Digital Printing* *Digital Ads Agency*	*System Integration* *Managed Service (Cloud)* *Data Center*	*Managed Network Service (MNS)*	*eLogistics*
SBU	SBU	SBU	SBU	SBU	SHAREHOLDING Metra 60% MPI PT Mekar Prana Indah 40%	SHAREHOLDING Metra 51% Telkom 49%	SHAREHOLDING Metra 99.99% MDI 0.01%	SHAREHOLDING Metra 99.99% MDI 0.01%	SHAREHOLDING Metra 99.99% MDI 0.01%	SHAREHOLDING Metra 51% Telstra Holdings Singapore, PTE. LTD 49%	SHAREHOLDING Metra 60%

Portofolio ICT

Portofolio Business Media

Portofolio Venture Capital

		Shareholding
PT Integrasi Logistik Cipta Solusi	*SI Maritime*	Metra 49%; IPC PT Pelabuhan Indonesia II 51%
PT Nutech Integrasi	*SI Transportation*	Metra 60%; PT Alita Prayamitra 35.10%; Dina Hakiki 4.90%
PT Swadharma Sarana Informatika	*BPO-ATM Managed Services*	Metra 51%; Yayasan Danar Dana Swadharma 24.99%; PT Trihandayani Utama 14.21%; Koperasi Swadharma 9.80%
PT PINS Indonesia*	*Premises Integration Services (PIS)*; *Internet of Things (IoT) Solutions*	Metra 0%; Telkom 99.99%; Others 0.01%
PT Telkom Satelit Indonesia*	*Satellite*	Metra 0%; Telkom 99.99%; Moch. Sulthonul Arifin 0.01%
PT Jalin Pembayaran Nusantara*	*Interbank Switching*	Metra 0%; Telkom 33%; Danareksa 67%
PT Metra–Net	*Direct Carrier Billing (UPoint)*; *Digital Advertising Platform (UAd)*	Metra 30.95%; Telkom 69.04%; MDI 0.01%
PT Metra Plasa	*e-Commerce*	Metra 60%; eBay 40%
PT MelOn Indonesia	*Digital Music*	Metra 48%; Metranet 52%
PT Indonusa Telemedia	*Digital Media Home - Media Entertainment (Pay TV)*	Metra 4.33%; Telkom 15.67%; Transmedia Corpora 80%
PT Metra Digital Investama	*Corporate Venture Capital (CVC)*	Metra 99.99%; Roby Roediyanto 0.01%

*Parenting company

List of Subsidiaries and/or Associated Companies

NAME OF COMPANY	ADDRESS	BUSINESS PORTFOLIO	OPERATING STATUS AND MANAGEMENT	TOTAL ASSETS
Telkomsigma (PT Sigma Cipta Caraka) **Shareholding** 99.99%	The Telkom Hub Telkom Landmark Tower 2, 23th Floor Jl. Jend. Gatot Subroto Kav. 52 South Jakarta, 12710 Tel.: +62 21 8086 4830 www.telkomsigma.co.id	› System Integration › Managed Service (Cloud) › Data Center	**Operating Status** Operating **President Director** Sihmirmo Adi	Rp6,796 B
Finnet (PT Finnet Indonesia) **Shareholding** 60%	The Telkom Hub Telkom Landmark Tower 2, 28th Floor Jl. Jend. Gatot Subroto Kav. 52 South Jakarta, 12710 Tel.: +62 21 8299999 Fax.: +62 21 8281999 www.finnet-indonesia.com	› Bill Payment › ePayment Platform › Online Payment Solution	**Operating Status** Operating **President Director** Paulus Djatmiko	Rp1,001 B
AdMedika (PT Administrasi Medika) **Shareholding** 99.99%	STO Telkom Gambir, Gedung C Jl. Medan Merdeka Selatan No. 12 Central Jakarta, 10110 Tel.: +62 21 34831100 Fax.: +62 21 34830101 www.AdMedika.co.id	› Health Claim Services › Provider Management Services	**Operating Status** Operating **President Director** Budi Setyawan Wijaya	Rp395 B
Metranet (PT Metra–Net) **Shareholding** 30.95%	Mulia Business Park, Gedung J Jl. Letjen MT Haryono Kav. 58-60, Pancoran Jakarta, 12780 Tel.: +62 21 79187250 Fax.: +62 21 79187252 www.metranet.co.id	› Direct Carrier Billing (UPoint) › Digital Advertising Platform (UAd)	**Operating Status** Operating **President Director** Widi Nugroho	Rp996 B
Infomedia (PT Infomedia Nusantara) **Shareholding** 51%	Jl. RS Fatmawati No. 77-81 Jakarta, 12150 Tel.: +62 21 7201221 Fax.: +62 21 7201226 www.infomedianusantara.com	› Business Process Management › Customer Relationship Management (CRM) › IT Service Management	**Operating Status** Operating **President Director** Niam Dzikri	Rp2,626 B
Metraplasa (PT Metra Plasa) **Shareholding** 60%	Mulia Business Park, Gedung J Jl. Letjen MT Haryono Kav. 58-60, Pancoran Jakarta, 12780 Tel.: +62 21 79187250 Fax.: +62 21 79187252 www.blanja.com	eCommerce	**Operating Status** Operating **President Director** Jemy Vestius Confido	Rp214 B
MD Media (PT Metra Digital Media) **Shareholding** 99.99%	The Telkom Hub Telkom Landmark Tower 2, 18th Floor Jl. Jenderal Gatot Subroto Kav. 52 South Jakarta, 12710 Tel.: +62 21 27936799 Fax.:+62 21 27518777 www.mdmedia.co.id	› Integrated Digital Media (IDM) › Digital Printing › Digital Ads Agency	**Operating Status** Operating **President Director** Syaifudin	Rp1,146 B
MelOn (PT MelOn Indonesia) **Shareholding** 48%	The Telkom Hub Telkom Landmark Tower 2, 45th Floor Jl. Jenderal Gatot Subroto Kav. 52 South Jakarta, 12710 Tel.: +62 21 7244493 www.MelOn.co.id	Digital Music	**Operating Status** Operating **Director** Dedi Suherman	Rp578 B
ILCS (PT Integrasi Logistik Cipta Solusi) **Shareholding** 49%	Plasa Telkom Lt. 4 Jl. Yos Sudarso No. 23-24 Tanjung Priok, Jakarta Tel.: +62 21 43932555 Fax.: +62 21 43936555 www.ilcs.co.id	SI Maritime	**Operating Status** Operating **President Director** Heru Satrio	Rp160 B
Telkomtelstra (PT Teltranet Aplikasi Solusi) **Shareholding** 51%	Prudential Centre Level 22, Mall Kota Kasablanka Jl. Casablanca Raya Kav. 88 South Jakarta, 12870 www.Telkomtelstra.co.id	Managed Network Service (MNS)	**Operating Status** Operating **President Director** Erik Meijer	Rp357 B
Bosnet (PT Bonet Distribution Indonesia) **Shareholding** 60%	Jl. Tebet Barat Dalam Raya No.82 RT.17/RW.6, Tebet Barat., Kec. Tebet South Jakarta, 12810	eLogistics	**Operating Status** Operating **President Director** Jati Widagdo	Rp37 B

NAME OF COMPANY	ADDRESS	BUSINESS PORTFOLIO	OPERATING STATUS AND MANAGEMENT	TOTAL ASSETS
Nutech (PT Nutech Integrasi) **Shareholding** 60%	Jl. Tanjung Barat Raya No. 17 Pasar Minggu South Jakarta -12510 www.nutech-integrasi.com	SI Transportation	**Operating Status** Operating **President Director** Dina Hakiki	Rp177 B
Telkomsat (PT Telkom Satelit Indonesia) **Shareholding** -	The Telkom Hub Telkom Landmark Tower 2, 21st Floor Jl. Jend. Gatot Subroto Kav. 52 South Jakarta, 12710 Tel.: +621 - 8454040 www.telkomsat.co.id	Satellite	**Operating Status** Operating **President Director** Andy Revara	Rp3,309 B
PINS (PT PINS Indonesia) **Shareholding** -	The Telkom Hub Telkom Landmark Tower 2, 42nd Floor Jl. Jenderal Gatot Subroto Kav. 52 South Jakarta, 12710 Tel.: +62 21 520 2560 Fax.:+62 21 5292 0156 www.pins.co.id	› Premises Integration Services (PIS) › Internet of Things (IoT) Solutions	**Operating Status** Operating **President Director** Henry Christiadi	Rp3,886 B
Jalin (PT Jalin Pembayaran Nusantara) **Shareholding** -	Menara Dea Tower 1 2nd Floor Jl. Mega Kuningan Barat IX Kav.E.4.3 No.1 South Jakarta, 12950	Interbank Switching	**Operating Status** Operating **President Director** Boyke Yurista Muhadril	Rp322 B
SSI (PT Swadharma Sarana Informatika) **Shareholding** 51%	St Arteri JORR No. 70 Pondok Melati, Bekasi Tel.: +62 21 2947 4350 Fax.:+62 21 2947 4351 www.ssitech.co.id	BPO-ATM Managed Services	**Operating Status** Operating **President Director** John Yuwono	Rp520 B
MDI (PT Media Digital Investama) **Shareholding** 99.99%	The Telkom Hub Telkom Landmark Tower 2, 21st Floor Jl. Jenderal Gatot Subroto Kav. 52 South Jakarta, 12710	Corporate Venture Capital	**Operating Status** Operating **President Director** Setyanto Hantoro	Rp1,475 B
Transvision (PT Indonusa Telemedia) **Shareholding** 4.33%	Gedung Pusyantel Jl. Prof. Soepomo, S.H. No.139, RT 013 RW 003, Kelurahan Tebet Barat, Kecamatan Tebet South Jakarta, 12810	Digital Media Home - Media Entertainment (Pay TV)	**Operating Status** Operating **President Director** Peter F Gontha	Rp747 B

NAME OF SBU	ADDRESS	BUSINESS PORTFOLIO	OPERATING STATUS	HEAD OF SBU
Metrasat	The Telkom Hub Telkom Landmark Tower 2, 22nd Floor Jl. Jenderal Gatot Subroto Kav. 52 South Jakarta, 12710 Tel.: +62 21 521 0123 Fax.:+62 21 521 0124	> Satellite > Consumer Broadband	Operating	Heramarwan
MediaHub	The Telkom Hub Telkom Landmark Tower 2, 22nd Floor Jl. Jenderal Gatot Subroto Kav. 52 South Jakarta, 12710 Tel.: +62 21 521 0123 Fax.:+62 21 521 0124	Content Aggregation & Distribution Platform for Pay TV Advertising	Operating	Iin Kusumastiwi
Metransportation	The Telkom Hub Telkom Landmark Tower 2, 22nd Floor Jl. Jenderal Gatot Subroto Kav. 52 South Jakarta, 12710 Tel.: +62 21 521 0123 Fax.:+62 21 521 0124	Transportation as a Service (TaaS)	Operating	Aziz Sidqi
Metra Logistics	The Telkom Hub Telkom Landmark Tower 2, 22nd Floor Jl. Jenderal Gatot Subroto Kav. 52 South Jakarta, 12710 Tel.: +62 21 521 0123 Fax.:+62 21 521 0124	e-Logistics	Operating	Natal Iman Ginting
Telkompajakku	The Telkom Hub Telkom Landmark Tower 2, 22nd Floor Jl. Jenderal Gatot Subroto Kav. 52 South Jakarta, 12710 Tel.: +62 21 521 0123 Fax.:+62 21 521 0124	Digital Tax Hub	Operating	Setio Purwanto

Awards, Certifications, and Licenses

AWARDS

Throughout 2019, TelkomMetra Group received a number of awards from various institutions at many events both at national/international scale, including:

AWARDS	RECIPIENT ENTITY	PREDICATE	ISSUER	DATE OF RECEIPT
Insurance Gathering Ciputra Health Care	AdMedika	Best TPA	Hermina Group Regional 2 Hospital	January 28, 2019
Hermina Group Gathering	AdMedika	Platinum Partner of Ciputra Healthcare	Ciputra Hospital	2019
Prodia Genomics	AdMedika	Best third Party Administrator of the year 2019	Prodia Lab & Clinic	October 10, 2019
Loyalty Award Certificate	AdMedika	1st Best partnership category Third Party Administration	RS MMC	April 11, 2019
The International Business Awards	ILCS	Gold Winner in Best New Product or Service of the Year Software	Grand Stevie Awards	January 2019
Amigo Innovation Summit 2019	MD Media	First Winner of Pitch Battle in 60 seconds	Amigo	March 19, 2019
Annual Tax Gathering	Metraplasa	Largest Taxpayer for the period 2018	Directorate General of Taxes – South Jakarta Regional Office I	August 6, 2019
Partner Awarding Night 2019	PINS	Best Run Rate Partner 2019	CISCO	November 28, 2019
Corporate Image Award 2019	Telkomsigma	The Best in Building & Managing Corporate Image – Data Center Category	Frontier Consulting	July 2019
Telstra CMD Award Singapore	Telkomtelstra	Telstra CMD Award Singapore	Telstra Singapore	2019
RedHat Partner Synergy 2019	Telkomsigma	Certified Cloud & Service Provier of The Year	Redhat	April 2019
Corporate Image Award 2019	Telkomsigma	The Best Data Center	Frontier Consulting	July 2019
Jateng Fair 2019 Awarding Ceremony	Telkomsigma	The Most Innovative venue in presenting culture and art through the new digital experience	Pemprov Jateng	July 2019
TOP Digital Awards 2019	Telkomsigma	TOP Data Center Services 2019 TOP Big Data Solution 2019 TOP Digital Security Solution 2019	IT Works	November 2019
Frost & Sullivan Asia Pacific Best Practices Awards 2019	Telkomsigma	Indonesia Data Center Services Provider of The Year	Frost & Sullivan	November 2019
International Innovation Awards 2019	Telkomsigma	The Most Innovative Product Category: AlphaBITS Next Generation	Enterprise Asia	December 2019

CERTIFICATIONS

TelkomMetra Group carries out all of its business activities in accordance with international operating standards as indicated by the many world class certifications that are still valid until 2019 as follows:

NO	TYPE OF CERTIFICATION	RECIPIENT ENTITY	ISSUER	DATE OF RECEIPT
1	ISO	SSI	Lioyd's Register LRQA	7/11/2017- 10/10/2020
2	Police Operational Permit (BUJP)	SSI	Police	28/9/2018 – 28/9/2020
3	APJATIN (Indonesia Cash Transit Association)	SSI	APJATIN	22/3/2019 – 22/3/2020
4	*Oracle Platinum Partner*	ILCS	Oracle	August 2019
5	ISO 27001:2013	ILCS	Bureau Veritas Indonesia	December 2019
6	Certification of Tier IV in Constructed Facility Category	Telkomsigma	UPTIME Institute	20/9/2018
7	Certification of Tier III in Operational Sustain-ability Category	Telkomsigma	UPTIME Institute	20/9/2018
8	Certification of EMS ISO 14001:2015	Telkomsigma	British Standards Institution (BSI)	16/12/2016
9	Certification of Payment Card Industry Data Security	Telkomsigma	TUV Rheinland	31/3/2017
10	Certification of ISO 9001:2015	Telkomsigma	United Registration of System (URS)	16/12/2016
11	Certification of BS OHSAS 18001:2007	Telkomsigma	British Standards Institution (BSI)	16/12/2016
12	Certification of ISO 20000-1	Telkomsigma	British Standards Institution (BSI)	29/12/2014
13	Certification of PAS 99:2012	Telkomsigma	British Standards Institution (BSI)	16/12/2016
14	Certification of ISO 27001	Telkomsigma	British Standards Institution (BSI)	7/12/2016
15	Certification of ITMS 621081	Telkomsigma	British Standards Institution (BSI)	29/12/2014
16	Certification of Data Center Tier III	Telkomsigma	UPTIME INSTITUTE Tier Certification For Constructed Facilities (TCCF)	11/5/2017
17	Certification of Data Center Tier III	Telkomsigma	Ministry of Communications and Informatics	31/3/2017
18	ISO/IEC 20000 *Service Management System*	Telkomtelstra	Intertek	*Annual*
19	Identity Register for Telkomtelstra Azure Stack	Telkomtelstra	Kementrian Komunikasi Informatika Republik Indonesia	2019
20	Microsoft - MCP Cloud Platform	Telkomtelstra	Microsoft	2017
21	Microsoft - MCSA Office 365	Telkomtelstra	Microsoft	2019
22	Microsoft - MCSA Windows Server 2016	Telkomtelstra	Microsoft	2019
23	Microsoft - MCSA Windows Server 2012	Telkomtelstra	Microsoft	2019
24	Microsoft - MCSA Windows Server 2008	Telkomtelstra	Microsoft	2019
25	Microsoft - MCSE Cloud & Infra	Telkomtelstra	Microsoft	2019

NO	TYPE OF CERTIFICATION	RECIPIENT ENTITY	ISSUER	DATE OF RECEIPT
26	Microsoft - MCSE Messanging	Telkomtelstra	Microsoft	2019
27	Microsoft - MCSE Productivity	Telkomtelstra	Microsoft	2019
28	Microsoft - MCTS Exchange 2010	Telkomtelstra	Microsoft	2019
29	Microsoft - MCTS Windows 7	Telkomtelstra	Microsoft	2019
30	Microsoft - MCTS WS 2008 AD	Telkomtelstra	Microsoft	2019
31	Microsoft - MCTS WS 2008 Network Infra	Telkomtelstra	Microsoft	2019
32	Microsoft - MCTS WS 2008 Virtualization	Telkomtelstra	Microsoft	2019
33	ITIL Foundation	Telkomtelstra	ITIL	2018
34	ITIL Intermediate Service Design	Telkomtelstra	ITIL	2017
35	ITIL Intermediate Service Operation	Telkomtelstra	ITIL	2018
36	ITIL Service Improvement	Telkomtelstra	ITIL	2018
37	ITIL Expert	Telkomtelstra	ITIL	2017
38	Fortinet - NSE 1 The Threat Transcript	Telkomtelstra	Fortinet	2019
39	Fortinet - NSE 2 Sales	Telkomtelstra	Fortinet	2019
40	Fortinet - NSE 3 Network Security Associate	Telkomtelstra	Fortinet	2019
41	Fortinet - NSE 4 Network Security Professional	Telkomtelstra	Fortinet	2019
42	CompTIA Security +	Telkomtelstra	CompTIA	2018
43	EC-Council Ethical Hacker	Telkomtelstra	EC-Council	2019
44	EC-Council Secure Computer User	Telkomtelstra	EC-Council	2018
45	Big IP Administrator	Telkomtelstra	F5	2019
46	Technology Specialist, LTM	Telkomtelstra	F5	2019
47	CGEIT	Telkomtelstra	ISACA	2019
48	Network Security Platform	Telkomtelstra	McAfee	2019
49	PMP	Telkomtelstra	Project Management Institute	2018
50	PgMP	Telkomtelstra	Project Management Institute	2017
51	PMI	Telkomtelstra	Project Management Institute	2019
52	Comprehensive PM	Telkomtelstra	Project Management Institute	2016
53	Scrum Master	Telkomtelstra	PSM	2018
54	ServiceNow PPM	Telkomtelstra	ServiceNow	2017
55	Solarwind Professional	Telkomtelstra	Solarwind	2019
56	VCE-CIA	Telkomtelstra	VCE	2019
57	VMware - Network Professional	Telkomtelstra	VMware	2019
58	VMware - DCV	Telkomtelstra	VMware	2019
59	TOGAF 9 Foundation	Telkomtelstra	The Open Group	2017
60	Cisco - CCNA	Telkomtelstra	Cisco	2019
61	Cisco - CCNP	Telkomtelstra	Cisco	2020
62	Cisco - CCIE	Telkomtelstra	Cisco	2019
63	Cisco - CCDA	Telkomtelstra	Cisco	2019
64	Cisco - CCDP	Telkomtelstra	Cisco	2019
65	Cisco - CMNA	Telkomtelstra	Cisco	2019
66	Cisco - CVNS	Telkomtelstra	Cisco	2019
67	Huawei - HCIE	Telkomtelstra	Huawei	2019

NO	TYPE OF CERTIFICATION	RECIPIENT ENTITY	ISSUER	DATE OF RECEIPT
68	Huawei - HCNA	Telkomtelstra	Huawei	2018
69	Huawei - HCNP	Telkomtelstra	Huawei	2019
70	CISSP	Telkomtelstra	(ISC)2	2017
71	Juniper - JNCDA	Telkomtelstra	Juniper Networks	2019
72	Juniper - JNCIA	Telkomtelstra	Juniper Networks	2019
73	Juniper - JNCIP	Telkomtelstra	Juniper Networks	2019
74	Juniper - JNCIP SP	Telkomtelstra	Juniper Networks	2019
75	Juniper - JNCIS	Telkomtelstra	Juniper Networks	2019
76	Mikrotik - MTCNA	Telkomtelstra	Mikrotik	2018
77	Mikrotik - MTCRE	Telkomtelstra	Mikrotik	2018
78	Mikrotik - MTCINE	Telkomtelstra	Mikrotik	2018
79	Global Knowledge - MTSS 1	Telkomtelstra	Global Knowledge	2019
80	Global Knowledge - MTSS 2	Telkomtelstra	Global Knowledge	2019
81	Women Empowerment Principles	Telkomtelstra	UN Women	2019
82	CISCO Gold Partner	Telkomtelstra	CISCO	Aug-20
83	HUAWEI Gold Partner	Telkomtelstra	HUAWEI	Dec-19
84	HP Silver Partner	Telkomtelstra	HP	Apr-20
85	LENOVO Gold Partner	PINS	LENOVO	Mar-20
86	HIKVISION Gold Partner	PINS	HIKVISION	Mar-20
87	PANASONIC - Distributor	PINS	PANASONIC	Mar-20
88	HPE - Authorized Business	PINS	HPE	FY 2019

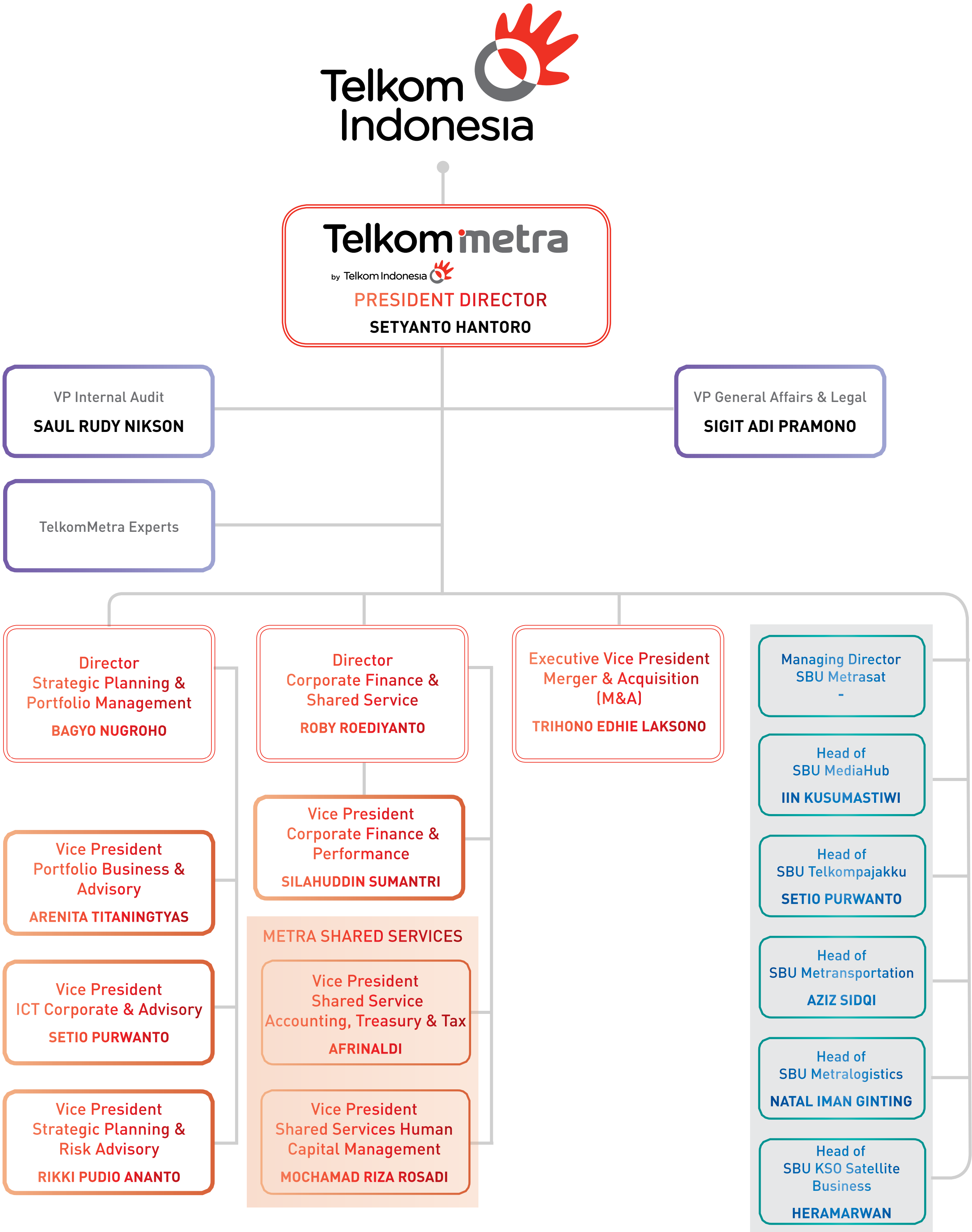
LICENSES

TelkomMetra Group always endeavors to fulfill all prevailing normative laws and regulations in Indonesia, one of which is in terms of license requirements requested by government institutions which they are relevant to the business activities of TelkomMetra and its subsidiaries. This is a form of TelkomMetra Group's commitment to provide added value to the products and services for the stakeholders. Until 2019, TelkomMetra Group owned the following various licenses:

NO	TYPE OF LICENSE	RECIPIENT ENTITY	ISSUER INSTITUTION	DATE OF RECEIPT/ VALIDITY PERIOD
1	Closed Fixed Network License No. 73 dated January 23, 2019	TelkomMetra	Ministry of Communications and Informatics of the Republic of Indonesia	5 (five) years
2	Internet Service Provider License No. 014/Tel.02.02/2019 dated May 15, 2019	TelkomMetra	Ministry of Communications and Informatics of the Republic of Indonesia	5 (five) years
3	Closed Fixed Network License No. 226 of 2019 dated March 25, 2019	PT Satelit Multimedia Indonesia (Metrasat)	Ministry of Communications and Informatics of the Republic of Indonesia	January 29, 2014 and can be evaluated every year and evaluated thoroughly every 5 (five) years.
4	Internet Access Service Provider License No. 983 of 2014	PT Satelit Multimedia Indonesia (Metrasat)	Director General of Post and Informatics	December 1, 2014 and can be evaluated every year and evaluated thoroughly every 5 (five) years.
5	High Capacity Radio Station Links License	PT Satelit Multimedia Indonesia (SBU Metrasat)	Ministry of Communications and Informatics of the Republic of Indonesia	Updated every year since 2014
6	IDR Radio Station Links License	PT Satelit Multimedia Indonesia (SBU Metrasat)	Ministry of Communications and Informatics of the Republic of Indonesia	Updated every year since 2014
7	Distributor of Medical Devices - Non Radiation Electromedical Devices	AdMedika	Provincial Government of Capital Special Region of Jakarta	June 2017
8	Patent rights on system and method of sending and/or receiving data of health cost and treatment assurance electronically through EDC media.	AdMedika	Ministry of Law and Human Rights of the Republic of Indonesia	February 2014-2028
9	Acquirer Debit APMK (Payment Instruments Using Cards)	Finnet	Bank Indonesia	2008
10	BI-RTGS Member	Finnet	Bank Indonesia	2008
11	KUPU (Money Delivery Activity)	Finnet	Bank Indonesia	2011
12	e-money (electronic money) Issuer	Finnet	Bank Indonesia	2012
13	ALTO Member	Finnet	Bank Indonesia	2014
14	Closed Fixed Network License No. 287/KEP/KOMINFO/09.2008	Patrakom	Ministry of Law and Human Rights of the Republic of Indonesia	September 12, 2008 with unlimited validity period and update every 5 (five) years.
15	Internet Service Provider License No. 485/2018 dated May 23, 2018	Patrakom	Director General of Post and Informatics	5 (five) years
16	Data Communication System Service Provider License No. 02/DIRJEN/2010	Patrakom	Director General of Post and Informatics	January 8, 2010 with unlimited validity period and update every 5 (five) years.
17	Interconnection Service Provider License (Network Access Provider/ NAP) No. 161/DIRJEN/2010	Patrakom	Director General of Post and Informatics	May 30, 2010 with unlimited validity period and update every 5 (five) years.

NO	TYPE OF LICENSE	RECIPIENT ENTITY	ISSUER INSTITUTION	DATE OF RECEIPT/ VALIDITY PERIOD
18	Distributor of Medical Devices - Non Radiation Electromedical Devices	AdMedika	Provincial Government of Capital Special Region of Jakarta	June 2017
19	Patent rights on system and method of sending and/or receiving data of health cost and treatment assurance electronically through EDC media.	AdMedika	Ministry of Law and Human Rights of the Republic of Indonesia	February 2014- 2028
20	iCARGO (Delivery Order Payment Online) No.C00201604238	ILCS	Ministry of Law and Human Rights of the Republic of Indonesia	October 25, 2016 with 50 years validity period since the first announcement
21	Telecommunication Service Provider License	Telkomtelstra	Ministry of Communications and Informatics of the Republic of Indonesia (BKPM)	October 2014
22	Closed Fixed Network License No. 022/Tel.01.02/2019 dated June 17, 2019	Patrakom	Ministry of Communications and Informatics	5 (five) years
23	Internet Access Service Provider License No.1643 of 2017	Patrakom	Ministry of Communications and Informatics	Unlimited
24	Data Communication System Service Provider License No. 853 of 2015	Patrakom	Director General of Post and Informatics	Unlimited
25	Interconnection Service Provider License No. 925 of 2015	Patrakom	Director General of Post and Informatics	Unlimited
26	Money Remittance Operator License	Finnet	Bank Indonesia	March 10, 2011
27	Money Transmitter License	Finnet	Bank Indonesia	April 16, 2012
28	Acquirer	Finnet	Bank Indonesia	July 3, 2009
29	Payment Gateway Provider	Finnet	Bank Indonesia	August 2, 2017
30	Subscription Broadcasting services Operator License No. 392/KEP/M.KOMINFO/11/2010	PINS subsidiary	Ministry of Communications and Informatics of the Republic of Indonesia	2010
31	Call Center Added Value Service Operator License No.1126 of 2016	Infomedia	Ministry of Communications and Informatics of the Republic of Indonesia	June 21, 2016

Organizational Structure



Profile of the Board of Commissioners

Edi Witjara
President Commissioner

Indonesian Citizen, 47 years old, domiciled in Jakarta

He had served as Commissioner of TelkomMetra since 1 November, 2016 pursuant to Circular Resolution of Shareholders of PT Multimedia Nusantara dated October 30, 2016 and has been entrusted as President Commissioners of TelkomMetra effective started on November 1, 2019 pursuant to Circular Resolution of Shareholders of PT Multimedia Nusantara dated November 1, 2019 until the closing of AGMS in 2022.

Educational Background:
- Bachelor of Telecommunications Engineering, STT Telkom (1995).
- Master of Business Law, Padjajaran University (2009).
- Doctoral degree in Strategic Management, Padjajaran University (2018).

Certification:
Management Accountant certification from CMA International, Australia.

Work Experience:
He began his professional career at Telkom Group in 1996 and succeeded to hold a number of strategic positions, among others:
- President Commissioner of Infomedia (August 2019-present)
- President of Board of Supervisor Pension Fund of Telkom Indonesia (August 2019-present)
- President of Board of Patrons Health Foundation of Telkom Indonesia (July 2019-present)
- President of Board of Patrons Education Foundation of Telkom Indonesia (July 2019-present)
- Director of Human Capital Management of Telkom Indonesia (May 2019-present)
- Senate member of Faculty Economic and Business of Telkom University (December 2018-present)
- Senior VP Group Financial Planning Analysis & Control Finance Dit. of PT Telkom Indonesia (March 2018-May 2019)
- Chief of Business Program Shared Service Organization of PT Telkom Indonesia (March 2017- December 2018)
- Parallel Acting (PGS) as Vice President Budgeting & Analysis of PT Telkom Indonesia (April 2017-June 2018)
- Senior VP Financial Planning Analysis Finance Dit. of PT Telkom Indonesia (January 2016-March 2018)
- Parallel Acting (PGS) as Vice President Investor Relation of PT Telkom Indonesia (February 2017)
- Commissioner of PT Telkom Akses (February 2013-February 2016)
- Vice President Management Accounting Finance Dit. of PT Telkom Indonesia (January 2013-January 2016)
- Parallel Acting (PGS) as Vice President Asset Management Unit of PT Telkom Indonesia (2013)

Awards & Organization:
- Satyalencana of Social Service (2019)
- Board of Supervisor Global Council of Corporate University (2019)
- LEMHANAS (2018)
- Senate member of Faculty Economic & Business Telkom University (2018)
- Advisory Board of MASTEL (2018)
- Best Unit Group in Telkom (Telkom, 2017)
- SUSPIM Top 50 (Telkom, 2016)
- General Treasure APNATEL (2015)
- Satya Lencana Wira Karya (President RI, 2015)
- SUSPIM Internasional Telkom (INSEAD, 2014)
- Leadership for Finance Advance (Telkom, 2013)
- Commissionership Executive Program (Telkom, 2013)

Concurrent Positions:
Senior Vice President – Group Analysis & Financial Planning Control at PT Telkom Indonesia Tbk. (Telkom) (2016-present).

Bogi Witjaksono
Commissioner

Indonesian Citizen, 52 years old, domiciled in Jakarta

He has been serving as Commissioner of TelkomMetra since November 2, 2019 pursuant to Circular Resolution of Shareholders of PT Multimedia Nusantara dated November 1, 2019 until the closing of AGMS in 2022.

Educational Background:

- Bachelor of Electronic Engineering from ITS Surabaya (1989).
- S2 Telecommunications Engineering (Mobile Communication) from ITB Bandung (1995).

Work Experience:

He began his professional career at Telkom Group in 1990 and succeeded to hold a number of strategic positions, among others:

- Operations General Manager of Metrasat (2009-2012).
- Managing Director of Metrasat (2012-2019).
- President Director of Patrakom (2015-2019).
- Deputy President Director/COO of Telkom Satellite (2018-2019).
- Director of Enterprise and Business Service Telkom Indonesia (2019– present).

Devindra Kamal

Commissioner

Indonesian Citizen, 45 years old, domiciled in Jakarta
He has been appointed as Commissioner of TelkomMetra since November 1, 2019 pursuant to Circular Resolution of Shareholders of PT Multimedia Nusantara dated November 1, 2019 until the closing of AGMS in 2022.

Educational Background:

- Diploma in Informatics from STT Telkom (1996).
- Master of Management from University of Pendidikan Indonesia (2008).

Work Experience:

He began his professional career at Telkom Group in 1996 and succeeded to hold a number of strategic positions, among others:

- SAP Principal Consultant of Metrasys (2013-2014).
- VP Solution Delivery of Metrasys (2014-2015).
- AVP Strategic Budgeting of Telkom Indonesia (2015-2017).
- VP Budgeting & Analysis of Telkom Indonesia (2017-2018).
- VP Financial Controller Enterprise of Telkom Indonesia (2018-present).

Pramasaleh Hario Utomo

Commissioner

Indonesian Citizen, 52 years old, domiciled in Jakarta

He has been appointed as Commissioner of TelkomMetra since November 1, 2019 pursuant to Circular Resolution of Shareholders of PT Multimedia Nusantara dated November 1, 2019 until the closing of AGMS in 2022.

Educational Background:

- Bachelor of Electrical Engineering from National Institute of Science and Technology (ISTN) Jakarta (1992).
- Master of Electrical Engineering from Bandung Institute of Technology (2001).

Work Experience:

He has career at PT Telekomunikasi Indonesia, Tbk (Telkom Indonesia) with various positions as follows:

- Deputy General Manager of Telkom-South Jakarta (2006-2008).
- Deputy General Manager of Telkom- West Jakarta (2008-2009).
- Assistant Vice President Converged Product, Directorate of Consumer (2009-2010).
- Deputy IPTV Task Force (2011-2012).
- Vice President Product Management, Directorate of Consumer (2012-2013).
- Executive General Manager of Wireless Broadband Division (2013-2015).
- VP Solution, Direktorat Network IT & Solution (2015).
- VP Infrastructure Strategy & Governance, Directorate of Network IT & Solution (2015-2017).
- SVP Portfolio & Synergy, Directorate of Strategy & Portfolio (2017-present).

Profile of the Board of Directors

Setyanto Hantoro

President Director

Indonesian Citizen, 46 years old, domiciled in Jakarta.

He has been serving as President Director of TelkomMetra since November 1, 2019 pursuant to Circular Resolution of Shareholders of PT Multimedia Nusantara dated November 1, 2019 until the closing of AGMS in 2022.

Educational Background:

- Bachelor of Electrical Engineering from STT Telkom (1995).
- Master of Management from Bandung School of Management (STMB) (2003).

Work Experience:

He joined the Telkom Group in 2009 and had held several strategic positions as follows:

- AVP Business and Financial Analysis of Telkom Indonesia (2009-2010).
- AVP Business Portfolio and Financial Planning of Telkom Indonesia (2010-2012).
- VP Strategic Business Development of Telkom Indonesia (2012-2016).
- VP Strategic Investment Execution of Telkom Indonesia (2016).
- EVP Strategic Investment of Telkom Indonesia (2016-2019).
- Acting President Director of PT Metra Digital Investama (since August 12, 2019).
- Commissioner of PT Jalin Pembayaran Nusantara (JALIN) (2016-present).
- Commissioner of PT Dayamitra Telekomunikasi (MITRATEL) (2019-present).

Aside from his professional careers, he had served as Lecturer at SBM ITB (2012-2013) and Guest Lecturer at University of Parahyangan (2010) and Telkom University (2017).

Organization:

- Member of MASTEL (Masyarakat Telematika Indonesia/ The Indonesian Telematics Society) since 2016.
- Advisory Board at Education Foundation of Jendral Soedirman since 2012.
- Chairman of Advisory Board at Senyum Ananda Foundation since 2010.

Roby Roediyanto

Director of Corporate Finance & Shared Service

Indonesian Citizen, 46 years old, domiciled in Jakarta.

He has been appointed as Director of Corporate Finance & Shared Service since October 1, 2016 pursuant to Circular Resolution of Shareholders of PT Multimedia Nusantara dated September 28, 2016 and has been entrusted to hold this position since November 1, 2019 pursuant to Circular Resolution of Shareholders of PT Multimedia Nusantara dated November 1, 2019 until the closing of AGMS in 2022.

Educational Background:

- Bachelor of Telecommunication Engineering from STT Telkom – Bandung (1996).
- Master of Management in Finance from TELKOM University Bandung (2017).

Certifications:

- Chartered Financial Analyst (CFA) from CFA Institute.
- Pension Fund Management Certification from the Indonesian Pension Fund Association (ADPI).

Work Experience:

He joined the Telkom Group since 1996 and succeeded to hold key positions, among others:

- Senior Officer at Directorate of Finance of Telkom Indonesia (2006–2013).
- Secretary to Pension Fund Advisory Board of Telkom (2010-2013).
- Finance Expert at Champion Team of Telkom Indonesia (2009-2014).
- Assistant Vice President Capital & Debt Management of Telkom Indonesia (2013-2015).
- Vice President Corporate Finance of Telkom Indonesia (2015-2016).

Aside from professional career, since 2013 up to present, he has also been an active member at CFA Society Indonesia and has been entrusted as grader for CFA Exam Level III.

Bagyo Nugroho

Director of Strategic Planning & Portfolio Management

Indonesian Citizen, 54 years old, domiciled in Jakarta.

He has been serving as Director of Strategic Planning & Portfolio Management of TelkomMetra since November 1, 2019 pursuant to Circular Resolution of Shareholders of PT Multimedia Nusantara dated November 1, 2019 until the closing of AGMS in 2022.

Educational Background:

Bachelor of Electrical Engineering from Surabaya Institute of Technology (1989).

Work Experience:

He began his career at Telkom Group since 1991 and had held various strategic positions as follows:

- GM of Jember Regional Office (2002- 2003).
- Senior Manager of Performance Regional 5 East Java (2003 - 2004).
- GM of East Surabaya Regional Office (2004 - 2005).
- GM of Central Jakarta Regional Office (2005 - 2007).
- GM of West Jakarta Regional Office (2007-2008).
- Deputy EGM of Regional VI Division (2008- 2009).
- Vice President Sales (2010 - 2010).
- VP Sales & Customer Care (2010 - 2011).
- Deputy EGM of Consumer Service II Division (2011 - 2012).
- Deputy EGM of East Telkom Division (2013- 2014).
- EGM Divisi Consumer Service (2014- 2015).
- VP Marketing & Operation (2015 - 2016).
- VP Enterprise Parenting Operation (2016-2019).

Senior Management

TelkomMetra

Standing, left to right:

Rikki Pudio Ananto > VP Strategic Planning & Risk Advisory
Silahuddin Sumantri > VP Corporate Finance & Performance
Mochamad Riza Rosadi > VP Shared Service Human Capital Management
Sigit Adi Pramono > VP General Affairs & Legal
Setio Purwanto > VP ICT Corporate & Advisory
Saul Rudy Nikson > VP Internal Audit

Sitting, left to right:

Arenita Titaningtyas > VP Portfolio Business & Advisory
Trihono Edhie Laksono > EVP Merger & Acquisition
Afrinaldi > VP Share Service Accounting, Treasury & Tax

Human Resources

TelkomMetra Group's challenge in 2019 to achieve Healthy Growth and Profitable Business encourages TelkomMetra Group to optimize Human Resources in terms of both quality and quantity. Restructuring the businesses and financial indicators within the TelkomMetra Group subsidiaries are the Management's top priorities. Therefore, the growth in number of employees in each business entity must be strictly maintained. TelkomMetra Group's total HR in 2019 was 6,507 employees, down by 5% compared to 2018. This decrease was contributed by a decrease in the number of MD Media employees and a restructuring of the composition of employees at AdMedika.

TelkomMetra's inorganic corporate actions in 2019 had no significant HR growth impact. HR growth due to inorganic actions included PT Collega Inti Pratama (328 employees) under the Telkomsigma Group, and PT Bosnet Distribution (119 employees). The following details about the development of TelkomMetra Group's HR composition categorized by entity, age group, education level, and job family.

The profile of TelkomMetra Group employees can be seen in the following tables:

Employee Composition of TelkomMetra Group by Entities

No.	Name of Company	Profile of Metra Group's HR Growth		
		2019	2018	Growth (YoY)
1	Metra Holding	70	65	8%
	SBU Transportation	11	11	-
	SBU Logistik	7	6	17%
	SBU MediaHub	7	5	40%
	Metrasat	84	114	-26%
	SBU KSO Satellite	5	-	-
	SBU Telkkompajakku	3	-	-
2	Finnet	226	231	-2%
3	Telkomsigma Group	2,056	1,870	10%
4	Metraplasa	200	211	-5%
5	Admedika	1,108	1,764	-37%
6	Infomedia	591	617	-4%
7	MD Media	345	376	-8%
8	Nutech	67	59	14%
9	SSI	688	589	17%
10	MDI	18	14	29%
11	Bosnet	118	-	-
12	Metranet	59	58	2%
13	Melon	114	109	5%
14	ILCS	149	94	59%
15	Telkomtelstra	195	185	5%
16	PINS	199	190	5%
17	Telkomsat	164	126	30%
18	TSGN	55	61	-10%
19	Jalin	112	79	42%
	Total	**6,651**	**6,834**	**-3%**

Remarks
a) Total Human Resources Data above consists of Permanent Employees and Contract-to-Hire Professional.
b) Total Metranet's Human Resources are parent only.

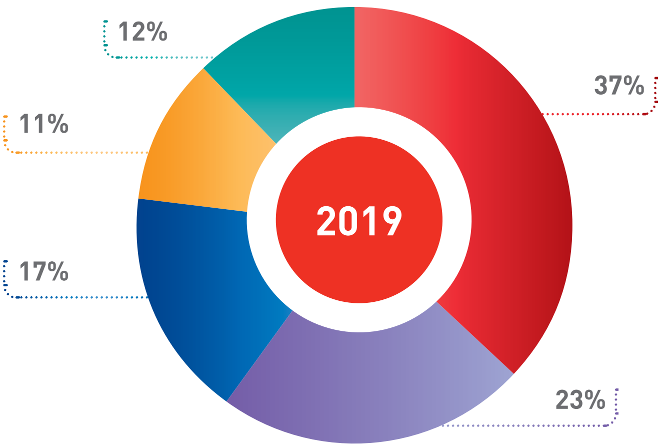
Employee Composition of TelkomMetra Group By Age

The HR Demographic Table shows that currently TelkomMetra Group has become the choice of the young generation for a career in the digital industry, thereby TelkomMetra Group is expected to be better equipped to respond to dynamic business challenges, which require innovative and disruptive fresh ideas. As many as 4,014 TelkomMetra Group employees, or represent 60.35% of the entire Metra Group's HR, are millennials under the age of 35.

However, this will be a future challenge for the development of digital/ICT competencies, managing high potential HR engagement and preparing the capabilities of TelkomMetra Group's HR in dominating the better Digital ICT business market and realizing The King of Digital in the Region.

Employee Composition of TelkomMetra Group By Age

No.	Name of Company	Total Human Resources of Metra Group 2019 by Age										TOTAL
		≤ 30		31-35		36-40		41-45		> 45		
		Total	%	Total	%	Total	%	Total	%	Total	%	
1	Metra Holding	17	24%	17	24%	9	13%	11	16%	16	23%	70
	SBU Transportation	2	18%	1	9%	2	18%	2	18%	4	36%	11
	SBU Logistik	2	29%	-	-	-	-	1	14%	4	57%	7
	SBU MediaHub	-	-	-	-	2	29%	2	29%	3	43%	7
	Metrasat	10	12%	29	35%	22	26%	11	13%	12	14%	84
	SBU KSO Satellite	-	-	-	-	1	20%	-	-	4	80%	5
	SBU Telkompajakku	-	-	1	33%	1	33%	-	-	1	33%	3
2	Finnet	74	33%	62	27%	37	16%	26	12%	27	12%	226
3	Telkomsigma Group	734	36%	506	25%	351	17%	218	11%	247	12%	2,056
4	Metraplasa	158	79%	26	13%	11	6%	4	2%	1	1%	200
5	Admedika	586	53%	237	21%	152	14%	78	7%	55	5%	1,108
6	Infomedia	199	34%	103	17%	122	21%	80	14%	87	15%	591
7	MD Media	49	14%	47	14%	80	23%	52	15%	117	34%	345
8	Nutech	35	52%	11	16%	10	15%	7	10%	4	6%	67
9	SSI	160	23%	220	32%	158	23%	111	16%	39	6%	688
10	MDI	14	78%	2	11%	1	6%	1	6%	-	-	18
11	Bosnet	86	73%	13	11%	8	7%	7	6%	4	3%	118
12	Metranet	28	47%	13	22%	8	14%	6	10%	4	7%	59
13	Melon	47	41%	28	25%	27	24%	5	4%	7	6%	114
14	ILCS	81	54%	33	22%	13	9%	11	7%	11	7%	149
15	Telkomtelstra	61	31%	56	29%	36	18%	25	13%	17	9%	195
16	PINS	37	19%	62	31%	40	20%	17	9%	43	22%	199
17	Telkomsat	39	24%	39	24%	21	13%	25	15%	40	24%	164
18	TSGN	15	27%	15	27%	5	9%	4	7%	16	29%	55
19	Jalin	33	29%	26	23%	25	22%	17	15%	11	10%	112
	Total	2,467	37%	1,547	23%	1,142	17%	721	11%	774	12%	6,651



Total Human Resources of Metra Group 2019 by Age

- ≤ 30
- 31-35
- 36-40
- 41-45
- > 45

Total Human Resources of Metra Group 2018 by Age

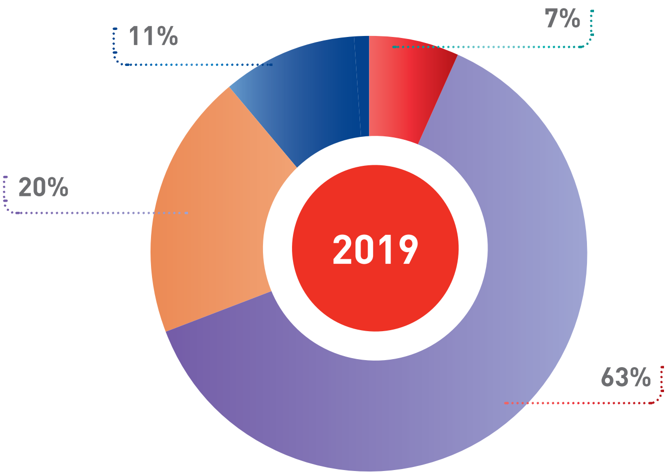
No.	Name of Company	≤ 30		31-35		36-40		41-45		> 45		TOTAL
		Total	%	Total	%	Total	%	Total	%	Total	%	
1	Metra Holding	16	24.62%	21	32.31%	9	13.85%	10	15.38%	9	13.85%	65
	SBU Transportation	1	9.09%	1	9.09%	3	27.27%	4	36.36%	2	18.18%	11
	SBU Logistik	2	33.33%	-	-	-	-	3	50.00%	1	16.67%	6
	SBU MediaHub	-	-	-	-	1	20.00%	2	40.00%	2	40.00%	5
2	Metrasat	12	10.53%	39	34.21%	20	17.54%	19	16.67%	24	21.05%	114
3	Finnet	88	38.10%	57	24.68%	39	16.88%	22	9.52%	25	10.82%	231
4	Telkomsigma Group	817	43.69%	409	21.87%	273	14.60%	182	9.73%	189	10.11%	1,870
5	Metraplasa	174	82.46%	25	11.85%	8	3.79%	4	1.90%	-	-	211
6	Admedika	1,268	71.88%	225	12.76%	166	9.41%	59	3.34%	46	2.61%	1,764
7	Melon	55	50.46%	35	32.11%	11	10.09%	5	4.59%	3	2.75%	109
8	ILCS	52	55.32%	24	25.53%	7	7.45%	8	8.51%	3	3.19%	94
9	Infomedia	199	32.25%	124	20.10%	121	19.61%	80	12.97%	93	15.07%	617
10	MD Media	91	24.20%	63	16.76%	65	17.29%	71	18.88%	86	22.87%	376
11	Metranet	25	43.10%	15	25.86%	11	18.97%	4	6.90%	3	5.17%	58
12	Telkomtelstra	62	33.51%	56	30.27%	31	16.76%	18	9.73%	18	9.73%	185
13	PINS	41	21.58%	59	31.05%	22	11.58%	26	13.68%	42	22.11%	190
14	Telkomsat	44	34.92%	26	20.63%	18	14.29%	18	14.29%	20	15.87%	126
15	MDI	10	71.43%	3	21.43%	1	7.14%	-	-	-	-	14
16	Nutech	26	44.07%	14	23.73%	10	16.95%	3	5.08%	6	10.17%	59
17	SSI	156	26.49%	160	27.16%	151	25.64%	92	15.62%	30	5.09%	589
18	Jalin	23	29.11%	18	22.78%	18	22.78%	12	15.19%	8	10.13%	79
19	TSGN	21	34.43%	16	26.23%	5	8.20%	4	6.56%	15	24.59%	61
	Total	3,183	46.58%	1,390	20.29%	990	14.54%	646	9.48%	625	9.01%	6,834

Employee Composition of TelkomMetra Group by Educational Background

In the HR Demographic Table based on Educational level, Undergraduates dominated with 62.68% of the total employees at TelkomMetra Group. A total of 19.61% of HR Metra Group has a diploma degree (D1 - D3), where technical skills are needed to operate ICT devices that become the portfolio of TelkomMetra Group products and fulfill technical competencies in the e-Health, Medical Services and e-Health Services portfolio.

Employee Composition of TelkomMetra Group by Educational Background

No.	Name of Company	Total Human Resources of Metra Group 2019 by Educational Background												TOTAL
		S3		S2		S1/D4		D1 -D3		SMA/SMK		< SMA/SMK		
		Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	
1	Metra Holding	-	-	19	27%	50	71%	1	1%	-	-	-	-	**70**
	SBU Transportation	-	-	4	36%	7	64%	-	-	-	-	-	-	**11**
	SBU Logistik	-	-	4	57%	3	43%	-	-	-	-	-	-	**7**
	SBU MediaHub	-	-	-	-	5	71%	2	29%	-	-	-	-	**7**
	Metrasat	-	-	5	6%	56	67%	14	17%	9	11%	-	-	**84**
	SBU KSO Satellite	-	-	2	40%	2	40%	1	20%	-	-	-	-	**5**
	SBU Telkompajakku	-	-	-	-	2	67%	1	33%	-	-	-	-	**3**
2	Finnet	-	-	40	18%	135	60%	27	12%	24	11%	-	-	**226**
3	Telkomsigma Group	-	-	115	6%	1,529	74%	270	13%	141	7%	1	0%	**2,056**
4	Metraplasa	-	-	8	4%	163	82%	17	9%	12	6%	-	-	**200**
5	Admedika	-	-	45	4%	366	33%	592	53%	104	9%	1	0%	**1,108**
6	Infomedia	-	-	41	7%	468	79%	56	9%	26	4%	-	-	**591**
7	MD Media	-	-	20	6%	175	51%	27	8%	95	28%	28	8%	**345**
8	Nutech	-	-	3	4%	40	60%	10	15%	13	19%	1	1%	**67**
9	SSI	-	-	12	2%	300	44%	165	24%	211	31%	-	-	**688**
10	MDI	-	-	3	17%	15	83%	-	-	-	-	-	-	**18**
11	Bosnet	-	-	5	4%	103	87%	5	4%	3	3%	2	2%	**118**
12	Metranet	-	-	3	5%	45	76%	10	17%	1	2%	-	-	**59**
13	Melon	-	-	11	10%	75	66%	13	11%	15	13%	-	-	**114**
14	ILCS	-	-	14	9%	109	73%	21	14%	5	3%	-	-	**149**
15	Telkomtelstra	-	-	35	18%	154	79%	5	3%	1	1%	-	-	**195**
16	PINS	-	-	25	13%	146	73%	21	11%	7	4%	-	-	**199**
17	Telkomsat	-	-	28	17%	99	60%	33	20%	4	2%	-	-	**164**
18	TSGN	-	-	3	5%	38	69%	11	20%	2	4%	1	2%	**55**
19	Jalin	-	-	26	23%	84	75%	2	2%	-	-	-	-	**112**
	Total	**-**	**-**	**471**	**7%**	**4,169**	**63%**	**1,304**	**20%**	**673**	**10%**	**34**	**1%**	**6,651**



Total Human Resources of Metra Group 2019 by Educational Background

- S2
- S1
- D1-D3
- SMA/SMK & >SMA/SMK

Total Human Resources of Metra Group 2018 by Educational Background

No.	Name of Company	S3		S2		S1/D4		D1 -D3		SMA/SMK		> SMA/SMK		TOTAL
		Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	
1	Metra Holding	-	-	21	32.31%	43	66.15%	1	1.54%	-	-	-	-	**65**
	SBU Transportation	-	-	7	63.64%	4	36.36%	-	-	-	-	-	-	**11**
	SBU Logistics	-	-	3	50.00%	3	50.00%	-	-	-	-	-	-	**6**
	SBU MediaHub	-	-	-	-	3	60.00%	2	40.00%	-	-	-	-	**5**
	SBU Metrasat	-	-	13	11.40%	68	59.65%	20	17.54%	13	11.40%	-	-	**114**
2	Finnet	-	-	30	12.99%	146	63.20%	28	12.12%	27	11.69%	-	-	**231**
3	Telkomsigma Group	-	-	120	6.42%	1,443	77.17%	199	10.64%	106	5.67%	2	0.11%	**1,872**
4	Metraplasa	-	-	8	3.79%	168	79.62%	23	10.90%	12	5.69%	-	-	**211**
5	AdMedika	-	-	29	1.64%	621	35.20%	999	56.63%	114	6.46%	1	0.06%	**1,764**
6	MelOn	-	-	12	11.01%	87	79.82%	7	6.42%	3	2.75%	-	-	**109**
7	ILCS	-	-	8	8.51%	72	76.60%	13	1.83%	1	1.06%	-	-	**94**
8	Infomedia	-	-	60	9.72%	434	70.34%	91	14.75%	32	5.19%	-	-	**617**
9	MD Media	-	-	30	7.98%	261	69.41%	59	15.69%	26	6.91%	-	-	**376**
10	Metranet	-	-	1	1.72%	44	75.86%	11	18.97%	2	3.45%	-	-	**58**
11	TAS	-	-	31	16.76%	149	80.54%	5	2.70%	-	-	-	-	**185**
12	PINS	1	0.53%	23	12.11%	137	72.11%	22	11.58%	7	3.68%	-	-	**190**
13	Telkomsat	-	-	16	12.70%	83	65.87%	25	19.84%	2	1.59%	-	-	**126**
14	MDI	-	-	3	21.43%	11	78.57%	-	-	-	-	-	-	**14**
15	Nutech	-	-	2	3.39%	31	52.54%	8	13.56%	16	27.12%	2	3.39%	**59**
16	SSI	-	-	8	1.36%	258	43.80%	142	24.11%	181	30.73%	-	-	**589**
17	Jalin	-	-	18	22.78%	59	74.68%	2	2.53%	-	-	-	-	**79**
18	TSGN	-	0%	4	6.56%	41	67.21%	13	21.31%	2	3.28%	1	1.64%	**61**
	TOTAL	**1**	**0.01%**	**447**	**6.54%**	**4,166**	**60.96%**	**1,670**	**24.44%**	**544**	**7.96%**	**6**	**0.09%**	**6,834**

Training and Competency Development Program for Employees

TelkomMetra continues to hold training programs and develop employee competencies sustainably. The preparation of the training program and competency development is carried out through the process of identifying training needs using core competency analysis, an evaluation of Corporate Strategy, Business Strategy and Business Performance which is then reduced to Learning Blueprint.

The Telkom Group Organization (Learning Blueprint) competency development program is tailored to the Strategic Objective: "For 2022 Horizon is to pursue the DIGITAL future 2022" with a focus on matters relating to:

- Leadership & Professional
- Values & Belief
- IDN Technology
- Digital Business
- Ecosystem Solution
- Customer Experience
- Functional/Technical Skills

TelkomMetra Group's competency development is carried out both with the In-Class method and the Telkom University Corporate University (CorpU) digital learning method. For the second method, TelkomMetra teams up with Telkom Corporate University and the best Institutions in Indonesia in organizing the Leadership Development Program through the Metra Group Development Program which is implemented in stages starting from the officer level to the C-Level.

In supporting the Telkom Group to transform into "The King of Digital in the Region" in the spirit of "Digital, Lean, Customer Experience", the TelkomMetra Group conducts several competency development programs that specifically create work environments and digital business models and sustainable innovation.

Training and Competency Development Program for Employees
Specifically for the development of digital innovation in 2019, TelkomMetra Group teamed up with the Innovation Lab (Amoeba Academy) and the Enterprise Academy Telkom Group. The program was attended by 51 participants from various levels of positions in 16 TelkomMetra Group Subsidiaries that produced 18 digital business innovation proposals.

As a manifestation of TelkomMetra's management commitment to its Subsidiaries, TelkomMetra synergizes with Telkom Corporate University and the best institutions in Indonesia also carry out Leadership Development Programs through the TelkomMetra Group Development Program implemented in stages according to the level of the organization, namely:

1. TelkomMetra Group Manager Development Program: 25 Manager Participants from 16 Subsidiaries.
2. TelkomMetra Group Senior Management Development Program: 20 Participants of Senior Management from 10 Subsidiaries.
3. TelkomMetra Group Directorship Development Program: 11 Director Participants from 8 Subsidiaries.

In addition, subsidiaries are also given the freedom to conduct and manage their own technical competency development programs and service products for each company.

In accordance with the company's strategic policy regarding the Implementation of Shared Services within the scope of the TelkomMetra Group, for the management of the entire implementation of training activities and other matters in the field of HR which are administrative in nature are handled by PT Infomedia Nusantara which functions as the manager of the Shared Service Operation.
Throughout 2019, TelkomMetra Group has organized 635 training programs and employee competency development, which was attended by 2,898 people.

Total Trainings Based on Learnig Focus

Customer Experience	Digital	Smart Inorganic	Leadership	Culture
122	129	296	74	14

TOTAL TRANINGS > **635**

Cost of Investing Training and Competency Development for Employees

TelkomMetra has allocated funds of Rp2.3 billion for the development of competencies both at the TelkomMetra level as the parent company and at the subsidiary level.

Information on Corporate Website

As the implementation of good corporate governance in all business and operational aspects particularly in terms of information disclosure, TelkomMetra has provided official website, www.telkommetra.co.id.

Through this website, TelkomMetra publicizes a number of general information about the Company, such as Vision & Mission, Milestones, Management Team, TelkomMetra Group and Contact of the Company.

Unit Review
Business Support

Human Resources

HR Management Policy

TelkomMetra always strives to prioritize HR competency development programs. This is derived from TelkomMetra's awareness of the importance of having competent and reliable employees in supporting the realization of the company's vision and maintaining the continuity of TelkomMetra's business in the future. As a manifestation of implementing GCG principles and an inseparable part of the implementation of the overall business strategy of the Company, TelkomMetra has implemented a professional and transparent HR Management Policy that includes the design of an accountable recruitment system, periodic capacity building and capability enhancements, and other subjects in the HR field in order to create and produce high-quality and high-integrity TelkomMetra personnel.

Employee Demographics

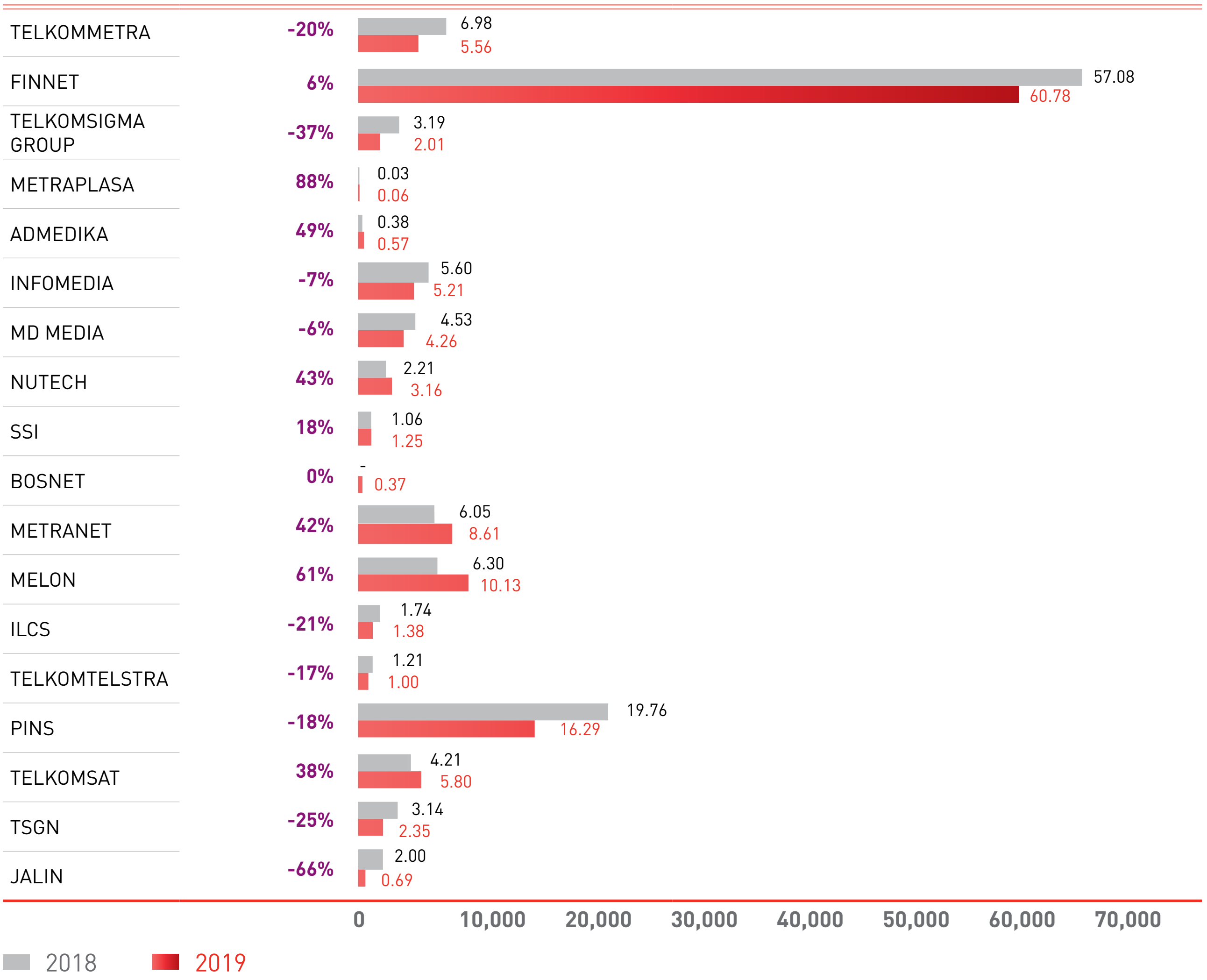
A full description of TelkomMetra's HR profile categorized by entity, age group and educational level has been reviewed in the Company Profile Chapter.

Human Resources Productivity

Organizational development and growth in the number of TelkomMetra Group's HR are in line with business development and the financial performance of the Company and its subordinate entities. TelkomMetra always ensures that the addition of employees will keep maintaining and even increasing productivity. The Company regularly measures productivity based on the Revenue and EBITDA parameters.

Revenue / Employee

(in billion Rupiah)

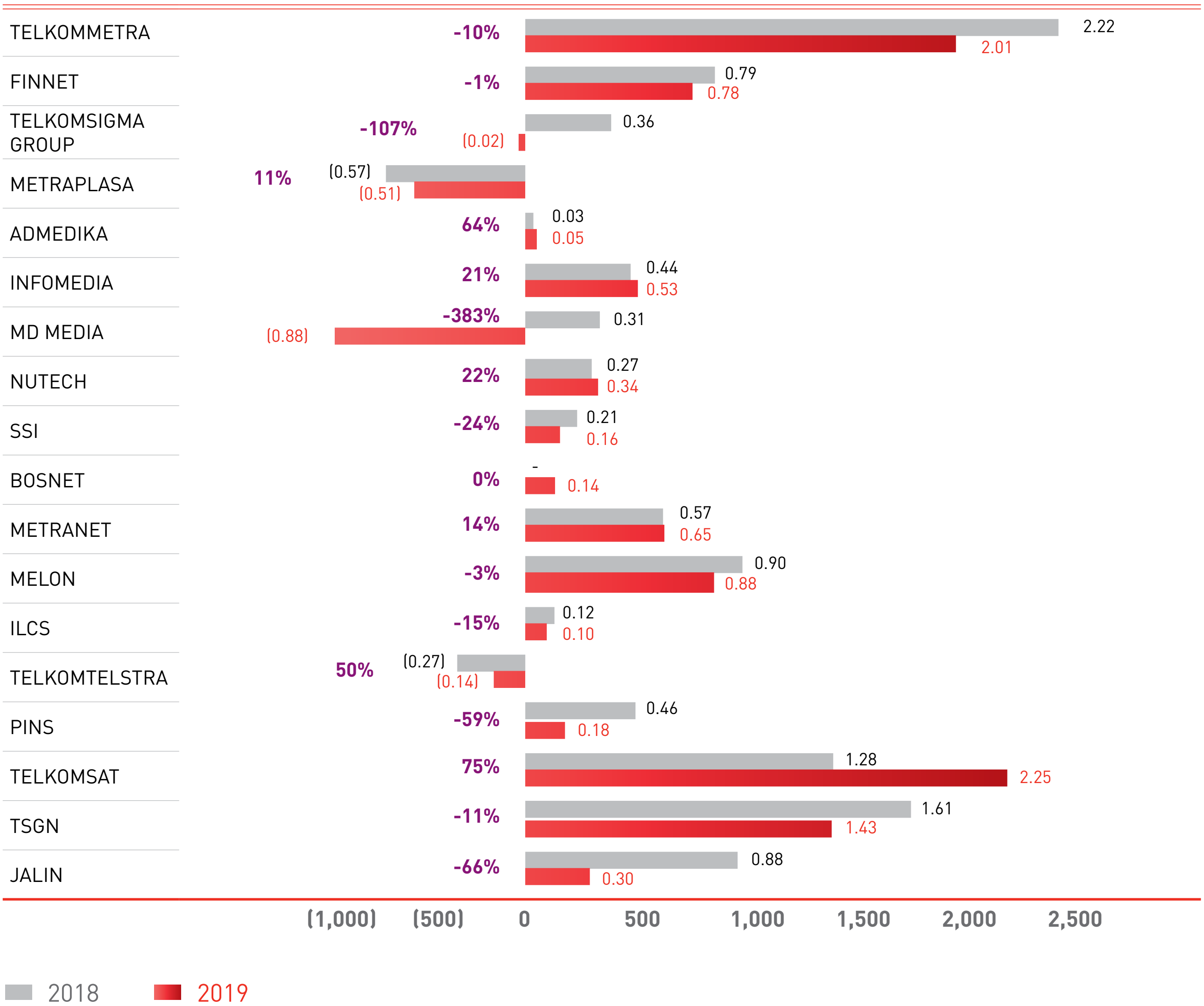


Employee productivity in generating income for the Company is reflected in the Revenue/Employee ratio. TelkomMetra recorded consolidated Revenue/Employee of Rp4.43 billion in 2019, dropped by 1% compared to 2017 which was Rp4.50 billion Revenue/Employee.

The productivity and effectiveness of human resources and the organization in operating can be reflected in the EBITDA/Employee ratio. TelkomMetra recorded consolidated EBITDA/Employee of Rp106 million in 2019, a decrease of 65% compared to Rp302 million EBITDA/Employee in 2018.

EBITDA / Employee

(in billion Rupiah)



Remarks
1. MDI is not included in the calculation of productivity because it is engaged in venture capital.
2. Metranet productivity figures are consolidated figures with MelOn Indonesia.

Strengthening and Activation of Corporate Culture Values

Basically, the Management supports TelkomMetra's journey towards Digital Culture which is also strengthened by the active role of culture agents consisting of business unit representatives through culture activation programs.

The formulation of TelkomMetra Culture Activation Program towards Digital Culture is based on external assessment (global issues) and internal assessment (Group's Vision-Mission & Strategic Objective) and Calendar Culture Activation of Telkom Group 2018 which are aligned with the uniqueness of TelkomMetra's Corporate Culture, thereby it can be formulated as follows:

1. **Digitalization**
   Constantly optimizing the utilization of digital media as an interactive means of communications, workflow digitalization, and dashboard monitoring system.
2. **Business & Innovation**
   Designing the development programs aligned with the business needs and propelling innovation while optimizing customer experience aspect.
3. **Employee Engagement**
   Increase employee engagement by providing opportunities for each employee to develop their potential.
4. **Continuous Improvement**
   Improving the effectiveness of the implementation of culture activation programs by taking assessment regularly through survey methods.

All culture activation activities within TelkomMetra Group are creatively and innovatively formulated by involving the highest leaders in the company. In addition, culture activation at TelkomMetra also optimizes the use of digital technology which aims at building 'agile ways of working' and creating a pleasant working atmosphere.

Culture activation activities of TelkomMetra do not merely instill Telkom Group cultural values, namely "Always The Best, SolidSpeed-Smart (3S), Imagine Focus Action (IFA)", but also emphasize on these values through the TelkomMetra tagline namely e-F3STIVAL (entrepreneurship, Focus, 3S (Solid, Speed, Smart), Trustworthy, InnoVation, Action and Learning).

Following is the culture activation journey during 2019:

CULTURE ACTIVATION 2019

JANUARY 01

1. **Strengthening culture values:** Telkom Way Quiz
2. **Healthy Living:** Brisk walking, Yoga & Zumba
3. **Innovation:** Fintech Innovation Pitching

FEBRUARY 02

1. **Strengthening culture values:** Culture Agent Onboarding, Leaders Talk - Get Eat Done
2. **Healthy Life Style:** Charity Funbike, Brisk walking, Yoga & Zumba
3. **New Way of Working:** Launching of Digital Meeting Room, No Plastic Campaign

MARCH 03

1. **Strengthening culture values:** Kickoff of Cultural Program 2019, New Change Agent Assignment Letter, Leaders Talk – Get Eat Done
2. **Healthy Life Style :** Briskwalking, Yoga & Zumba
3. **Worklife Balance:** Beauty Talk, Company Outing
4. **New Way of Working:** Earth Talk-Zero Waste Lifestyle, Launching of New Portal TelkomMetra

APRIL 04

1. **Strengthening culture values:** Leaders Talk – Get Eat Done
2. **Healthy Life Style:** Briskwalking, Yoga & Zumba
3. **Worklife Balance:** Kartini's Day

MAY 05

1. **Strengthening culture values:** Leaders Talk - Get Eat Done, Ramadhan Festive – Spiritual Shower, Fast Breaking, Anniversary of TelkomMetra
2. **Culture Heroes Competition:** As a contestant of Telkom Group's cultural competition.

JUNE 06

1. **Strengthening culture values:** Halal Bihalal - Idul Fitri, Leaders Talk Value - Get Eat Done
2. **Nationalism:** Celebration of Pancasila Sancity Day
3. **Healthy Life Style:** Briskwalking, Yoga & Zumba
4. **Culture Heroes Competition:** As a semifinal contestant of Telkom Group's culture competition, Boothcamp Innovation Program of TelkomMetra Group

JULY 07

1. **Strengthening culture values:** Leaders Talk Value - Get Eat Done, Farewell Party of the Board of Directors
2. **Worklife Balance:** Kids Go to Office
3. **Healthy Life Style:** Briskwalking, Yoga & Zumba
4. **New Way of Working:** Launching New office Strategic Business Unit, METRA's Campaign Social Media
5. **Innovation:** From Customer Pain to Innovation' Workshop of TelkomMetra Group

AUGUST 08

1. **Strengthening culture values:** Leaders Talk Value - Get Eat Done, Sharing Sesion 'Corporate Culture in Digital Era' TelkomMetra Group
2. **Innovation:** Sharing Session on Innovation TelkomMetra Group
3. **Nationalism:** Independence Day Celebration
4. **Healthy Life Style :** Briskwalking, Yoga & Zumba

SEPTEMBER 09

1. **Strengthening culture values:** Leaders Talk Value - Get Eat Done, Thought Leadership TelkomMetra Group
2. **Innovation:** Business Innovation Coaching
3. **CSR :** Participants of Telkom's program 'Ayo Bikin Nyata' (Let's Make it Real)
4. **Healthy Life Style:** Briskwalking, Yoga & Zumba

OCTOBER 10

1. **Strengthening culture values:** Leaders Talk Value - Get Eat Done
2. **Innovation:** Business Innovation Coaching
3. **Nationalism:** Pancasila Day Celebration, Youth Pledge Day Celebration, Batik Day Celebration.
4. **Healthy Life Style:** TelkomMetra Group Funbike, Briskwalking & Badminton , Yoga & Zumba
5. **New Way of Working:** Zero Waste campaign
6. **CSR :** Donation for Schools

NOVEMBER 11

1. **Strengthening culture values:** Graduation & Innaguration Party
2. **New Way of Working:** Zero Waste Lifestyle - Upcycle Plastic Toothbrush
3. **Healthy Life Style:** Futsal Competition, Briskwalking, Yoga & Zumba

DECEMBER 12

1. **Mothers Day:** Woman's Talk Show 'Self Healing'
2. **Healthy Life Style:** Futsal Competition, Briskwalking, Yoga & Zumba

Training and Competency Development

A full description of training and development costs, as well as a list of training and development activities that have been attended by Management and TelkomMetra employees throughout 2019 has been mentioned in the Company Profile Chapter.

Talent Management and Career Committee

Every year, TelkomMetra Group conducts talent management by selecting 20% of the best employee candidates from each position level through a tiered selection process, starting from the subsidiary level, TelkomMetra Group, to the Telkom Group. Specifically for talent management from Band I and II level employees is carried out by Telkom Indonesia, while Band III talents and above are managed by each subsidiary.

Talent management in TelkomMetra Group is carried out by running the Telkom Group Leadership & Talent Development Program, the Great People Managerial Program (GPMP) and the Great People Development Program (GPDP).

Meanwhile, other development programs are carried out through Talent Coaching, Individual Development Plan and the Metra Group Development Program. To find out the progress made by each program, every quarter, both internal and external coaches evaluate the progress of the talent competencies. Furthermore, based on the results of the assessment, talents with superior competence will get top priority in occupying strategic positions in the Telkom Group.

Competitive Advantage of HR Management

To ensure the effectiveness of the HR in the company, Telkom Group conducted an employee survey in which TelkomMetra Group also participated. The results of the Employee Engagament Survey will be used by TelkomMetra Group in determining priorities for improvement aimed at increasing employee engagement and comfort while working at the TelkomMetra Group.

TelkomMetra always strives to maintain the work life balance of all its employees. To realize this, throughout 2019, TelkomMetra has carried out a number of programs/activities that involve the participation of all employees including the Board of Directors, among others:

1. Employee Family Gathering which engaged all employees and the Board of Directors
2. Employee Medical Check-Up for early identification of disease or illness possibly suffered by employees.
3. Health Talk Program which was held 2 times in collaboration with several hospitals and health institutions in Jakarta.
4. Provision of sport facilities, such as yoga, zumba, and other sport activities.
5. Get Eat Done, an internal activity to get company updates from the Management.

HR Focus Development Plan for 2020

To deal with the 4.0 industrial revolution that capitalizes on technological advancements, TelkomMetra seeks to improve its human resource capabilities. This needs to be done on an ongoing basis. Therefore, the employees are able to master technology and improve the analytical skills needed by the Company.

Therefore, TelkomMetra has set the focus of HR development in 2020, namely:

1. Buidling leadership spirit for generations of TelkomMetra Group to produce talented leaders in digital industry era.
2. Ensuring capabilities to develop new digital business model and developing the existing business model.
3. Developing technical competency to provide services and new product solutions in order to create a new opportunity in the market.
4. In depth of capabilities to utilize Big Data as a tool for market behavior and customer satisfaction analysis.

Information Technology

Information Technology Policy

The role of TelkomMetra's ICT Corporate & Advisory as an enabler always supports the Telkom Group's Vision and Mission, in order to ensure business continuity in the future and contribute to increase the Company's value proposition. The duties of ICT Corporate & Advisory include manage and develop ICT facility services for TelkomMetra, provide advisory for SBUs and TelkomMetra's subsidiaries in the ICT domain.

In 2019 the themes chosen by ICT Corporate & Advisory to carry out their duties among others the socialization of digitizing business processes (Digital Mindset Changes), simplification and automation of business processes (Simplified Automated Process), and updating new technologies according to priority scale and corporate resource capacity (affordable new technology).

In principle, TelkomMetra regularly continues to make efforts to improve the implementation of IT Governance, by always considering components that may support the achievement of the process, such as updating IT Governance and SOP on an ongoing basis in accordance with current needs and technological trends.

Achievement in 2019

In 2019, the IT Unit has succeeded in realizing a number of programs in IT, including:

1. ICT Corporate

ICT Corporate has the role in providing ICT services and facilities for internal TelkomMetra (including SBUs). This year, the Corporate ICT Department has realized a number of Corporate ICT activities, namely:

a. Modernization and optimization of corporate e-mail.
b. Migration to e-mail Office 365
   - Communication & Collaboration: Teams Video Conference
   - Share Active Document & Share Folder by One Drive
   - Digital notes and MoM utilizing One Note
c. Go Live Intranet Portal & Digital Invitation
   - Meeting Room Online Booking
   - Digital Meeting Attendance Registration
d. Provision of IT infrastructure for the SBUs office at the TLT Building 22nd floor.
e. Development of SAP's Single ERP Integration with Telkom's Zinterco Program.
f. Development of MediaHub Dashboard Integration API.
g. Daily operational support, maintenance & change requests for hardware, software & network within TelkomMetra, with an average of requests per month reaching approximately 153 IT support requests.

2. ICT Advisory

ICT Advisory has an important role in strengthening ICT in SBU and TelkomMetra's Subsidiaries by providing comprehensive advice and assistance. In addition, ICT Advisory also acts as a new business enabler or technology solution. Hereunder some examples of activities that have been carried out in 2019:

a. Provision of advisory solutions for the development and implementation of SAP Roll Out Single Enterprise Resources Planning (ERP) for Bosnet and Collega.
b. Provision of advisory solutions for the development and implementation of SAP Single ERP COPA Module.
c. Provision of advisory solutions for the development and implementation of the SAP Single ERP Treasury Management Module.
d. Development of SAP Billing and Invoice Program for Metra Holding & SBU.
e. Provision of advisory IT solutions for PDAM Tirtanadi, North Sumatra.
f. Provision of advisory and support for the 2019 IT Audit process.

Focus on the Development of Information Technology in 2020

The Company continuously evaluates and develops IT service facilities to support the digitization process of the Company's business processes, in order to increase the Company's value proposition. Therefore, the IT development programs in 2020, among others:

1. ICT Corporate

a. Development of Business Process Management Program.
b. Optimization and continuous development of the company's business process digitalization program.
c. Implementation of ERP System Integration with IFRS Systems 16 & 9.
d. Implementation of Metra Holding Financial Management Dashboard System.
e. IT Governance & Compliance.

2. ICT Advisory

a. Implementation of Single Roll ERP in TelkomMetra subsidiaries.
b. Implementation of Single ERP Module.
c. Continue as Enabler in New Business Opty.

Management Discussion and Analysis

Macroeconomic Review

In 2019, global economic conditions were very challenging and slowing down to the lowest point since the global finance crisis, due to a trade tension between America and China, Britain's exit from the European Union and other factors that could reduce investor confidence.

Slowing global economic growth affected the development of the domestic economy and had an impact on various industrial sectors.

At the end of 2019, national economic growth stood at 5.02%, down 3% compared to 5.17% in prior year. However, Indonesia's economic growth was still higher compared to other ASEAN countries such as Malaysia, Thailand and Singapore. The inflation rate reached 2.72% which remained the lowest figure since the last 10 years, while the exchange rate of the Rupiah against the United States Dollar reached Rp13,945. (Source of Bank Indonesia).

Industry Review

According to IDC, the spending on Information and Communication Technology (ICT) was estimated to reach Rp465 trillion in 2019 dominated by hardware spending especially for enterprises (large companies) such as cloud storage, services, consultants, and resources. Provider services and technology infrastructure development were also in demand by businesses since some companies needed assistance of digital transformation.

As in previous years, Indonesia was still ranked fourth in terms of ICT infrastructure after Singapore, Malaysia and Thailand. This was due to underdeveloped ICT infrastructure in Indonesia. To reduce the telecommunications infrastructure gap while supporting the expansion of digital access in Indonesia, the government has completed a Palapa Ring optical cable infrastructure development project in western, central and eastern Indonesia. This effort was part of the Government's commitment to catch up with Indonesia's ICT rankings in Southeast Asia. (Source: Ministry of Communication and Information).

Operational Review

Development of SBUs in TelkomMetra Group

The Company has five SBUs namely SBU Metrasat, SBU MediaHub, SBU Logistics, SBU Transportation and SBU Telkompajakku with the business scope, as follows:

- SBU Metrasat (Metrasat) as a service provider of end-to-end solutions in the field of Satellite Data Access Services.
- SBU MediaHub (MediaHub) as a broadcast service provider, content aggregation and ad inventory for the PayTV cross-platform in the broadcasting industry.
- SBU Logistics (Metra Logistics) as a provider of Light Asset Logistic Player (4PL) and play an active role in the development and implementation of Farmer Logistics.
- Transportation SBU (Metransportation) as an intermodal platform provider for developing Transportation as a Service and Intelligent Transportation System solutions.
- SBU Telkompajakku as a provider of taxation application services with an official license from the Directorate General of Taxes (DGT).

As the parent of the TelkomMetra SBUs, the Company seeks to optimize the role of each Directorate within the TelkomMetra Group as part of its role to ensure the achievement of the initiatives and objectives of the SBUs. Each SBU continues to develop its capabilities, products, and markets through the synergy with internal and external parties of the Telkom Group.

Business Portfolio Review

Strategic Business Unit (SBU)

Metrasat

metrasat

Established in 2005, Metrasat is a TelkomMetra Strategic Business Unit engaged in end-to-end solution services in the field of Satellite Data Access Services. As a satellite-based network provider, Metrasat is able to contribute to the development and distribution of national telecommunications infrastructure. At present, Metrasat service is divided into 14 regions and has succeeded in building more than 10,000 points in regions throughout Indonesia as well as several points in foreign countries. In carrying out the mission to participate in the development of national telecommunications, Metrasat will continue to strive to be a dynamic, flexible and qualified supporting telecommunications industry.

In 2019, Metrasat recorded revenues of Rp899.4 billion, dropped by 29.3% from Rp1.3 trillion revenues in 2018. In terms of EBITDA, Metrasat posted a decrease of Rp357.3 billion, down by 23.5% from Rp467.2 billion EBITDA in 2018. Meanwhile in 2019, Metrasat recorded a Net Income of Rp178.9 billion, a deceleration compared to Rp258.9 billion Net Income in 2018. The decrease was caused by consolidation of Metrasat services to Telkomsat.

The following table is Metrasat's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	YoY	CAGR
Revenues	**899,397**	1,272,892	1,693,445	-29.3%	-27.12%
EBITDA	**357,323**	467,399	463,399	-23.5%	-12.19%
Net Income	**178,906**	258,850	223,809	-30.9%	-10.59%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Connectivity – VSAT IP	# Member	**17,091**	18,010	16,708
Consumer Broadband	# Member	**3,501**	3,772	2,763

MediaHub

Since becoming a new Strategic Business Unit (SBU) under TelkomMetra as of January 1, 2018, MediaHub has gradually built and expanded its business portfolio, i.e. (i) Pay TV Advertising Cross Platform, (ii) Content Service and (iii) Broadcast Service by maximizing the potential of resources with background experience in broadcast operations.

As a One Stop Broadcasting Service that functions as an intermediary between content providers and content platforms that need to improve process efficiency and reduce costs by localizing content and integrating with ad inventory providers, MediaHub provides solutions that are not only cost efficient but also a transparent and controllable business processes.

In 2019, SBU MediaHub succeeded in recording revenues of Rp29.3 billion, an increase of 97% compared to Rp14.9 billion in 2018. This was followed by an increase in EBITDA & Net Income which also recorded a significant increase of Rp6.2 billion and Rp4.3 billion, respectively, which was previously negative Rp7 billion, and negative Rp5 billion. This was contributed by the success of the SBU MediaHub in the content provider and content platform business. During 2019, SBU MediaHub succeeded in obtaining a project with MOLA TV to manage 4 MOLA TV channels and succeeded in adding ad inventory from the "top of mind" channel, the Sony Group.

The following table is MediaHub's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	YoY
Revenues	**29,274**	14,890	96.6%
EBITDA	**6,259**	(7,375)	184.9%
Net Income	**4,259**	(5,370)	179.3%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Spot Sold	Spot	**12,549**	8,990	3,446
# of Channel Acquisition	#Of Channel	**2**	2	2
# of Broadcast Service	#Of Channel	**5**	2	1

Metra Logistics

Metra Logistics was established on January 1, 2018 with the business aim of developing business, applications and platforms in the national logistics ecosystem, with the concept of 4PL LALP (Light Asset Logistics Player). Throughout 2019, Metra Logistics established strategic partnerships, among others:

- Initiation with the Local Government of Bali in terms of Control Tower for Marketing and Utilization of Bali Local Products.
- Initiation with PT Permodalan Nasional Madani (PNM) in terms of the Rural e-Commerce Concept.
- In collaboration with Palm Oil Mill of PT Daya Abadi Trans in terms of Managed Distribution Operation of Marketplace Truck Capacity B2B Lontar (Cargo Owner).
- Go Live piloting Bosnet Taking Order for the Jakarta-1 and Jakarta-2 Branches on the KFTD (Kimia Farma Trading & Distribution) Digitalization project.
- Signing of a Memorandum of Understanding with Bangun Bantala Indonesia in the construction of a 4.0 Distribution Platform for Building Materials.
- In collaboration with Finnet Indonesia in terms of Provision of Internet Payment Gateway Services for Online Payment Reception on the Online Channel Metralog.

The following table is Metra Logistics's operational matrix for the past three years (2017-2019).

Operational Matrix

Key Driver	Unit	2019	2018
Tonnase Trucking - SMBR	Tonnase	**321,117**	65,396
Nominal Transaction – Lontar	Rp	**3,478,409,000**	3,257,677,397
Customer – DJOIN	Customer	**30**	-
Customer Enterprise - AGREE	Customer	**3**	2

*) KFTD Project and D'Sekolah Project were not recorded

Metransportation

Metransportation was established on September 5, 2017 based on the Decree of the Board of Directors of TelkomMetra No.006/KD-1/IX/2017 concerning the Organizational Structure of TelkomMetra, ICT Transportation & Services Division, with the mission of supporting Telkom to become the market leader in Intelligent Transport System (ITS) in Indonesia, as a stepping stone to realize Transportation Digitalization, as well as achieving potential revenue of Rp2.4 - Rp3.7 trillion in 2025.

During 2019, Metransportation carried out several strategic initiatives, among others:
- The launch of FENITA product.
- Signing of agreement and Service Implementation of FENITA in 783 vehicle units of PT Swadharma Sarana Informatika (SSI).
- Implementation of Support Counting and Dashboard Work for the 2019 Lebaran Period at the rest area of PT Jasa Marga (Persero) Tbk.

The following table is Metransportation's operational matrix for the past three years (2017-2019).

Operational Matrix

Key Driver (accumulative)	Unit	2019	2018
Product Development	Product	1	-
Solution Development	Solution	2	-

Telkompajakku

Launched in December 2018, Telkompajakku is a collaboration between TelkomMetra and Mitra Pajakku, an application service provider in e-Invoice and host-to-host that holds an official license from the Directorate General of Taxes. Telkompajakku has been designed with technology that can facilitate host-to-host connectivity between the company's ERP platform and the server of tax payment reporting provider.

In 2019, the users of the Telkompajakku service have increased, with the implementation of the e-Tax Invoice H2H in a number of TelkomMetra Group subsidiaries, and 5 (SOEs) which include Perum Jasa Tirta II, PT Wijaya Karya (WIKA), PT Bio Farma (Persero) and PT Telekomunikasi Selular (Telkomsel), PT Pelabuhan Indonesia 1 (ongoing).

Some strategic initiatives carried out by Telkompajakku throughout 2019, among others:
- In collaboration with the Directorate General of Taxes to continue the development of Tax Data Integration, including through Forum Group Discussion (FGD) for the acceleration and effectiveness of the Tax Data Integration Program.
- Organized a SOE Tax Forum to support the Hard Selling process, create Brand Awareness within the scope of SOEs, SOE Subsidiaries and SOE Partners.
- Conducted socialization and education on the importance of participation in the digital taxation ecosystem.
- Initiated MOU & agreements to conduct joint development programs with the ICT Team of Directorate General of Taxes in Central Office to accelerate and facilitate the Tax Data Integration process.

Customer Facing Unit (CFU) Enterprise

The Company carries out Shareholder and Parenting functions for 12 companies of TelkomMetra Group within CFU Enterprise as follows:

- Telkomsigma is engaged in ICT particularly in integration system, data center and cloud services.
- AdMedika, provider of services covering health claim management, health information system and health service provider.
- MD Media is provider of integrated advertising services, from creative concept, media placement, execution, to activation.
- Finnet is e-Payment portfolio administrator.
- Nutech as provider of integration system in transportation.
- Infomedia is engaged in Business Process Management (BPM) industry.
- Telkomtelstra provides network, security and infrastructure management services in cloud computation.
- SSI is engaged in maintenance and installation of ATM banking network services.
- ILCS is ICT total solution provider company for all the logistic communities.
- PINS is engaged in business of device, network, system, and process integration and Internet of Things service.
- Telkomsat is engaged in facilities and operator of Satellite Communication System Service.
- Jalin is Interbank Switching service provider.
- Bosnet is System Integration Logistics provider.

Telkomsigma

PT Sigma Cipta Caraka or Telkomsigma is an Integrated ICT (Information Communication & Technology) Solution company in Indonesia with a business portfolio that includes System Integration, Data Center and Managed Service. Since joining in the Telkom Group in 2008 with 88% ownership, Telkomsigma continues to provide various innovative ICT-based products and services with the latest technology in line with business needs. Telkomsigma has become the strategic partner of choice in supporting the growth of client's business which is reflected in the number of loyal customers that continues growing from year to year. In 2019, Telkomsigma undertook several strategic initiatives, including establishing further synergies with PT IBM Indonesia, and increasing IT facility support for the business development of PT BPD Kaltim Kaltara.

In 2019 Telkomsigma's performance was slowing, with revenues recorded to decline by 30.4% from Rp6.0 trillion in 2018 to Rp4.2 trillion. Meanwhile, Telkomsigma also posted a Net Loss of Rp1.3 trillion in 2019, while in the previous year it posted a Net Income of Rp21.3 billion. The decline in performance was mainly derived by projects with dominant low margins contributed by the System Integration portfolio, while portfolios containing Recurring projects such as the Data Center and Cloud was prone to be stable.

The following table is Telkomsigma's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**4,157,583**	5,977,330	5,428,276	-12.5%
EBITDA	**(117,640)**	676,359	624,332	-210.2%
Net Income	**(1,329,029)**	21,317	172,976	-37.7%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Total Client SI	# Client	**417**	282	296
Total Usage Data Center	Sqm	**9,374**	8,657	7,388
Storage Usage VM & VDC	000 GB	**39,921**	30,851	22,693

AdMedika

Established in 2002 and became a part of TelkomMetra Group in 2010, AdMedika has 3 (three) business portfolios, namely e-Health (e-Claim), Health Services, and Medical Devices. AdMedika serves millions of members with a variety of services from health claims management services, health information systems, to emergency assistance. AdMedika's EDC infrastructure network has spread through thousands of health service providers throughout Indonesia both for HR in the Telkom Group, as well as private companies and SOEs.

AdMedika acts as a provider of e-Health solutions through e-Claim services that provide value added health insurance companies for its customers. In 2019, AdMedika posted revenues of Rp633.3 billion, a 6% decrease compared to Rp675.5 billion in 2018. EBITDA saw an insignificant increase of 2% to Rp65.5 billion from Rp64 billion in 2018, and Net Income decreased by 1% from Rp28.8 billion to Rp28.4 billion. This was due to the decrease in the dominant margin contributed by TelkoMedika, namely in the PMS (Provider Management Service) portfolio, and also Non-Core AdMedical portfolios such as Medical Devices.

AdMedika as a leader in the market continues to build its competitiveness through digitization, one of which is the successful bridging of AdCPS (Admedika Claim Processing System) and Hospitals, thereby increasing the efficiency of the claim management process and strengthening the health information system developed by AdMedika.

The following table is AdMedika's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**633,261**	675,521	576,263	4.8%
EBITDA	**65,459**	63,961	70,093	-3.4%
Net Income	**28,441**	28,805	36,755	-12.0%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Member eClaim Private*	# Member	**4,691,1507**	4,062,701	3,813
Member eClaim BUMN	# Member	**434,563**	415,568	327
Provider HySis	# Member	**145**	126	78

* Not measured as an Operational Matrix

MD Media

Founded in 2013, MD Media is the result of a restructuring of Infomedia that engages in the Media and Advertising business. MD Media has 3 (three) business portfolios, namely Integrated Digital Media, Digital Printing, and Digital Advertising Agency. MD Media provides comprehensive services ranging from creative concepts, media placement, execution, to activation. Throughout 2019, MD Media launched MDMAX to provide full service ads by combining Media, Activation & Creative, in collaboration with KADIN Central Java and SMN, in developing Digital Marketing and in collaboration with Positium (Estonia) for Outbound Tourism Project & Local Tourism Products Platform.

In terms of operational, MD Media has transformed its subsidiary, PT Balebat Dedikasi Prima (Balebat). Balebat, which originally focused on the printing and publishing of the White Pages and Yellow Pages Telephone Directory Book, has now successfully transformed its business by launching a printing business for packaging, commercial and security.

In 2019, MD Media recorded revenues of Rp1.5 trillion, down 10.7% from the previous year. In addition, MD Media also booked a negative EBITDA of Rp310.5 billion, while in the previous year it recorded a positive EBITDA of Rp117.7 billion, and Net Income also declined to a negative Rp524.7 billion, which was previously a positive Rp10.8 billion. This decrease was also the impact of the implementation of the new IFRS and unstable investment spending in 2019, all of these has an impact on several "Mega Projects" that were cancelled, in addition to the tariff adjustments between Telkom Group in several portfolios, such as SMS Broadcast, a design business which is a part of TelkomMetra Group's contribution in enhancing Telkom Group's synergy value.

However, MD Media continues to strive for transforming and innovating to develop business portfolios in order to anticipate competition in the future.

The following table is MD Media's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**1,522,975**	1,705,598	1,404,115	4.1%
EBITDA	**-310,483**	117,727	111,287	-126.3%
Net Income	**-524,666**	10,751	16,215	-1,111.9%

Operational Matrix

Key Driver	Unit	2019	2018	2017
DooH – Inventory Slot	Slot	**281**	687	928
Traffic SMS	Million SMS	**3,230**	2,049	714
Client Agency	# Client	**145**	151	86
Client Data Analytics	# Client	**24**	9	3

Finnet

Founded on December 31, 2005, Finnet is an e-Payment provider, consisting of 3 (three) portfolios, namely Bill Payment Aggregator, Electronic Payment Platform and Online Payment Solution. Finnet focuses on providing solutions for financial transactions of various business entities through innovative products and digital payment services. So far, Finnet is the largest contributor within the TelkomMetra ecosystem and is always committed to becoming the "Main Accelerator of Indonesian Financial Inclusion" in line with the Vision of Finnet Indonesia. Throughout 2019, Finnet conducted live projects of Taspen, ASDP, Fintech Solution for JKN BPJSKS (National Health Security) and payment of Tax and Non-Tax State Revenue (PNBP), and Samsung's live project for Disbursement Incentive solutions and Income Tax payments.

In terms of financial performance, Finnet recorded operating revenues of Rp13.7 trillion in 2019, up 4.2% compared to Rp13.2 trillion in 2018. This increase was due to the enrichment of the aggregator business model through pricing strategy by lowering margins to increase gross revenue, but it had an impact on decreasing net revenue, while Finnet also managed to run TASPEN and MyPertamina live projects which contributed to the company's revenue increase.

Throughout 2019, Finnet's EBITDA was recorded at Rp178.7 billion, down 2.5% from Rp183.2 billion in 2018. This was also due to the change in the Postpaid Tsel business scheme in which fees fell by 30% as of May 2019, the transfer of management of the Himbara Link settlement and the transfer of management of the prepaid Tsel switching aggregator of private banks to Tiphone. In addition, in 2019 Finnet's Net Income was recorded at Rp92.0 billion, up 6.6% from Rp86.3 billion in 2018.

The following table is Finnet's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**13,737,047**	13,186,220	13,038,663	2.6%
EBITDA	**178,652**	183,193	224,334	-10.8%
Net Income	**92,005**	86,277	120,802	-12.7%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Bill Payment Aggregator	Thousand Trx	**497,290**	658,441	762,516
Electronic Payment Platform	Thousand Trx	**6,461**	270,549	302,403
Online Payment Solution	Thousand Trx	**9,889**	5,969	3,369

Nutech

Founded in 2006, Nutech carries out business activities in the field of System Integrator in Information & Communication Technology (ICT) - Transportation. In December 2017, Nutech was acquired by the Company with a 60% stake. The acquisition of Nutech aims at strengthening the Company's core transportation industry and support Telkom's mission as a market leader in providing ICT transportation solutions. During 2019, Nutech has developed new products, including:

- Bus queuing system - Soekarno Hatta International Airport.
- Ticketing System - ASDP Indonesia Ferry.
- Sea toll application.
- Disaster Early Warning System.

Nutech contributed revenue to TelkomMetra amounting to Rp212.1 billion, an increase of Rp130.9 billion from the previous year. In addition to an increase in revenue stemming from the KAI Group (the largest customer), the increase in revenue was also driven by the Ticketing project at ASDP which was completed.

In terms of EBITDA, Nutech posted Rp22.8 billion, up 24.8% from Rp18.2 billion in prior year. This was mainly due to an increase in income as explained previously.

Meanwhile, Net Income stood at Rp12.3 billion, up 93.5% from Rp6.4 billion in prior year. This was due to the increase of 62% in the Company's revenue, which focused on higher margins, thus impacting the increase in net income margin to 6% from 5% in the previous year.

The following table is Nutech's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**212,091**	130,904	78,018	64.9%
EBITDA	**22,826**	18,284	9,668	53.7%
Net Income	**12,323**	6,368	5,179	54.2%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Product Development	Unit/Lot	9	6	4
Conversion of Contract to Revenue	%	96.10%	95.00%	90.00%
Fulfillment of SLA	%	99.50%	99.50%	99.50%
Customer Satisfaction	%	89.97%	87.56%	N/A
Acquisition of New Customers	Customers	7	5	3

Infomedia

Infomedia is engaged in the Business Process Management (BPM) industry which was officially becoming part of the TelkomMetra Group since it was taken over by the Company in 2009. Within the scope of the TelkomMetra ecosystem, Infomedia acts as the operator of 4 (four) business portfolios, namely Customer Relationship Management (CRM), Business Process Management (BPM), Business Process Analytics as a Service (BPAaaS) and IT Service Management (ITSM). During 2019, Infomedia launched several new services such as Community Service "175 Tanya BPJSTK", Volvo CE & SDLG Indonesia Contact Center, Emergency Call Center 112 "Papa Sadar Bana", Telkom Group Shared Service Operations (SSO) Center, and Bandung Application Support (BEAS). In addition, Infomedia also secured large projects, namely the District/City Service Unit Management of BPJS Employment valued at Rp49 billion and Pertamina's Customer Care Center (C3) 135 valued at Rp47 billion.

In 2019, Infomedia managed to record revenues of Rp3.1 trillion, down 11% compared to Rp3.5 trillion in 2018. Of the four business portfolios owned by Infomedia, CRM was the main revenue contributor with a share of more than 456% contributed by Telkomsel's Inbound, TAM Consumer, and Telkom 147 services.

In terms of Net Income, Infomedia recorded an increase of Rp23.8 billion, up from Net Income of Rp7.9 billion in previous year. This was because of Infomedia's focus on core business in 2019, in addition to cost leadership programs that Infomedia has successfully run throughout the year such as site and Jarkom efficiency, interest cost efficiency and additional marketing efficiency programs.

Moreover, Infomedia is currently focusing on developing CRM On 4 and Calista (Omnichannel) and delivering value creation to the customers.

The following table is Infomedia's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**3,073,792**	3,455,023	2,907,224	2.8%
EBITDA	**302,313**	272,519	83,606	90.2%
Net Income	**23,784**	7,907	-124,906	139.7%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Traffic - Digital CRM	Traffic	**17,856,697**	11,479,423	7,545,721
Seat ITSM	Seat	**471**	536	465
Traffic - ESS	Traffic	**770,241**	515,267	-

TelkomTelstra

telkomtelstra

Founded in 2014 by two companies, namely Telkom Indonesia and Telstra Corporation Limited (Telstra), Telkomtelstra manages customer premise equipment, to network infrastructure. Telkomtelstra's portfolio includes the design, installation, management, maintenance and optimization services for private IP data networks, including those related to WAN, LAN, WLAN and Optimal WAN. Telkomtelstra plays the role as a Managed Network Services (MNS) service provider. During 2019, Telkomtelstra launched several new services, namely IndiHub, a UC&C (Unified Communication & Collaboration) service that is flexible with scalability and designed according to the needs of smart workplaces, as well as Professional Services (internal launch) for Security Consulting and Cloud Consulting services. In addition, Telkomtelstra also secured Mega Deal projects for Alfamart (SDWAN), Amartha (Digital Customer Engagement), Acura Labs (Penetration Testing), and FIF Group (SDWAN).

In terms of financial performance, in 2019, TelkomTelstra recorded revenue of Rp195 billion, down from revenue of Rp206 billion in 2018. Over the past three years (2017-2019), Telkomtelstra has still posted losses due to the following:

- The company's focus to work on healthy projects, and not on CPE once-off projects (small margins and need financing);
- Challenges to work on projects that require financing due to the company's cash position;
- Inadequate sales from the company's sales channel;
- Delay of budget absorption in the public sector due to general elections; and
- Decreased revenue achievement from IGDC due to restructuring in Telstra.

In 2019, TelkomTelstra recorded an EBITDA of Rp-34.7 billion, up 26.7% from EBITDA of Rp-47.4 billion in 2018. This was caused by a decrease in revenue which was offset by better profitability and significant budget savings from OPEX. In addition, in 2019 Telkomtelstra booked a Net Loss of Rp105.2 billion, down 79.4% from the previous year's Net Loss of Rp58.7 billion, due to better EBITDA.

The following table is TelkomTelstra's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**195,171**	206,052	208,943	-3.4%
EBITDA	**-34,730**	-47,402	-37,165	-3.3%
Net Income	**-105,218**	-58,654	-37,757	66.9%

Operational Matrix

Key Driver		Unit	2019	2018	2017
MNS	Site	# Site	**29,518**	21,876	13,885
MNS	Customer	# Customer	**114**	113	112

Swadharma Sarana Informatika (SSI)

Founded on May 15, 1996, SSI carries out business activities in the field of maintenance services and installation of banking automation network, especially Bank BNI which later developed in the area of maintenance and repair of ATM machines. SSI is expanding its business in ATM money charging and money pickup and processing services or Cash in Transit.

On April 2, 2018, SSI was acquired by the Company with 51% share ownership. The takeover of SSI aims at strengthening the core of TelkomMetra's banking and finance industry and supporting Telkom's mission as a market leader in providing end-to-end banking & finance solutions.

In 2019, SSI added a Cash Pick Up & Delivery service to UN agencies (IOM - International Organization for Migration) and secured several new customers, namely Bank BCA, Bank Syariah Mandiri, MayBank, and Artha Graha. SSI contributed revenue to the Company amounting to Rp.864.5 billion, an increase from the previous year which amounted to Rp823.3 billion. This was due to the increasing number of ATM managed and handling Telkom projects through Telkom DES channeling.

In terms of EBITDA and Net Income, SSI posted a decrease of 17.5% to Rp111.9 billion for EBITDA and Net Income stood at Rp53.6 billion or decreased by 33.9% compared to the previous year. This was due to the efficiency of the HIMBARA Banks which had an impact on the adjustment of ATM management service fees, on the other hand operational costs continue to increase each year (in an effort to efficiently maintain the SLA in accordance with customer requirements).

The following table is SSI's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**864,476**	823,335	768,860	6.0%
EBITDA	**111,878**	135,683	131,612	-7.8%
Net Income	**53,567**	81,007	72,868	-14.3%

Operational Matrix

Key Driver	Unit	2019	2018	2017
ATM	Machine	23,484	22,745	19,885
Operations Center	Office	106	85	109

ILCS

ILCS is the result of the collaboration of two large Indonesian companies, namely PT Pelindo II (Persero) or Indonesia Port Corporation and PT Telekomunikasi Indonesia (TELKOM) through the Company. ILCS offers total ICT solutions to the entire logistics community, ranging from electronic documents and information exchange, integration of logistics systems to provide systems for port operations and provide e-payment and e-billing information systems for port services. In addition, ILCS also provides Information Technology (network & device) infrastructure, integrated logistics applications, and ICT consulting services (Consulting & Design). ILCS has 1 (one) portfolio, e-Logistics with four business lines, namely Digital Seaport Solution (Port Community Systems, Terminal Operating Systems, VGM Solas), Supply Chain Management Services (Transport Management Systems, Warehouse Management Systems, Cargo Distribution Systems), Port Payment Services (Electronic Billing Presentation and Payment, DO Payment, Data Exchange), ICT System Implementers for port ecosystems are the mainstay of ILCS in providing the leading e-Trade Logistics services.

In carrying out its business activities, ILCS has been provided with an ISO/IEC 27001: 2013 Certificate of Information Security Management System from a well-known Certification Agency, Bureau Veritas Certification. In 2019, ILCS managed to record revenues of Rp205.5 billion, or grew 26% from Rp.163.70 billion in 2018, due to an increase in revenue in the ICT Implementer and Supply Chain Management sector.

In contrast, the Company's EBITDA decreased 39% to Rp7 billion in 2019 compared to Rp12 billion in 2018. This condition was caused by the 2019 business climate where the macroeconomic stability factor decreased, thus making companies take low-margin scaling projects. In addition, Net Income decreased to negative Rp26.5 billion, which was previously Rp1.3 billion due to the implementation of the new IFRS, to keep records more prudent.

The following table is ILCS's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**205,546**	163,697	122,301	29.6%
EBITDA	**7,268**	11,832	15,238	-30.9%
Net Income	**-26,540**	1,270	2,796	-349.7%

Operational Matrix

Key Driver	Unit	2019	2018	2017
EBPP	Number of Trx	611,000	619,288	556,975
Sys. Implementor	Number of Project	178	176	122

PINS

Founded on October 17, 1995, PINS is engaged in integration of devices and networks. After being acquired by Telkom in 2002, PINS began to focus on the Premise Integration Services portfolio. PINS is currently engaged in the business of integrating devices, networks, systems and processes, using the concept of the Internet of Things (IoT). In the Telkom Group ecosystem, PINS acts as the main provider of Premises Integration Service services. Throughout 2019, PINS has succeeded in obtaining several Big Deal Projects, namely the digitization of Pertamina gas stations, EDC for PT Bank Mandiri (Persero) Tbk, and the procurement of Cisco AP WIFI.

In 2019, PINS managed to record revenues of Rp3.2 trillion, down 13.7% from Rp3.8 trillion in 2018 due to the cessation of the synergy of the handset and e-voucher sales business with TELE.

In terms of EBITDA, PINS recorded a negative figure, down around 265.9% from Rp37 billion in 2018 to Rp61 billion in 2019. Meanwhile for operating income, PINS recorded a loss of Rp320.3 billion, which in the previous year it recorded a Net Income of Rp41.1 billion. This was due to the increase in allowance for receivables.

The following table is PINS's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**3,241,837**	**3,754,748**	3,657,717	-100.00%
EBITDA	**-61,477**	**88,310**	134,858	-100.00%
Net Income	**-320,314**	41,083	55,813	-100.00%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Mobility Services	#Thousand Handset Sold	111	184	119
CPE Services	#Project	3,148	2,122	591
Project IoT	#Project	308	218	92

Bosnet

Founded in 2012, BOSNET Distribution Indonesia (BOSNET) is FMCG Distribution Solution Provider with a concentration of business in Software Publishing. BOSNET provides a distribution management system specifically designed to handle the company's implementation of end-to-end (FMCG).

On April 11, 2019, BOSNET was acquired by TelkomMetra with a 60% stake. This corporate action aims at strengthening the Telkom Group's e-Logistics & e-Commerce business ecosystem, as well as Telkom's synergy in the logistics business.

Some of BOSNET's strategic achievements during 2019 are as follows:
1. The BOSNET Territorial Management won the Telkom AMOEBA project.
2. 162 projects worth Rp47.7 billion grew 32%.
3. Commenced a logistics business exploration.

In terms of financial, BOSNET managed to book revenue of Rp47.7 billion, an increase of 20.7% compared to Rp39.5 billion in previous year. In addition, in terms of EBITDA and Net Income, BOSNET also recorded an increase of 13.8% and 10.3% to Rp11.7 billion and Rp6.8 billion compared to 2018. This was due to an increase in the BOSNET business, especially in IT implementation and cloud business lines through aggressive market expansion.

The following table is BOSNET's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**47,694**	39,512	29,227	20.7%
EBITDA	**11,693**	10,278	8,073	13.8%
Net Income	**6,797**	6,160	6,381	10.3%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Client WON	#	47	45	32
Leads WON	#	275	231	200

Telkomsat

Established on September 28, 1995, Telkomsat or previously known as Patrakom is engaged in the business of providing satellite-based telecommunications and solutions services. In the downstream satellite business, Telkomsat focuses on the Maritime and Non-Maritime segments, while in the upstream satellite business, Telkomsat focuses on transponder services, both from the Red and White and Foreign Satellites. Some of the strategic initiatives undertaken by Telkomsat throughout 2019 include:

- Signing of agreement for Provision of BAKTI Telecommunications Satellite Capacity Services.
- Signing of agreement on the Provision of Communication on Patrol Ship of Directorate of Customs and Excise.
- Signing of agreement between Telkomsat and PT DPS in the Floating Dock System Revitalization & Digitalization Program.
- Signing of MoU with Start Up from United States (Loft Orbital).
- Presented TSAT Zone and Mangoesky as a solution for the Smart City Nusantara program.

In 2019, Telkomsat recorded revenue of Rp952.6 billion, an increase of 79.5% compared to Rp530.7 billion in previous year. This was driven by the consolidation of satellites, leading to an increase in revenue both upstream and downstream.

In addition, EBITDA and Net Income of Telkomsat also increased by 130.9% and 967.5% to Rp373.6 billion and Rp76.6 billion, respectively. This was led by an increase in the downstream business due to the consolidation of Metrasat services to Telkomsat, and the expansion of the Upstream (SAT-MP) business portfolio in 2019.

The following table is Telkomsat's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**952,646**	530,717	585,604	27.5%
EBITDA	**373,552**	161,796	149,654	58.0%
Net Income	**76,591**	7,175	47,907	26.4%

Operational Matrix

Key Driver	Unit	2019	2018	2017
VSAT IP	Node	4,828	2,870	3,523
SCPC	Link	242	324	278
Radio IP	Link	329	297	223

Jalin

The company was established in 2016 as a switching operator and provider of GPN ATM and Debit Card from Bank Indonesia with a concentration to continue the Himbara-Link business, which was previously managed by the Telkom Group. Jalin currently has a focus on managing the Interbank Switching portfolio. Jalin has gained approval to operate the BI-RTGS system, process of transactions using the Quick Response Code Indonesian Standard (QRIS) and obtained a Certificate of Registration Information Security Management System - ISO/IEC 27001:2013.

Some of the strategic initiatives undertaken by Jalin during 2019 are as follows:

1. Transferred 67% of Telkom shares to Danareksa to strengthen the position of Jalin in the National Payment Industry.
2. Having a new Business portfolio, Managed Service which in the initial stage included First Level Maintenance, Second Level Maintenance and Premises.
3. Obtained approval as a Switching Institution for Transaction Processing by Using QRIS.

In 2019, Jalin recorded revenue of Rp125.5 billion, an increase of 30% from the previous year due to continued growth in ATM and EDC revenues with promising prospects and the commencement of managed services.

EBITDA of Jalin also increased by 9.1% to Rp76.3 billion in line with the increase in revenue and efficiency carried out by the company.

This was also followed by an increase in Net Income, which increased 29% from Rp32.3 billion in 2018 to Rp41.7 billion in 2019.

This increase was contributed by the success of Jalin's business in improving ATM Switching and Switching Debit transaction services with the Link brand, which began in 2017.

The following table is Jalin's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**205,477**	158,350	82,720	57.6%
EBITDA	**76,325**	69,970	41,250	36.0%
Net Income	**41,670**	32,330	20,140	43.9%

Operational Matrix

Key Driver	Unit	2019	2018	2017
ATM Transaction	Million trx	511.2	431.7	242.3
Debit Transaction	Million trx	42.5	24.277	0.226

Customer Facing Unit (CFU) Digital Services

The following discussion deals with the three companies included in CFU Digital Services, namely:

- Metraplasa is engaged in e-Commerce business.
- MelOn is a company that teams up with Telkomsel related to all Digital Music Content programs.
- Metranet focuses on mobile and online media businesses.

metraplasa

MetraPlasa

MetraPlasa was established in September 2012 as a joint venture between TelkomMetra and e-Bay which is engaged in the e-Commerce business through Blanja.com brand. In 2019, MetraPlasa was chosen as an e-Commerce platform for channeling and utilizing BOS Funds for schools throughout Indonesia with the Ministry of Education and Culture through SIPLah.blanja.com. In addition, MetraPlasa also launched a new feature to invest namely BLANJAINVEST and gained 18 new B2B clients, including Koperasi Astra, Bank INA, Transjakarta, Telkom Property, LPPOM MUI, and YAKES.

In 2019, MetraPlasa recorded revenues of Rp12 billion, an increase compared to Rp7 billion in the previous year. This increase was contributed by the company's new business line, digital products, especially multi payment and digital advertising.

The increase in EBITDA and Net Income was mostly contributed by the decrease in marketing expenses, changes in business strategy to grow organically, and the achievement of the quick wins priority strategy implemented in order to deal with losses from the previous year.

The following table is MetraPlasa's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**12,000**	6,739	62,501	-56.2%
EBITDA	**-102,791**	-121,682	-316,572	-43.0%
Net Income	**-161,102**	-169,234	-350,300	-32.2%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Gross Merchandise Value	Rp billion	188	104	2,390

MelOn

Founded in 2010, MelOn was initially a joint venture between TelkomMetra and SK Telecom Korea, and then in 2016 SK Telecom Korea transferred its MelOn shares to Metranet. MelOn works closely with Telkomsel for all Digital Music Content programs, including the Full Track Music RBT and SMS Voice platforms.

In 2019, MelOn posted revenues of Rp1.1 trillion, up 104% from Rp561.3 billion in 2018. This was due to many factors, including contributions from new portfolios of Games & OTT which contributed 55% of total revenue, in addition, MelOn also continued to conduct products enhancement, marketing programs innovation, and expansion of business initiation.

In order to anticipate the enactment of Law no.28 of 2014 concerning Copyright, MelOn has transformed its business, enabling both songwriters and musicians to sell their work digitally through MelOn. In addition, MelOn also sought to build partnerships with Telkomsel, Smartfren, XL, Indosat, Telin (HK, Timor Leste, Malaysia), IndiHome, MetraNet, MD Media, Texas DigiMusik, GoldGym and Label.

EBITDA and Net Income also increased from the previous year to Rp108.8 billion and Rp52.3 billion, respectively. This was the impact of the UPoint business model transfer (Games, OTT) from Metranet to Melon which contributed dominantly to Melon's revenue.

The following table is MelOn's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**1,143,222**	561,301	339,759	83.4%
EBITDA	**108,800**	80,925	43,698	57.8%
Net Income	**52,294**	42,078	24,081	47.4%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Number of Active user	Million Trx	33.9	36.5	34.2
Trx UPoint*	Million Trx	135,353	45,850	N/A

* UPoint business transfers received from Metranet to MelOn in Q4 2018.

Metranet

Founded on April 17, 2009 as a subsidiary of the Company, Metranet has adapted through the transformation process and is focusing on developing mobile and online media businesses. The business expansion is realized by increasing online traffic, enriching services, and optimizing the monetization process. This transformation was achieved in 2 (two) business portfolios, namely UAd (Digital Advertising Platform) and UPoint (Direct Carrier Billing).

In 2019, Metranet managed to record revenues of Rp1,478 billion, an increase of 46.4% compared to the previous year. This increase was contributed by portfolio mapping and product strategy changes where Metranet as the parent company is more focused on digital business (Smart Platform, Finserv, Digital Inventory Monetization, Digital Content, and Commerce) and MelOn as a subsidiary has succeeded in increasing business in the Games & OTT business which contributed 55% of Melon's total revenue. This was in line with the increase of 36.1% in EBITDA compared to the previous year.

Net Income decreased 73.8% due to the Cellum's investment losses and increased interest expense.

The following table is Metranet's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**1,477,795**	1,009,362	710,199	44.3%
EBITDA	**122,416**	89,930	55,426	48.6%
Net Income	**6,217**	23,754	12,086	-28.3%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Trx UPoint*	Million Trx	N/A	5,306	3,304
Media Order Active	Doc	324	288	242
Impression	Million	28,341	26,825	20,918

* UPoint business transfer from Metranet to MelOn was conducted in Q4 2018.

Functional Unit (FU) Digital Strategic Portfolio

The company has 1 subsidiary under the management of the Functional Unit (FU) Digital Strategic Portfolio, namely PT Metra Digital Investama (MDI).

MDI

MDI ventures by Telkom Indonesia

MDI is a venture capital company initiated by Telkom Indonesia. MDI is defined as an entity that acts as a manager and coaching of start-up companies as well as handling the Corporate Venture Capital (CVC) business line.

In 2019, MDI successfully carried out corporate actions by purchasing shares and convertible bonds amounted to Rp262 billion.

In terms of financial performance, MDI posted a negative EBITDA of Rp43.8 billion, while Net Income stood at Rp112 billion and grew significantly from the previous year which was negative at Rp22 billion. This was contributed by the success of MDI in investing both through equity participation in start-ups and the purchase of appropriate convertible bonds. During 2019 MDI succeeded in making a profit from the release of shares investment of Rp179 billion.

The following table is MDI's financial indicators and operational matrix for the past three years (2017-2019).

Financial Indicators (In million Rupiah)	2019	2018	2017	CAGR
Revenues	**-**	-	-	-
EBITDA	**-43,763**	(21,156)	(16,764)	5,009.3%
Net Income	**111,566**	(22,009)	(7,799)	476,870.9%

Operational Matrix

Key Driver	Unit	2019	2018	2017
Gross Merchandise Value	Rp Billion	188	104	2,390

Financial Review

The discussion on the financial review for the financial year ended December 31, 2019 owned by the Company refers to the Financial Statements that have been audited by Public Accounting Firm Purwantono, Sungkoro & Surja and obtained an unqualified opinion on March 4, 2020.

Consolidated Statements of Financial Position

In billion Rupiah

Uraian	2019	2018	% YoY
Cash and Cash Equivalents	**2,086**	1,797	16.1%
Trade Receivables	**4,777**	5,759	-17.0%
Fixed Assets	**3,646**	3,585	1.7%
Other Assets	**5,968**	5,383	10.9%
Total Assets	**16,478**	16,524	-0.3%
Trade Payables	**3,836**	3,806	0.8%
Bank Loans	**6,641**	5,255	26.4%
Other Liabilities	**1,478**	1,616	-8.5%
Total Liabilities	**11,956**	10,677	12.0%
Equity Attributable to Owners of the Parent Entity	**4,139**	5,432	-23.8%
Non-Controlling Interests	**383**	415	-7.8%
Total Equity	**4,522**	5,847	-22.7%
Total Liability and Equity	**16,478**	16,524	-0.3%

Total Assets

The Company's consolidated assets decreased by 0.28% from Rp16.5 trillion to Rp16.5 trillion at the end of 2019. This decrease mainly occurred in the current assets, which was mostly contributed by a 17% decrease in trade receivables compared to the previous year.

Other Assets

Total other assets recorded by the Company amounted to Rp6.0 trillion, an increase of 10.9% compared to Rp5.4 trillion in prior year. The increase in other assets was dominated by an increase in the estimated tax claims of subsidiary, Sigma. In addition, there was an increase of 328.73% in intangible assets in the form of goodwill resulting from the increase in the Company's acquisition actions in 2019.

Current Assets

As of December 31, 2019, the Company recorded a decrease of 9.28% in current assets to Rp9.2 trillion compared to Rp10.2 trillion in prior year. This decrease was influenced by:

1. 17.05% decrease in trade receivables which was dominantly contributed by Sigma and MDM in line with the decline in the Company's revenue.
2. Prepaid expenses decreased by 53.42%, which was dominantly contributed by MDM as the Company's business declined.

Non-Current Assets

Total non-current assets recorded by the Company amounted to Rp7.3 trillion, an increase of 14.13% compared to Rp6.4 trillion in prior year. This upsurge was contributed by an increase in the estimated tax claims on a subsidiary, Sigma. In addition there was an increase in intangible assets in the form of goodwill by 328.73% resulting from the increase in the Company's acquisition actions in 2019.

Total Liabilities

The Company's total liabilities increased by 11.98% to Rp12 trillion as of December 31, 2019 from Rp10.7 trillion in 2018. This increase was influenced by an increase in bank loans which rose by 26.39% to Rp6.6 trillion in 2019, dominantly contributed by Sigma, Infomedia and TelkomMetra.

Total Equity

The Company's equity value decreased by 22.67% from Rp5.9 trillion to Rp4.5 trillion in 2019. Total equity attributable to owners of the parent entity decreased from Rp5.4 trillion in 2018 to Rp4.1 trillion in 2019. The decrease in total equity was due to a drop in net income recorded by the Company.

Consolidated Statements of Profit or Loss and Other Comprehensive Income

In billion Rupiah

Description	2019	2018	% YoY
Revenue	**25,013**	26,713	-6.4%
Operating Expenses	**26,009**	25,801	0.8%
Income from Operations	**(997)**	912	-209.3%
Net Income (Loss) for the Year Attributable to Owners of the Parent Entity	**(1,636)**	212	-872.9%
Other Comprehensive Income	**(58)**	22	-361.8%
Comprehensive Income (Loss) for the Year Attributable to Owners of the Parent Entity	**(1,694)**	234	-824.3%

Income from Operations

Income from operations decreased by 209% to negative Rp997 billion in 2019. This was the impact of the decrease in the scale of the Company's business as reflected in the decline in gross profit margin to 6% in 2019 which was previously 14% in 2018, this was also the impact of increased depreciation related to the Company's CAPEX absorption.

Net Income (Loss)

The Company recorded a Net Loss for the year of negative Rp1.6 trillion, while in the previous year it recorded a Net Profit for the year of Rp212 billion. This was due to a decrease in income from operations, and an increase in interest expense due to the working capital and investment needs of the Company.

Revenue

The Company's revenue decreased 6.37% to Rp25.0 trillion compared to Rp26.7 trillion in 2018, which was mainly contributed by Telkomsigma, which declined by Rp1.8 trillion.

Operating Expenses

The Company's Operating Expenses increased 0.81% to Rp26.0 trillion compared to Rp25.8 trillion in previous year. This increase was mainly due to decreased margins from several portfolios and increased allowance for receivables.

Comprehensive Income (Loss) for the Year Attributable to Owners of the Parent Entity

Other comprehensive income decreased 361.84% to negative Rp58.3 billion compared to other comprehensive income of Rp22 billion in 2018 along with the decrease in the Company's Net Income resulting from an increase in OCI investment losses (actuarial difference), and an increase in deferred comprehensive tax from subsidiary.

Consolidated Statements of Cash Flows

Description	2019	2018
Net Cash Provided from (Used in) Operating Activities	**(298)**	456
Net Cash Provided from (Used in) Investing Activities	**(1,015)**	(1,423)
Net Cash Provided from (Used in) Financing Activities	**1,602**	1,365
Increase (Decrease) in Net Cash and Cash Equivalents	**289**	398

At the end of 2019, the Company recorded an increase in cash and cash equivalents of Rp0.3 trillion from Rp1.79 trillion in 2018 to Rp2.09 trillion. This increase was dominated by a significant increase in cash from operating activities.

Cash Flows from Operating Activities

The Company recorded net cash use of Rp26 trillion, with OPEX-related net cash expenditure of Rp26.3 trillion. Operating cash flows decreased compared to the previous year due to delays in collection receipts in several subsidiaries such as Telkomsigma, Infomedia and MD Media.

Cash Flows from Investing Activities

In 2019, the Company recorded net cash provided from investing activities of Rp187 billion, an increase of 99% compared to Rp94 billion in prior year. This was due to the receipt of the disposal of shares of MDI subsidiary. In addition, there was net cash used in investing for the absorption of CAPEX, advances and other assets amounting to Rp723 billion, and net cash expenditure for acquisition of Rp479 billion. This was due to investments in startup companies, acquisition of financial technology and banking companies and an increase in capital expenditure (CAPEX) for the IT development (System Integration) and VSAT services.

Cash Flows from Financing Activities

The Company's net cash provided from financing activities increased by 5% to Rp6.1 trillion in 2019 compared to Rp6.4 trillion in prior year. This decrease was caused by the subsidiary being more selective in choosing projects, thus affecting the financing needs obtained from banks. The Company recorded net cash used in financing activities of Rp.4.5 trillion, a decrease of 11% compared to Rp5.1 trillion in previous year, due to a decrease in repayment of maturing loans.

Debt Paying Ability

The Company's solvency to pay debts can be categorized as good which was reflected from liquidity ratio and solvency ratio as presented in the following table:

Liquidity

Description	2019	2018	% Growth
Cash Ratio	**0.21**	0.21	-
Current Ratio	**0.93**	1.20	**(22.5)**

Solvency

Description	2019	2018	% Growth
Interest Bearing Debt to Equity Ratio	**1.47**	0.92	**59.8**
Interest Bearing Debt to Asset Ratio	**0.40**	0.33	**21.2**
Debt to Equity Ratio	**2.64**	1.83	**44.3**
Debt to Asset Ratio	**0.73**	0.65	**12.3**

Receivables Collectability

The Company has a good and relatively expeditious receivables management system which was evident from the level of the Company's receivables collectability, which achieved 74 days in 2019, exceeding the 90-day Maximum Payment Deadline performance.

Capital Structure

In 2019, the capital structure of the Company recorded a change in composition compared to 2018. In 2019, the capital structure was dominated by liabilities of 73%. Meanwhile, in the previous year, the composition of liabilities was recorded at 65%, which was mostly obtained from bank loans.

(In million Rupiah)

Description	2019	Composition	2018	Composition
Assets	**16,477,721**	100%	16,524,086	100%
Liabilities	**11,955,597**	73%	10,676,632	65%
Equity	**4,522,124**	27%	5,847,454	35%

Management Policy on Capital Structure

The Company's Capital Structure can be seen in the following table:

Shareholders	Number of Shares	Percentage of Ownership	Total (Full Amount)
PT Telekomunikasi Indonesia (Persero) Tbk	535,528,489	99.99	4,933,028,480,000
Dwi Heriyanto	1	0.01	10,000
Total	493,302,849	100.00	4,933,028,490,000

Material Commitment for Capital Goods Investment

In 2019, there was no material commitment for capital goods investment.

Realization of Capital Goods Investment

In 2019, there was no realization of capital goods investment.

Material Information and Facts Occurred after the Reporting Date

The Company ensures that there was no material events occurred after December 31, 2019.

Business Prospect

In 2020, global economic conditions are not expected to be as conducive as the previous year at -3%. This decline is driven by various factors that cause a higher level of uncertainty. Meanwhile, ASEAN-5 economic growth is also forecasted to decline from 4.8% in 2019 to -0.6% in 2020. Therefore, national economic growth has also been affected and eventually influenced the performance of many industries including the Company.

Referring to the latest research conducted by Google and Temasek in a report titled e-conomy SEA: Unlocking the $200 Billion digital opportunity in Southeast Asia, online shopping in Indonesia is expected to grow 21% annually, reaching 119 million online buyers in 2025.

In this case, the Government is also constantly trying to support the development of the digital economy, where one of the efforts is through infrastructure development. The Ministry of Communication and Information Technology has also completed the national Palapa Ring Project which was inaugurated in October 2019 by President Joko Widodo. The infrastructure will be used to support Indonesia's digital economy where by 2020, the Indonesian digital economy is estimated to reach USD130 billion, or about 11-12% of the Indonesian economy.

Although the business prospect still offers quite good opportunities in the future, but by realizing that the current business climate is filled with uncertainty, TelkomMetra Group seeks to take anticipatory actions and focus on strengthening fundamentals in order to be able to maintain business sustainability in the coming years.

Marketing Aspect

The Company conducts CFU-based business activities in which the Company plays a role as Shareholder, Parenting, or both in subsidiaries included in CFU Enterprise, CFU Digital Services, and FU DSP. The Company is strongly committed to build brand awareness as a part of the Company's strategies to support the Subsidiaries in promoting and introducing various products and solutions. Thus, the market target and prospective customers may have a good understanding whilst improving the customers' desire to perform business transformation.

Dividend Policy

The Company has dividend policy as follows:

- Percentage or total dividends not less than previous year. Subsidiaries may choose percentage or amount, which one is easier.
- Dividend becomes TelkomMetra's income to be returned to subsidiaries in the form of financing/working capital.
- Dividend payout ratio is stipulated through mechanism of Annual General Meeting of Shareholders.

The Company's dividend payments to shareholders over the past two years can be seen in the table below:

	2019	2018
Total Dividend	21,165,345,987	14,837,595,082
Dividend Payout Ratio (DPR)	10%	10%
Dividend Announcement Date	June 20, 2019	April 30, 2018
Dividend Payment Date	December 27, 2019	December 28, 2018

Employee and/or Management Stock Ownership Program

As of December 31, 2019, the Company has not implemented Employee and/or Management Stock Ownership Program.

Realization of the Use of Public Offering Proceeds

Until the end of 2019, the Company did not conduct Initial Public Offering (IPO). Therefore, information related to realization of the use of public offering proceeds is not relevant to be presented.

Material Information on Investment, Divestment, Merger/Consolidation, Acquisition, Debt/Capital Restructuring

On April 11, 2019, in the context of the process of consolidating the logistics business at Metra Logistik so that not only in parenting, but also can provide horizontal synergy benefits within TelkomMetra Group in accordance with Telkom CSS directives, TelkomMetra acquired 60% majority stake in PT Bosnet Distribution Indonesia ("Bosnet").

Changes in Regulations with Significant Effect to the Company

The Company ensures that there were no changes in regulations that significantly affected the Company's business activities during 2019.

Changes in Accounting Policy

During 2019, there were no changes in accounting policy which affected the Company's Financial Statements.

Corporate Governance

Policy and Legal Basis of Corporate Governance

The Company considers Good Corporate Governance ("GCG") as a foundation that is able to adapt to changes in an increasingly competitive business environment, can build a reliable system of internal control and risk management, able to strengthen the company's competitive position, make management of resources power and risk more efficiently and effectively, as well as increasing company value and investor confidence.

As part of implementing GCG best practices, the Company always strives to accomplish and improve the operational policy rules and render the application of code of conducts and GCG principles as values and culture inherent in all employees of the Company.

In order to correspond with best practices and universally applicable principles, the Company always implements corporate governance based on the following provisions:

1. Law No. 40 of 2007 concerning Limited Liability Companies.
2. General Guidelines for Indonesian GCG released by the National Committee on Governance Policy.

Corporate Governance Structure

Referring to the Law of the Republic of Indonesia No. 40 of 2007 concerning Limited Liability Company, Limited Liability Companies have Company Organs consisting of General Meeting of Shareholders (GMS), the Board of Commissioners and the Board of Directors.

The General Meeting of Shareholders (GMS) is an organ of the Company that holds the highest authority that is not delegated to Board of Directors and Board of Commissioners. The authority and responsibilities of the Board of Commissioners and the Board of Directors have been set according to their respective functions as mandated in the Articles of Association and laws and regulations. Both of these company organs have the responsibility to maintain the sustainability of the Company's business in the long run.

General Meeting of Shareholders (GMS)

General Meeting of Shareholders (GMS) is the highest forum in the governance structure that has authority that cannot be given to the Board of Directors or the Board of Commissioners, within the limits specified in the law or articles of association.
The Company recognizes two types of GMS, namely:
1. The Annual GMS which is held every financial year no later than 6 (six) months after the closing of the Company's fiscal year.
2. Extraordinary GMS which is held at any time when deemed necessary.

The 2018 Annual GMS

In 2019, the Company held an Annual GMS, namely the 2018 Fiscal Year Annual GMS which was held on June 20, 2019 at The Telkom Hub Building, Telkom Landmark Tower 2, 38th Floor, Jl. Jend Gatot Subroto Kav. 52 Jakarta - 12710.

The Company's Annual General Meeting of Shareholders was chaired by Mr. Edi Witjara in accordance with Article 9 paragraph (8) of the Company's Articles of Association and was attended by 100% of the total Shareholders or equivalent to 493,302,849 shares with the following details. The Annual GMS was attended by all members of the Board of Directors and the Board of Commissioners.

The 2018 Annual GMS agenda and resolutions along with the realization can be seen in the following table:

NO	2018 AGMS RESOLUTIONS OF TELKOMMETRA	REALIZATION OF RESOLUTIONS
1	Report and Ratification	Realized in 2019
	Reports of the Board of Directors and the Board of Commissioners	
	Approval for the 2018 Annual Report and Financial Statements	
2	Use of the 2018 Net Income	Realized in 2019
3	Appointment of Public Accounting Firm Which Will Conduct Audit on 2019 Financial Statements	Realized in 2019
4	Determination of 2019 Remuneration and 2018 Bonus for the Board of Directors and the Board of Commissioners of the Company	Realized in 2019
5	Changes in Composition of the Board of Directors and the Board of Commissioners	Realized in 2019

Holding the Extraordinary GMS

In addition to the Annual General Meeting of Shareholders, TelkomMetra also held an Extraordinary General Meeting of Shareholders on April 11, 2019 on a circular basis to approve the acquisition of shares of PT Bosnet Distribution Indonesia (Bosnet) whose resolution was realized in 2019.

The 2017 Annual GMS

In 2018 the Company held 1 (one) Annual GMS (AGMS) for the 2017 Fiscal Year on April 30, 2018 at The Telkom Hub Building, Telkom Landmark Tower 2, 38th Floor, Jl. Jend Gatot Subroto Kav. 52 Jakarta - 12710.

The 2017 AGMS resolutions coupled with the follow-up and its realization can be seen in the following table:

NO	2017 AGMS RESOLUTIONS OF TELKOMMETRA	REALIZATION OF RESOLUTIONS
1	Approval for 2017 Annual Report: a. Report of the Board of Directors and the Company's management for financial year of 2017 b. Supervisory Report by the Board of Commissioners c. Ratification on 2017 Financial Statements and Full Release and Discharge of responsibility to the Board of Directors and the Board of Commissioners of the Company (*volledig acquit et de charge*) on Management and Supervision of the Company for financial year of 2017	Realized in 2018
2	Use of the 2017 Net Income	Realized in 2018
3	Appointment of Public Accounting Firm Which Will Conduct Audit on 2018 Financial Statements	Realized in 2018
4	Determination of 2018 Remuneration and 2017 Bonus for the Board of Directors and the Board of Commissioners of the Company	Realized in 2018
5	Changes in Composition of the Board of Directors and the Board of Commissioners	Realized in 2018

Holding the Extraordinary

Aside from the Annual GMS, TelkomMetra also held Extraordinary GMS in March 2018 circularly to approve the acquisition of PT Swadharma Sarana Informatika (SSI) whose resolution was realized in 2019.

Board of Commissioners

The Board of Commissioners is one of the main organs of the Company that is collectively responsible for carrying out its supervisory and advisory functions through the Board of Commissioners' Meeting.

The appointment of the Company's Board of Commissioners is conducted through a GMS where 1 (one) term of office for each member of the Board of Commissioners of the Company is until the closing of the third year Annual GMS from the date of appointment. At the end of their first term of office, members of the Board of Commissioners may be reappointed for the next 1 (one) term of office without prejudice to the right of the Shareholders to dismiss and appoint the Board of Commissioners at any time.

Board of Commissioners Charter

The Charter of the Board of Commissioners (BOC Charter) regulates the qualifications, duties, responsibilities and authority, tenure, and policies of the Board of Commissioners' meeting.

Duties and Responsibilities of the Board of Commissioners

As stated in the Company's Articles of Association and BOC Charter, the Board of Commissioners has the following duties and responsibilities:

DUTIES AND RESPONSIBILITIES COMMISSIONERS	
Articles of Association (Deed No.18 dated March 15, 2016)	**Decree of the Board of Commissioners No. 030/DK/METRA/XII/2013 on Establishment of the Board of Commissioners Charter**
1. In order to oversee and provide advices to the Board of Directors, anytime on working hours to enter buildings and premises or other places utilized or controlled by the Company and are entitled to examine the books, letters, documents and other evidentiary instruments, to examine and match the condition of the cash and others, and shall be entitled to know all the actions carried out by the Board of Directors. 2. The Board of Directors shall give explanation on any matters requested by the Board of Commissioners. 3. If all members of the Board of Directors are dismissed, thus on temporary basis the Board of Commissioners obliged to manage the Company. In this case the Board of Commissioners entitled to grant temporary authority to one or more members of the Board of Commissioners, on the Board of Commissioners' responsibility. 4. In the event of there is only one member of the Board of Commissioners, all duties and authorities granted to the President Commissioner or the Board of Commissioners as stipulated in the Articles of Association shall apply to them.	1. GENERAL a. The Board of Commissioners carries out oversight duties and provide advices over the Company's management policy conducted by the Board of Directors, including the Company's long term development plan and Annual Business Plan; b. Carry out duties, authorities, and responsibilities in accordance with the Company's Articles of Association and GMS Resolutions; c. Research and review the Annual Report prepared by the Board of Directors and approve the Annual Report. 2. OBLIGATIONS OF THE BOARD OF COMMISSIONERS a. Provide advices and suggestion to the Annual GMS on regular reports and other reports from the Board of Directors; b. Supervise the implementation of the Company's Business Plan; c. Keep abreast of the Company's activities and if the Company indicates the deterioration symptoms, to immediately ask the Board of Directors to announce the Shareholders and provide advices on corrective actions that shall be taken;

DUTIES AND RESPONSIBILITIES COMMISSIONERS	
Articles of Association (Deed No.18 dated March 15, 2016)	**Decree of the Board of Commissioners No. 030/DK/METRA/XII/2013 on Establishment of the Board of Commissioners Charter**
5. Due to duties of the Board of Commissioners as referred to in the Articles of Association, the Board of Commissioners is obliged to provide report on oversight duties carried out during the prior financial year to GMS, as a part of Annual Report proposed by the Board of Directors at Annual GMS. 6. The Board of Commissioners grants the approval and ratification on the Company's Business Plan at least in October prior to the new financial year commences. 7. a. In carrying out their tasks of supervision, Board of Commissioners may form committees and/or ask for the expertise's assistance for certain period of time, including but not limited to ask for Internal Auditor to conduct special audit. b. The Committee as referred to in point a) is chaired by one of members of the Board of Commissioners. c. The Committee and/or expert as referred to in point a) is (are) appointed by the Board of Commissioners with due observance of field, expertise and prevailing rules and regulations and be responsible to the Board of Commissioners. d. In case of expense occurring due to the implementation of duties of the Committee and/or expert as referred to in point a), the expense will be borne by the Company.	d. Provide advices and suggestions to GMS on any other issues deemed necessary for the Company's management; e. Through the Board of Directors, to propose the appointment of Public Accounting Firm that will conduct Audit on Financial Statements for the current year to the GMS; f. Deliver report on oversight duties carried out during the past financial year to the GMS; g. Conduct other oversight duties assigned. 3. Members of the Board of Commissioners may not be held liable for the losses contemplated if they can prove that: a. They have carried out their supervision in good faith and prudence in the interests of the Company and in accordance with the Company's purpose and objectives; b. They do not have any direct or indirect personal interest in the actions of management of the Board of Directors which caused the losses; and c. They have given the Board of Directors advice to prevent the losses arisen or continue.

Composition of the Board of Commissioners

During 2019, the composition of the Board of Commissioners underwent 3 changes with details as can be seen in the table below:

Composition of the Board of Commissioners before the Change

NAME	POSITION	LEGAL BASIS OF APPOINTMENT	TERM OF OFFICE
Dian Rachmawan	President Commissioner	Minutes of Extraordinary General Meeting of Shareholders of PT Multimedia Nusantara dated April 30, 2018, as stated in the Deed No. 35 of Notary NM Dipo Nusantara Pua Upa, S.H., M.Kn. dated April 30, 2018.	January 1, 2019 until June 20, 2019
Ririek Adriansyah	Commissioner	Minutes of Extraordinary General Meeting of Shareholders of PT Multimedia Nusantara dated April 30, 2018, as stated in the Deed No. 35 of Notary NM Dipo Nusantara Pua Upa, S.H., M.Kn. dated April 30, 2018.	January 1, 2019 until June 20, 2019
David Bangun	Commissioner	Minutes of Extraordinary General Meeting of Shareholders of PT Multimedia Nusantara dated April 30, 2018, as stated in the Deed No. 35 of Notary NM Dipo Nusantara Pua Upa, S.H., M.Kn. dated April 30, 2018.	January 1, 2019 until June 20, 2019
Edi Witjara	Commissioner	Circular Resolutions of Shareholders of PT Multimedia Nusantara dated October 31, 2016 as stated in Notarial Deed No. 1 of NM Dipo Nusantara Pua Upa, S.H., M.Kn. dated November 1, 2016.	January 1, 2019 until June 20, 2019

Based on Resolutions of Annual General Meeting of Shareholders dated June 20, 2019

NAME	POSITION	LEGAL BASIS OF APPOINTMENT	TERM OF OFFICE
Ririek Adriansyah	President Commissioner	Minutes of Annual General Meeting of Shareholders of PT Multimedia Nusantara dated June 20, 2019, as stated in the Deed No. 13 of Notary Utiek R Abdurachman, M.Li., M.Kn., dated November 8, 2019.	June 20, 2019 until September 2, 2019
Edi Witjara	Commissioner	Minutes of Annual General Meeting of Shareholders of PT Multimedia Nusantara dated June 20, 2019, as stated in the Deed No. 13 of Notary Utiek R Abdurachman, M.Li., M.Kn., dated November 8, 2019.	June 20, 2019 until September 2, 2019

Based on Circular Resolutions of Shareholders dated September 1, 2019

NAME	POSITION	LEGAL BASIS OF APPOINTMENT	TERM OF OFFICE
Bogi Witjaksono	President Commissioner	Circular Resolutions of PT Multimedia Nusantara dated September 1, 2019 as stated in Deed No.66 of Notary Utiek R Abdurachman, M.Li., M.Kn., dated November 8, 2019.	September 2, 2019 until November 1, 2019
Faisal Rochmad Djoemadi	Commissioner	Circular Resolutions of PT Multimedia Nusantara dated September 1, 2019 as stated in Deed No.66 of Notary Utiek R Abdurachman, M.Li., M.Kn., dated November 8, 2019.	September 2, 2019 until November 1, 2019
Edi Witjara	Commissioner	Circular Resolutions of PT Multimedia Nusantara dated September 1, 2019 as stated in Deed No.66 of Notary Utiek R Abdurachman, M.Li., M.Kn., dated November 8, 2019.	September 2, 2019 until November 1, 2019

Based on Circular Resolutions of Shareholders dated November 1, 2019

NAME	POSITION	LEGAL BASIS OF APPOINTMENT	TERM OF OFFICE
Edi Witjara	President Commissioner	Circular Resolutions of PT Multimedia Nusantara dated November 1, 2019 as stated in Deed No.67 of Notary Utiek R Abdurachman, M.Li., M.Kn., dated November 8, 2019.	2019-2022
Bogi Witjaksono	Commissioner	Circular Resolutions of PT Multimedia Nusantara dated November 1, 2019 as stated in Deed No.67 of Notary Utiek R Abdurachman, M.Li., M.Kn., dated November 8, 2019.	2019-2022
Pramasaleh Haryo Utomo	Commissioner	Circular Resolutions of PT Multimedia Nusantara dated November 1, 2019 as stated in Deed No.66 of Notary Utiek R Abdurachman, M.Li., M.Kn., dated November 8, 2019.	2019-2022
Devindra Kamal	Commissioner	Circular Resolutions of PT Multimedia Nusantara dated November 1, 2019 as stated in Deed No.67 of Notary Utiek R Abdurachman, M.Li., M.Kn., dated November 8, 2019.	2019-2022

Meeting of the Board of Commissioners

The Company's Articles of Association states that meeting of the Board of Commissioners is held at least once every 2 months. In holding the meeting, the Board of Commissioners may invite the Board of Directors to provide an explanation over the inquiries of the Board of Commissioners. The joint meeting of the Board of Commissioners and the Board of Directors of the Company is carried out as a form of oversight function of the Board of Commissioners in providing evaluation or advice to the Board of Directors on the Company's management activities. However, in addition to meetings with physical presence, the Board of Commissioners also conducts virtual meetings which are held at any time if deemed necessary by one of the members of the Board of Commissioners, with or without written request through teleconference media, video conferencing or other electronic media facilities.

Throughout 2019, the Board of Commissioners has conducted 8 meetings as disclosed in the following table:

NAME	POSITION	NUMBER OF MEETINGS	ATTENDANCE	ATTENDANCE LEVEL (%)
Edi Witjara	President Commissioner	8	8	100%
Bogi Witjaksono	Commissioner	4	4	100%
Pramasaleh Haryo Utomo	Commissioner	2	2	100%
Devindra Kamal	Commissioner	2	2	100%

Meeting Agenda of the Board of Commissioners

In these meetings, the Board of Commissioners discusses the routine agenda as follows:
1. Follow-up to the Board of Commissioners' previous Meeting Decisions.
2. Management and Outlook Reports.
3. Updates on TelkomMetra's functions: Portfolio Management, Financing, M&A, Internal Audit.
4. Others.

The necessary support, including the Board of Commissioners also discusses the agenda proposed by the Board of Directors in relation to the Company's activities that require approval from the Board of Commissioners.

Decree of the Board of Commissioners

In 2019, the Board of Commissioners of the Company has taken a number of strategic decisions related to the Company as stipulated in the Decree of the Board of Commissioners, including:

NO	DATE	DECREE NUMBER	DECISION
1	September 24, 2019	06/DK/Metra/IX/2019	Establishment of the Board of Commissioners' Supporting Organs
2	November 7, 2019	07/DK/Metra/XI/2019	Approval for Equity Call MDM 45 M

Evaluation of Committee Performance under the Board of Commissioners

In order to enhance the role of the Board of Commissioners in carrying out its supervisory function, the Board of Commissioners has established 2 (two) committees, the Audit Committee and the Risk Assessment and Planning Committee (KPPR). Throughout 2019, the Board of Commissioners assesses that the Audit Committee has carried out its duties and responsibilities properly and has conducted supervision on matters relating to financial information, internal control systems, effectiveness of audits by external and internal auditors, and ensures the aspect of the Company's compliance with prevailing regulations. The Board of Commissioners considers that the Audit Committee has evaluated all planning and implementation of the audit and has provided objective follow-up on audit results in order to assess the capability of internal control.

In addition, the Board of Commissioners also considers that the Risk Assessment and Planning Committee (KPPR) has also carried out its functions and roles maximally throughout 2019, especially in terms of reviewing proposals and oversight of the implementation of Long Term Plan, Business Plan, risk management and plans for mergers and acquisition.

Board of Directors

The Board of Directors is one of the three main organs of the Company that is authorized and fully responsible for the management of the Company for the interests of the Company, in accordance with the purposes and objectives of the Company and represents the Company, both inside and outside the court in accordance with the provisions of the Articles of Association.

The appointment of the Company's Board of Directors is carried out through a GMS in which 1 (one) term of office for each member of the Company's Board of Directors is until the close of the third annual GMS from the date of appointment. At the end of the first term of office, members of the Board of Directors may be reappointed for the next 1 (one) term of office without prejudice to the right of the Shareholders to dismiss and appoint members of the Board of Directors at any time.

Board of Directors Charter

In carrying out its functions and roles, the Company's Board of Directors always adheres to the Board of Directors (BOD) Charter, which contains the values, qualifications of members, terms of service, duties, responsibilities and authority, as well as meeting policies and reporting requirements for the Company's Board of Directors. The preparation of the BOD Charter has been tailored to the Company's Articles of Association and the applicable laws and regulations. Ratification of the Company's BOD Charter has been stated in the Decree of the Board of Directors of PT Multimedia Nusantara No. 008/KD-1/VIII/2016 dated August 9, 2016 concerning BOD Charter, which contains the following provisions:

1. Implementation of GCG on compliance of the Company's management with the prevailing rules and regulations by keep upholding the prudential principle.
2. For efficiency and acceleration of decision making process whilst simplifying the bureaucracy in administration governance, it needs the delegation of duties and authorities of the Board of Directors for the continuity of the Company's management.
3. Support the achievement and improvement of performance of the Board of Directors that correspond to its respective duties without involving other members of the Board of Directors who have no relations with the duties.

Duties and Responsibilities of Each Member of the Board of Directors

Members of the Board of Directors carry out duties and responsibilities in accordance with their competencies and expertise in order to implement professional, effective and efficient business practices. This is also a form of transparency and accountability of the Company towards the Shareholders and other Stakeholders.

Following is the description of duties and responsibilities of each member of the Board of Directors:

NAME	POSITION	SCOPE OF WORK AND RESPONSIBILITIES
Setyanto Hantoro	President Director	a. Leading the Directors' meeting for making strategic decisions and coordinating the company's corporate functions relating to the determination of the policy and strategy (Strategic Initiatives), controlling the company's business management, capital and resource management allocation, risk control, as well as interfacing with external constituent. b. Ensuring the realization of business portfolios in accordance with the roadmap of Portfolio Management, arranging portfolio structure and hierarchy based on ecosystem, formulating business solution, providing recommendations toward the development of organic and inorganic portfolios, implementing synergy programs and planned Post Deal Integration (PDI) through go to market alignment synergy, increasing the value creation synergy of TelkomMetra Group and Telkom Group. c. Implementing and managing corporate actions of the Company, carrying out activities of acquisition (purchase of shares), merger, divestment, strategic partnership, joint venture, the establishment of new companies, spin off, Initial Public Offering (IPO), ensuring the process of corporate actions carried out according to procedure and complying with the prevailing regulations.

NAME	POSITION	SCOPE OF WORK AND RESPONSIBILITIES
		d. Preparing and monitoring the business performance of Division and Subsidiaries, preparing business plan and evaluating Management Contract of TelkomMetra Holding, Division and Subsidiaries; managing performance report for the needs of the Pre-Closing, BOD meeting (RADIR), the Joint Meeting (Ragab), Telkom Leadership Meeting (RAPIM Telkom Group) to create an increase in enterprise value creation. e. Ensuring and managing financing & funding of TelkomMetra Group, the need for equity, as well as managing the company's financial functions, monitoring, measuring the investment performance and risk management. f. Coordinating the implementation of corporate strategy to the subsidiaries in building and managing shared services functions of Finance, HCM and IT for integrated logistic support to the management of Telkom Group CFU. g. Establishing integrated policy, coordinating the integration and synergy of policies and use of resources to achieve the purposes and objectives of the Company.
Roby Roediyanto	Director of Corporate Finance & Shared Service	a. Finding and managing sources of funding for the needs of equity to every action of inorganic and organic development. b. Managing the financial administration functions (accounting, treasury, tax and budget control) of the Company, the management of financial governance policy framework including compliance, control, accountability, and transparency between the Company and its Subsidiaries. c. Monitoring, measuring performance and investment risk also business risk (investment performance and risk management). d. Coordinating and consolidating the Managerial Work Plan (RKM) and Company Business Plan (CBP) of Metra Holding, Subsidiaries and division. e. Compiling and evaluating financial and operational performance based on the Company Business Plan (CBP) periodically: monthly, quarterly, semi-annually and annually. f. Developing Management Contract (MC) of TelkomMetra, Subsidiaries and Divisions, as well as evaluating MC of TelkomMetra Holding, subsidiary and division periodically. g. Preparing materials for company performance reports for the purposes of Board of Directors Meeting, Joint Meeting of the Board of Directors and the Board of Commissioners, the General Meeting of Shareholders, the Leaders Meeting of TelkomMetra Group and Telkom Group, a management report to Telkom, as well as providing reports in accordance with the requirements and submitted to the unit Corporate Affairs & Legal to be followed up to the relevant parties. h. Building and managing shared services functions of Finance, HCM and IT (for logistics support) for CFU enterprise.
Bagyo Nugroho	Director of Strategic Planning & Portfolio Management	a. Ensuring the realization of ICT business portfolios in accordance with the portfolio roadmap listed on the Corporate Strategic Scenario (CSS). b. Providing recommendations toward the development of portfolios, both organically and inorganically. c. Mapping the existing ICT business portfolios into a relevant structure and hierarchy and arranging potential development using resource and reference from domestic and global market. d. Arranging Portfolio structure and hierarchy based on ecosystem, formulating business solution. e. Conducting study case and recommendations on the proposed Portfolio Management development of the existing subsidiaries.

NAME	POSITION	SCOPE OF WORK AND RESPONSIBILITIES
		f. Conducting assessment of the subsidiaries' existing products and services in order to create management integration services to support both synergy of go-to-market alignment and group as a user. g. Identifying new business Portfolio ICT in order to construct a business ecosystem development roadmap of ICT Portfolio (puzzle) which is integrated within TelkomMetra Group and Telkom Group. h. Implementing Post Deal Integration Plan programs in Portfolio field of ICT business by establishing a project management office that ensures the continuity of Post Deal Integration Plan programs in order to realize the integration of the business and its value creation. i. Implementing synergy program with the Units. The synergy is established through the mechanism of joint planning sessions and others, go to market alignment synergy and group as user to improve business performance of TelkomMetra Group and Telkom Group as well as increase value creation synergy.

Composition of the Board of Directors

During 2019, the composition of the Board of Directors underwent several changes with details as can be seen in the table below:

Composition of the Board of Directors before the Change

NAME	POSITION	LEGAL BASIS OF APPOINTMENT	TERM OF OFFICE
Otong Iip	President Director	Circular Resolutions of General Meeting of Shareholders of PT Multimedia Nusantara dated September 28, 2016 as stipulated in Notarial Deed No. 44 of NM Dipo Nusantara Pua Upa, S.H., M.Kn. dated September 29, 2016.	January 1, 2019 until June 20, 2019
Roby Roediyanto	Director of Corporate Finance & Shared Service	Circular Resolutions of General Meeting of Shareholders of PT Multimedia Nusantara dated September 28, 2016 as stipulated in Notarial Deed No. 44 of NM Dipo Nusantara Pua Upa, S.H., M.Kn. dated September 29, 2016.	January 1, 2019 until June 20, 2019
Bambang Lusmiadi	Director of Portfolio Management	Minutes of Annual General Meeting of Shareholders of PT Multimedia Nusantara dated March 27, 2013 as stipulated in Notarial Deed No. 70 of NM Dipo Nusantara Pua Upa, S.H., M.Kn. dated March 27, 2013.	January 1, 2019 until June 20, 2019

Based on Resolutions of Annual General Meeting of Shareholders dated June 20, 2019

NAME	POSITION	LEGAL BASIS OF APPOINTMENT	TERM OF OFFICE
Otong Iip	President Director	Circular Resolutions of General Meeting of Shareholders of PT Multimedia Nusantara dated September 28, 2016 as stipulated in Notarial Deed No. 44 of NM Dipo Nusantara Pua Upa, S.H., M.Kn. dated September 29, 2016.	October 1, 2016 until October 17, 2019
Roby Roediyanto	Director of Corporate Finance & Shared Service	Circular Resolutions of General Meeting of Shareholders of PT Multimedia Nusantara dated September 28, 2016 as stipulated in Notarial Deed No. 44 of NM Dipo Nusantara Pua Upa, S.H., M.Kn. dated September 29, 2016.	October 1, 2016 until November 1, 2019

Based on Circular Resolutions of Shareholders dated November 1, 2019

NAME	POSITION	LEGAL BASIS OF APPOINTMENT	TERM OF OFFICE
Setyanto Hantoro	President Director	Circular Resolutions of PT Multimedia Nusantara dated November 1, 2019 as stated in Deed No.66 of Notary Utiek R. Abdurachman, M.Li., M.Kn., dated November 8, 2019.	2019-2022
Roby Roediyanto	Director of Corporate Finance & Shared Service	Circular Resolutions of PT Multimedia Nusantara dated November 1, 2019 as stated in Deed No.66 of Notary Utiek R. Abdurachman, M.Li., M.Kn., dated November 8, 2019.	2019-2022
Bagyo Nugroho	Director of Strategic Planning & Portfolio Management	Circular Resolutions of PT Multimedia Nusantara dated November 1, 2019 as stated in Deed No.66 of Notary Utiek R. Abdurachman, M.Li., M.Kn., dated November 8, 2019.	2019-2022

Meeting of the Board of Directors

Meetings of the Company's Directors are routinely held at least once a month, although in practice the Company's Board of Directors regularly hold internal meetings at least once a week and can be held at any time if deemed necessary upon request of one or more members of the Board of Directors and/or the Board of Commissioners. Referring to the Company's BOD Charter, the Meeting of the Board of Directors is chaired by the President Director. However, his position as Chairperson of the Meeting can be replaced by another Director if the President Director is unable to attend for any reason. Technically, the Board of Directors may also hold special meetings if necessary aimed at making decisions on matters that have a significant impact on the Company's performance and business activities.

The Board of Directors' Meeting was held to discuss issues relating to the development of the Company's performance and the implementation of its business strategy.

During 2019, the Directors of the Company held 44 meetings with the level of attendance of each member of the Board of Directors as presented in the table below:

NAME	POSITION	NUMBER OF MEETINGS	ATTENDANCE	ATTENDANCE LEVEL (%)
Setyanto Hantoro	President Director	44	43	98%
Roby Roediyanto	Director of Corporate Finance & Shared Service	44	43	98%
Bagyo Nugoro	Director of Strategic Planning & Portfolio Management	44	43	98%

Agenda of the Board of Directors' Meeting

In general, meetings of the Board of Directors discuss on various subjects on business, operations, and financial of the Company.

Assessment on Performance of the Board of Commissioners and the Board of Directors

Board of Commissioners

Assessment Procedure on Performance of the Board of Commissioners

Shareholders through GMS conduct assessment on performance of the Board of Commissioners through:
- Accountability Report of the Board of Commissioners submitted at AGMS.

Board of Directors

Assessment Procedure on Performance of the Board of Directors

Performance Assessment of TelkomMetra's Board of Directors in 2019 is based on management contracts agreed upon by the Board of Directors and the Board of Commissioners of TelkomMetra.

Assessment Criteria

The assessment criteria for the Performance of TelkomMetra's the Board of Directors in 2019 was based on 4 (four) aspects, namely Financial, Customer, Internal Process, and Learning and Growth.

Assessor Party

Every year, the assessment on performance of the Board of Directors is conducted objectively and independently by the Company's Board of Commissioners.

Policy on Remuneration for the Board of Commissioners and the Board of Directors

Procedure on Determination of Remuneration for the Board of Commissioners and the Board of Directors Determination of remuneration for the Board of Commissioners and the Board of Directors of the Company is conducted through the AGM mechanism by referring to the prevailing regulations within the SOE and Telkom Group.

Basis of Determination

The remuneration policy for the Company's Board of Commissioners and Board of Directors is carried out by considering the Company's performance, industry competitiveness and financial capability of the Company.

Remuneration Structure of the Board of Commissioners and the Board of Directors

Components of remuneration used consist of honorarium, bonus, and a number of allowances.

Remuneration Amount for Members of the Board of Commissioners and the Board of Directors

In 2019, the Company has paid total remuneration for all members of the Board of Commissioners and the Board of Directors in accordance with resolutions of TelkomMetra's 2018 Annual GMS on June 20, 2019.

Policy on Diversity in Composition of the Board of Commissioners and the Board of Directors

Determination of the composition of the Board of Commissioners and Directors is carried out by considering the needs and complexity of the Company's business, especially in dealing with rapid growing and aggressive business of Information, Media, Edutainment and Services (IMES) industry. Therefore, the composition of the Company's Board of Commissioners and Directors is always based on background knowledge, expertise and professional experience to support the effectiveness of the implementation of their duties. The diversity of the composition of the Company's Board of Commissioners and Directors is shown in their Profile disclosed in the Profile of the Board of Commissioners and the Board of Directors profiles.

Information on Affiliate Relations of the Board of Commissioners and the Board of Directors

Fellow Members of the Board of Commissioners and among Members of the Board of Commissioners and the Board of Directors have no familial relations up to the second degree, both vertically and horizontally. TelkomMetra ensures that this does not occur both among each member of the Board of Commissioners or the Board of Directors, and Major Shareholder or Controlling Shareholder.

Committee under the Board of Commissioners

With reference to Decree of the Board of Commissioners No. 05/DK/METRA/V/2018 on Establishment of Supporting Organ of the Board of Commissioners of PT Multimedia Nusantara dated July 10, 2018, the Company has 2 (two) supporting committees which carry out duties to assist the oversight function of the Board of Commissioners, as follows:

1. Audit Committee.
2. Risk Assessment and Planning Committee.

Audit Committee

Audit Committee is a Committee under the Board of Commissioners which was formed based on the provisions of Law No. 40 of 2007 Article 121 point (1) and (2) concerning Limited Liability Companies to assist the Board of Commissioners in supervising the implementation of the Board of Directors' functions in order to ensure a proper management of the Company in accordance with the GCG principles adopted by the Company.

Audit Committee Charter

The Company's Audit Committee Charter serves as the basis for work and guidance for all members of the Audit Committee, in which the design and approval of the Audit Committee Charter is carried out in accordance with the contents of the Decree of the Company's Board of Commissioners No.030/DK/METRA/XII/2013 dated December 24, 2013 concerning the Establishment of the Company's Board of Commissioners Charter. The Company's

Audit Committee periodically reviews and evaluates the contents of the Audit Committee Charter for changes (if necessary) upon the approval of the Board of Commissioners.

Responsibilities and Authorities

With reference to the Audit Committee Charter, the responsibilities of the Company's Audit Committee, among others:

1. To conduct review on completeness of internal control system and risk management of the Company.
2. To conduct review on financial statements as of the end of the year, including each wording in the Annual Report and financial position of the Company, accounting issues, reporting and audit findings, including every significant proposal for improvement submitted to the Board of Directors (Management).
3. To conduct review on monitoring process's compliance with prevailing rules and regulations, and when deemed necessary, Audit Committee may consult with legal counsel on any legal cases with the significant impact on the Company's financial statements.
4. To conduct review on audit plans and reports that will be carried out by the Company's Internal Audit Unit.
5. To provide assessment on competency of internal audit and internal audit staff.
6. To conduct review on effectiveness of internal audit function and provide recommendation to the Board of Commissioners on the appointment or reappointment of external auditor.
7. To provide assessment on independence of external auditor.
8. Other responsibilities determined based on the decision of the Board of Commissioners related to the appointment of members of Audit Committee.

Meanwhile, the authorities of the Company's Audit Committee, among others:

1. Having full access on necessary sources to meet the implementation of its duties.
2. Based on order of the Board of Commissioners, Audit Committee is authorized to conduct special investigation.
3. Having power to involve the independent experts upon approval of the Board of Commissioners.

Period and Term of Office

As stated in the Audit Committee Charter, the term of office of a member of the Audit Committee of the Company is from the date of his appointment as a member of the Audit Committee until the expiry of the term of office of the Board of Commissioners determined by the GMS in accordance with the provisions of the Articles of Association.

Audit Committee Members

The Company's Audit Committee consists of at least 2 (two) members of the Board of Commissioners, where 1 (one) member of the Board of Commissioners is appointed as the Chairman of the Audit Committee and 1 (one) other person acts as a member of the Audit Committee. Based on the Decree of the Company's Board of Commissioners No.07/DK/METRA/XI/2019 concerning Determination of Supporting Organs of the Board of Commissioners of PT Multimedia Nusantara on November 7, 2019, the composition of the Company's Audit Committee members as of December 31, 2019 is as follows:

1. Chairman of Audit Committee: Devindra Kamal
2. Secretary: Prayudi Nugroho
3. Member of Audit Committee: Saul Rudy Nikson

Complete profile of the Chairman of Audit Committee can be seen in Company Profile Chapter, sub-chapter of Profile of the Board of Commissioners

Independence Disclosure

All members of the Company's Audit Committee are independent parties who do not have a financial relationship,
share management and/or family relations either with the Major Shareholders, the Board of Commissioners or the Board of Directors.

Meeting of Audit Committee

The Audit Committee shall hold an internal Audit Committee meeting at least once a quarter, one of which is conducted after Management submits annual financial statements.

Throughout 2019, the Company's Audit Committee held 4 (four) internal meetings with a 100% attendance level. The meeting agenda included discussion on PKAT approval, evaluation and strengthening of the Internal Audit Unit, as well as periodic audit report reporting.

Duties Implementation of Audit Committee

Throughout 2019, the Audit Committee has carried out its duties as stated in the Audit Committee Charter.

Risk Assessment and Planning Committee

The Risk Assessment and Planning Committee functions to review proposals and oversee the implementation of long term plan, business plan, risk management and plans for mergers and acquisitions.

Risk Assessment and Planning Committee Charter

The Risk Assessment and Planning Committee Charter serves as the basis or guidelines for all members of the Risk Assessment and Planning Committee in carrying out their duties and responsibilities in the Company as stated in the Decree of the Company's Board of Commissioners No.030/DK/METRA/XII/2013 dated December 24, 2013 concerning the Establishment of the Company's Board of Commissioners Charter. The Risk Assessment and Planning Committee periodically reviews and evaluates the contents of its Charter to make changes (if necessary) upon the approval of the Board of Commissioners.

Responsibilities and Authorities

As referred to in the Risk Assessment and Planning Committee Charter (RAPC Charter), RAPC carries out duties and responsibilities of the Company's RAPC, among others:

1. To conduct comprehensive review on the proposal of the Company's Long Term Plan, Business Plan, risk management, merger and acquisition plan as well as submitting the review results to the Board of Commissioners in accordance with the time set forth by the Board of Commissioners;
2. To conduct review and supervision on the Company's Long Term Plan, Business Plan, risk management, merger and acquisition plan as well as submitting the review results to the Board of Commissioners on regular basis;
3. To provide advice and recommendation to the Board of Commissioners on proposal of the Company's Long Term Plan, Business Plan, risk management, merger and acquisition plan.

Meanwhile, in carrying out the function and the role at the Company, RAPC also has a number of authorities, as follows:

1. To request and/or obtain the necessary data in connection with the Company's Long Term Plan, Business Plan, risk management, merger and acquisition plan;
2. To propose the Board of Commissioners to team up with third parties or professional services for data and other supporting tools procurement to assist the RAPC in carrying its duties.

Period and Term of Office

The term of office of RAPC members is from the date of his appointment as member of the RAPC to the end of the term of office of the Board of Commissioners determined by the GMS in accordance with the Articles of Association.

Risk Assessment and Planning Committee Members

RAPC members consist of at least 2 (two) members of the Board of Commissioners, where 1 (one) member of the Board of Commissioners is appointed as the Chair of the RPAC and 1 (one) other person acts as a member of the RPAC. Based on the Decree of the Company's Board of Commissioners No. 07/DK/METRA/ XII/2019 concerning Determination of Supporting Organs of the Board of Commissioners of PT Multimedia Nusantara on November 7, 2019, the composition of the Company's RPAC as of December 31, 2019:

1. Chairman of RPAC: Pramasaleh Hario Utomo
2. Secretary: Prayudi Nugroho
3. Member: Rikki Pudyo Ananto

Complete profile of the Chairman of RPAC can be seen in Company Profile Chapter, sub-chapter of Profile of the Board of Commissioners.

Independence Disclosure

All members of the Company's RPAC are independent parties who do not have a financial relationship, share management and/or family relations either with the Major Shareholders, the Board of Commissioners or the Board of Directors.

Meeting of RPAC

RPAC is required to hold meeting at least once a quarter, one of which is conducted after Management submits annual financial statements. RPAC meeting is considered quorum and valid to be held if attended by 2/3 members of the RPAC, Chairperson and Secretary of the RPAC.

Duties Implementation of RPAC

Throughout 2019, the RPAC has carried out its duties as stated in the Article 17 of the Company's Articles of Association.

Corporate Secretary

The Corporate Secretary is one of the Company's supporting organs that plays an important role in bridging communication between the Company's organs, the relationship between the Company and shareholders, regulators, and other stakeholders as well as ensuring the Company's compliance with applicable laws and regulations. At present, all functions, duties and responsibilities of the TelkomMetra's Corporate Secretary are held by VP General Affairs and Legal.

Profile of Corporate Secretary

Sigit Adi Pramono, MBA

Citizenship	Indonesian
Age	42 years old
Domicile	Jakarta
Legal Basis of Appointment	SK No. 137/MN-CHCO/HCM/SK-PP/VII/2014 dated July 10, 2014
Educational Background	• Bachelor of Engineering/Telecommunications from Sekolah Tinggi Teknologi Telkom, Bandung (2001). • Master of Business Administration (MBA), from School of Business Management, Institut Teknologi Bandung (ITB) (2010).
Work Experience	Having career at Telkom Group with the following career history: • Unit Network Regional Jakarta (2002). • Account Manager of Enterprise Service Division (2003 – 2008). • Senior Officer Corporate Strategic Planning (2011 – 2013). • Project Controller Officer More For Less TV (2013). • Portfolio and Investment Evaluation Officer (2014). • Manager of Ecosystem and Planning eHealth - Solution Convergence Division (2013-2014). • VP General Affairs and Legal (July 2014 – present). • Secretary to the Board of Commissioners of Telkomtelstra (April 2015 – present). • Secretary to the Board of Commissioners of PT PINS Indonesia (May 2018 – present). • Secretary to Risk and Audit Committee of Telkomtelstra (January 2018 – present). In addition, he once received assignment as Counterpart for: • AT Kearney (Building Telkom Group Media Business Roadmap, 2011-2012). • Deloitte (Developing Business Plan for Low Cost TV Initiatives, 2013). • IDC (Preparation of Business Plan Re-Alignment Data Center and Cloud Telkomsigma, 2016).
Education and/or Trainings Attended	• Prasetya Mulya – Effective Business Presentation (2015). • Global Talent Program at Bangalore India (tahun 2013-2014). • Prasetya Mulya – Advance Financial Management for Non Finance Manager (2014). • Telkom - Certified Business Process Management (TCBPM) (2014). • Telkom - Tomorrow Business Leader (2010).

Duties and Responsibilities of Corporate Secretary

The Corporate Secretary is responsible for ensuring compliance and administrative decision-making within the company, as well as carrying out the communication function in order to establish goodwill. In terms of governance structure, the function of the Corporate Secretary is an extension of the Board of Directors, especially in establishing communication to ensure smooth communication between the Company and its stakeholders and to ensure the availability of information that can be accessed by stakeholders in accordance with the reasonable needs of stakeholders. Referring to the GCG General Guidelines (2006) published by the National Committee on Governance Policy (KNKG), 5 (five) functions of the Board of Directors include: (1) management; (2) risk management; (3) internal control; (4) communication; and (5) social responsibility.

Corporate Secretary Activities in 2019

The Corporate Secretary is responsible to the Board of Directors and shall submit a report on the implementation of activities carried out throughout the financial year to the Board of Commissioners. Throughout 2019 the activities carried out by the Corporate Secretary were as follows:

1. Office of the Board, to hold Meeting of the Board of Directors and Meeting of the Board of Commissioners, including:
    a. Ensuring the attendance of meeting participants to reach the quorum that will produce valid and credible decisions.
    b. Organizing any subjects that shall be decided at the Board of Directors, the Board of Commissioners, or Shareholders levels.
    c. Ensuring the follow up on decisions made by the Board of Directors, the Board of Commissioners or Shareholders.
2. Compliance, among others:
    a. Update on information about regulations that shall be complied by the Company along with the administration.
    b. Submitting information of corporate action to the concerned regulators.
    c. Carrying out government relations function to create and maintain the Company's goodwill before the regulator by staying in the corridor of appropriateness and business ethics.
3. Investor Relations, covering:
    a. Assisting to ensure that material information delivered to investors at the right time.
    b. Preparation to hold GMS and preparation of Annual Report.
    c. Building a good communication with capital market community, the analysts in particular.
4. Corporate Communications, among others:
    a. Building corporate citizenship and stakeholder engagement.
    b. Assisting the implementation of the Company's programs to meet its obligation as a part of the nation and community as well as Stakeholders empowerment.
    c. Maintaining consistency of message and image wish to be delivered to community while keeping the information delivered not against the law.

Education and/or Training of Corporate Secretary

In 2019, the Corporate Secretary has attended education and/or training as follows:

Name of Training	Organizer	Date	Location
State Losses in State Owned Enterprise and Regional Owned Enterprise, Investment or Corruption Risks	Asia Anti Fraud	September 5-6, 2019	Bandung

General Affairs and Legal Unit

The General Affairs & Legal Unit carries out duties and responsibilities to ensure that the Company's administrative functions, the internal and external communications, and the effective communication relationship between the Company and stakeholders. The General Affairs and Legal Unit is led by the VP General Affairs & Legal who also serves as the Corporate Secretary who reports directly to the Board of Directors. The duties and responsibilities of the General Affairs & Legal Unit include:

1. Maintaining image and reputation of the Company and fostering close relations with stakeholders whilst carrying out the Company's internal and external functions and market education.
2. Maintaining the Company's activities to keep in the right corridor of law, such as holding the GMS, merger and acquisition activities, and establishment of new companies.
3. Maintaining the regulatory compliance on each management decision both against the Company's internal regulations and prevailing regulations.
4. Providing standards and guidance to meet the legal aspect in the process of the Company's agreements.
5. Managing various supporting functions, among others general administration, documentation of the Company.

Internal Audit Unit

The establishment of Internal Audit Unit within the Company's organizational structure was established through the Board of Directors Decree No. 011/KD-1/VI/2009 dated June 22, 2009 containing the Internal Audit Charter and its contents which include the functions, independence, scope of work, authority and responsibilities as well as the Internal Audit code of ethics. The Internal Audit Unit has undergone several changes until 2019. The latest changes are based on the Board of Directors Decree no. 012/KD-I/VIII/ 2019 dated August 1, 2019 concerning the Addendum to the Organizational Structure of Metra Holding.

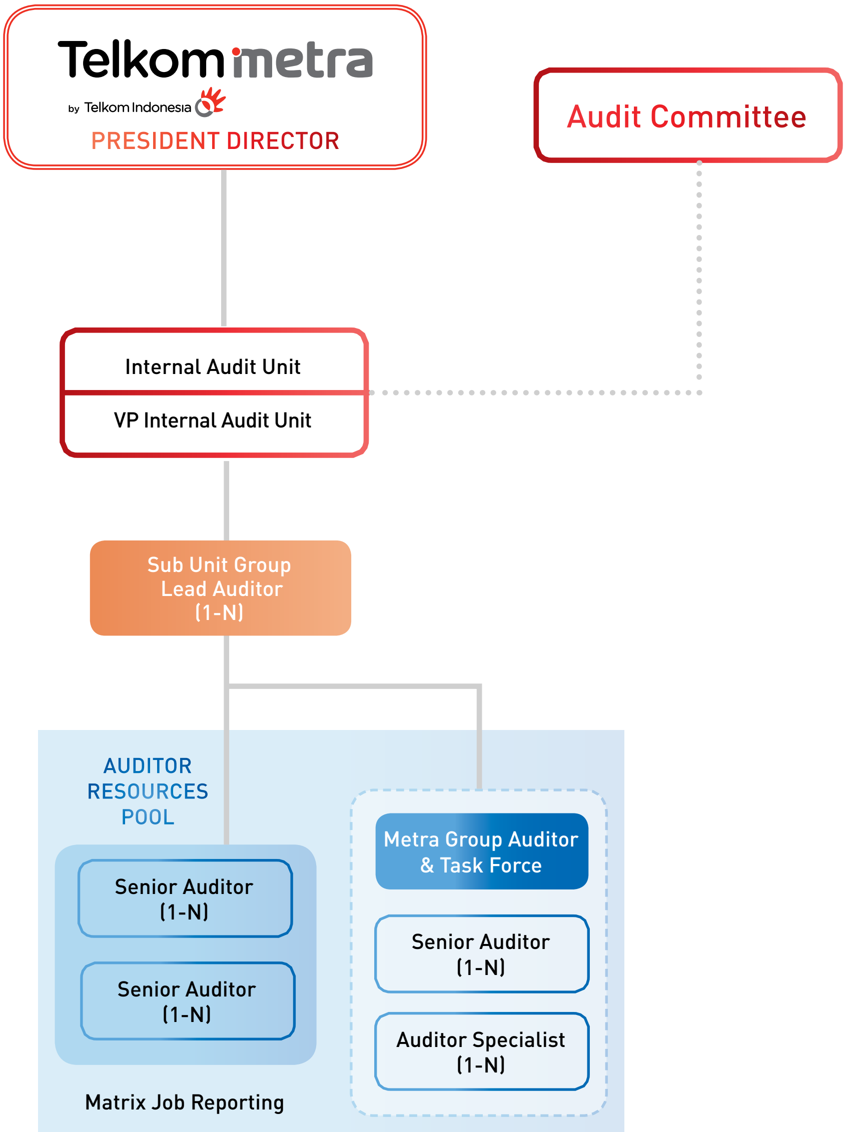
To ensure that all business and operational activities of the Company run in accordance with sound corporate practices, the Internal Audit Unit periodically evaluates the effectiveness of the Corporate Governance, Risk Management, Internal Control and regulatory compliance processes.

Internal Audit Charter

In accordance with the Board of Directors Decree No:005/KD-1/XI/2018 concerning the Internal Audit Charter of PT Multimedia Nusantara (TelkomMetra), the Company has established a policy that contains the structure and position, duties and responsibilities, authority, code of ethics, and the scope of work of the Internal Audit Unit. The Internal Audit Charter has been tailored to the best practice and in line with Telkom's Internal Audit Charter. The Internal Audit Unit shall be guided by the Internal Audit Charter, the Company's Articles of Association and other relevant laws and regulations.

Structure and Position of Internal Audit Unit

Structurally, the Internal Audit Unit is led by the Head of Internal Audit who is directly under the President Director, but is functionally responsible to the Audit Committee as can be seen in the chart below:



Number of Internal Audit Personnel

In 2019, the Company's Internal Audit Unit consisted of 6 (six) people, including the Head of Internal Audit Unit. In accordance with the Board of Directors Decree No. 012/KD-I/VIII/2019 dated August 1, 2019, the Risk Advisory Sub Unit is no longer under the Internal Audit Unit but under the Strategic Planning & Risk Advisory Unit.

Profile of Head of Internal Audit Unit

Saul Rudy Nikson

Citizenship	Indonesian
Age	52 years old
Domicile	Jakarta
Legal Basis of Appointment	SK No.001/MN-DU/HCM/SK-PP/II/2017 dated February 22, 2017
Educational Background	• Diploma in Accounting from Department of Finance (1992). • Bachelor of Economics from University of Pattimura (1996).
Work Experience	Internal Audit of Telkom, as Audit Staff, Auditor, Senior Auditor, AVP Financial Audit (2014-2015) and the latest as AVP Internal Control Over Financial Reporting (ICOFR) (2015-2016).
Education and/or Trainings Attended	• Certification in Data Security (2012). • Behaviour Consultant Certification (2013). • Risk Governance Professional Certification (2018). • Audit trainings: IT Audit, Operational Audit, Financial Audit, ICFR Audit, and Investigation. • Non-Audit Trainings: Merger & Acquisition, Portfolio Management, Leadership, IFRS.

Party to Appoint and Dismiss the Head of Internal Audit Unit

Referring to the Internal Audit Charter, the Head of Internal Audit Unit is appointed and dismissed by the President Director upon the approval of the Board of Commissioners.

Qualifications/Certifications of Internal Auditor Profession

All the personnel of Internal Audit Unit are required to have a number of certifications relevant to their competency as internal auditor. Accordingly, the Company's Internal Audit Unit currently has a number of certifications covering: Certified Internal Audit (CIA), Certified Risk Management Officer (CRMO), Certified Governances Risk Professional (CRGP), Certified Data Security Specialist (CDSS), Qualified Internal Auditor (QIA), and Quality Management System Auditor (IRCA).

Duties and Responsibilities of Internal Audit Unit

Referring to the Internal Audit Charter, the Annual Audit Work Plan constantly becomes the foundation or basis of annual activities of Internal Audit Unit. Basically, Annual Audit Work Plan is designed based on risk (Risk Based Audit) considering the Company's varies organizational character in terms of maturity, type of business, business scale and corporate governance level. The activities conducted by the Internal Audit cover several areas, among others:

a. Financial Audit is conducted to assess the reliability level of information presented in financial statements and internal control adequacy aspect contained in financial statements or such financial information (Internal Control on Financial Reporting).
b. Operational Audit is conducted to assess the effectiveness and efficiency of current business process in compliance with prevailing regulations and best practice.
c. Investment Audit is conducted to assess the effectiveness of internal control in every investment activity carried out by the Company. The Audit process takes place since pre-investment stage, investment process and post-investment in accordance with prevailing regulations. This is important to do considering the Company simultaneously develops portfolio in IMES (Information, Media & Edutainment, Services) through various corporate action, both acquisition and business alliance.
d. Internal Consulting is conducted to deliver added value in the form of improvement initiative on business process. This activity dominates the Internal Audit work program to prevent the potential risk.

Duties Implementation of Internal Audit Unit in 2019

a. Internal consulting activity includes one assignment:
    - Internal consulting Cloud Security – Telkomsigma.
b. Audit activities include 8 assignments:
    - Financial Audit – MD Media
    - Financial Audit – Belebat
    - Financial Audit – Telkomsigma
    - DPI/NIC Project Audit– Infomedia
    - TOP Project Audit – Telkomsigma (2 assignments)
    - DDS/DCP Project Audit– Telkomsigma
    - Ritnas Transaction Audit – Finnet
c. Review activities include 3 programs, namely:
    - Quarterly review of intercompany transactions
    - Review of quarterly financial statements
    - Review of risk register
    - Monitoring Integrated Audit

Education and/or Training of Internal Audit Unit

In 2019, members of Internal Audit Unit attended education and/or training as follows:

Name & Position	Type of Trainings	Date	Organizer
Anggita Deska (Internal Auditor Specialist 4)	Finance for Non Finance Manager Training	Feb 27 - Mar 1, 2019	Business Enabler Academy Telkom
Laksmiutami Firidzqiana Putrianti (Internal Auditor Specialist 1)	*Bootcamp Certified Internal Auditor*	Mar 15 - May 10, 2019	Business Enabler Academy Telkom
Anggita Deska (Internal Auditor Specialist 4) Ika Sagita Damayanti (Internal Auditor Specialist 3)	*Bootcamp Certified Information System Auditor*	Apr 22-26, 2019	Business Enabler Academy Telkom
Alfath Mahdi Harwis (Group Lead Senior Auditor) Laksmiutami Firidzqiana Putrianti (Internal Auditor Specialist 1)	*Workshop Revenue Assurance, Internal Audit Charter dan Continuous Audit & Monitoring*	Apr 29, 2019	Internal Audit Telkom Group
Alfath Mahdi Harwis (Group Lead Senior Auditor)	Internal Audit's Sharing Session in celebration of Internal Audit Awareness Month	May 3, 2019	Internal Audit Telkom Group
	Workshop Implementasi / *Lesson Learn* IFRS 15, 9 & 16 serta Kesiapan Implementasi PSAK 71, 72 & 73	May 27, 2019	Probis IFRS Telkom
	Information Technology Infrastructure Library (IT IL) - Bootcamp (training)	Jun 24-26, 2019	Telkom Corporate University
	Information Technology Infrastructure Library (IT IL) - Exam	Jun 27, 2019	PT Andalan Nusantara Teknologi
	Sharing Session Corporate Valuation & Venture Capital Investment	Aug 23, 2019	Internal Audit Telkom Group
	Leadership For Manager Program	Aug 19, Sept 2 & 16, 2019	Dale Carnegie

Name & Position	Type of Trainings	Date	Organizer
Alfath Mahdi Harwis (Group Lead Senior Auditor)	Training of Basic Anti-Corruption for Internal Audit Unit	Oct 30 - Nov 1, 2019	Komisi Pemberantasan Korupsi
Laksmiutami Firidzqiana Putrianti (Internal Auditor Specialist 1)			
Saul Rudy Nikson (VP Internal Audit)	The 7th National Conference of Risk Management Professional	Nov 28-29, 2019	LSPMR
Laksmiutami Firidzqiana Putrianti (Internal Auditor Specialist 1)			
Saul Rudy Nikson (VP Internal Audit)	Investigative Audit	Dec 4-5, 2019	Telkom Corporate University
Fery Indrawan (AVP Internal Audit)			
Alfath Mahdi Harwis (Group Lead Senior Auditor)			

Public Accountant

Public Accountant or External Auditor is a professional independent party assigned to conduct financial audit and other audits such as operational audit, special audit, quality audit, investigative audit and information technology audit.

In order to maintain independence and objectivity of audit results, therefore:

a. External Auditor reports its audit results to the Board of Commissioners and the Board of Directors.
b. External Auditor shall not be interfered by and has no conflict of interest with the Board of Commissioners, the Board of Directors and all parties concerned (Stakeholder).
c. External Auditor shall not provide services other than audit during the audit period.
d. External Auditor shall not have material financial interest both directly and indirectly and business relations with the Company.

Accordingly, the Company grants authority to the Board of Directors to appoint Public Accounting Firm with regards to the resolutions of GMS to conduct financial audit activities at the Company.

Name of Public Accounting Firm and Public Accountant that conduct Audit on Annual Financial Statements for the past 5 years:

Year	Public Accounting Firm	Public Accountant	Service	Fee (Rp)
2019	Kantor Akuntan Publik Purwantono, Sungkoro & Surja (*Ernst & Young*)	Agung Purwanto	Audit on Consolidated Financial Statements of PT Multimedia Nusantara and Subsidiaries	2,266,500,000
2018	Kantor Akuntan Publik Purwantono, Sungkoro & Surja (*Ernst & Young*)	Agung Purwanto	Audit on Consolidated Financial Statements of PT Multimedia Nusantara and Subsidiaries	2,012,000,000
2017	Kantor Akuntan Publik Purwantono, Sungkoro & Surja (*Ernst & Young*)	Agung Purwanto	Audit on Consolidated Financial Statements of PT Multimedia Nusantara and Subsidiaries	1,962,000,000
2016	Kantor Akuntan Publik Purwantono, Sungkoro & Surja (*Ernst & Young*)	Deden Riyadi	Audit on Consolidated Financial Statements of PT Multimedia Nusantara and Subsidiaries	2,247,000,000
2015	Kantor Akuntan Publik Purwantono, Sungkoro & Surja (*Ernst & Young*)	Deden Riyadi	Audit on Consolidated Financial Statements of PT Multimedia Nusantara and Subsidiaries	1,395,000,000

Risk Management

The Company considers that the implementation of appropriate risk management is an inseparable part of the internal control system of the Company's business activities as a strategic investment holding company of Telkom Indonesia. The Company is convinced this needs to be done to ensure the management of TelkomMetra Group's business activities engaged in the IME industry is always in the corridor of measured and controlled risk profiles.

In the implementation, the Company's Management has determined that the Strategic Plan & Risk Advisory Unit is involved in building TelkomMetra Group's Risk Awareness. This activity is expected to raise awareness for each unit /subsidiary in recognizing every risk inherent in organizational activities and managing it effectively.

In 2019, the risk management that runs in the Company is attached to each business process. The Strategic Plan & Risk Advisory Unit helps the implementation of the risk management system in the Company in the form of risk register assessment activities, risk register monitoring, risk awareness campaigns within the TelkomMetra Group.

Scope of Risk Management

In the process of implementing Risk Management, the Company divides the scope of risk management into 3 (three) aspects, namely:

1. **Organization and Human Resources**
   With reference to the main function of TelkomMetra as a strategic investment holding company until December 31, 2019, the Company has conducted surveillance on risk control by involving the entire position levels, both structural and functional. As the effort of the Company to improve effectiveness of risk management implementation, the Company periodically executes a number of programs, activities, or socialization that discuss the internalization of company values in order to build good awareness and understanding among all employees and Management regarding the business activities carried out by the Company and its risk profile.

2. **Policies, Rules of Conduct and Procedures**
   The Company has Standard Operating Procedures (SOP) to direct the implementation of risk management in the Company. The establishment of SOP is conducted with due observance of policies, business development and characteristics and IME industry.

3. **System and Data**
   Risk Management System is built comprehensively and integrated as a facility to maintain the continuity of business processes, the company's operations and faster decision making. In addition, the implementation of risk management system in the Company is also useful to ensure the compliance of risk management with the Company's policy and prevailing rules.

Risk Identification and Mitigation

Throughout 2019, the Company has identified risk profiles and efforts to mitigate these risks, namely:

1. **Strategic Risk**
   A risk that occurs due to the Company's strategic decision making or the execution of decisions which significantly affects the Company's strategic objectives. Strategic Risk includes the following:

   a. Default Risk on Merger & Acquisition Action and Partnership
      The failure of corporate actions in the form of strategic initiatives is one of the potential risks inherent in the Company's business activities, such as failure to accelerate business's inorganic growth, including in Post Deal Integration with portfolios or ecosystems that are already available in the Telkom Group. As for some of the factors that triggered the failure, including the limited list of companies as target acquisition (capture) or incubation (nurture) as well as potential partnerships, the results of feasibility studies and due diligence which does not support the continuation of the process, no agreement is reached with target companies/strategic partners both in the value and structure of the transaction and the transaction approval process of the Telkom Group Management. In addition to the risks that may occur prior to transaction, there is also the potential risk of failure after an inorganic transaction (Post Deal Risks), which is not realized plans to increase the value of post-transactions, especially synergy activities.

      Mitigation:
      - Selectively determine the acquisition target.
      - Conducting close monitoring and control performance.
      - Mature design of Post Deal Integration (PDI) and Integrated Management Office (IMO) to achieve an optimum synergy with Telkom Group.

b. Default Risk in New Business Development
The development of new businesses established through nurture schemes, joint ventures or unsuccessful acquisitions may affect the Company's performance. The failure can be in the form of not achieving value creation as expected due to the weakening of the company's performance following the acquisition of the projections used, or not achieving synergy with the Telkom Group. This failure can be triggered by unachieved business plan, unpreparedness in terms of HR capabilities and supporting policies or procedures, as well as changes in the policies of the Company or Shareholders.

Mitigation:
- Conducting comprehensive and thorough analysis prior to new business establishment process, including:
  - Investment criteria analysis.
  - Portfolio strategic fitness.
  - Synergy potential analysis.
- Prepare the Human Resources in accordance with the new business development target, including holding a number of trainings and new employee recruitment for professional hire.
- The application of PDI (Post Deal Integration) and IMO (Integrated Management Office) processes is carried out and closely monitored.

2. Financial and Operational Risk

a. Return on Investment Risk
One of the risks occurring due to the smaller Return on Investment than opportunity cost, leading to unachieved investment return of the Company as Strategic Investment Holding Company.

Mitigation:
The Company has composed Post Deal Integration (PDI) documents containing details of plans and necessary actions following the Merger and Acquisition transactions (M&A) in order to deliver values at best.

b. Subsidiary Business Performance Risk
One of the risks occurring due to unrealized performance target of Subsidiaries that leads to the failure of achieving the entire consolidated business targets of the Company.

Mitigation:
The Company has Subsidiary Performance Monitoring function which carries out duties and responsibilities, among others to monitor performance of Subsidiaries regularly every month, to conduct business communications with related CFU & FU while maximizing BoE Meeting function (Board of Executive consists of: the Board of Directors of the Company and Subsidiaries) to maintain the two-way communication among top management.

c. Default Risk in Corporate Treasury Management
One of the risks arising from mismanagement of liquidity, interest rate and foreign exchange rate that oppresses or lower the Company's operational performance and corporate ability to meet the short term liabilities.

Mitigation:
The Company constantly conducts closely monitoring to keep the liquidity maintained, by monitoring the foreign exchange rate volatility and ensuring that the assets denominated in foreign currency exceed the liabilities denominated in foreign currency.

d. Cost Efficiency & Effectiveness Risk
One of the risks arising from operating expense mismanagement that causes the low cost efficiency and effectiveness. This risk may affect the ability to reach margin EBITDA with regards to the agreed target.

Mitigation:
The Company has implemented strict budget control to ensure there are no expenses/costs that exceed the budget.

Internal Control System

Financial and Operational Control

The implementation of a comprehensive, effective and efficient Internal Control System aims at securing the Company's investments and assets in order to run a healthy and conducive business activities based on GCG principles. The implementation of the Internal Control System refers to the Minister of SOE Regulation No. Per-01/MBU/2011 which is also in line with the Internal Control Integrated Framework formulated by The Committee of Sponsoring Organizations of the Tread way Commission (COSO). The Internal Control System includes aspects of:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

Compliance with Regulations

The Company is strongly committed to always carry out sound business practices that are always based on the prevailing rules and regulations in Indonesia, especially those relevant to the company's business activities. The Company's business processes and internal rules are continuously updated to tailor to the updated laws and regulations relevant to the Company's business and operational activities.

Review on Effectiveness of Internal Control System in 2019

The Company's strong commitment to always implement an effective Internal Control System is reflected in the absence of significant findings obtained both from the results of the internal audit process and external audit that may affect the fairness and reliability of the Company's financial statements. In addition, the Company always evaluates and updates all Standard Operating Procedures that apply in the Company to support the effectiveness of all Internal Control System activities.

Significant Cases in 2019

During 2019, there were no significant cases both civil and criminal faced by the Company and members of the Board of Directors and/or the Board of Commissioners.

Administrative Sanction

Throughout 2019, there were no administrative sanctions imposed by regulators on the Company.

Access to Information and Information Disclosure

The Company continues to ensure the availability of adequate information and data access for employees and other stakeholders as part of the efforts to uphold GCG principles in all aspects of the business including information disclosure.

The Company has formed a Corporate Communication Team which carries out duties of conducting and managing various internal and external information access accurately and in a timely manner related to the Company's performance and activities in order to prevent asymmetric information.

Access to Internal Information

In carrying out daily operations, the Company always strives to weather every business challenge in the IMES industry through effective internal communication in order to strengthen cooperation and hone the sensitivity of all people of TelkomMetra Group in dealing with existing business dynamics. In addition, the Company also promotes and strengthens the internalization of the Code of Conducts and Culture of the TelkomMetra Group formulated in eF3STIVAL to create innovative and trustworthy human resources with high entrepreneurial spirit. In managing internal communication activities within the TelkomMetra Group, in addition to utilize the Mailing List and Whatsapp Group communication channels for rapid information dissemination, the Corporate Communication Team has conducted several internal communication activities that are expected to build effective communication and cooperation for all people of the Company, including:

1. **Monthly Townhall called Get Eat Done**
   This activity is a meeting forum between Management and all employees of TelkomMetra Holding, MediaHub, Metransportation and Metra Logistics. In this forum, the Management conveys the update on business performance, corporate action, the Company's new initiatives to employee sharing session. In this forum, there is also announcement of information on employees, such as new policies, new employees, promotion, and employees' birthday.
2. **Portal Internal (POINT)**
   POINT is web-based media of delivering information and announcement on the Company and employees that can be accessed by employees anywhere and anytime. In addition, POINT also provides paperless application feature that supports the operational and work coordination, among others Metra Sharedservices Information System (M-SIS) for fund proposal, Business Initiation Justification, Human Resource related Application, Food Order (Foodie), Meeting Room Reservation, e-Drive and Project Management.

Access to External Information

In terms of providing information for external parties, the Company continues to optimize the official website of the Company: www.telkommetra.co.id, Social Media (LinkedIn), Management Report, and Annual Report to deliver information related to operational and financial performance as well as the Company's business prospect. In addition, in the attempt of increasing public and prospective customer understanding of ICT trends towards industry 4.0 transformation and also to know more about the products and services that TelkomMetra has, in 2019 TelkomMetra developed the Communication Program as follows:

In 2019, the Company has released 5 (five) articles as follows:

1. Jalin and SSI to Strengthen Telkom Group in Supporting Digitalization of Banking Ecosystem, SWAOnline.
2. TelkomMetra's President Director: Tax Need Transformation, SWAOnline.
3. Corporate Optimization through Shared Service in Industry 4.0, Kompas.com.
4. AI, IoT and Logistic Sector Challenges in the Fourth Industrial Revolution Era, Kompas.com.
5. The urgency of Tax System Digitalization to Achieve Efficiency and Effectiveness of the Company. telkommetra.co.id.

Code of Conducts and Corporate Culture

In order to realize the sustainability of the Company's business in the long term, the Company always strives to increase the awareness of all employees so that they always place morality and business ethics as a work culture that is inseparable from an array of GCG implementations in the Company. To realize this, the Company has formed and ratified the Company's Code of Conducts which serves as a guidance for all people of the Company. The adoption of the Company's Code of Conducts refers to the Decree of the Board of Directors of PT Multimedia Nusantara No.008/KD-1/VIII/2016 dated August 9, 2016 concerning BOD Charter, one of which regulates business ethics and corporate governance in TelkomMetra Group. In addition, by referring to Board of Directors' Decree No.17-1/XI/2009 dated November 3, 2009 concerning Business Ethics of PT Multimedia Nusantara, the Company's Code of Conducts also applies for all employees as outlined in the employee Code of Conducts' signing sheet.

Socialization of Code of Conduct and Its Enforcement

The Company routinely campaigns on the Code of Conducts for all employees including the Board of Directors and Board of Commissioners of the Company. In addition, the Company's Code of Conducts is also explicitly written in the employee recruitment contract that must be understood and signed by all employees. This leads all employees of the Company to always behave in accordance with the Company's values, and apply the Code of Conducts in carrying out daily activities. The Company also regularly holds a number of internal activities aimed at reminding and emphasizing the application of a Code of Conducts for employees.

Statement of Code of Conduct for Members of the Board of Directors, Members of the Board of Commissioners, and Employees

The Company affirms that all contents of the Company's Code of Conducts shall be obeyed by all of the Company's Organs, namely the Board of Commissioners, Board of Directors, and all employees. The Company is convinced that the implementation of GCG principles as a whole in both the business line and management level can be one of the supporting factors for business sustainability in the future.

Whistleblowing System

The Company has provided channels for complaints of violations both from third parties and the Company's internal employees as referred to in the Decree of the Board of Directors of PT Multimedia Nusantara No.003/KD-1/III/2018 on "Ratification on Regulations of the Company's Board of Directors of PT Telekomunikasi Indonesia Tbk. No. PD.618.00/r.00/HK200/COP-0000000/2016 on Ratification of the Decision of the Board of Commissioners No.08/KEP/DK/2016 concerning Policy on Procedures for Handling Complaints of PT Telekomunikasi Indonesia Tbk and Consolidated Subsidiaries. This is a form of the Company's commitment and enthusiasm in improving the quality of GCG implementation at all levels of the organization and business lines. This Decree specifically regulates the procedures for handling complaints from third parties and employees.

Mechanism of Submitting Whistleblowing Reports

All incoming reports through Whistleblowing System will be submitted to the Board of Commissioners through Audit Committee with the following procedures:

1. Reports are directly addressed to the President Commissioner or Chairman of Audit Committee of PT Telekomunikasi Indonesia Tbk.
2. Reports may be delivered through whistleblower application, letters or e-mail by way of the followings:
   a. In terms of reports to be delivered via whistleblower application, then the application can be directly accessed on website of PT Telekomunikasi Indonesia Tbk., www.whistleblower.telkom.co.id.
   b. In terms of reports to be delivered via letter, then on the top-right of the envelope shall be put mark/note "Confidential" or "RHSPRIB" sent to the following address:
   President Commissioner
   c.q. Audit Committee
   PT Telekomunikasi Indonesia, Tbk.
   Graha Merah Putih Building, 5th Floor
   Jl. Jend. Gatot Subroto Kav. 52 Jakarta – 12710
   c. In terms of reports to be delivered via email, shall be addressed to: auditcommittee_whistleblower@telkom.co.id

Protection for the Whistleblower

In order to provide comfort and security to the Reporting Party, the Company always guarantees the confidentiality of identity and legal protection for the Reporting Party and their families as long as the report submitted is not a slander or a lie, and can be accounted for.

Type of Reports

Audit Committee will follow up the incoming reports both from employees of Telkom Group or other third parties related to:

1. Accounting and internal control issue on financial reporting that potentially leads to a misstatement on the Company's financial statements;
2. Auditing issue particularly related to the independence of Public Accounting Firm;
3. Violation on regulations and capital market regulations related to the Company's operations;
4. Violation on internal regulations that potentially injures the Company;
5. Fraud and/or abuse of power conducted by executives and/or employees within Telkom Group;
6. Improper behavior of the Board of Commissioners, Board Committees, Board of Directors, Management and employees of the Company but not limited to: dishonest, conflict of interest, and providing misleading information to public which directly or indirectly disgrace the reputation and may cause losses for the Company.

Reports Handling

In handling the incoming reports, the Audit Committee will undergo the following processes:

1. Member of Audit Committee appointed as whistleblower manager will monitor the incoming reports both via existing whistleblower application on Telkom website or by email and/or letters;
2. Whistleblower manager opens the incoming reports through whistleblower application, email or letters on regular basis to ensure and verify whether such reports have met the qualifications to be specified as valid reports that will be further processed or not meeting the qualifications;
3. The unqualified reports will not be processed and are saved as archive of whistleblower manager, while the qualified reports will be followed up by coordinating with Internal Audit Group;
4. Internal Audit Group will conduct preliminary audit and draws up Preliminary Report to be delivered to the Audit Committee and President Director;
5. Based on Preliminary Report received from Internal Audit Group, the Audit Committee will evaluate and decide whether the audit will be followed up and further processed or no need for follow-up and will be saved as archive of Audit Committee;
6. On Preliminary Reports that need for follow-up and assistance from independent party, the Audit Committee will ask for the approval of the Board of Commissioners, while the follow-

up on Preliminary Reports that need no assistance from independent party, the Board of Commissioners will ask for the Internal Investigation Request Letter from the President Director;

7. In case of the Board of Commissioners approves to use the assistance from independent party, the Audit Committee will conduct selection, appoint and assign the selected independent party to do investigation and draw up Preliminary Report on prior investigation or audit;
8. However, in case of the Board of Commissioners does not approve the use of assistance from independent party, the Preliminary Reports for follow up will be processed by sending Internal Investigation Order Letter to President Director.

Whistleblowing Reports Manager

The role and responsibilities of Audit Committee in the implementation of whistleblower are as follows:

1. To receive and review the reports related to the Company as referred to in FSA Regulation No. 55/POJK.04/2015 dated December 23, 2015 on Establishment and Guidelines for the Work of Audit Committee and report them to the Board of Commissioners;
2. To receive, review, and follow up the incoming reports related to the accounting, internal control, and auditing issues while maintaining confidentiality of the whistleblower's identity as stipulated in Sarbanes Oxley Act of 2002 Section 301, Public Company Audit Committee.

Result of Reports Handling

During 2019, the Company did not receive any incoming reports through the Whistleblowing System.

Anti-Corruption and Anti-Fraud Policy

The Company has an Anti-Fraud policy set forth in Decree of the Board of Directors of PT Multimedia Nusantara No.017/KD-1/XI/2009 dated November 3, 2009 concerning Business Ethics and Anti-Fraud Policy and Whistleblowers. The implementation of the Anti-Fraud policy within the Company is a manifestation of the Company's commitment to implement good corporate governance. The entire management of the Company is in stages responsible for disseminating Anti-Fraud Policy and monitoring fraud in their respective environments. In order to make the control more effective, the Company also conducts active supervision.

To prevent fraud in the financial, compliance, operational and strategic aspects, the Company has established an Anti-Fraud policy control system consisting of 6 (six) main elements which include:

a. Supervision by Management and control culture;
b. Risk identification and assessment;
c. Control and segregation of functions;
d. Accounting, information and communication systems;
e. Monitoring activities and correction action of distortions/weaknesses;
f. Monitoring the follow-up of audit results.

The Company's efforts made to prevent fraud include the following matters:

a. Building an honest business environment, a culture of transparency and responsibility;
b. Applying Business Ethics;
c. Creating independence, accountability, fairness, and a positive work environment;
d. Minimizing opportunities and opportunities to commit fraud;
e. Disseminating Anti-Fraud Program;
f. Strengthening the Company's internal control system.

Corporate
Social Responsibility

Corporate Social Responsibility

Corporate Social Responsibility

In carrying out day-to-day business and operational activities, the Company does not only focus on financial performance excellence, but also seeks to prioritize the Triple Bottom Line principle: People, Planet, Profit which is in line with the concept of sustainability development that is currently being carried out in various countries, including Indonesia. The Company is committed to always provide maximum contribution for all stakeholders by consistently carrying out the Corporate Social Responsibility (CSR) program every year as a form of the Company's social responsibility towards the community and the surrounding environment.

Basis of CSR Activities Implementation Policy

In carrying out CSR programs and activities every year, the Company always strives to establish a conducive and harmonious relationship with the Stakeholders by promoting moral and ethical principles.

To create a harmonious relationship with the Stakeholders, the Company always strives to carry out CSR activities based on a number of applicable rules and regulations, including:

1. Law Number 40 of 2007 article 74 on Limited Liability Company.
2. Law Number 25 of 2007 article 15 (b) and article 15 (d) on Capital Investment.
3. Law Number 1 of 1970 on Work Safety.
4. Law Number 23 of 1992 on Health.
5. Law Number 13 of 2003 on Manpower.
6. Law Number 8 of 1999 on Consumer Protection.

CSR activities carried out by the Company are divided into 4 (four) aspects, namely:

1. Environmental Aspect
2. Occupational, Health, and Work Safety Practices
3. Education, Social, and Community Development
4. Responsibility to Products and/or Services

Social Responsibility to Environment

Basis of Policy

Future business sustainability is mainly supported by the existence of environmental preservation factors. To that end, the Company is committed to always protect the environment and ensure there is no damage or environmental pollution caused by the company's operations. In terms of environmental preservation, the Company refers to Law No. 32 of 2009 concerning Environmental Protection and Management.

Activities in 2019

As in previous years, the Company carries out a number of CSR activities aimed at maintaining the balance of the environmental ecosystem, keeping in mind that the quality of the environment is crucial for future generations, including:

1. **Efficiency and the Use of Environmentally Friendly Energy**
   For office locations, TelkomMetra and a number of its subsidiaries namely Telkomsigma, Finnet, MD Media, PINS, Telkomsat, MelOn, and MDI occupy an office building with the concept of Smart Office which is high-tech but energy efficient and environmentally friendly, The Telkom Hub Building. The office building provides facilities in the form of LED lighting and an inverter technology AC with intensity according to the needs of residents in real time. In addition, as part of the Company's actions in preserving the environment, the Company calls on all employees to revoke electronic equipment sockets when not in use both at work and on holidays that will lead to increasingly efficient operational costs.

2. **Efficiency in Paper Use**
   The Company strives to maximize the digitalization of paperless workflows and documentation through the Management Information System (MSIS) application, Sunfish HR SaaS, Business Initiation Justification, Travel Management System, Food Order Management System, and others. In addition, the Company also seeks to maximize the use of e-filing for storing documents and e-mail or WhatsApp groups to disseminate announcements or information within the Company and to implement a policy of using two-sided or unused paper for daily administrative purposes. The abovementioned matters are part of the Company's commitment to reduce the paper use internally.

3. **Water Saving Policy**
   The Company consistently promotes and urges all employees to always use water wisely and sufficiently. In addition to preserve the environment, this step is also carried out to save budget expenses for water costs.

4. **Environmental Conservation**
   Environmental conservation efforts are demonstrated by the Company through the fertilization and biopori hole making program as part of the Telkomsat greening program, which is a subsidiary of TelkomMetra under the parenting mechanism.

Responsibility to Occupational, Health, and Safety (OHS)

Basis of Policy

The Company strives to create healthy industrial relations to motivate all employees in improving their performance and encourage them to always make the best contribution to the Company. Therefore, the Company always strives to fulfill the rights of all employees in terms of welfare, health, and safety while working as stipulated in the Company Regulations. This is derived from the Company's awareness that considers the employees as assets with a large role in supporting the sustainability of business ventures in the future.

Activities in 2019

The Company always strives to increase employee awareness of the importance of occupational health and safety and pay attention to the principles of gender equality, employment opportunities, guaranteeing employee rights, work safety, employee welfare, employee health, and so forth.

Gender Equality and Job Opportunities

The Company provides equal opportunities for all of those who want to join the Company, both men and women regardless of race, ethnicity, religion and social status. The Company also guarantees that all employees have an equal position, job training opportunity, competency and career development as well as commensurate and competitive service fees.

Opportunity in Competency Development

The Company continuously organizes HR education and training programs that aim at meeting the competency needs of each employee in accordance with their respective fields. A more detailed description of the employee education and training programs carried out by the Company throughout 2019 can be found in the Company Profile Chapter of this Annual Report.

Remuneration

The Company has established a policy of granting Regional/ Provincial Minimum Wages, the amount of which is adjusted to the operational work area of each employee. In addition, each employee of the Company also receives compensation in the form of annual leave, sabbatical leave, leave for religious observance, BPJS Health and Employment, outpatient and in-patient care outside the BPJS Health program, religious festivity allowances, bonuses, personal accident insurance, and pension funds.

Employee Turnover Rate

In order to create a favorable work climate for all employees, the Company strives to manage employee turnover rates at best. In 2019, employee stood at 1.55%.

Mechanism of Occupational Issues Grievance

The Company's employees are given the opportunity to submit criticisms and suggestions or complaints related to employment directly through the Human Capital Management Unit.

Health Facilities for Employees

The health aspect is one of the priorities of the Company in order to provide a safe and comfortable work environment for all employees. Therefore, the Company also pays attention to the health quality of all employees by implementing a policy of providing health facilities for employees and family members so that the welfare of all employees is always guaranteed. The Company provides health facilities in the form of health insurance for employees and their family members, General Medical Check-Up is routinely required for all employees to monitor the health quality of each employee, and organizes family gatherings to strengthen friendship and togetherness between the Company and employee families. In addition, all employees of the Company have also been registered with the BPJS health and BPJS Employment programs. This is also a form of the Company's participation in supporting the Government's health program.

Work Safety Facilities

In order to guarantee the safety aspects of all employees, the Company always provides work safety facilities in accordance with the prevailing laws and regulations in Indonesia, including light fire extinguishers, hydrants, smoke detectors, sprinklers, emergency alarms, and first aid kits as a form of anticipation in case of minor work accidents while working. The Company also has a Standard Operating Procedure (SOP) which becomes guidance for employees if natural disasters or other force majeure conditions occur at any time while they are carrying out their duties and responsibilities both at the head office and in the operational area.

Work Accident Level

Throughout 2019, the Company recorded zero accident.

Social Responsibility to Community

Basis of Policy

The Company is committed to promote the national economy in a sustainable manner through various CSR activities aimed at realizing development and the domestic economy. The Company regularly carries out CSR programs in the social and community development on a regular basis, especially in education and religious fields.

Activities in 2019

CSR activities related to social and community development carried out throughout 2019, including:

NO	ACTIVITIES	VENUE
1	Infomedia held a number of activities during Ramadhan 1440 H	An Naafi Mosque – Infomedia Head Office
2	Telkomtelstra held CEO Talks "Business Hope for Gender Equality dan Advancing Women Empowerment	Telkomtelstra Office
3	Infomedia and BDI participated in developing Islamic Boarding School following the Tsunami disaster in Banten	Banten
4	Metranet held fast-breaking event with orphans of Chairrunnissa Foundation -Tebet	Metranet Office
5	Metranet provided donation from its employees'collective donation for orphans of Chairrunnissa Foundation -Tebet	Metranet Office
6	Metranet provided donation for Indonesia Hijau Foundation	Indonesia Hijau Foundation Secretariat
7	Finnet provided educational assistance for teenagers of Al Azhar Mosque	Al Azhar School – Jakarta
8	Finnet provided educational assistance for teenagers of Ar Ridho Foundation	Ar Ridho Foundation – Jakarta
9	Finnet provided religious assistance for congregation of Bahtera	Jakarta
10	Finnet held blood donor activity attended by all employees	Finnet Office - Jakarta
11	Finnet provided educational assistance for Remaja Masa Depan Foundation, Al Kahfi Foundation, and Rahmatan Lil-Alamin Foundation	Al Kahfi Foundation and Rahmatan Lil-Alamin Foundation - Jakarta
12	Telkomtelstra held celebration of International Women's Day Balance for Better	Telkomtelstra Office
13	AdMedika provided donation for sharing and development activitiesat SMA 8 Yogyakarta	SMA 8 Yogyakarta
14	Donation and fast-breaking with orphans at Semarak Ramadhan AdMedika 2019 event.	Baiturrahman Mosque - Jakarta
15	AdMedika provided donation for Karang Taruna Aksata activity	Karang Taruna Aksata
16	MD Media Peduli MD Media Berkah	
	- Donation for operational of Al Hasanat Pancoran Islamic Boarding School	Jakarta
	- Donation and digital training for the visually impaired of Komunitas Masyarakat Tuna Netra (Komastra)	Jakarta
17	Qurban Manfaat MD Media 2019	Ash Sholihin Mosque

Social Responsibility to Customers

Basis of Policy

The Company is committed to always provide the best products and excellent services to each customer and consistently makes various continuous improvement efforts for customer satisfaction. Compliance with Law No. 8 of 1999 concerning Consumer Protection is realized through the protection of consumer rights, namely by providing products and/or services that are safety guaranteed.

Activities in 2019

Throughout 2019, the Company has carried out a number of CSR activities aimed at ensuring the health and safety of customers/consumers, including:

- Customer Health and Safety
  The quality and safety of the products and/or services provided by the Company is guaranteed because it has gone through a comprehensive testing phase.

- Product Information
  The Company has disclosed information related to its own products and services clearly and transparently on the Company's official website: www.telkommetra.co.id which can be accessed by both the Shareholders and other stakeholders. This is intended so that the Company's stakeholders always obtain transparent, accurate, and up-to-date information about the Company's products and/or services.

- Facility and Number of Complaints
  The Company provides a complaint facility that can be accessed by all customers through a number of media as part of the Company's efforts to handle all forms of customer complaints properly, namely:
  - Hotline/Customer Service: 0-800-1-835566 or 147
  - Email: CustomerCare@telkom.co.id
  - Postal Mail: The Telkom Hub Telkom Landmark Tower 2, Jl. Jenderal Gatot Subroto Kav. 52, South Jakarta 12710

Statement of Members of the Board of Commissioners and the Board of Directors

On the Responsibility for the 2019 Annual Report of PT Multimedia Nusantara (TelkomMetra)

We the undersigned hereby certify that all information in the 2019 Annual Report of PT Multimedia Nusantara (TelkomMetra) has been completely presented and we bear the full responsibility for the accuracy of the content of the Company's Annual Report and Financial Statements.

This statement is made truthfully.

Board of Commissioners

EDI WITJARA
President Commissioner

BOGI WITJAKSONO
Commissioner

DEVINDRA KAMAL
Commissioner

PRAMASALEH HARIO UTOMO
Commissioner

Board of Directors

SETYANTO HANTORO
President Director

ROBY ROEDIYANTO
Director

BAGYO NUGROHO
Director

Consolidated Financial Statements

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PT MULTIMEDIA NUSANTARA

The Telkom Hub
Telkom Landmark Tower 2, 22^{nd} & 41^{st} Floor
Jl. Jendral Gatot Subroto Kav. 52
South Jakarta 12710
Indonesia
Tel. +62 21 521 0123
Fax. +62 21 521 0124
www.telkommetra.co.id