

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE NON-U.S. PERSONS OUTSIDE OF THE UNITED STATES

IMPORTANT: You must read the following before continuing. The following applies to the offering circular following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the offering circular. In accessing the offering circular, you agree to be bound by the following terms and conditions, including any modifications to them, any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE OR SOLICITATION IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES DESCRIBED IN THE OFFERING CIRCULAR HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THEREFORE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, “U.S. PERSONS” (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. ANY INVESTMENT DECISION SHOULD BE MADE ON THE BASIS OF THE FINAL TERMS AND CONDITIONS OF THE SECURITIES AND THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

Confirmation of your Representation: In order to be eligible to view this offering circular or make an investment decision with respect to the securities, investors must be non-“U.S. persons” (within the meaning of Regulation S under the Securities Act) outside the United States. This offering circular is being sent at your request and by accepting the e-mail and accessing this offering circular, you shall be deemed to have represented to us (1) you and any customers you represent are a non-U.S. person outside the United States and that the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States and (2) that you consent to delivery of this offering circular by electronic transmission.

You are reminded that this offering circular has been delivered to you on the basis that you are a person into whose possession this offering circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver or disclose this offering circular to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the initial purchasers (as defined below) or any affiliate of the initial purchasers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the initial purchasers or such affiliate on behalf of PT Tower Bersama Infrastructure Tbk (the “Issuer”) in such jurisdiction. This offering circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of Barclays Bank PLC, Singapore Branch, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Singapore Branch, DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Oversea-Chinese Banking Corporation Limited, Australia and New Zealand Banking Group Limited, CIMB Bank Berhad, Labuan Offshore Branch, Mizuho Securities Asia Limited, MUFG Securities Asia Limited Singapore Branch, SMBC Nikko Capital Markets Limited or United Overseas Bank Limited (together, the “initial purchasers”) or the Issuer, nor any person who controls any initial purchaser or the Issuer, or any affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between the offering circular distributed to you in electronic format and the hard copy version available to you on request from the initial purchasers or the Issuer.

This offering circular has been prepared on the basis that any offer of securities in any Member State of the European Economic Area (“EEA”) will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of securities. Accordingly, any person making or intending to make an offer in that Member State of securities which are the subject of the offering contemplated in this offering circular may only do so in circumstances in which no obligation arises for the Issuer or any of the initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor the initial purchasers have authorized, nor do they authorize, the making of any offer of securities in circumstances in which an obligation arises for the Issuer or the initial purchasers to publish a prospectus for such offer. Neither the Issuer nor the initial purchasers have authorized, nor do they authorize, the making of any offer of securities through any financial intermediary, other than offers made by the initial purchasers, which constitute the final placement of the securities contemplated in this offering circular. The expression “Prospectus Directive” means Directive 2003/71/EC (as amended), and includes any relevant implementing measure in the Member State concerned.

MIFID II product governance/Professional investors and ECPs only target market — Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the securities has led to the conclusion that: (i) the target market for the securities is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the securities (a “distributor”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the securities (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

PRIIPs Regulation/Prospectus Directive/Prohibition of sales to EEA retail investors — The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(11) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This offering circular is for distribution only to persons who (i) fall within Article 43(2)(b) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Financial Promotion Order”), (ii) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Promotion Order, (iii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc”) of the Financial Promotion Order, (iv) are outside the United Kingdom, or (v) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This offering circular is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this offering circular relates is available only to relevant persons and will be engaged in only with relevant persons.

If you receive this document by e-mail, you should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected. If you receive this document by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The information in this offering circular is not complete and may be changed. This offering circular is not an offer to sell the securities, nor a solicitation to buy the securities, in any jurisdiction where the offer or sale is not permitted.



PT Tower Bersama Infrastructure Tbk
(incorporated in the Republic of Indonesia with limited liability)

US\$350,000,000
4.25% Senior Unsecured Notes due 2025

PT Tower Bersama Infrastructure Tbk (the “Issuer” or the “Company”), a company incorporated with limited liability under the laws of the Republic of Indonesia, is offering US\$350,000,000 4.25% Senior Unsecured Notes due 2025 (the “notes”). The notes will mature on January 21, 2025. The notes will bear interest at the rate of 4.25% per annum. Interest on the notes is payable on January 21 and July 21 of each year, beginning on July 21, 2020.

At any time on or after January 21, 2023, the Issuer may redeem the notes, in whole or in part, at the redemption prices set forth under “Description of the Notes — Optional Redemption,” plus accrued and unpaid interest, if any, to the redemption date. At any time and from time to time prior to January 21, 2023, the Issuer may at its option redeem the notes, in whole or in part, at a redemption price equal to 100% of their principal amount plus the Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including), the redemption date. In addition, at any time prior to January 21, 2023, the Issuer may redeem up to 35% of the aggregate principal amount of the notes with the proceeds from certain equity offerings at a redemption price of 104.25% of the principal amount of the notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date. Not later than 60 days following a Change of Control (as defined in “Description of the Notes”), the Issuer will make an offer to repurchase all outstanding notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but not including) the Change of Control Payment Date (as defined in “Description of the Notes”).

The notes are subject to redemption in whole but not in part at 100% of their principal amount, together with accrued and unpaid interest to the redemption date, at the option of the Issuer at any time in the event of certain changes affecting taxes of the Republic of Indonesia. See “Description of the Notes — Redemption for Changes in Taxes.” Payments on the notes will be made in U.S. dollars without deduction for or on account of taxes imposed or levied by the Republic of Indonesia (and certain other jurisdictions) to the extent described under “Description of the Notes — Additional Amounts.”

The notes will be unsubordinated obligations of the Issuer and will rank *pari passu* in right of payment with all its other unsecured and unsubordinated indebtedness. For a more detailed description of the notes, see “Description of the Notes” beginning on page 147. The notes will not be rated by any rating agencies.

Investing in the notes involves risks that are described under the “Risk Factors” section beginning on page 20 of this offering circular.

Offering Price: 100% plus accrued interest, if any, from January 21, 2020

Approval-in-principle has been received for the listing and quotation of the notes on the Official List of the Singapore Exchange Securities Trading Limited (the “SGX-ST”). The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission of the notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the notes or our Company.

The notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any other jurisdiction. The notes are being offered to non-U.S. persons in offshore transactions outside the United States in reliance on Regulation S under the Securities Act (“Regulation S”). See “Plan of Distribution” and “Transfer Restrictions” for additional information about eligible offerees and transfer restrictions. This offering does not constitute a public offering in Indonesia under Law Number 8 of 1995 regarding Capital Markets. The notes may not be offered or sold in Indonesia or to Indonesian citizens, wherever they are domiciled, or to Indonesian residents, in a manner which constitutes a public offer under the laws and regulations of Indonesia.

It is expected that delivery of the notes will be made on or about January 21, 2020 (the “Closing Date”), being the fifth business day following the date of pricing of the notes (“T+5”). The notes will be issued only in registered form in minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof, registered in the name of a nominee of and deposited with a common depository for Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking S.A. (“Clearstream”) on or about the Closing Date for the accounts of their respective accountholders.

Joint Global Coordinators

Barclays BNP PARIBAS Crédit Agricole CIB DBS Bank Ltd. HSBC OCBC

Joint Bookrunners and Joint Lead Managers

Barclays	BNP PARIBAS	Crédit Agricole CIB	DBS Bank Ltd.	HSBC	OCBC
ANZ	CIMB	MUFG	Mizuho Securities	SMBC Nikko	United Overseas Bank Limited

The date of this offering circular is January 13, 2020

TABLE OF CONTENTS

	<u>Page</u>
SUMMARY	1
RISK FACTORS	20
USE OF PROCEEDS	48
CAPITALIZATION AND INDEBTEDNESS	49
EXCHANGE RATES AND EXCHANGE CONTROLS	51
SELECTED CONSOLIDATED FINANCIAL INFORMATION AND OTHER DATA	56
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	65
INDUSTRY OVERVIEW	95
BUSINESS	103
DESCRIPTION OF MATERIAL INDEBTEDNESS	121
REGULATION OF THE TOWER LEASING INDUSTRY IN INDONESIA	134
MANAGEMENT	140
PRINCIPAL SHAREHOLDERS AND RELATED PARTY TRANSACTIONS	145
DESCRIPTION OF THE NOTES	147
TAXATION	210
PLAN OF DISTRIBUTION	220
TRANSFER RESTRICTIONS	227
LEGAL MATTERS	230
INDEPENDENT AUDITORS	231
SUMMARY OF CERTAIN DIFFERENCES BETWEEN INDONESIAN FAS AND IFRS	232
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS	F-1

NOTICE TO INVESTORS

This offering circular does not constitute an offer to sell to, or a solicitation of an offer to buy from, any person in any jurisdiction to whom it is unlawful to make the offer or solicitation in such jurisdiction. Neither the delivery of this offering circular nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this offering circular or that the information contained in this offering circular is correct as of any time after that date.

You should rely only on the information in this offering circular or to which we have referred you in making an investment decision with respect to the notes. None of us or any of the initial purchasers (as defined below) have authorized anyone to provide you with any additional or different information. This offering circular may only be used where it is legal to sell the notes. The information in this offering circular may be accurate only on the date of this offering circular.

We are relying on an exemption from registration under the Securities Act for offers and sales of securities outside the United States that do not involve a public offering. The notes offered hereby have not been registered under the Securities Act or under any other securities laws. Unless they are registered, the notes may be offered only in transactions that are exempt from these securities laws.

This offering circular has been prepared by us solely for use in connection with the issue and offering of notes as described herein. We have not authorized its use for any other purpose. This offering circular may not be copied or reproduced in whole or in part. This offering circular is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the notes. Distribution of this offering circular to any person other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorized, and any disclosure of any of its contents, without prior written consent, is prohibited. By accepting delivery of this offering circular, you agree to these restrictions.

By purchasing the notes, you will be deemed to have made the acknowledgments, representations, warranties and agreements described in “Transfer Restrictions.” You will be required to bear the financial risks of your investment which may be for an indefinite period of time.

This offering circular is highly confidential. This offering circular has been prepared by us solely for use in connection with the proposed offering of the notes described in this offering circular. This offering circular is personal to the offeree to whom it has been delivered and does not constitute an offer to any other person or to the public in general to subscribe for or otherwise acquire the notes. We are providing it solely for the purpose of enabling you to consider a purchase of the notes. You should read this offering circular before making a decision whether to purchase the notes. You must not use this offering circular for any other purpose, or disclose any information in this offering circular to any other person.

Each person receiving this offering circular acknowledges that: (i) such person has been afforded an opportunity to request from us and to review, and has received, all additional information considered by it to be necessary to verify the accuracy of, or to supplement, the information contained herein; (ii) such person has not relied on the initial purchasers or any person affiliated with the initial purchasers in connection with any investigation of the accuracy of such information or its investment decision; and (iii) no person has been authorized to give any information or to make any representation concerning us, our affiliates or the notes (other than as contained herein) and, if given or made, any such other information or representation should not be relied upon as having been authorized by us or the initial purchasers.

The information contained in this offering circular has been provided by us and the other sources identified herein. Barclays Bank PLC, Singapore Branch, BNP Paribas, Cr dit Agricole Corporate and Investment Bank, Singapore Branch, DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Oversea-Chinese Banking Corporation Limited, Australia and New Zealand Banking Group Limited, CIMB Bank Berhad, Labuan Offshore Branch, Mizuho Securities Asia Limited, MUFG Securities Asia Limited Singapore Branch, SMBC Nikko Capital Markets Limited and United Overseas Bank Limited (together, the “initial purchasers”) and The Bank of New York Mellon, London Branch as trustee (the “Trustee”) and as paying agent (the “Paying Agent”) and The Bank of New York Mellon SA/NV, Luxembourg Branch as transfer agent (the “Transfer Agent”) and as registrar (the “Registrar” and, together with the Paying Agent and the Transfer Agent, the “Agents”) have not verified, and make no representation or warranty, express or implied, as to the accuracy or completeness of, the information in this offering circular. To the fullest extent permitted by law, the initial purchasers do not accept any responsibility for the content of this offering circular or any other statement in connection with the issue and offering of the notes made or purported to be made by the initial purchasers or on their behalf. The initial purchasers, the Trustee and the Agents accordingly disclaim all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this offering circular or any such statement. In making an investment decision, you must rely on your own examination of us and the terms of this offering, including the merits and risks involved. By accepting delivery of this offering circular, you acknowledge that you have not relied on the initial purchasers, the Trustee, the Agents or any of their respective affiliates in connection with your investigation of the accuracy of the information in this offering circular or your investment decision.

None of us or the initial purchasers are making any representation to any purchaser of the notes regarding the legality of an investment in the notes by such purchaser under any investment or similar laws or regulations. You should not consider any information in this offering circular to be legal, business, financial or tax advice. You should consult your own attorney, business advisor and tax advisor for legal, business, financial and tax advice and related aspects regarding an investment in the notes.

We are not, and the initial purchasers are not, making an offer to sell the notes in any jurisdiction except where an offer or sale is permitted. The distribution and possession of this offering circular and the purchase, offer and sale of the notes in certain jurisdictions may be restricted by law. Persons to whom a copy of this document has been issued shall not circulate to any other person, reproduce or otherwise distribute this document or any information herein for any purpose whatsoever nor permit or cause such circulation, reproduction or distribution to occur. Each purchaser of the notes must comply with all applicable laws and regulations in force in each jurisdiction in which it purchases, offers or sells such notes or possesses or distributes this offering circular and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of such notes under the laws and regulations in force in any jurisdictions to which it is subject or in which it makes such purchases, offers or sales. None of us or the initial purchasers shall have any responsibility therefor. For a description of the restrictions on offers, sales and resales of the notes and distribution of this offering circular, see “Transfer Restrictions” and “Plan of Distribution.”

The notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, the Monetary Authority of Singapore, the SGX-ST or any state or foreign securities commission or regulatory authority. The foregoing authorities have not confirmed the accuracy or determined the adequacy of this offering circular, nor have they passed upon or endorsed the merits of the offering of the notes. Any representation to the contrary is a criminal offense in the United States and may be a criminal offense in other jurisdictions.

Section 309B(1) Notification — the Company has determined, and hereby notifies all persons (including all relevant persons (as defined in Section 309A(1) of the Securities and Futures Act, Chapter 289 of Singapore)) that the notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

MIFID II product governance/Professional investors and ECPs only target market — Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the securities has led to the conclusion that: (i) the target market for the securities is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the securities (a “distributor”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the securities (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

PRIIPs Regulation/Prospectus Directive/Prohibition of sales to EEA retail investors — The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(11) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

We reserve the right to withdraw the offering of the notes at any time, and the initial purchasers reserve the right to reject any commitment to subscribe for the notes in whole or in part and to allot to any prospective purchaser less than the full amount of the notes sought by such purchaser. The initial purchasers and certain related entities may acquire for their own account a portion of the notes.

In connection with this offering, The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch as stabilizing manager, or any person acting for it, may purchase and sell the notes in the open market. These transactions may, to the extent permitted by applicable laws and regulations, include short sales, stabilizing transactions and purchases to cover positions created by short sales. These activities may stabilize, maintain or otherwise affect the market price of the notes. However, The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, or anyone acting for it, is not obligated to do this. If these actions are commenced, they shall be conducted in accordance with applicable laws and regulations and, as a result thereof, the price of the notes may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time and must in any event be brought to an end after a limited time that is no later than the earlier of 30 days after the issue date of the notes and 60 days after the date of allotment of the notes.

This offering circular has been prepared on the basis that any offer of notes in any Member State of the European Economic Area will be made pursuant to an exemption under Regulation (EU) 2017/1129 (the “Prospectus Regulation”).

CERTAIN DEFINED TERMS AND CONVENTIONS

We have prepared this offering circular using a number of conventions, which you should consider when reading information contained herein. All references to the “Issuer” and the “Company” are references to PT Tower Bersama Infrastructure Tbk.

All references to “we,” “us,” “our,” “Tower Bersama Group,” and “our group” are references to the Company and its subsidiaries taken as a whole.

All references herein to “Indonesia” are references to the Republic of Indonesia. All references herein to “Government” are to the Government of the Republic of Indonesia. All references to the “United States” or “U.S.” are to the United States of America. All references to “Singapore” are to the Republic of Singapore.

All references to “Financial Services Authority” or “OJK” are references to the Indonesian Financial Services Authority (*Otoritas Jasa Keuangan*) an independent agency as referred to in Law No. 21 of 2011 on Financial Services Authority (the “OJK Law”) whose duties and authorities includes regulating and monitoring of financial services activities in banking, capital market, insurance, pension funds, financing institutions and financial institutions sectors. As of December 31, 2012, OJK is the institution that replaces and receives rights and obligations to perform regulatory and supervisory functions of Bapepam and/or Bapepam & LK in accordance with Article 55 (1) of the OJK Law.

All references herein to the “2017 RLF,” the “2017 RLF Agreement” and the “2017 Subordination Deed” are to our US\$200.0 million revolving loan facility, with a final repayment date in June 2022, the related facility agreement dated March 30, 2017 and the related subordination deed dated March 30, 2017, respectively; all references herein to the “2018 RCF” and the “2018 RCF Agreement” are to PT Gihon Telekomunikasi Indonesia Tbk’s Rp.150,000 million revolving credit facility and the related facility agreement dated October 31, 2018, and as amended and restated on December 3, 2019; all references herein to the “2019 RLF,” the “2019 RLF Agreement” and the “2019 Subordination Deed” are to our US\$375.0 million revolving loan facility, with a final repayment date in January 2025, the related facility agreement dated June 28, 2019 and the related subordination deed dated June 28, 2019, respectively; all references herein to the “Credit Facilities,” the “Credit Facilities Agreement” and the “2014 Subordination Deed” are to our US\$1.0 billion credit facilities, the related facility agreement dated November 21, 2014, as amended and restated thereby on November 6, 2015, and the related subordination deed dated November 21, 2014, respectively; all references herein to “Facility A,” “Facility B” and “Facility D” are to the US\$400.0 million term loan facility with maturity date in January 2020, the US\$300.0 million revolving loan facility with a final repayment date in June 2022 and the US\$275.0 million term loan facility with a final repayment date in June 2021, respectively, under the Credit Facilities; all references herein to “IDR Bonds” are to the various continuous bonds issued by the Company; and all references herein to “Existing USD Notes” are to the US\$350.0 million 5.25% Senior Unsecured Notes due 2022 issued by TBG Global Pte. Ltd. on February 10, 2015 and guaranteed by the Company. Each of the terms “Credit Facilities,” “Credit Facilities Agreement,” “Facility A,” “Facility B,” “Facility D,” “IDR Bonds,” “2014 Subordination Deed,” “2017 RLF,” “2017 RLF Agreement,” “2017 Subordination Deed,” “2018 RCF,” “2018 RCF Agreement,” “2019 RLF,” “2019 RLF Agreement,” “2019 Subordination Deed” and “Existing USD Notes” are defined and more particularly described under “Description of Material Indebtedness” in this offering circular.

Unless otherwise indicated or otherwise required by the context, all references in this offering circular to “Rupiah” or “Rp.” are to Indonesian Rupiah, the lawful currency of Indonesia. References to “U.S. dollar(s)” or “US\$” are to United States dollars, the lawful currency of the United States.

We use certain terms in this offering circular which are used in the telecommunications industry in Indonesia in general to analyze companies, although they may be defined in different ways. In this offering circular, the following key terms have the following meanings:

- “3G” means the third generation mobile network as defined by the International Telecommunications Union;
- “4G” means the fourth generation mobile network as defined by the International Telecommunications Union;
- “5G” means the fifth generation mobile network as defined by the International Telecommunications Union;
- “average remaining life” of certain agreements means the average of the periods through expiration of the term under all such agreements;
- “BTS” means a base transceiver station, a mobile phone base station comprised of transceivers used for transmitting and receiving voice and data to and from mobile phones in a particular area;
- “build-to-suit” means sites constructed by our group on order by a telecommunications operator;
- “CAGR” means compound annual growth rate;
- “CDMA” means Code Division Multiple Access, a standard for digital mobile communications;
- “CME” or “construction, mechanical and electrical” is the function of constructing the tower site and includes preparation of the physical site for construction, preparation of construction designs and drawings, laying foundations, tower erection, construction of yard and fence (for ground-based towers), installation of shelter, air conditioning and other supporting equipment (if required by a telecommunications operator), laying of electrical wiring and connection of electricity;
- “co-location” means the sharing of tower space by multiple customers on the same tower;
- “contracted revenue” means revenue contracted under our leasing agreements under all site tenancies, assuming no escalation of maintenance fees and no renewal upon the expiry of the current term;
- “DAS network” means a distributed antenna system installed in a building for wireless communications;
- “genset” refers to the combination of an electrical generator and an engine mounted together to form a single piece of equipment, whose function is to convert heat capacity into mechanical energy and then into electrical energy;

- “GSM” means Global System for Mobile Communication, a standard for digital mobile communications;
- “independent tower company” means a tower leasing company which is not affiliated with a telecommunications operator;
- “LTE” means Long-Term Evolution, which is a standard for wireless broadband communication for mobile devices and data terminals, and is commonly referred to as “4G LTE and Advance 4G;”
- “shelter-only sites” means a shelter constructed and owned by us, to enable installation of BTS on a tower owned by a telecommunications operator, and located on real property which is owned or leased by the telecommunications operator;
- “SITAC” or “site acquisition” means the function of identifying and procuring the right to use a selected plot of real property (a site) and obtaining the required permits and licenses necessary for the construction and operation of a site on such real property;
- “telecommunications operator” means a company licensed by the Government to provide voice and data communications services in Indonesia;
- “telecommunications sites” or “sites” means each of (i) a tower site (ii) a shelter-only site and (iii) a DAS network;
- “tenancy” means either (i) tower space leased for installation of a BTS (ii) a shelter-only site leased to PT Telekomunikasi Indonesia Tbk or (iii) licensed access to a DAS network;
- “tenancy ratio” is the total number of tower tenancies divided by the total number of our towers as of a given date; and
- “tower sites” means ground-based towers and rooftop towers and installations constructed and owned by us on real property (including a rooftop) which is generally owned or leased by us.

Our customers as well as certain other telecommunications operators named in this offering circular are generally referred to, in this offering circular, by their trade names. Our contracts with these customers are typically with an entity or entities in that customer’s group of companies.

PRESENTATION OF FINANCIAL INFORMATION

We have prepared and presented our consolidated financial statements as of and for the years ended December 31, 2016, 2017 and 2018 and unaudited interim consolidated financial statements as of September 30, 2019 and for the nine months ended September 30, 2018 and 2019 included in this offering circular. Due to the implementation of SE OJK No. 36/SEOJK.04/2016: Revocation Circular Letter of OJK No.27/SEOJK.04/2015 concerning the accounting treatment for the leasing of telecommunication tower assets (“SE OJK No. 36/SEOJK.04/2016”), our consolidated financial statements as of and for the year ended December 31, 2016 were restated retrospectively to reflect its impact. See Note 46 to our consolidated financial statements as of and for the years ended

December 31, 2016, 2017 and 2018 included elsewhere in this offering circular for further details of the restatement. Our consolidated financial statements are presented in Rupiah and have been prepared in accordance with Indonesian Financial Accounting Standards (“Indonesian FAS”), which differ in certain respects from the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. In making an investment decision, you should rely upon your own examination of the terms of this offering of the notes and the financial information contained in this offering circular. You should consult your own professional advisors for an understanding of the differences between Indonesian FAS and IFRS, and how those differences could affect the financial information contained in this offering circular. For a summary of certain differences between Indonesian FAS and IFRS, see “Summary of Certain Differences Between Indonesian FAS and IFRS” included elsewhere in this offering circular.

Our reporting currency is Rupiah. Solely for the convenience of the reader, unless otherwise indicated, certain Rupiah amounts in this offering circular have been translated to U.S. dollars for convenience purposes only and based on the middle exchange rate announced by Bank Indonesia as of September 30, 2019, which was Rp.14,174 = US\$1.00. No representation is made that the Rupiah or U.S. dollar amounts referred to in this offering circular could have been or could be converted into U.S. dollars or Rupiah, as the case may be, at any particular rate or at all. See “Exchange Rates and Exchange Controls.”

Rounding adjustments have been made in calculating some of the financial and operating information included in this offering circular. As a result, numerical figures shown as total amounts in some tables may not be exact arithmetic aggregations of the figures that make up such total amounts.

Unless otherwise indicated, all amounts in relation to our group presented and discussed in this offering circular are presented on a consolidated basis.

STATISTICAL DATA AND NON-GAAP FINANCIAL MEASURES

We have included in this offering circular statistical data relating to our tower leasing services, such as the number of sites, number of tower spaces leased, tenancy ratio, contracted revenue and average remaining life of our lease agreements with customers. We have described the manner in which we calculated this data in this offering circular. This data is derived from management estimates and is not part of our consolidated financial statements and has not been audited or reviewed by auditors, consultants or experts. You should note, however, that other companies in the tower leasing industry may calculate and present this data in a different manner and, therefore, you should use caution in comparing our data with data presented by other companies, as the data may not be directly comparable.

EBITDA as well as the related ratios and certain measures, including capital expenditures, gross debt and net debt, presented in this offering circular are supplemental measures of our performance that are not required by, or presented in accordance with, Indonesian FAS or IFRS. We define EBITDA as income from operations plus depreciation of property and equipment plus land lease and license costs — amortization. EBITDA is not a measurement of financial performance or liquidity under Indonesian FAS or IFRS and should not be considered as an alternative to net profit, income from operations or any other performance measures derived in accordance with Indonesian FAS or IFRS or as an alternative to cash flow from operating activities as a measure of liquidity. In addition, EBITDA is not a standardized term and as a result, a direct comparison between companies using such a term may not be possible.

We believe that EBITDA facilitates comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest and finance charges), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses) and the age and booked depreciation. EBITDA has been presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating similar companies, many of whom present such non-GAAP financial measures when reporting their results.

In addition, certain financial information and ratios, such as Last Quarter Annualized (“LQA”) EBITDA, gross debt over LQA EBITDA, net debt over LQA EBITDA, total net senior debt over LQA EBITDA, gross debt after taking into account our hedging arrangements over LQA EBITDA and net debt after taking into account our hedging arrangements over LQA EBITDA, have also been presented in this offering circular that are supplemental measures of our performance that are not required by, or presented in accordance with, Indonesian FAS or IFRS. KAP Tanubrata Sutanto Fahmi Bambang & Rekan has not examined, compiled nor performed any procedures with respect to such financial information contained in this offering circular and accordingly does not express an opinion or any other form of assurance on such financial information. Revenue and EBITDA, where presented on an annualized basis, represent revenue and EBITDA for the three months ended September 30, 2019, respectively, multiplied by four.

We include as capital expenditures, our acquisition of property and equipment, acquisition of investment property, acquisition and investment in shares and payments for land lease. In addition, capital expenditures is not a standardized term, hence, a direct comparison between companies using such a term may not be possible. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Capital Expenditures.”

We define gross debt as our total borrowings (current and non-current portion of long-term loans and finance leases, long-term notes and short-term notes) before deducting unamortized borrowing costs. We define gross debt after taking into account our hedging arrangements as our total borrowings (current and non-current portion of long-term loans and finance leases, long-term notes and short-term notes), as calculated by valuing the hedged portion of our gross debt in U.S. dollars using the hedged rate, before deducting unamortized borrowing costs. We define net debt as our gross debt less cash and cash equivalents. We define net debt after taking into account our hedging arrangements as our gross debt after taking into account our hedging arrangements less cash and cash equivalents. We define total senior debt as our long-term loans — third parties (including indebtedness under the 2017 RLF, the 2018 RCF, the 2019 RLF and the Credit Facilities) as calculated by valuing the hedged portion of our total senior debt in U.S. dollars after taking into account our hedging arrangements, before deducting unamortized borrowing costs. We define total net senior debt as our total senior debt less cash and cash equivalents balance. Gross debt, net debt and total senior debt are not measurements of financial performance under Indonesian FAS and should not be considered as alternatives to total debt outstanding, total liabilities or any other performance measure derived in accordance with Indonesian FAS. In addition, gross debt, net debt and total senior debt are not standardized terms, hence, a direct comparison between companies using such terms may not be possible. Net debt has been presented because we believe that net debt will represent our ability to repay all debts if our loans were called immediately.

Nevertheless, each of EBITDA, capital expenditures, gross debt, net debt and total senior debt has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for, analysis of our financial condition or results of operations, as reported under Indonesian FAS. Some of the limitations with respect to EBITDA are:

- it does not reflect cash outlays for capital expenditures or contractual commitments;
- it does not reflect changes in, or cash requirements for, working capital;
- it does not reflect the interest expense, or the cash requirements necessary to service interest or principal payments on indebtedness;
- it does not reflect income tax expense or the cash necessary to pay income taxes;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future and EBITDA does not reflect the cash requirements for such replacements; and
- other companies, including companies in our industry, may calculate this measure differently than as presented in this offering circular, limiting the usefulness of this measure for comparative purposes.

ENFORCEMENT OF CIVIL LIABILITIES AND FOREIGN JUDGMENTS

The Issuer is a publicly listed limited liability company incorporated under the laws of the Republic of Indonesia and all of the Issuer's directors reside in Indonesia. Substantially all of the commissioners, directors and executive officers of the Issuer reside outside the United States and all the assets of the Issuer are located outside the United States. As a result, it may be difficult for noteholders to effect service of process within the United States upon these persons or to enforce in courts outside the United States any judgment obtained in the United States against the Issuer or any of these persons, including judgments based upon the civil liability provisions of the laws of the United States, including federal securities laws. In addition, in original actions brought in courts in jurisdictions located outside the United States, it may be difficult for noteholders to enforce liabilities based upon United States federal securities laws.

Our Indonesian legal advisor, Indrawan Darsyah Santoso, has advised that judgments of non-Indonesian courts are not recognized or directly enforceable in Indonesian courts and, as a result, it may not be possible to enforce judgments obtained in non-Indonesian courts against us, although a non-Indonesian court judgment could be admissible into evidence in a proceeding on the underlying claim in an Indonesian court and may be given such evidentiary weight as the Indonesian court may deem appropriate in its sole discretion. A claimant may be required to commence a new action in an Indonesian court on the basis of Indonesian laws. Reexamination of the underlying claim *de novo* would be required before the Indonesian courts. There can be no assurance that the claims or remedies available under Indonesian laws will be the same or as extensive as those available in other jurisdictions.

Enforceability of the notes in Indonesia

Indonesian legal principles relating to the rights of debtors and creditors, or their practical implementation by Indonesian courts, may differ materially from those that would apply in other

jurisdictions. Neither the rights of debtors nor the rights of creditors under Indonesian laws are as clearly established or recognized as under legislation or judicial precedent in other jurisdictions. In addition, under Indonesian laws, debtors may have rights and defenses to actions filed by creditors that such debtors would not have in other jurisdictions.

Indonesia's legal system is a civil law system based on written statutes; judicial and administrative decisions do not constitute binding precedent and are not systematically published. Indonesia's commercial and civil laws as well as rules on judicial process were historically based on Dutch law as in effect prior to Indonesia's independence in 1945, and some have not been revised to reflect the complexities of modern financial transactions and instruments. Indonesian courts are often unfamiliar with sophisticated commercial or financial transactions, leading in practice to uncertainty in the interpretation and application of Indonesian legal principles. The application of Indonesian laws in large part depends upon subjective criteria such as the good faith of the parties to the transaction and principles of public policy, the practical effect of which is difficult or impossible to predict. Indonesian judges, who operate in an inquisitorial legal system, have very broad fact-finding powers and a high level of discretion in the manner in which those powers are exercised. As a result, the administration and enforcement of laws and regulations by Indonesian courts and Indonesian governmental agencies may be subject to considerable discretion and uncertainty. Furthermore, corruption in the court system in Indonesia has been widely reported in publicly available sources.

It may be difficult for the noteholders to pursue a claim against us in Indonesia, which may adversely affect or eliminate entirely the noteholders' ability to obtain and enforce a judgment against us in Indonesia or increase the noteholders' costs of pursuing, and the time required to pursue, claims against us.

For a description of potential limitations on the right of the holders of the notes, see "Risk Factors — Risks Relating to the Notes — Through the purchase of the notes, the noteholders may be exposed to a legal system subject to considerable discretion and uncertainty; it may be difficult or impossible for noteholders to pursue claims under the notes."

INDONESIAN REGULATION OF OFFSHORE BORROWINGS

Under Presidential Decree No. 59/1972 dated October 12, 1972 on Acceptance of Offshore Borrowing ("PD 59/1972"), the Issuer is required to report particulars of its offshore borrowings to the Ministry of Finance of Indonesia and Bank Indonesia, on the acceptance, implementation and repayment of principal and interest. The Minister of Finance Decree No. KEP-261/KMK/IV/5/73 dated May 3, 1973 on Implementing Provisions of Acceptance of Offshore Borrowing, as amended by Minister of Finance Decree No. 417/KMK.013/1989 dated May 1, 1989, as the implementing regulation of PD 59/1972, further set forth the requirement to submit periodic reports to the Ministry of Finance of Indonesia and Bank Indonesia on the effective date of the contract and each subsequent three-month period. In addition, under Presidential Decree No. 39/1991 dated September 4, 1991 on Coordination of the Management of Commercial Offshore Borrowings ("PD No. 39/1991"), all offshore commercial borrowers must submit periodic reports to the Team of Offshore Commercial Borrowings (the "PKLN Team") upon the implementation of their offshore commercial borrowing. PD No. 39/1991 does not stipulate either the time frame or the format and the content of the periodic reports that must be submitted.

On January 9, 2019, Bank Indonesia Regulation No. 21/2/PBI/2019 on Reporting of Foreign Exchange Traffic Activity ("PBI 21/2") was enacted and took effect from March 1, 2019. This

regulation revokes and replaces the provisions of Bank Indonesia Regulation No. 16/22/PBI/2014 dated December 31, 2014 on Reporting of Foreign Exchange Traffic Activity and Reporting of Implementation of Prudential Principles in the Management of Offshore Debt of Non-Bank Corporation (“PBI 16/22”) that particularly relate to reporting of foreign exchange traffic activities. Hence the provisions of PBI 16/22, pertaining to reporting of prudential principles implementation with respect to offshore borrowings of non-bank corporations, remain valid.

PBI 21/2 requires all Indonesian residents who engage in foreign exchange traffic activities, whether individual or legal entities, to report to Bank Indonesia. The report shall cover information relating to: (i) any trading of goods, services and other transactions between an Indonesian resident and a non-Indonesian resident; (ii) principal data of offshore borrowings and/or risk participation transaction; (iii) plan to draw and/or repay the offshore borrowings and/or risk participation transaction; (iv) realization of drawing and/or repayment of offshore borrowings and/or risk participation transaction; (v) position and changes of offshore financial assets, offshore financial liabilities and/or risk participation transaction; and/or (vi) plans to obtain new offshore borrowings and/or changes thereto. The report must be submitted on a monthly basis using an online system at the latest by the 15th day of the following month, while any correction thereto must be notified at least by the 20th day of the respective month. For offshore borrowings plan during the ongoing year, the report shall be submitted at the beginning of each year, no later than March 15 and any amendment thereto, no later than June 15.

As implementing regulation to PBI 21/2, Bank Indonesia issued Regulation of the Members of Board of Governors of Bank Indonesia No. 21/4/PADG/2019 dated February 28, 2019 on Reporting of Foreign Exchange Traffic Activities in the Form of Offshore Debts and Risk Participation Transactions (“PADG 21/4”) which took effect from March 1, 2019. PADG 21/4 further specifies that the reporting requirement to Bank Indonesia on foreign exchange traffic activities also applies to Indonesian residents who obtain offshore borrowings through debt securities instrument. Offshore borrowings obtained by an entity must all be reported without any minimum threshold on the amount thereof. The report includes information on principal data of offshore borrowing, recapitulation data of offshore borrowing and plans to obtain new offshore borrowings and/or changes thereto. The report of the principal data and recapitulation data must be submitted monthly to Bank Indonesia at the latest on the 15th day of the following month. The first report of: (i) the principal data must be submitted to Bank Indonesia by no later than the 15th day of the following month from 07:10 Western Indonesia time to 16:15 Western Indonesia time; and (ii) the recapitulation data must be submitted to Bank Indonesia by no later than the 15th day of the following month at 24:00 Western Indonesia time, after the signing of the loan agreement or the issuance of the debt securities and/or the debt acknowledgment over the trade credits and/or other loans.

In addition, for the purposes of implementing prudential principles in relation to offshore borrowings as required by Bank Indonesia Regulation No. 16/21/PBI/2014 dated December 29, 2014 on Implementation of Prudential Principles in the Management of Offshore Debt of Non-Bank Corporation as amended by Bank Indonesia Regulation No. 18/4/PBI/2016 dated April 22, 2016 (“PBI 16/21”), Indonesian companies are required to provide the following documents:

- (1) the prudential principle implementation activity report (“KPPK report”), which is to be submitted on a quarterly basis, no later than the end of the third month;
- (2) the KPPK report, attested by a public accountant, which is to be submitted no later than the end of June after the ongoing financial year ended;

- (3) information on the fulfillment of credit ratings, which is to be submitted at the latest at the end of the month following the execution or issuance of the offshore borrowing; and
- (4) the financial statements of the company, consisting of: (i) unaudited financial statements, to be submitted on quarterly basis, by no later than the end of the third month after the end of the relevant quarter; and (ii) annual audited financial statements, which must be submitted by no later than end of June of the following year.

Bank Indonesia examines the accuracy of the foreign exchange traffic report and the prudential principle implementation activity report and may impose administrative sanctions in the form of penalties, written warning and/or may report to other authorities of any violation due to any delay or failure in submission of such reports.

As of January 1, 2016, submissions of and corrections to the prudential principle implementation activity report shall be made online. The requirement to submit credit ratings fulfillment only applies to offshore borrowings executed or issued as of January 1, 2016 subject to certain exemptions as provided in PBI 16/21.

Pursuant to Bank Indonesia Regulation No. 16/10/PBI/2014 dated May 14, 2014 on Receipt of Foreign Exchange from Export Activities and Withdrawal of Foreign Exchange from Offshore Loans as amended by Bank Indonesia Regulation No. 17/23/PBI/2015 dated December 28, 2015 (“PBI 16/10”), any borrowings of offshore loans (in foreign currencies) that originate from (i) non-revolving loan agreements, (ii) a difference between the new loan and the refinanced loan, or (iii) debt securities (i.e., bonds, medium-term notes, floating rate notes, promissory notes, and commercial paper) must be withdrawn by the borrower through foreign exchange banks (which include offshore bank branches in Indonesia) and must be reported to Bank Indonesia. The aggregate amount of the offshore loan withdrawals should be equal to the local commitments provided under such loan. In the event that the aggregate amount of the offshore loan withdrawal through foreign exchange bank is lesser than the amount of local commitments in excess of Rp.50,000,000 (or its equivalent in foreign currencies), the borrower must submit a written explanation and sufficient supporting documents to Bank Indonesia before the expiration of the term of such loan. Withdrawals of the above offshore loans must be reported to Bank Indonesia on a monthly basis by using recapitulation data reports as regulated under PADG 21/4. These reports shall include supporting documents evidencing that the offshore loans were withdrawn through the foreign exchange bank. Administrative sanctions will be imposed on companies that fail to comply with such reporting obligations.

On April 12, 2019, Bank Indonesia issued Regulation of the Members of Board of Governors of Bank Indonesia No. 21/7/PADG/2019 on Reporting of Foreign Exchange Traffic Activities of Non-Bank Entities (“PADG 21/7”), which revoked and replaced Bank Indonesia Circular Letter No. 17/26/DSTA of 2015 dated October 15, 2015 on Reporting of Foreign Exchange Traffic Activities Other Than Offshore Loans. Based on PADG 21/7, the following reports are to be submitted to Bank Indonesia: (i) a report on trading transactions of goods, services, and other transactions between Indonesian residents and non-Indonesian residents, (ii) a report on positions held and changes to offshore financial assets, (iii) a report on positions held and changes to equity of non-Indonesian residents and other related obligations, (iv) a report on positions held and changes to offshore derivative positions, (v) a report on positions held and changes to offshore contingencies and commitments, and (vi) a report on positions held in commercial paper owned by custodian customers. The report specified in (v) covers corporate guarantees, and any corporate guarantee given to foreign lenders is to be reported to Bank Indonesia. Such report and/or corrections to such reports (if any) is to be submitted through Bank Indonesia’s website in a format that is specified under PADG 21/7. Such

report shall be submitted no later than the fifteenth day at 24.00 Western Indonesia time of the following month and the correction of such report (if any) shall be submitted no later than the twentieth day at 24.00 Western Indonesia time of the following month. If the submission period has ended, the reporting party is still required to submit the report offline. Administrative sanctions will be imposed on companies that fail to comply with such reporting obligations or submit inaccurate or incomplete reports.

On December 29, 2014, Bank Indonesia issued PBI 16/21, which is applicable to non-bank corporations that obtain offshore loans in foreign (non-Indonesian Rupiah) currency. PBI 16/21 revokes and replaces PBI 16/20/PBI/2014 dated October 29, 2014 and for the implementation of PBI 16/21, Bank Indonesia also issued: (i) Bank Indonesia Circular Letter No. 16/24/DKEM dated December 30, 2014 on Implementation of Prudential Principles in Managing Offshore Loan of Non-Bank Corporations as lastly amended by Bank Indonesia Circular Letter No. 18/6DKEM dated April 22, 2016 (“SEBI 16/24”); and (ii) Bank Indonesia Circular Letter No. 17/3/DSta dated March 6, 2015 on Reporting of the Implementation of Prudential Principles in Managing Offshore Loan of Non-Bank Corporations as amended by Bank Indonesia Circular Letter No. 17/24/DSta dated October 12, 2015.

PBI 16/21 requires non-bank corporations that have offshore loans in foreign (non-Indonesian Rupiah) currency to fulfill three prudential principles, namely: (i) hedging ratio, (ii) liquidity ratio and (iii) credit ratings. The requirement to maintain certain hedging ratio does not apply to non-bank corporations which financial statement is presented in United States dollars and fulfill the following criteria: (i) non-bank corporations with export income to operating revenue ratio of more than 50% in the previous calendar year, and (ii) have obtained approval from the Ministry of Finance to use United States dollars in their financial statement, which approval shall be evidenced by submitting supporting documents to Bank Indonesia.

The minimum hedging ratio will be applied with a two-stage approach to avoid unnecessary difficulties for corporations having existing offshore loan. Until December 31, 2015, the minimum hedging ratio is set at 20% of (i) the negative difference between the foreign exchange assets and the foreign exchange liabilities that will become due within three months from the end of the relevant quarter, and (ii) the negative difference between the foreign exchange assets and the foreign exchange liabilities that will become due in the period of more than three months up to six months after the end of the relevant quarter. After December 31, 2015, the minimum hedging ratio is set at 25% of (i) the negative difference between the foreign exchange assets and the foreign exchange liabilities that will become due within three months from the end of the relevant quarter and (ii) the negative difference between the foreign exchange assets and the foreign exchange liabilities that will become due in the period of more than three months up to six months after the end of the relevant quarter. Foreign currency assets comprises of cash, demand deposits, regular deposits, term deposits, account receivables, inventories, marketable securities and receivables from forwards, swaps and/or options transactions in foreign (non-Indonesian Rupiah) currency calculated based on the position at the end of the relevant quarter. The account receivables which may be calculated as foreign currency assets are (a) account receivables to Indonesian resident and non-Indonesian resident which will be due within three months from the end of the relevant quarter and/or (b) in the period of more than three months up to six months after the end of the relevant quarter, which are true-sale in nature or non-refundable and after deducted with amortization and such underlying agreement was executed before July 1, 2015. Account receivables with underlying agreement executed after July 1, 2015 may be counted as foreign exchange assets if: (a) they are related with strategic infrastructure projects and have obtained Bank Indonesia approval; or (b) the transaction which underlies the foreign currency assets is permitted to be in foreign currency pursuant to Bank Indonesia Regulation No. 17/3/PBI/2015 dated March 31, 2015

regarding Mandatory Use of Rupiah in the Territory of Republic of Indonesia (“PBI 17/3”). Inventory which may be calculated as foreign currency assets is inventory from exporters with export income to operating revenue ratio of more than 50% in the previous calendar year.

SEBI 16/24 describes foreign currency liabilities as foreign currency liabilities to Indonesian resident and non-Indonesian resident, including liability deriving from forward, swap, and/or option which: (a) mature within three months from the end of the last quarter; and/or (b) mature between three and six months from the end of the last quarter. A foreign currency liability, which will be due, may not be calculated as foreign currency liability if: (a) it is in the process of being rolled over, revolved, or refinanced, provided that the transaction which underlies it is in accordance with PBI 17/3; and/or (b) it constitutes foreign currency liability in relation to project financing which will be due within the next six months to the extent secured by offshore loan drawdown in foreign currency where the schedule of such drawdown is adjusted to the payable foreign currency liabilities and the transaction activities are in accordance with PBI 17/3. These two points must be evidenced by sufficient supporting documents. SEBI 16/24 determines that only corporations that have negative difference more than USD 100,000 are obliged to fulfil the minimum hedging ratio. In addition, PBI 16/21 also regulates that hedging transactions for the fulfillment of hedging ratio shall be conducted with banks in Indonesia and shall become effective in 2017.

On the liquidity ratio requirement, non-bank corporations that have offshore loans in foreign currency are also required to comply with the minimum liquidity ratio of at least 70% liquidity by providing sufficient foreign exchange assets against foreign exchange liabilities that will become due within three months from the end of the relevant quarter. However, the 70% minimum liquidity ratio will commence to apply on January 1, 2016 while the applicable minimum liquidity ratio in 2015 is 50%.

The minimum credit rating is required to be maintained at BB- (BB minus) or its equivalent from a particular rating agency recognized by Bank Indonesia. Such credit rating will be in the form of a rating over the relevant corporation (issuer rating) and/or bonds (issue rating) in accordance with the type and period of the offshore loan in foreign currency. Such rating shall be valid for two years as of the rating issuance. PBI 16/21 sets additional provisions where corporation may use their parent company’s credit rating if (i) such corporation enters into an offshore loan with its parent company, or if the offshore loan is guaranteed by the parent company, or (ii) such corporation is a newly established corporation, with the condition that the parent company’s credit rating may be used by the new corporation for a maximum three years since the start of its commercial operation. The requirement to fulfill the minimum credit rating requirement is exempted for (i) the refinancing of offshore loans in foreign currency (such exemption is limited to refinancing which does not increase the outstanding amount of the previous loans or if it increases, such increase shall not exceed (a) USD 2,000,000 or (b) 5% of the outstanding of such refinanced loans if such 5% figure is higher than USD 2,000,000); (ii) offshore loans in foreign currency for infrastructure projects from (a) an international bilateral/multilateral lending agencies or (b) syndication loan with more than 50% contribution comes from international bilateral/multilateral institution; (iii) offshore loans in foreign currency for central or regional government infrastructure project; (iv) offshore loans in foreign currency which are secured by bilateral/multilateral international institution; (v) offshore loans in foreign currency in form of trade credits; or (vi) offshore loans in foreign currency in form of other loans; (vii) offshore loans in foreign currency entered into by a finance company (a business entity which conducts financing activities for the procurement of goods and services) to the extent that the finance company has minimum financial soundness of “healthy” as lastly issued by OJK and fulfils the maximum gearing ratio as stipulated by OJK; or (viii) offshore loan in foreign currency by Lembaga Pembiayaan Ekspor Indonesia (Indonesia Eximbank). Non-bank corporations that have offshore loans in foreign currency are obliged to submit

report to Bank Indonesia on the implementation of prudential principles and the exemptions, together with the relevant supporting documents. Bank Indonesia will monitor for compliance and may impose administrative sanctions in the form of warning letters for any failure to comply with the said three prudential criteria. PBI 16/21 does not specify any other sanction in the event the non-bank corporations ignore such warning letter, however Bank Indonesia may inform related parties, such as relevant offshore creditors, the Ministry of State-Owned Companies (for state-owned non-bank corporation), the Ministry of Finance c.q. Directorate General of Tax, OJK and the Indonesian Stock Exchange (the “IDX”) (for publicly listed non-bank corporation) on the implementation of administrative sanctions. PBI 16/21 has become effective as of January 1, 2015, with exceptions for the implementation of (i) the administrative sanction requirement, which will be effective from the fourth quarter of 2015, and (ii) the minimum credit rating requirement, which will apply to offshore loans that are signed or issued on or after January 1, 2016.

LANGUAGE OF THE TRANSACTION DOCUMENTS

Pursuant to Law No. 24 of 2009 regarding Flag, Language, State Symbol, and National Anthem (“Law No. 24/2009”), Bahasa Indonesia must be used in agreements involving Indonesian parties, although, when a foreign entity is a party, the agreement may also be written in the English language or the national language of the relevant foreign party (in addition to the Bahasa Indonesia version). Law No. 24/2009 also states that further implementing provisions on the use of Bahasa Indonesia will be regulated in a Presidential Regulation. In the period pending issuance of the Presidential Regulation, there has been considerable uncertainties amongst the business community as to how the requirement of using Bahasa Indonesia should be practically applied in private commercial agreements involving parties from multiple jurisdictions, mainly relating to the timing of execution of the Bahasa Indonesia version and whether the contracting parties have liberty to determine the governing language.

On September 30, 2019, the President of the Republic of Indonesia issued Presidential Regulation No. 63 of 2019 on the Use of Indonesian Language (“Regulation No. 63/2019”) as implementing regulation of Law No. 24/2009. According to Article 26 (3) of Regulation No. 63/2019, where a foreign entity is a party, the English version or the version in the national language of the foreign party may be used as an equivalent or translation of the Bahasa Indonesia version. This provision implies that Bahasa Indonesia version and the English version must be made available together and at the same time, which lead to the prudent approach of having to execute the Bahasa Indonesia version and the English version concurrently (either in dual-language format or separately). On the subject of governing language, Article 26 (4) of Regulation No. 63/2019 clarifies that, where a foreign entity is a party, the parties may contractually agree on the governing language of the agreement (which may be either Bahasa Indonesia, English language or the national language of the foreign party). However, there exists uncertainty on how Regulation No. 63/2019 and Law No. 24/2009 will be interpreted and applied by Indonesian courts. See “Risk Factors — Risks Relating to Indonesia — An Indonesian Law requiring agreements involving Indonesian parties to be written in the Indonesian language may raise issues as to the enforceability of agreements entered into in connection with the offer and sale of the notes.” The Indenture and other documents entered into in connection with the issuance of the notes will also be prepared in Bahasa Indonesia. However, there can be no assurance, in the event of inconsistencies between the Bahasa Indonesia and English language version of those documents, that an Indonesian court would hold that the English versions of such documents prevail. Further, a translation from English to Bahasa Indonesia may not accurately reflect the original intention of the parties.

We will concurrently execute dual English and Bahasa Indonesia versions of certain transaction documents to which we are a party. All of these documents will provide that in the event of a

discrepancy or inconsistency, the parties intend the English version to prevail. Some concepts in the English language may not have a corresponding term in the Indonesian language and the exact meaning of the English text may not be fully captured by the Indonesian language version. If this occurs, there can be no assurance that the terms of the notes, including the Indenture, will be as described in this offering circular, or will be interpreted and enforced by the Indonesian courts as intended.

FORWARD-LOOKING STATEMENTS

This offering circular contains “forward-looking” statements that relate to future events, which are, by their nature, subject to significant risks and uncertainties. All statements, other than statements of historical fact contained in this offering circular including, without limitation, those regarding our future financial position and results of operations, strategy, plans, objectives, goals and targets, future developments in the markets where we participate or are seeking to participate and any statements preceded by, followed by or that include the words “believe,” “expect,” “aim,” “intend,” “will,” “may,” “project,” “estimate,” “anticipate,” “predict,” “seek,” “should” or similar words or expressions, or variations of these expressions, are forward-looking statements.

The future events referred to in these forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause the actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future and are not a guarantee of future performance. Important factors that could cause the actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- the ability of third parties to perform in accordance with contractual terms and specifications;
- changes in our relationship with our customers;
- the effects of potential consolidation or competition in the telecommunications tower industry in Indonesia;
- the effects of increased tower sharing among telecommunications operators;
- our ability to expand and manage our growth, including through acquisitions and divestures;
- our ability to raise additional financing and to generate sufficient cash to service our debt and to control and finance our capital expenditures and operations;
- our ability to maintain our licenses and permits for our towers and other licenses and permits necessary for the conduct of our business;
- changes in our relationships with regional governments and regulators in Indonesia;
- technological changes in cellular and other telecommunications equipment used by our tenants;

- the effects of changes in laws, regulations, including tariffs, taxation or accounting standards or practices;
- general political and economic conditions including changes to the global, regional or domestic economy affecting our costs of financing and operations; and
- our success at managing the risks of the above factors and the other financial, business and operating risks referred to elsewhere in this offering circular.

This list of important factors is not exhaustive. Additional factors that could cause the actual results, performance or achievements to differ materially include, but are not limited to, those discussed under “Risk Factors.” When relying on forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social and legal environment in which we operate. Such forward-looking statements speak only as of the date on which they are made. Accordingly, we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. We do not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Accordingly, you should not place undue reliance on any forward-looking statements.

SUMMARY

The following section summarizes material information that appears later in this offering circular and is qualified in its entirety by, and is subject to, the more detailed information contained or referred to elsewhere in this offering circular. This summary may not contain all of the information that may be important to you. You should read this entire document, including our consolidated financial statements and related notes thereto and the section entitled “Risk Factors,” before making an investment decision in our notes. The meanings of terms not defined in this summary can be found elsewhere in this offering circular.

Overview

We are a leading independent tower company in Indonesia. Our principal business is leasing space for antennas and other equipment for wireless signal transmission at tower sites under long-term lease agreements with telecommunications operators. We also provide telecommunications operators with access to our DAS networks in shopping malls and office buildings in major urban areas. As of September 30, 2019, we operated 15,485 telecommunications sites comprising 15,396 tower sites and 89 DAS networks, and we had 27,789 tenancies on sites with five different telecommunications operators and two 4G LTE network providers. For the year ended December 31, 2018 and the nine months ended September 30, 2019, 82.6% and 83.0% of our revenue, respectively, was from PT Telekomunikasi Selular (“Telkomsel”), PT Indosat Tbk (“Indosat”) and PT XL Axiata Tbk (“XL Axiata”), collectively. We lease space on tower sites under long-term lease agreements of generally 10 years and lease access to our DAS networks under long-term license agreements of generally five to eight years. As of September 30, 2019, the average remaining life of all our tenancy agreements was approximately 5.4 years, and we had total contracted revenue under our leasing agreements of approximately Rp.24,790 billion (US\$1.75 billion). Our tower leasing revenue (from tower sites), and our DAS network revenue, accounted for 99.6% and 0.4%, respectively, of our total revenue for the twelve months ended December 31, 2018.

We believe that Indonesia’s tower leasing industry has strong potential for continued growth in terms of both new tower construction and additional co-locations on existing towers. We construct new sites and acquire existing site portfolios only when they meet our investment criteria which include, among others, return on investment, potential for future co-locations, ease of leasing or purchasing land for sites, ease of community approvals, and credit strength of the potential tenant(s). In particular, we only construct new sites after obtaining a commitment for long-term lease for space from a telecommunications operator. Although we generally construct sites in most provinces of Indonesia, the majority of our sites are located in areas with high population density with 12,398 sites in Java, Bali and Sumatra, and 2,693 sites in other parts of Indonesia, as of December 31, 2018.

We plan to continue to seek additional co-locations for our existing towers, as additional co-locations are accretive to our cash flow because our incremental cost of adding new tenants to existing towers is relatively low. We believe that Indonesian telecommunications operators have sought, and will continue to seek, to satisfy increases in their network coverage and capacity requirements while controlling their capital expenditures for non-core activities such as outsourcing of construction of sites and leasing space from independent tower companies. As of September 30, 2019, we had a tenancy ratio of 1.80.

Our revenue was Rp.4,318,137 million (US\$304.7 million) for the year ended December 31, 2018 and Rp.3,469,357 million (US\$244.8 million) for the nine months ended September 30, 2019. Our

EBITDA and EBITDA margin were Rp.3,719,900 million (US\$262.4 million) and 86.1%, respectively, for the year ended December 31, 2018 and Rp.2,956,402 million (US\$208.6 million) and 85.2%, respectively, for the nine months ended September 30, 2019. Our annualized revenue and LQA EBITDA for the three months ended September 30, 2019 were Rp.4,767,992 million (US\$336.4 million) and Rp.4,061,196 million (US\$286.5 million), respectively. In the fourth quarter of 2018, we acquired control of two listed tower companies, GHON and GOLD. See “Management’s Discussion and Analysis of our Financial Condition and Results of Operation — Factors Affecting Our Financial Condition and Results of Operations — Changes in the number of tenancies and tenancy ratio — Acquisition of site portfolios.”

Key Strengths

We believe that we have the following key strengths:

Strong relationships with highly rated Indonesian telecommunications operators

Our largest customers consist of Indonesia’s highly rated telecommunications operators. For the year ended December 31, 2018 and the nine months ended September 30, 2019, 82.6% and 83.0% of our revenue, respectively, was from Telkomsel, Indosat and XL Axiata (each of which has an investment grade rating from at least one of the rating agencies). Of the remaining 17.0% of our revenue for the nine months ended September 30, 2019, 10.6% was contributed by PT Hutchison 3 Indonesia. In 2013, only 62.8% of our revenue was from Telkomsel, Indosat and XL Axiata (27.5%, 23.5% and 11.8%, respectively) and, of the remaining 37.3% of our revenue, 12.1% was contributed by PT Telkom and 10.5% was contributed by PT Hutchison 3 Indonesia. Our long standing relationships with telecommunications operators help us identify opportunities to meet our customers’ needs with additional co-locations and build-to-suit tower. We believe that to ensure no disruption in coverage, our customers would prioritize payments to key suppliers such as us, as we are a third-party independent service provider and we do not compete with their core business activities. Our tower leasing business also has a competitive advantage over those Indonesian telecommunications operators who offer co-locations on their tower sites to their direct competitors.

Contracted revenue under our long-term customer lease agreements provide high visibility on future revenues

Our revenues are derived from long-term lease agreements with tenants on our sites, and provide us with a highly visible recurring revenue stream. The length of our tower site lease agreements is generally 10 years and the length of our DAS network license agreements is generally five to eight years. As of September 30, 2019, our net debt after taking into account our hedging arrangements was Rp.20,789 billion (US\$1.47 billion), the contracted revenue under our customers’ agreements for all types of tenancy agreements was approximately Rp.24,790 billion (US\$1.75 billion) and the average remaining life of all tenancy agreements was approximately 5.4 years. Assuming that our existing contracts are to be renewed for 10 years at a 90% renewal rate, the total contracted revenue pursuant to contract renewals is estimated to be Rp.59,651 billion (US\$4.21 billion). Our agreements generally have a fixed lease fee and a fixed or escalating maintenance fee (which typically increases annually based on inflation) payable monthly, quarterly or annually. Lease and maintenance fees vary based on tower location and height; height, size and location of our customer’s antennas on the tower; and ground space and utilities provided to the customer. Since many of our sites are located in densely populated areas where telecommunications operators are experiencing high subscriber traffic and relocation of equipment takes time and involves operators reconfiguring their networks, we believe that

many of our customers are likely to renew their lease agreements at the end of their current term in order to minimize disruption of coverage in such areas, avoid the potential loss of revenue and also avoid the expense they would incur from the relocation of their antenna equipment.

Extensive build-to-suit and operational experience

We believe that our extensive experience in deployment of build-to-suit sites for large Indonesian telecommunications operators, particularly our experience in SITAC and regulatory compliance, allows us to provide competitive speed-to-market on build-to-suit site construction in diverse areas of the Indonesian archipelago. Our regional management unit, supervises and works closely with our subcontractors and agents, and manages an extensive network of relationships with local vendors and government authorities. This allows us to work with our customers to identify locations where they can install their BTS. Once a new location has been selected, tower construction is typically completed within 90 to 120 days of our customer's issuance of a work order.

Ability to acquire and integrate site portfolios

Since commencement of our business in 2004, we have acquired several tower companies and site portfolios. For example, in 2012, we acquired 2,500 towers from Indosat and in 2018, we acquired control of two listed tower companies, GHON and GOLD, which added 1,120 tenancies and 859 telecommunication sites to our portfolio. We believe that our previous acquisitions demonstrate our ability to successfully acquire and integrate large tower portfolios from large telecommunications operators. In particular, we believe that we are able to quickly assess and incorporate asset data into our own information systems to ensure that such assets can be appropriately maintained and also space on those towers can be offered to our existing customers, and we have also been able to obtain financing for such acquisitions at competitive rates. We expect that selective acquisitions of large and small site portfolios will continue to be an important part of our growth strategy and we expect to devote substantial resources to ensuring that we are aware of such opportunities and can quickly execute when an acquisition opportunity arises.

High margins and significant operating leverage

Our business enjoys high EBITDA margins that result in strong and stable cash flow from operations. Our EBITDA margins were 86.8%, 86.9%, 86.1% and 85.2% for the years ended December 31, 2016, 2017 and 2018, and the nine months ended September 30, 2019, respectively. Increases in our tenancy ratio for our existing towers should increase our operating margins because a majority of our incremental revenue from the increases of our co-location revenue flows to our operating profits. Additional co-locations are also accretive to our cash flow because the capital expenditure required for, and our incremental cost of, adding new tenants to existing sites are relatively low since most of our towers can accommodate additional co-locations without additional strengthening. As of September 30, 2019, 87.7% of our tower portfolio consisted of ground-based towers with a height of more than 32 meters and rooftop self-supporting towers which are able to accommodate three or more tenants without the need for additional capital expenditure. Our towers that are at or near structural capacity can be strengthened to provide future leasing capacity with relatively minor capital investment.

As an early entrant into the Indonesian tower leasing industry, we have been able to build site portfolios in areas where telecommunications operators experience high subscriber traffic and where there is high demand for tower space to locate BTS. As of December 31, 2018, approximately 82.2% of

our sites and 84.6% of our tenancies were concentrated in the densely populated provinces of Java, Bali and Sumatra. We believe that locating our sites in these high demand areas has allowed us to increase the potential for additional co-locations.

Our tenancy ratio was 1.80 as of September 30, 2019. We believe that, with our existing portfolio of sites in high-demand areas, we are well-positioned to meet increased demand among our customers, which should allow us to further increase our tenancy ratio. In addition, although our tenancy ratios may vary from time to time due to future site portfolio acquisitions or build-to-suit construction, we believe there is strong potential for our tenancy ratio to increase in the future as we expect the existing telecommunications operators to continue to increase the outsourcing of construction of sites and leasing space from independent tower companies for their operations, and both existing telecommunications operators and new entrants are expected to roll out new technologies (such as 4G and 5G) that require site space.

Experienced management team and reputable shareholders

We have increased our tenancies from 20,486 as of December 31, 2016 to 27,789 as of September 30, 2019. We believe that our management team has the skills and experience to continue to develop and grow our business within the Indonesian telecommunications market both organically and through future acquisitions. We also believe that we benefit from the business reputation of our founding shareholders, the Saratoga Group (through PT Wahana Anugerah Sejahtera (“Wahana”)) and PT Provident Capital Indonesia (“PCI”). The Saratoga Group is one of the leading business groups in Indonesia, which has business interests in key sectors of the Indonesian economy, such as consumer, infrastructure and natural resources. PCI was founded in 2005 and invested in PT Merdeka Copper Gold Tbk, a gold, silver, copper (and other related minerals) mining company with a market capitalization of approximately US\$1.8 billion as of September 30, 2019. The founding shareholders of PCI have had extensive banking and accounting experience prior to commencing the tower leasing business and therefore provide significant leadership in ensuring that proper risk management controls as well as cost-effective financing are in place. Our management has sought to leverage the relationships and expertise of both shareholders in building our business.

Our Business Strategy

The key elements of our strategy include:

Maximize co-locations on our existing site portfolio

We believe that we can continue to increase our revenue and improve our margins by increasing the tenancy ratio on our existing site portfolio. We expect that our revenues and operating profit from our tower leasing business will continue to grow because many of our existing towers are attractively located for telecommunications operators and have capacity available for additional antenna space that we can offer to customers at low incremental cost to us. The majority of our operating expenses for tower sites from and following the construction stage are of a fixed nature. Increasing the tenancy ratio will significantly increase our operating margin due to the low incremental cost of adding tenancies on existing tower sites. We will continue to focus the activities of our marketing and project management unit to increase the tenancy ratio and revenue, and further improve our margins, on our existing site portfolio. We are also continuing our efforts to improve access to information regarding our tower sites to allow faster and easier site selection by our customers. We believe that by increasing the speed with which we provide our customers with accurate and complete information about our tower sites, we will be able to increase our competitiveness and revenue generation.

Continue to strengthen our relationships with telecommunications operators

We expect that our understanding of the network expansion requirements of Indonesian telecommunications operators, combined with our ability to effectively meet those requirements, will continue to be a key component of our efforts to increase tenancies in our site portfolio. We will continue to focus on developing our relationships with our customers to identify opportunities to add new tenancies through co-locations and identify desirable new projects, including build-to-suit and acquisition opportunities.

Increase the size of our site portfolio through selective build-to-suit construction and acquisitions

We seek to increase our revenue by increasing the size of our site portfolio through both selective build-to-suit construction and selective acquisition of site portfolios or tower companies. The size of our site portfolio has increased from 12,610 sites as of December 31, 2016, to 13,509 sites as of December 31, 2017, to 15,091 sites as of December 31, 2018, and to 15,485 sites as of September 30, 2019.

We believe that we have achieved a critical scale, which will allow us to continue to seek to construct and acquire additional sites in locations throughout Indonesia, where we can leverage our relationships with existing customers to increase the tenancy ratio and thereby achieve attractive returns on our investment. We will construct new sites and acquire existing site portfolios only when they meet our investment criteria which include, among others, return on investment, potential for future co-locations, ease of leasing or purchasing land for sites, ease of community approvals, and credit strength of the potential tenant(s). Our policy is to generally build new sites only when we have a committed tenancy from our customers. From time to time we may be engaged in a number of discussions or participate in auction processes in relation to acquisitions of site portfolios of tower companies.

Continue to focus on speed-to-market and reliable operational performance

Speed-to-market and reliable operational performance are critical key performance indicators (“KPI”) for our customers. We define our speed to market as the period from our receipt of work order to the commissioning of installation of our customers’ telecommunications equipment at a site. Our operational performance refers to the quality of our regular maintenance service and our speed of response to fault reporting. We are constantly refining our ability to meet our customers’ KPI, and our initiatives include:

- umbrella contracts for SITAC, CME and maintenance service with selected sub-contractors in certain regions;
- standardization of design, process, procedure and control documentation, including timeframe management;
- national web-enabled project management software enabling early recognition of potential delays to completion and execution of countermeasures;
- coordination of local government operational knowledge to enable efficient permit and license processing;

- regular monitoring of supplier inventory of critical components; and
- operation of a 24/7 customer assistance call center.

Capitalize on future technologies that require tower infrastructure

Our customers have introduced and deployed, and we believe that they will continue to introduce and deploy, next generation wireless technologies. We believe that our customers' rollout of new technologies, such as 4G and 5G, and their expansion of their offerings of wireless data services, have increased, and will continue to increase, our total number of tenancies and our tenancy ratio. We expect that next generation technologies, such as 4G and 5G, will result in increased demand for space on our sites.

Optimizing our capital structure to achieve funding flexibility and minimize borrowing costs

We have utilized our credit facilities and debt securities to fund our previous acquisitions and operational requirements. As of September 30, 2019, our gross debt was Rp.22,860 billion (US\$1.61 billion), and our gross debt after taking into account our hedging arrangements was Rp.21,122 billion (US\$1.49 billion). See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Indebtedness" and "Description of Material Indebtedness" for details of our total borrowings and see Note 42 to our consolidated financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations — Market Risk Disclosures" for further details of our financial risk management.

For and as of the nine months ended September 30, 2019, our financial expense (including finance expense — interest and finance expense — others) was 43.4% of our revenue, our market capitalization was US\$1,958.2 million and the ratio of our net debt after taking into account our hedging arrangements to our market capitalization plus net debt after taking into account our hedging arrangements was 0.43x. While we believe that we have a strong capital structure with a substantial equity buffer, we intend to continue to optimize our capital structure to achieve funding flexibility and to minimize our borrowing costs by working with our existing lenders as well as by exploring possibilities of accessing financing through the equity and debt capital markets.

Corporate Information

The Issuer is a publicly listed limited liability company incorporated under the laws of the Republic of Indonesia. The principal executive office of the Issuer is located at The Convergence Indonesia 11th Floor, Kawasan Rasuna Epicentrum, Jl. H.R. Rasuna Said, Jakarta Selatan 12940, Indonesia. The information on the Issuer's website does not constitute part of this offering circular.

THE OFFERING

The following summary contains basic information about the notes and is not intended to be complete. It does not contain all the information that is important to you. Some of the terms described below are subject to important limitations and exceptions. For a more complete understanding of the notes, see “Description of the Notes.” Capitalized terms used in this section have the meanings given in “Description of the Notes.”

Issuer	PT Tower Bersama Infrastructure Tbk
Notes Offered	US\$350,000,000 aggregate principal amount of 4.25% Senior Unsecured Notes due 2025 (the “notes”).
Issue Price	100% of the principal amount of the notes.
Maturity Date	January 21, 2025
Interest	The notes will bear interest from and including January 21, 2020 at a rate of 4.25% per annum, payable semi-annually in arrears.
Interest Payment Dates	January 21 and July 21 of each year, commencing on July 21, 2020.
Ranking	<p>The notes will be:</p> <ul style="list-style-type: none"> • general unsecured obligations of the Issuer; • pari passu in right of payment with all existing and future unsecured senior Indebtedness of the Issuer; • senior in right of payment to any future subordinated Indebtedness of the Issuer; and • effectively subordinated to secured Indebtedness of the Issuer to the extent of the value of the assets serving as security therefor and to all liabilities (including trade payables) of each subsidiary of the Issuer that does not guarantee the Notes.
Optional Redemption	<p>At any time on or after January 21, 2023, the Issuer may redeem the notes, in whole or in part, at the redemption prices set forth under “Description of the Notes — Optional Redemption,” plus accrued and unpaid interest, if any, to the redemption date.</p> <p>At any time and from time to time prior to January 21, 2023, the Issuer may at its option redeem the notes, in whole or in part, at a redemption price equal to 100% of their principal amount plus the Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including), the redemption date.</p>

In addition, at any time prior to January 21, 2023, the Issuer may redeem up to 35% of the aggregate principal amount of the notes with the proceeds from certain equity offerings at a redemption price of 104.25% of the principal amount of the notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the notes originally issued under the Indenture remains outstanding after each such redemption and any such redemption occurs within 90 days of the closing of such equity offering.

Repurchase of Notes upon a Change

of Control Not later than 60 days following a Change of Control, the Issuer will make an offer to repurchase all outstanding notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but not including) the Change of Control Payment Date.

Withholding Tax; Additional

Amounts Payments with respect to the notes or any future Subsidiary Guarantee will be made without withholding or deduction for taxes imposed by the jurisdictions in which the Issuer or any future Subsidiary Guarantors are incorporated or resident for tax purposes, or through which payment is made, except as required by law. Where such withholding or deduction is required by law, the Issuer or any future Subsidiary Guarantors will make such deduction or withholding and will, subject to certain exceptions, pay such additional amounts as will result in receipt by the Holder of such amounts as would have been received by such Holder had no such withholding or deduction been required. See “Description of the Notes — Additional Amounts.”

Redemption for Taxation Reasons . .

Subject to certain exceptions and as more fully described herein, the Issuer may redeem the notes, in whole but not in part, at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Issuer for redemption, if, as a result of certain changes in tax law, the Issuer would be required to pay certain Additional Amounts; provided that where the Additional Amounts are payable as a result of changes affecting Indonesian taxes, the notes may be redeemed only in the event that the withholding tax rate exceeds 20%.

Covenants

The Indenture will limit the ability of the Issuer and the Restricted Subsidiaries to, among other things:

- incur additional Indebtedness and issue preferred stock;
- make investments or other specified Restricted Payments;

- enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends and transfer assets or make intercompany loans;
- issue or sell Capital Stock of Restricted Subsidiaries;
- issue guarantees by Restricted Subsidiaries;
- enter into transactions with Affiliates;
- create any Lien;
- enter into Sale and Leaseback Transactions;
- sell assets;
- engage in different business activities; or
- effect a consolidation or merger.

These covenants are subject to a number of important qualifications and exceptions described in "Description of the Notes — Certain Covenants" and "Description of the Notes — Repurchase at the Option of Holders — Asset Sales."

If the notes are assigned an investment grade rating by two Rating Agencies (as defined below) and no default or event of default has occurred or is continuing, certain covenants relating to the notes will be suspended. If either rating on the notes should subsequently decline to below investment grade, the suspended covenants will be reinstituted. See "Description of the Notes — Certain Covenants — Changes in Covenants If and When Notes Rated Investment Grade."

Selling and Transfer Restrictions . . . The notes will not be registered under the Securities Act or under any state securities law of the United States and will be subject to customary restrictions on transfer and resale. See "Plan of Distribution."

Form and Denomination and

Registration The notes will be issued only in fully registered form, without coupons, in denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof and will be initially represented by Global Notes registered in the name of a nominee of and deposited with a common depositary for Euroclear and Clearstream.

Clearance and Settlement The notes will be represented by beneficial interests in the global certificate, which will be registered in the name of a nominee of, and deposited on the Closing Date with, a common

depository for, Euroclear and Clearstream. Beneficial interests in the global certificate will be shown on and transfers thereof will be effected only through records maintained by Euroclear and Clearstream. Except as described herein, certificates for notes will not be issued in exchange for beneficial interests in the global certificate. For a description of certain factors relating to clearance and settlement, see “Description of the Notes — Book-Entry, Delivery and Form.”

Delivery of the Notes It is expected that delivery of the notes will be made on or about January 21, 2020 (the “Closing Date”), being the fifth business day following the date of pricing of the notes (“T+5”). You should note that initial trading of the notes may be affected by the T+5 settlement. See “Plan of Distribution.”

Use of Proceeds The net proceeds from this offering, after deducting the underwriting fees and commissions and other estimated fees and expenses payable in connection with this offering, are estimated to be approximately US\$345.1 million.

The Issuer will use the net proceeds of this offering to refinance all outstanding indebtedness under Facility B and to partially refinance the outstanding indebtedness under the 2017 RLF. Amounts refinanced under Facility B and the 2017 RLF will be available and can be reborrowed. See “Use of Proceeds.”

Security Codes ISIN: XS2099045515

Common Code: 209904551

Governing Law The notes and the Indenture will be governed by, and construed in accordance with, the laws of the State of New York.

Trustee The Bank of New York Mellon, London Branch

Paying Agent The Bank of New York Mellon, London Branch

Transfer Agent and Registrar The Bank of New York Mellon SA/NV, Luxembourg Branch

Listing Approval-in-principle has been received for the listing of the Notes on the Official List of the SGX-ST. The notes will be traded on the SGX-ST in a minimum board lot size of US\$200,000 for so long as the notes are listed on the SGX-ST.

Risk Factors For a discussion of certain factors that should be considered in evaluating an investment in the notes, see “Risk Factors.”

SUMMARY CONSOLIDATED FINANCIAL INFORMATION AND OTHER DATA

You should read the summary historical consolidated financial information and operating data presented below in conjunction with our consolidated financial statements, related notes to the consolidated financial statements and other financial information, included elsewhere in this offering circular. You should also read the sections of this offering circular entitled “Risk Factors” and “Management’s Discussion and Analysis of Our Financial Condition and Results of Operations.”

The summary consolidated financial information as of and for the years ended December 31, 2016, 2017 and 2018 has been derived from our audited consolidated financial statements included elsewhere in this offering circular, and the summary consolidated financial information for the nine months ended September 30, 2018 and 2019 has been derived from our unaudited interim consolidated financial statements as of September 30, 2019 and for the nine months ended September 30, 2018 and 2019 included elsewhere in this offering circular. We have prepared our unaudited interim consolidated financial statements on the same basis as our audited consolidated financial statements. Due to the implementation of SE OJK No. 36/SEOJK.04/2016, our consolidated financial information as of and for the years ended December 31, 2016 were restated retrospectively to reflect its impact. See Note 46 to our consolidated financial statements as of and for the years ended December 31, 2016, 2017 and 2018 included elsewhere in this offering circular for further details of the restatement. Our historical results for any prior or interim periods are not necessarily indicative of results to be expected for a full financial year or for any future period.

We have prepared and presented our consolidated financial statements in accordance with Indonesian FAS, which differs in certain respects from IFRS. In making an investment decision, you should rely upon your own examination of the terms of the offering of the notes and the financial information contained in this offering circular. You should consult your own professional advisors for an understanding of the differences between Indonesian FAS and IFRS, and how those differences could affect the financial information contained in this offering circular. You should read the section of this offering circular entitled “Summary of Certain Differences between Indonesian FAS and IFRS” for a description of certain differences between Indonesian FAS and IFRS.

We have translated the Rupiah amounts of our consolidated financial information as of and for the year ended December 31, 2018 and as of and for the nine months ended September 30, 2019 into U.S. dollars for convenience only based on the middle exchange rate announced by Bank Indonesia, the Indonesian central bank, as of September 30, 2019, which was Rp.14,174 = US\$1.00. Such translations should not be construed as representations that the Rupiah or U.S. dollar amounts referred to could have been, or could be, converted into U.S. dollars or Rupiah, as the case may be, at that or any other rate or at all. See “Exchange Rates and Exchange Controls” for further information regarding rates of exchange between the Rupiah and U.S. dollars.

Consolidated Statements of Profit or Loss and Other Comprehensive Income Data

	For the Year Ended December 31,				For the Nine Months Ended September 30,		
	2016	2017	2018	2018 ⁽¹⁾	2018	2019	2019 ⁽¹⁾
	(Rp. in millions)				(Rp. in millions)		
				(unaudited) (US\$ in millions)	(unaudited)	(unaudited)	(unaudited) (US\$ in millions)
Revenue	3,711,174	4,023,085	4,318,137	304.7	3,167,813	3,469,357	244.8
Cost of revenue	737,968	667,761	784,082	55.3	579,210	653,811	46.1
Gross profit	2,973,206	3,355,324	3,534,055	249.3	2,588,603	2,815,546	198.6
Operating expenses	315,601	343,178	381,463	26.9	276,553	321,850	22.7
Income from operations	2,657,605	3,012,146	3,152,592	222.4	2,312,050	2,493,696	175.9
Other income (charges):							
Gain (Loss) on foreign exchange — net	25,277	13,938	2,221	0.2	(6,131)	9,285	0.7
Increase of fair value of investment properties	(44,072)	7,210	7,728	0.5	888	—	—
Interest income	5,545	6,709	8,431	0.6	6,929	8,199	0.6
Tax arising from assets revaluation	(80,303)	—	—	—	—	—	—
Impairment of fair value of goodwill	(40,057)	(121,467)	(15,722)	(1.1)	—	—	—
Financial expenses — interest	(1,691,801)	(1,815,954)	(2,003,573)	(141.4)	(1,464,381)	(1,448,354)	(102.2)
Financial expenses — others	(99,100)	(148,076)	(68,024)	(4.8)	(52,078)	(57,673)	(4.1)
Income tax final	—	—	—	—	—	(60,662)	(4.3)
Others — net	52,677	(46,867)	(49,368)	(3.5)	(62,795)	(54,486)	(3.8)
Other charges — net	(1,871,834)	(2,104,507)	(2,118,307)	(149.5)	(1,577,568)	(1,603,691)	(113.1)
Profit before income tax	785,771	907,639	1,034,285	73.0	734,482	890,005	62.8
Income tax benefits (expenses)							
Current	(135,076)	(145,552)	(204,705)	(14.4)	(107,050)	(191,152)	(13.5)
Deferred	72,518	1,576,942	(126,948)	(9.0)	3,119	(54,162)	(3.8)
Income tax benefit (expenses) — net	(62,558)	1,431,390	(331,653)	(23.4)	(103,931)	(245,314)	(17.3)
Net profit for the period	723,213	2,339,029	702,632	49.6	630,551	644,691	45.5
Other Comprehensive Income							
Items that will not be reclassified to profit or loss							
Revaluation surplus	578,180	29,312	83,074	5.9	64,149	93,464	6.6
Actuarial gain (loss)	2,300	(11,507)	8,033	0.6	6,863	(395)	(0.0)
Items that may be reclassified to profit or loss							
Difference translation of foreign currency	(610)	5,215	349	0.0	(126)	35	0.0
Changes in fair value investment — available-for-sale	34	(56)	14,837	1.0	12,616	—	—
Cash flows hedging reserves	226,940	(79,765)	963,650	68.0	774,751	157,638	11.1
Total comprehensive income for the current period	1,530,057	2,282,228	1,772,575	125.1	1,488,804	895,433	63.2

	For the Year Ended December 31,				For the Nine Months Ended September 30,		
	2016	2017	2018	2018 ⁽¹⁾	2018	2019	2019 ⁽¹⁾
				(unaudited)	(unaudited)		(unaudited)
				(US\$ in			(US\$ in
	(Rp. in millions)			millions)	(Rp. in millions)		millions)
Net profit attributable to:							
Equity holder of the parent							
company	713,807	2,316,368	680,581	48.0	623,454	611,962	43.2
Non-controlling interest	9,406	22,661	22,051	1.6	7,097	32,729 ⁽²⁾	2.3 ⁽²⁾
Total	723,213	2,339,029	702,632	49.6	630,551	644,691	45.5
Total comprehensive income							
attributable to:							
Equity holder of the parent							
company	1,522,392	2,253,607	1,740,522	122.8	1,478,563	841,468	59.4
Non-controlling interest	7,665	28,621	32,053	2.3	10,241	53,965	3.8
Total	1,530,057	2,282,228	1,772,575	125.1	1,488,804	895,433	63.2

Notes:

- (1) Converted into U.S. dollars based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under "Presentation of Financial Information."
- (2) Includes profit attributable to non-controlling interest as a result of our acquisition of control of two listed tower companies, PT Gihon Telekomunikasi Indonesia Tbk ("GHON") and PT Visi Telekomunikasi Infrastruktur Tbk ("GOLD") in 2018.

Consolidated Statements of Financial Position Data

	As of December 31,				As of September 30,	
	2016	2017	2018	2018 ⁽¹⁾	2019	2019 ⁽¹⁾
	(Rp. in millions)			(unaudited) (US\$ in millions)	(unaudited) (Rp. in millions)	(unaudited) (US\$ in millions)
Assets						
Current Assets:						
Cash and cash equivalents	365,342	407,444	220,586	15.6	333,362	23.5
Trade receivables — third parties	409,092	266,127	383,303	27.0	536,500	37.9
Other receivables	78,042	91,579	77,660	5.5	118,386	8.4
Promissory notes	—	—	221,425	15.6	221,425	15.6
Accrued revenue	288,507	587,171	546,608	38.6	545,251	38.5
Inventories and supplies	217,206	20,290	22,723	1.6	38,578	2.7
Investment	2,387	2,336	1,508	0.1	1,508	0.1
Advance payments and prepaid expenses	163,190	185,754	154,803	10.9	139,345	9.8
Long-term land lease — current portion	215,088	244,282	279,643	19.7	305,245	21.5
Prepaid taxes	176,861	121,561	119,206	8.4	51,177	3.6
Advance for shares repurchase	44,957	44,957	—	—	—	—
Total current assets	1,960,672	1,971,501	2,027,465	143.0	2,290,777	161.6
Non-current Assets:						
Deferred tax assets-net	51,094	470,856	344,703	24.3	290,438	20.5
Property and equipment (net of accumulated depreciation of Rp.285,901 million, Rp.250,334 million, Rp.201,817 million and Rp.181,032 million as of September 30, 2019 and December 31, 2018, 2017 and 2016 respectively)	18,231,980	19,798,733	21,878,608	1,543.6	22,693,074	1,601.0
Investment properties — fair value	160,458	168,689	181,608	12.8	186,027	13.1
Goodwill — fair value	534,355	412,888	428,610	30.2	428,610	30.2
Long-term land lease	1,404,466	1,432,647	1,578,873	111.4	1,579,789	111.5
Refundable deposits	1,597	1,726	2,067	0.1	2,321	0.2
Derivative financial assets	1,248,410	1,302,091	2,605,591	183.8	1,934,603	136.5
Estimated claims for income tax refund	20,879	30,586	60,368	4.3	25,606	1.8
Other non-current assets	6,357	6,068	5,854	0.4	6,506	0.5
Total non-current assets	21,659,596	23,624,284	27,086,282	1,911.0	27,146,974	1,915.3
Total assets	23,620,268	25,595,785	29,113,747	2,054.0	29,437,751	2,076.9
Liabilities and Equity						
Current Liabilities						
Trade payables — third parties	184,918	192,884	231,711	16.3	279,833	19.7
Other payables	18,532	20,145	104,028	7.3	58,875	4.2
Taxes payable	137,292	51,352	60,065	4.2	75,591	5.3
Unearned income	478,863	539,198	668,543	47.2	1,315,435	92.8
Accrued expenses	1,064,440	1,181,025	1,466,028	103.4	989,237	69.8
Short-term notes	—	—	624,283	44.0	2,772,914	195.6
Long-term loans — current portion:						
Finance leases	3,545	3,518	5,095	0.4	3,946	0.3
Third parties	1,012,362	—	3,265,184	230.4	—	—
Total current liabilities	2,899,952	1,988,122	6,424,937	453.3	5,495,831	387.7

	As of December 31,				As of September 30,	
	2016	2017	2018	2018 ⁽¹⁾	2019	2019 ⁽¹⁾
				(unaudited) (US\$ in millions)	(unaudited) (Rp. in millions)	(unaudited) (US\$ in millions)
	(Rp. in millions)					
Non-current Liabilities:						
Deferred tax liability — net	1,169,038	11,837	12,509	0.9	12,205	0.9
Provision for post-employment benefits	35,112	34,398	30,186	2.1	32,018	2.3
Long-term notes	8,892,520	6,321,002	7,264,742	512.5	5,770,684	407.1
Long-term loans — net of current portion:						
Finance leases	7,215	7,536	12,868	0.9	11,466	0.8
Third parties	8,992,289	14,047,810	11,688,940	824.7	14,104,092	995.1
Total non-current liabilities	19,096,174	20,422,583	19,009,245	1,341.1	19,930,465	1,406.1
Total liabilities	21,996,126	22,410,705	25,434,182	1,794.4	25,426,296	1,793.9
Equity						
Share capital ⁽²⁾	453,140	453,140	453,140	32.0	453,140	32.0
Treasury stock	(411,328)	(467,618)	(985,379)	(69.5)	(1,028,268)	(72.5)
Additional paid-in capital — net	(309,548)	(309,548)	(499,660)	(35.3)	(518,150)	(36.6)
Other comprehensive income	2,251,411	2,095,383	3,060,932	216.0	3,213,023	226.7
Retained earnings:						
Statutory reserves	55,100	60,100	61,100	4.3	61,600	4.3
Unappropriated	(483,062)	1,256,573	1,280,546	90.3	1,369,423	96.6
Total equity attributable to equity holder of the parent company	1,555,713	3,088,030	3,370,679	237.8	3,550,768	250.5
Non-controlling interest	68,429	97,050	308,886	21.8	460,687	32.5
Total Equity	1,624,142	3,185,080	3,679,565	259.6	4,011,455	283.0
Total liabilities and equity	23,620,268	25,595,785	29,113,747	2,054.0	29,437,751	2,076.9

Notes:

- (1) Converted into U.S. dollars based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information.”
- (2) Share capital as of December 31, 2016, 2017 and 2018 and September 30, 2019 par value Rp.100 (full amount) per shares. Authorized capital of 14,420,120,000 shares issued and fully paid-in capital: the number of shares outstanding as of December 31, 2016, 2017 and 2018 and September 30, 2019 was 4,531,399,889 shares.

Consolidated Statements of Cash Flow Data

	For the Year Ended December 31,				For the Nine Months Ended September 30,		
	2016	2017	2018	2018 ⁽¹⁾	2018	2019	2019 ⁽¹⁾
	(Rp. in millions)			(unaudited) (US\$ in millions)	(unaudited) (Rp. in millions)	(unaudited) (US\$ in millions)	(unaudited) (US\$ in millions)
Net cash flows provided by operating activities	3,773,978	3,185,893	3,239,952	228.7	2,613,506	3,249,616	229.3
Net cash flows used in investing activities	(1,365,332)	(1,790,370)	(2,204,859)	(155.6)	(1,666,003)	(1,564,100)	(110.3)
Net cash flows used in financing activities	(2,334,801)	(1,355,114)	(1,229,193)	(86.7)	(1,072,255)	(1,569,363)	(110.7)
Effect from changes in foreign exchange rates on cash and cash equivalents	(4,634)	1,693	7,242	0.5	10,720	(3,377)	(0.2)
Net increase (decrease) of cash . . .	69,211	42,102	(186,858)	(13.1)	(114,032)	112,776	8.0
Cash and cash equivalents at beginning of year	296,131	365,342	407,444	28.7	407,444	220,586	15.6
Cash and cash equivalents at the end of period	365,342	407,444	220,586	15.6	293,412	333,362	23.5

Note:

- (1) Converted into U.S. dollars based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under "Presentation of Financial Information."

Non-GAAP Financial Measures

	For the Year Ended December 31,			For the Nine Months Ended September 30,	For the Three Months Ended September 30,
	2016	2017	2018	2019	2019 ⁽⁹⁾
	(unaudited)				
Revenue ⁽¹⁾ (US\$ in millions)	261.8	283.8	304.7	244.8	84.1
EBITDA ⁽¹⁾⁽²⁾ (US\$ in millions)	227.2	246.6	262.4	208.6	71.6
EBITDA margin ⁽³⁾	86.8%	86.9%	86.1%	85.2%	85.2%
LQA EBITDA ⁽¹⁾⁽²⁾ (US\$ in millions)	232.2	256.2	278.9	—	286.5
Gross debt ⁽⁴⁾ /LQA EBITDA ⁽²⁾	5.8x	5.7x	5.8x	—	5.6x
Net debt ⁽⁵⁾ /LQA EBITDA ⁽²⁾	5.7x	5.6x	5.8x	—	5.5x
Total net senior debt ⁽⁶⁾ /LQA EBITDA ⁽²⁾	2.8x	3.3x	3.3x	—	3.2x
Gross debt after taking into account our hedging arrangements ⁽⁷⁾ /LQA EBITDA ⁽²⁾	5.2x	5.1x	5.2x	—	5.2x
Net debt after taking into account our hedging arrangements ⁽⁸⁾ /LQA EBITDA ⁽²⁾	5.1x	4.9x	5.1x	—	5.1x

Notes:

- (1) Converted into U.S. dollars based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under "Presentation of Financial Information."

- (2) We define EBITDA as income from operations plus depreciation of property and equipment plus land lease and license cost — amortization and LQA EBITDA as EBITDA for the three months ended December 31, 2016, 2017 and 2018 and September 30, 2019 multiplied by four, as applicable. EBITDA and LQA EBITDA are not measurements of financial performance or liquidity under Indonesian FAS and should not be considered as alternatives to net profit, income from operations or any other performance measures derived in accordance with Indonesian FAS or as alternatives to cash flow from operating activities as a measure of liquidity. In addition, EBITDA and LQA EBITDA are not standardized terms, hence, a direct comparison between companies using such terms may not be possible. The following table reconciles our income from operations under Indonesian FAS to our definition of EBITDA and LQA EBITDA for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information”):

	For the Year Ended December 31,			For the Nine Months Ended September 30,	For the Three Months Ended September 30,
	2016	2017	2018	2019	2019
	(unaudited)				
	(US\$ in millions)				
Income from Operations	187.5	212.5	222.4	175.9	60.7
Add:					
Depreciation of property and equipment	25.0	17.2	18.6	16.1	5.4
Land lease and license costs — amortization	14.7	16.9	21.5	16.6	5.5
EBITDA	227.2	246.6	262.4	208.6	71.6

	For the Three Months Ended December 31,			For the Three Months Ended September 30,
	2016	2017	2018	2019
	(unaudited)			
	(US\$ in millions)			
Income from Operations	31.0	55.0	59.3	60.7
Add:				
Depreciation of property and equipment	23.3	4.3	4.5	5.4
Land lease and license costs — amortization	3.7	4.8	5.9	5.5
EBITDA	58.1	64.1	69.7	71.6
LQA EBITDA	232.2	256.2	278.9	286.5

- (3) EBITDA margin represents EBITDA as a percentage of revenue.

- (4) Gross debt refers to our total borrowings (current and non-current portion of long-term loans and finance leases, long-term notes and short-term notes) before deducting unamortized borrowing costs. The following table reconciles our total borrowings (current and non-current portion of long-term loans and finance leases, long-term notes and short-term notes) to our gross debt for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for convenience of the reader as described under “Presentation of Financial Information”):

	As of December 31,			As of September 30,
	2016	2017	2018	2019
	(unaudited)			
	(US\$ in millions)			
Total borrowings	1,334.0	1,437.8	1,612.9	1,598.9
Add:				
Unamortized borrowing costs	14.8	14.3	11.3	13.9
Gross debt	<u>1,348.8</u>	<u>1,452.2</u>	<u>1,624.2</u>	<u>1,612.8</u>

- (5) Net debt refers to our gross debt less cash and cash equivalents. The following table reconciles our gross debt to our net debt for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information”):

	As of December 31,			As of September 30,
	2016	2017	2018	2019
	(unaudited)			
	(US\$ in millions)			
Gross debt	1,348.8	1,452.2	1,624.2	1,612.8
Less:				
Cash and cash equivalents	25.8	28.7	15.6	23.5
Net debt	<u>1,323.0</u>	<u>1,423.4</u>	<u>1,608.6</u>	<u>1,589.3</u>

- (6) Total senior debt is defined as our long-term loans — third parties (including indebtedness under the 2017 RLF, the 2018 RCF, the 2019 RLF and the Credit Facilities) as calculated by valuing the hedged portion of our total senior debt in U.S. dollars after taking into account our hedging arrangements, before deducting unamortized borrowing costs. We define total net senior debt as our total senior debt less cash and cash equivalents balance. The following table reconciles our total senior debt to our total net senior debt for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information”):

	As of December 31,			As of September 30,
	2016	2017	2018	2019
	(unaudited)			
	(US\$ in millions)			
Total senior debt	666.8	875.3	935.7	930.3
Less:				
Cash and cash equivalents	25.8	28.7	15.6	23.5
Total net senior debt	<u>641.0</u>	<u>846.6</u>	<u>920.2</u>	<u>906.8</u>

- (7) Gross debt after taking into account our hedging arrangements refers to our total borrowings (current and non-current portion of long-term loans and finance leases, long-term notes and short-term notes), as calculated by valuing the hedged portion of our gross debt in U.S. dollars using the hedged rate, before deducting unamortized borrowing costs. The following table reconciles our total borrowings (current and non-current portion of long-term loans and finance leases, long-term notes and short-term notes) after taking into account our hedging arrangements to our gross debt after taking into account our hedging arrangements for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for convenience of the reader as described under “Presentation of Financial Information”):

	As of December 31,			As of
	2016	2017	2018	September 30,
				2019
	(unaudited)			
	(US\$ in millions)			
Total borrowings after taking into account our hedging arrangements	1,192.2	1,280.5	1,431.6	1,476.3
Add:				
Unamortized borrowing costs	14.8	14.3	11.3	13.9
Gross debt after taking into account our hedging arrangements	1,207.0	1,294.8	1,442.9	1,490.2

- (8) Net debt after taking into account our hedging arrangements refers to our gross debt after taking into account our hedging arrangements less cash and cash equivalents. The following table reconciles our gross debt after taking into account our hedging arrangements to our net debt after taking into account our hedging arrangements for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information”):

	As of December 31,			As of
	2016	2017	2018	September 30,
				2019
	(unaudited)			
	(US\$ in millions)			
Gross debt after taking into account our hedging arrangements	1,207.0	1,294.8	1,442.9	1,490.2
Less:				
Cash and cash equivalents	25.8	28.7	15.6	23.5
Net debt after taking into account our hedging arrangements	1,181.2	1,266.1	1,427.3	1,466.7

- (9) This information is presented for informational purposes only and is not calculated in the same manner as the method used for calculating the leverage ratios set forth in the Indenture governing the notes.

Operational Data

	As of December 31, 2015	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of September 30, 2019
Total telecommunications sites	12,389	12,610	13,509	15,091	15,485
Total number of tenancies	19,796	20,486	23,018	25,518	27,789
Total number of tower sites	11,389	12,539	13,461	15,032	15,396
Total number of tower tenancies	18,796	20,415	22,970	25,459	27,700
Tenancy ratio	1.65	1.63	1.71	1.69	1.80

RISK FACTORS

An investment in the notes is subject to significant risks. You should carefully consider all of the information in this offering circular and, in particular, the risks described below before deciding to invest in the notes. The following describes some of the significant risks that could affect us and the value of the notes as well as our ability to pay interest on, and repay the principal of, the notes. Additionally, some risks may be unknown to us and other risks, currently believed to be immaterial, could turn out to be material. All of these could materially and adversely affect our business, financial condition, results of operations and prospects. The market price of the notes could decline due to any of these risks and you may lose all or part of your investment. This offering circular also contains forward-looking statements that involve risks and uncertainties including those described under “Forward-Looking Statements” elsewhere in this offering circular. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this offering circular.

The risks described below are not the only ones that may affect us or our notes. In general, investing in securities of companies in emerging market countries such as Indonesia involves risks not typically associated with investing in the securities of companies in more developed economies. To the extent the description in this section relates to Government or Indonesian macroeconomic data, such information has been extracted from official Government publications or other third-party sources and has not been independently verified by us.

Risks Relating to Our Business

Due to the long-term expectations of revenue from tenant leases, we are exposed to the creditworthiness and financial strength of our tenants.

Due to the long-term nature of our tenant leases (usually 10 years), we, like others in the tower industry, are dependent on the continued financial strength of our tenants. Although the Indonesian telecommunications industry is highly competitive, with seven operators currently in the market, we believe that only a small number of these operators are profitable. Many telecommunications operators have substantial leverage and rely on capital raising activities to fund their operations and capital expenditures. A downturn in the economy and/or disruption in the financial and credit markets could make it more difficult and expensive to raise capital. If our customers or potential customers are unable to raise adequate capital to fund their business plans, they may reduce their capital spending, which could materially and adversely affect demand for our telecommunications sites. If, as a result of a prolonged economic downturn or otherwise, one or more of our significant customers experience financial difficulties, it could result in uncollectible accounts receivable from our customers, which in turn could have a material adverse effect on our business, financial condition, results of operations and liquidity.

A substantial portion of our revenue is derived from a small number of customers, and the termination, non-renewal or material modification of our tower lease agreements with them could have a material and adverse effect on us.

A substantial portion of our revenue is derived from a small number of customers. For the year ended December 31, 2018 and the nine months ended September 30, 2019, 82.6% and 83.0% of our revenue, respectively, was from Telkomsel, Indosat and XL Axiata, collectively. If any of these customers is unwilling or unable to perform its obligations under our tower lease agreements with them, our revenues, results of operations, financial condition and liquidity could be materially and

adversely affected. It is possible that disputes with our customers could lead to a termination of our agreements with customers or a material modification of the terms of those agreements, either of which could have a material adverse effect on our business, results of operations, financial condition and liquidity. If we are forced to resolve any of these disputes through litigation, our relationship with the applicable customer could be terminated or damaged, which could lead to decreased revenues or increased costs, resulting in a corresponding adverse effect on our business, financial condition, results of operations and liquidity. In addition, no assurance can be given that our customers will renew their tower lease agreements at the expiration of those agreements. No assurance can be given that we will be successful in negotiating favorable terms with the customers that renew their lease agreements. Any failure to obtain renewals of existing tower lease agreements or the failure to successfully negotiate favorable terms for such renewals could result in a reduction in our revenues and, accordingly, our ability to make payment on the notes.

Merger or consolidation among our customers could have a material and adverse effect on our revenue and cash flow.

We believe that there will be continued price competition among the largest Indonesian telecommunications operators which will increase their number of subscribers, subscribers' minutes of use and network capacity requirements. We also believe that the current pricing levels, combined with significant capital expenditure requirements for telecommunications operators, will be sustainable only for the operators with large scale operations in terms of both network capacity and total number of subscribers. We believe that, given the high number of telecommunications operators in Indonesia, as well as benefits of scale enjoyed by the larger operators, consolidation is likely to occur among the smaller telecommunications operators (some of whom are our customers) in order to achieve the scale necessary for long term profitable growth in this market.

Significant consolidation among our customers could result in a reduction in their BTS and/or co-location requirements for the consolidated companies, since certain BTS may become redundant or additional tower spaces may be gained in the consolidation. In addition, consolidation may result in a reduction in future capital expenditures in the aggregate, if the expansion plans of the consolidated companies are similar. As a result, our customers could determine not to renew leases with us as a result of such consolidation. If a significant number of such terminations occur as a result of industry consolidation, it could materially and adversely affect our revenue and cash flow, which in turn could have a material adverse effect on our business, financial condition, results of operations and liquidity.

Competition in the tower leasing industry may create pricing pressures that materially and adversely affect us.

Competition in the tower leasing industry is substantial, and our customers have numerous alternatives for leasing tower space including:

- telecommunications operators such as Telkomsel, XL Axiata and Indosat that own site portfolios and lease antenna space to third parties;
- independent tower companies that operate large site portfolios, primarily PT Solusi Tunas Pratama Tbk and PT Sarana Menara Nusantara Tbk. ("Protelindo");
- a significant number of independent tower companies that operate smaller site portfolios; and
- in certain circumstances, owners of alternative site structures such as building rooftops, outdoor and indoor DAS networks, billboards and electric transmission towers.

We believe competition in the Indonesian tower leasing industry is based principally on tower location, relationships with telecommunications operators, tower quality and height and, to a lesser extent on size of site portfolio, pricing, operational management and additional services to tenants. Some of our competitors, such as the national telecommunications operators that allow co-location on their towers, are larger and may have greater financial resources than we do. In addition, some of our competitors may have lower return on investment criteria than we do.

For the year ended December 31, 2018 and the nine months ended September 30, 2019, 82.6% and 83.0% of our revenue, respectively, was from Telkomsel, Indosat and XL Axiata, collectively. Telkomsel, Indosat and XL Axiata own and operate site portfolios that are significantly larger than our own. We believe, however, that large telecommunications operators tend not to lease extensively from their direct competitors. A change in this policy or any other event, including regulatory action, that increases co-location among major Indonesian telecommunications operators, could result in increased competition for co-locations.

Competitive pressures could materially and adversely affect our lease rates and services income, and could result in our existing customers not renewing their leases, or new customers leasing towers from our competitors and not from us. We also face, and expect to continue to face, competition in identifying and successfully acquiring tower assets, particularly for high quality tower assets and large site portfolios, which could also make our tower acquisitions more costly. Any of the foregoing factors could materially and adversely affect our business, financial condition, results of operations and liquidity.

We may not successfully execute our growth strategy. Our organic and acquisition growth strategies depend on various factors, some of which are outside our control.

Our strategy for the growth of our business involves three components: organic growth through expansion of our tenancy ratio, construction of additional sites on a build-to-suit basis for Indonesian telecommunications operators, and growth by acquisition of site portfolios from independent tower leasing companies and telecommunications operators. In the fourth quarter of 2018, we acquired control of two listed tower companies, GHON and GOLD, which added 1,120 tenancies and 859 telecommunication sites to our portfolio. As of December 31, 2018, GHON has 556 telecommunications sites with 815 tenants and GOLD has 303 telecommunications sites with 305 tenants. Our ability to execute the organic growth component of our strategy will depend on a number of factors, including our ability to continue to obtain orders and deploy build-to-suit sites and co-locations in a timely and cost-effective manner, our ability to maintain our relationships with the regulatory authorities and to obtain any required governmental approvals. There can be no assurance that we will be able to continue expanding our site portfolio organically on a commercially viable basis or in a timely manner, or at all, and our failure to do so could have a material adverse effect on our business, financial condition, results of operations and liquidity.

Our ability to execute the acquisition growth component of our strategy will also depend on a number of factors. We must identify suitable and available acquisition candidates at an acceptable cost, reach agreement with acquisition candidates and their shareholders on commercially reasonable terms and also secure financing to complete larger acquisitions or investments. We are continuously examining the merits, risks and feasibility of potential transactions and searching for acquisition opportunities. Such search and examination efforts, and any related discussions with third parties, may or may not lead to future acquisitions.

Our ability to grow through further acquisitions will also depend on a number of factors, including the willingness of large Indonesian telecommunications operators (some of whom are our

major customers) to engage with us in sale and leaseback transactions for their site portfolios on terms that meet our return on investment criteria. The benefits of any acquisition may take considerable time to develop, and there can be no assurance that any particular acquisition will produce the intended results or benefits. In addition, an acquisition or investment transaction may expose us to unknown liabilities or risks without sufficient indemnities or other legal protections. There can be no assurance that we will be able to continue to expand our site portfolio on a commercially viable basis or in a timely manner, or at all.

Our acquisition strategy will also place significant demands on the time and attention of our management. In addition to integrating, training and managing our expanding workforce, we will need to continue to develop and improve our financial and management controls, information systems and reporting procedures, including those of any acquired businesses. Additional risks associated with acquisitions include, but are not limited to, the following:

- it may be difficult to integrate the operations of an acquired business into our organization;
- management, information, and accounting systems of an acquired business may be different from, and incompatible with, our current systems and may need to be successfully integrated;
- our management must devote its attention to integrating acquired businesses, which diverts its attention from our existing business;
- our failure to manage regulatory non-compliance following the acquisition of a business may result in the requirement that we dismantle towers in the site portfolio of the acquired business; and
- we could lose some of our key employees or key employees of an acquired business.

The resolution of any of the foregoing could be time consuming and costly. Our acquisition strategy will also require us to expend a significant portion of our cash reserves, incur substantial indebtedness and/or issue a substantial amount of new equity, which could adversely affect our financial condition and liquidity and result in significant dilution of our existing shareholders' interests. The impact of dilution may also restrict our ability to consummate further acquisitions. We may also incur losses related to the impairment of goodwill and other intangible assets upon or following the acquisition of another business. There can be no assurance that we will be able to efficiently or effectively manage the integration of acquisitions or the growth of our operations post-acquisition, and our failure to do so could materially and adversely affect our business, financial condition, results of operations and ability to implement our business strategy.

We have a substantial amount of indebtedness. In the event we do not repay or refinance such indebtedness, we could face substantial liquidity issues and might be required to issue equity securities or securities convertible into equity securities, or sell some of our assets to meet our debt payment obligations.

We have a substantial amount of indebtedness. As of September 30, 2019, our gross debt was Rp.22,860 billion (US\$1.61 billion). Our ability to execute our business plans and in particular our acquisition strategy may depend on external fund raising activities, including debt and equity financing. Our ability to raise additional equity financing is subject to prevailing market risks. Our access to debt financing for acquisitions and to refinance maturing debt is subject to many factors,

some of which are beyond our control. For example, political instability, economic downturns, liquidity of the U.S. dollar and Rupiah bank and debt capital markets, social unrest or changes in the regulatory environment could increase our cost of borrowing or restrict our ability to obtain debt financing. We cannot guarantee that we will be able to arrange financing on acceptable terms, if at all. Our inability to obtain debt financing from banks and other financial institutions and/or capital markets could adversely affect our ability to execute our growth strategies or refinance maturing debt.

If we are unable to refinance or renegotiate our debt, we cannot guarantee that we will be able to generate enough cash flows from operations or that we will be able to obtain enough capital to service our debt or fund our planned capital expenditures. In such an event, we could face substantial liquidity issues and might be required to issue equity securities or securities convertible into equity securities, or sell some of our assets to meet our debt payment obligations. Failure to refinance indebtedness when required could result in a default under such indebtedness and materially restrict our ability to pay amounts due on the notes. Assuming we meet certain financial ratios, we have the ability under our debt instruments to incur additional indebtedness, and any additional indebtedness we incur could exacerbate the risks described above.

Additionally, as a result of our substantial indebtedness:

- we may be more vulnerable to general adverse economic and industry conditions;
- we may find it more difficult to obtain additional financing to fund discretionary investments and other general corporate requirements or to refinance our existing indebtedness;
- we may have more difficulty satisfying our obligations with respect to the notes;
- we are or will be required to dedicate a substantial portion of our cash flow from operations to the payment of principal and interest on our debt, thereby reducing the available cash flows to fund other projects, including certain discretionary investments;
- we may have limited flexibility in planning for, or reacting to, changes in our business and in the industry;
- we may have a competitive disadvantage relative to other companies in our industry with less debt;
- we may be required to issue equity securities or securities convertible into equity or sell some of our assets, possibly on unfavorable terms, in order to meet payment obligations; and
- we may be limited in our ability to take advantage of strategic business opportunities, including wireless infrastructure development and mergers and acquisitions.

Currently we have debt instruments in place that limit in certain circumstances our ability to incur indebtedness, pay dividends, create liens, sell assets and engage in certain mergers and acquisitions. Our subsidiaries, under their debt instruments, are also required to maintain specific financial ratios. Our ability to comply with the financial ratio covenants under these instruments and to satisfy our debt obligations will depend on our future operating performance. If we fail to comply with the debt restrictions, we will be in default under those instruments, which in some cases would cause

the maturity of a substantial portion of our long-term indebtedness, including the notes, to be accelerated. If our operating subsidiaries were to default on their debt, the collateral agent under our revolving and term loan facilities, to the extent they are secured, could seek to foreclose on the collateral securing such debt, in which case we could lose control over collateralized assets and the revenues associated with such assets.

We may incur additional indebtedness, which could exacerbate the risks associated with our existing indebtedness.

Subject to restrictions in the Indenture governing the notes, we may incur additional indebtedness, which could increase the risks associated with our existing indebtedness. If we incur any additional indebtedness that ranks equally with the notes, the relevant creditors will be entitled to share ratably with the holders of the notes in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding-up of us. This may have the effect of reducing the amount of proceeds paid to the holders of the notes. Covenants in agreements governing debt that we may incur in the future may also materially restrict our operations, including our ability to incur debt, pay dividends, make certain investments and payments, and encumber or dispose of assets. In addition, we could be in default of financial covenants contained in agreements relating to our future debt in the event that our results of operations do not meet any of the terms in the covenants, including the financial thresholds or ratios. A default under one debt instrument may also trigger cross-defaults under other debt instruments. An event of default under any debt instrument, if not cured or waived, could have a material adverse effect on us.

Higher interest expense could erode our margins.

The majority of our indebtedness is subject to floating interest rates, which has caused, and will continue to cause, our interest expense to fluctuate with changes in interest rates. In addition, our indebtedness subject to both fixed and floating rates has a shorter tenor than our tenant lease agreements and we are subject to a risk of refinancing at higher interest rates. Financial expense (including financial expense — interest and financial expense — others) accounted for 48.3%, 48.8%, 48.0% and 43.4% of our revenue in the years ended December 31, 2016, 2017 and 2018, and the nine months ended September 30, 2019, respectively. We cannot assure you that the floating interest rates on our outstanding indebtedness will not increase in the future and thereby increase our interest expense, which could decrease our margins and have a material adverse effect on our business, financial condition, results of operations and liquidity.

Any increase in our operating expenses could erode our operating margins.

Our EBITDA margins were 86.8%, 86.9%, 86.1% and 85.2% for the years ended December 31, 2016, 2017 and 2018, and the nine months ended September 30, 2019, respectively. We cannot assure you that our operating expenses will not increase in the future or that we will be able to successfully pass any such increases in operating expenses to our customers. Increases in our operating expenses would reduce our operating margins and have a material adverse effect on our business, financial condition, results of operations and liquidity.

We do not have the required approvals and licenses for some of our tower sites.

The construction of a telecommunications tower requires the prior approval of each household in the surrounding community that is fully or partially located within a radius from the tower equal to the height of the tower. Once all requisite household approvals have been obtained, an application is made

to the local authorities for separate licenses and approvals for the towers. Although we generally seek and obtain the requisite household consents and local community approval prior to the commencement of tower construction, consistent with what we believe is the common practice in Indonesia and given the long lead time generally required for processing applications for approvals and licenses from the local authorities — including the building construction permit (*Izin Mendirikan Bangunan* or IMB) or the tower construction permit (*Izin Mendirikan Bangunan Menara* or IMBM) as the case may be, and other permits — we sometimes proceed with, and often complete, tower construction and BTS installation for our tenants before all required approvals and licenses have been formally obtained from local authorities.

As of September 30, 2019, 2,007 of our 15,396 tower sites, had not been issued an IMB or IMBM. Of these 2,007 tower sites, we believe that 227 tower sites do not require an IMB or IMBM due to the tower type being roof top poles with a height of six meters or less. Of the remaining tower sites, (i) we have submitted applications to obtain licenses which are required prior to our submission of IMB or IMBM applications for 1,485 tower sites, representing approximately 9.64% of our tower sites; and (ii) we have yet to receive written confirmation from our third party subcontractor related to permit process for 295 tower sites, representing approximately 1.91% of our tower sites.

There can be no assurance that the relevant authorities will issue the required licenses or approvals or that they will be issued in a timely manner or as expected. If such approvals and licenses are not obtained, the local authorities may issue notices for our towers to be dismantled and removed, and we may be placed on a blacklist and prohibited from constructing towers in the region for up to one year. In 2009, we were required by the local authorities in Badung, Bali to dismantle five towers that were constructed and tenanted prior to the issuance of the IMB or IMBM. We had challenged the Badung's local authorities' requirement at the Bali State Administrative Court which had upheld the decision of Badung's local authorities. Following this decision, we then successfully appealed at the Surabaya Administrative High Court, which had annulled the decision of the Bali State Administrative Court. However, the decision of the Surabaya Administrative High Court was annulled by the decision of Supreme Court and we were ordered to dismantle five of our towers. A regulation issued by the Minister of Home Affairs allows us to submit new IMB applications for our tower sites which have not been issued an IMB or IMBM. We cannot assure you that local authorities will not require us to dismantle our towers and impose other penalties on us, such as reprimands, warnings and fines, for non-compliance with the relevant licensing and approval requirement.

In addition to the IMB or IMBM, certain municipalities and regencies require telecommunication towers to obtain tower operational licenses (*Izin Operasional Menara* or IOM). These local regulations prescribe various penalties for failure to obtain such IOMs which are largely administrative in nature, although some of the local regulations introduced by certain municipalities and regencies may require tower dismantling and/or impose criminal sanctions in the event of non-compliance. As local regulations are not regularly and accurately published at the national level to the public in a timely manner, it is often difficult to monitor the enactment of such local regulations. While the number of municipalities and regencies that have enacted these regulations are limited, there is no assurance that in the future, other local governments will not impose similar requirements for tower businesses operating within their jurisdiction. To the best of our knowledge, these local regulations requiring the IOMs have not been enforced by the relevant municipalities and regencies, no towers have been dismantled, no penalties have been imposed on any tower operator operating under such local regulations, and no municipality or regency has required tower operators to obtain such IOMs. As of September 30, 2019, approximately 4.0% of our tower sites are subject to the local regulations requiring IOMs. While we have IOMs for some of our towers and are in the process of applying for IOMs for our other towers, we cannot assure you that the relevant municipalities or regencies will not

strictly enforce such local regulations in respect of our tower sites for which IOMs are required, require us to dismantle our towers and/or impose the other prescribed penalties in the future for towers that do not have IOMs, or enact or implement further regulations with more stringent requirements or more adverse consequences for breach.

A failure to obtain and/or maintain all such approvals and licenses would constitute a breach of our obligations under certain of our tenant lease agreements giving rise to a right to terminate by the tenant of the relevant site if such breach is not remedied within the cure period. If we are required to relocate a material number of our towers and cannot locate replacement sites which are acceptable to our customers or if a material number of our tenant lease agreements are terminated, this could materially and adversely affect our revenue and cash flow, which in turn could have a material adverse effect on our business, financial condition, results of operations and liquidity.

We may experience local community opposition to some of our tower sites.

We have experienced, and may in the future experience, local community opposition to our existing sites or the construction of new sites for various reasons, including concerns about alleged health risks. As a result of such local community opposition, we could be required by the local authorities to dismantle and relocate certain towers. If we are required to relocate a material number of our towers and cannot locate replacement sites that are acceptable to our customers, it could materially and adversely affect our revenue and cash flow, which in turn could have a material adverse effect on our business, financial condition, results of operations and liquidity.

If we are unable to extend our ground leases, or renew on commercially viable terms, or protect our rights to the land under our towers, it could adversely affect our business and operating results.

Our site portfolio consists primarily of ground-based towers constructed on land that we have leased under long term ground lease agreements. Approximately 97.92% of the tower sites in our portfolio as of September 30, 2019 are operated under ground leases on land that we do not own. For tower sites on leased land, approximately 53.69% of the ground leases for these sites have a final expiration date of 2025 or beyond and, as of September 30, 2019, the average remaining life of our ground leases was 6.4 years

For various reasons, landowners may not want to renew their ground leases with us, they may lose their rights to the land or they may transfer their land interests to third parties, which could affect our ability to renew ground leases on commercially viable terms. In addition, we may not have the required available capital to extend these ground leases for our towers at the end of the applicable period. In the event that we cannot extend these ground leases, we will be required to dismantle or relocate these towers and may lose the cash flows derived from such towers, which may have a material adverse effect on our business, financial condition and results of operation.

Our real property interests relating to our towers consist primarily of leasehold interests. For various reasons, we may not always have the ability to access, analyze and verify all information regarding titles and other issues prior to entering into a ground lease for a tower site, which could affect our rights to access and operate the site. From time to time we may also experience disputes with lessors regarding the terms of our ground leases for tower sites, which can affect our ability to access and operate a tower site. The termination of a ground lease for a particular site may interfere with our ability to operate and generate revenues from the tower. If this were to happen at a material number of our sites, it would have a material adverse effect on our business, financial condition and results of operation.

Our revaluation of property and equipment could fluctuate and adversely affect our net profit.

Increase in fair value on property and equipment (telecommunications sites) is comprised of the difference between the historical cost and fair market value of our property and equipment at the end of the relevant accounting period. Revaluation of our property and equipment is affected by factors including our number of towers, number of tenancies, tenancy ratio and average remaining life. Although revaluation of property and equipment does not adversely affect our cash flow from operations, a decrease in our number of towers, number of tenancies and tenancy ratio could potentially decrease the value of our property and equipment and adversely affect our net profit, and have a material adverse effect on our business, financial condition, and results of operations.

New technologies could make our tower leasing business less desirable to potential tenants and result in decreasing revenues.

The development and implementation of new technologies designed to enhance the efficiency of wireless networks could reduce the use and need for tower-based wireless services transmission and reception and have the effect of decreasing demand for tower space. Examples of such technologies might include spectrally efficient technologies which could potentially relieve some network capacity problems, thereby reducing the demand for tower-based antenna space, or complementary VoIP access technologies that could be used to offload a portion of subscriber traffic away from the traditional tower-based networks, which would reduce the need for telecommunications operators to add more tower-based antenna equipment at certain tower sites. Moreover, the emergence of alternative technologies could reduce the need for tower-based wireless services transmission and reception. For example, the growth in delivery of wireless communication, radio and video services by direct broadcast satellites could materially and adversely affect demand for our antenna space. Finally, certain alternative technologies could cause radio interference with older generation tower-based wireless services transmission and reception. As a result, the development and implementation of alternative technologies to any significant degree could have a material adverse effect on our business, financial condition and results of operation.

Our business is subject to government regulations and any changes in current or future laws or regulations could restrict our ability to operate our business as we currently do.

Our business, and that of our customers, is subject to national provincial and local regulation governing telecommunications as well as the construction and operation of towers. These regulations and opposition from local zoning authorities and community organizations against construction in their communities can delay, prevent or increase the cost of new tower construction, modifications, additions of new antennas to a site, or site upgrades, thereby limiting our ability to respond to customer demands and requirements. In addition, certain licenses for the operation of our towers may be subjected to additional terms and conditions with which we cannot comply. As public concern over tower proliferation has grown in recent years, some communities now try to restrict tower construction or delay granting permits. Existing regulatory policies and changes in such policies may materially and adversely affect the associated timing or cost of such projects and additional regulations may be adopted which increase delays, or result in additional costs to us, or that prevent completion of our projects in certain locations. Any failure to complete new tower construction, modifications, additions of new antennas to a site, or site upgrades could harm our ability to add additional site space and maintain existing lessees, which could have an adverse effect on our revenues and, accordingly, on our ability to make payments on the notes. See “Regulation of the Tower Leasing Industry in Indonesia.”

We may not be able to detect and prevent bribery or other misconduct committed by our employees, representatives, agents, customers or other third parties.

We are subject to risks relating to bribery and other misconduct committed by our employees, representatives, agents or other third parties. Such misconduct, which may be difficult to detect and deter, could include, but is not limited to, engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities, such as accepting or offering bribes, or otherwise not complying with applicable laws or our internal policies and procedures.

Although we have established policies and procedures designed to prevent, detect and respond to such behavior and ensure overall compliance with applicable laws, these measures may not always be completely effective in detecting or preventing all incidents of non-compliance or suspicious transactions. For example, in April 2019, one of our ex-employees as well as contractors used by us were found guilty by an Indonesian court for alleged bribes in relation to the issuance of land use and building permits. In response, we reviewed and strengthened our internal policies and procedures, including by updating our payment procedures, requiring all of our employees and contractors to sign pacts of integrity and we also worked with the Indonesian regulatory authorities and other members of the tower association on best practices to prevent unlawful behavior.

Any violations of anti-corruption laws could result in investigation or litigation which could require us to expend significant time, incur substantial costs and divert management's attention from day-to-day operations, as well as subject us to penalties, financial or otherwise, that could have a material adverse effect on our business, financial condition and reputation.

We could have liability under environmental laws.

Our operations, like those of other companies engaged in similar businesses, are subject to the requirements of various environmental and occupational safety and health laws and regulations, including those relating to the management, use, storage, disposal, emission and remediation of, and exposure to, hazardous and non-hazardous substances, materials and wastes as regulated in Law No. 32 of 2009 on Environmental Protection and Management and its implementing regulations. As the owner, lessee or operator of many thousands of real estate sites underlying our towers, we may be liable for substantial costs of remediating soil and groundwater contaminated by hazardous materials, without regard to whether we, as the owner, lessee or operator, knew of or were responsible for the contamination. Many of these laws and regulations contain information reporting and record keeping requirements. We cannot assure you that we are at all times in complete compliance with all environmental requirements. We may be subject to potentially significant fines or penalties if we fail to comply with any of these requirements. The requirements of these laws and regulations are complex, change frequently, and could become more stringent in the future. It is possible that these requirements will change or that liabilities will arise in the future in a manner that could have a material adverse effect on our business, results of operations or financial condition.

Our towers may be affected by natural disasters and other unforeseen damage for which our insurance may not provide adequate coverage.

Our towers are located across the main islands of the Indonesian archipelago and are subject to risks associated with natural disasters, such as windstorms, floods, hurricanes and earthquakes, as well as other unforeseen damage. Any damage or destruction to our towers as a result of these or other risks would impact our ability to provide services to our customers. While we maintain insurance coverage for natural disasters, our insurance may not be adequate. While we carry business interruption insurance, such insurance may not adequately cover all of our lost revenues, including potential revenues from new tenants that could have been added to our towers but for the damage. If we are

unable to provide services to our customers as a result of damage to our towers, it could lead to customer loss, resulting in a corresponding material adverse effect on our business, financial condition and results of operation.

We rely on key management personnel, and our business may be adversely affected by any inability to recruit, train, retain and motivate key employees.

We believe that our current management team contributes significant experience and expertise to the management and growth of our business. The continued success of our business and our ability to execute our business strategies in the future will depend in large part on the efforts of our key personnel. There is also a shortage of skilled personnel in the telecommunications tower industry in Indonesia, which we believe is likely to continue. As a result, we may face increased competition for skilled employees in many job categories from tower companies, telecommunications operators and new entrants into the tower industry and this competition is expected to intensify. Although we believe our employee salary and benefit packages are generally competitive with those of our competitors, if the number of our competitors in the Indonesian tower industry increases, we and our competitors may face difficulties in retaining skilled employees. In addition, as we expand our business through acquisitions, we will need to retain and integrate skilled employees from acquired companies. Our inability to successfully integrate, recruit, train, retain and motivate key skilled employees could have a material adverse effect on our business, financial condition and results of operation.

Our costs could increase and the growth of our revenues could decrease due to perceived health risks from radio emissions, especially if these perceived risks are substantiated.

Public perception of possible health risks associated with cellular and other wireless communications technology could slow the growth of wireless companies, which could in turn slow our revenue growth. In particular, negative public perception of, and regulations regarding, these perceived health risks could slow the market acceptance of wireless communications services and increase opposition to the development and expansion of tower sites. The potential connection between radio frequency emissions and certain negative health effects has been the subject of substantial study by the scientific community in recent years, and numerous health-related lawsuits have been filed around the world against wireless carriers and wireless device manufacturers. If a scientific study or court decision resulted in a finding that radio frequency emissions posed health risks to consumers, it could negatively impact the market for wireless services, as well as our wireless carrier customers, which could materially and adversely affect our business, financial condition and results of operation. We do not maintain any significant insurance with respect to these matters.

Risks Relating to Indonesia

All of our operations and substantially all of our assets are located in Indonesia. As a result, future political, economic, legal and social conditions in Indonesia, as well as certain actions and policies the Government may take or adopt, or omit from taking or adopting, could have a material adverse effect on our business, financial condition, results of operations and prospects and our ability to make payments under the notes.

Domestic, regional or global economic changes may adversely affect our businesses.

The economic crisis which affected Southeast Asia, including Indonesia, from mid-1997 was characterized in Indonesia by, among other things, currency depreciation, significant decline in real gross domestic product, high interest rates, social unrest and extraordinary political events. These

conditions had a material adverse effect on our customers, who depend on the health of the overall Indonesian economy to stimulate demand for telecommunications services. In addition, the economic crisis resulted in the failure of many Indonesian companies to meet their debt obligations. Many Indonesian companies have not fully recovered from the economic crisis, and many such companies are still in the process of restructuring their debt obligations or are engaged in disputes arising from defaults under their debt obligations. The global financial crisis that began in 2007, which was triggered in part by the subprime mortgage crisis in the United States, caused failures of large U.S. financial institutions and rapidly evolved into a global credit crisis. U.S. bank failures were followed by failures in a number of European banks and declines in various stock indexes, as well as large reductions in the market value of equities and commodities worldwide, including in Indonesia. The world economic downturn has adversely affected the economic performance of Indonesia, resulting in declining economic growth, slowing household consumption and weakening investment due to loss of external demand and increased uncertainty in the world economy. Global financial markets have also recently experienced volatility due to political uncertainty following political elections in the United States and Western Europe and the 2016 United Kingdom national referendum in which a majority of voters elected to withdraw from the European Union. Uncertainty over the outcome of the Eurozone's government's financial support programs and the stability of the European Union and worries about sovereign finances generally are ongoing. These conditions have had a negative impact on Indonesian businesses and consumers, which may result in reduced demand for telecommunication services.

Volatility in oil prices and potential food shortages may also cause an economic slowdown in many countries, including Indonesia. An economic downturn in Indonesia could also lead to additional defaults by Indonesian borrowers and could have a material adverse effect on our business, financial condition and results of operations and prospects. The Government continues to have a relatively high fiscal deficit and a relatively high level of sovereign debt. Its foreign currency reserves are modest and, in the past, the banking sector has suffered from relatively high levels of non-performing loans. A higher inflation rate in Indonesia could also result in less disposable income available to consumers to spend or cause consumer purchasing power to decrease, which may reduce consumer demand for telecommunication services, including our services.

Indonesia and other ASEAN (The Association of Southeast Asian Nations) countries have been negatively affected, along with developing market countries globally, by the weak financial and economic conditions in developed markets. U.S. President Donald Trump's administration has advocated greater restrictions on trade generally and increases on tariffs on goods imported into the United States, particularly from China. These or similar actions, or adverse spillover effects of foreign trade policies, treaties or tariffs, could have a material adverse impact on the Indonesian market. Although the Government has in the past taken steps to maintain economic stability and public confidence in the Indonesian economy in response to such conditions internationally, any continuation of weak financial and economic conditions in developed markets may negatively impact economic growth, the Government's fiscal position, the Rupiah's exchange rate and other facets of the Indonesian economy. According to the IMF (The International Monetary Fund), the world economic downturn adversely affected the economic performance of Indonesia, slowing real GDP growth to 5.0%, 4.9% and 5.0% in 2014, 2015 and 2016, before strengthening to 5.1% in both 2017 and 2018.

A loss of investor confidence in the financial systems of emerging and other markets, or other factors, including the deterioration of the global economic situation, may cause increased volatility in the Indonesian financial markets and a slowdown in economic growth or negative economic growth in Indonesia. Any such increased volatility or slowdown or negative growth could have a material adverse effect on our business, financial condition and results of operations and prospects and the Issuer's ability to pay interest on, and repay the principal of, the notes.

Political and social instability in Indonesia may adversely affect the economy, which in turn could have a material adverse effect on our business, financial condition, results of operations and prospects.

Since 1998, Indonesia has experienced a process of democratic change, resulting in political and social events that have highlighted the unpredictable nature of Indonesia's changing political landscape. These events have resulted in political instability as well as general social and civil unrest on certain occasions in the past few years. As a relatively new democratic country, Indonesia continues to face various socio-political issues and has, from time to time, experienced political instability and social and civil unrest.

Indonesia has experienced frequent social unrest arising from economic issues which has, on occasion, escalated into riots and violence. Since 2000, thousands of Indonesians have participated in demonstrations in Jakarta and other Indonesian cities both for and against former President Abdurrahman Wahid, former President Megawati Sukarnoputri, former President Susilo Bambang Yudhoyono, and current President Joko Widodo as well as in response to specific issues, including fuel subsidy reductions, electricity subsidy reductions, privatization of state assets, anti-corruption measures, decentralization and provincial autonomy and the American-led military campaigns in Afghanistan and Iraq. In and shortly after October 2016, thousands of Indonesians marched in a series of demonstrations in Jakarta and other cities either in support of or in opposition to the then Governor of Jakarta, Basuki Tjahja Purnama in connection with blasphemy allegations against him, in the period preceding a Jakarta gubernatorial election in early 2017. Mr. Purnama was convicted of the blasphemy charges in May 2017. Anies Baswedan (of the same party as the losing candidate of the 2014 Presidential election) had been elected as Governor of Jakarta in April 2017. Although demonstrations in Indonesia since 2000 have been generally peaceful, some have turned violent, including one on November 4, 2016, in which thousands of Indonesians marched in Jakarta demanding legal action against Governor Basuki in connection with the blasphemy allegations against him. Clashes with police injured hundreds and left one dead. Recently on April 17, 2019, for the first time in history, Indonesia held a general election, where the President and Vice President, members of People's Consultative Assembly (*Majelis Permusyawaratan Rakyat*) and the Regional House of Representatives (*Dewan Perwakilan Rakyat Daerah*) were elected on the same day. On May 21, 2019, the General Elections Commission ("**Komisi Pemilihan Umum**" or "KPU") has officially announced that the incumbent President Joko Widodo had won the 2019 Presidential election. Following the official announcement of the election results, protests and riots erupted in various area in Jakarta over two days from May 21 to 22, 2019. On May 24, 2019, the losing candidate, Prabowo Subianto, through his legal team, filed a lawsuit contesting the official results of the 2019 Presidential election with the Indonesian Constitutional Court. On June 27, 2019, the Indonesia Constitutional Court rejected the entirety of the lawsuit filed by Prabowo Subianto and declared "the court rejects all of the plaintiffs' claims," and upheld the results of the 2019 Presidential election that handed Joko Widodo a second term as the President of the Republic of Indonesia. The Indonesian Constitutional Court's decision is final and binding.

There can be no assurance that increases in subsidized fuel prices, or cuts in fuel subsidies in the future, will not result in political and social instability. Our business may be affected by additional political and related social developments in Indonesia could result in civil disturbances and Government actions including, but not limited to, changes in crude oil or natural gas policy, responses to war and terrorist acts, renegotiation or nullification of existing concessions and contracts, changes in tax laws, treaties or policies, the imposition of foreign exchange restrictions and responses to international developments. In May 2019, Joko Widodo was re-elected as Indonesia's seventh President. There is no assurance that new policies or regulations will not be introduced that will affect our business under the new presidency.

Regional political instability and clashes between religious and ethnic groups also remain problematic. Separatist movements and clashes between religious and ethnic groups have resulted in social and civil unrest in parts of Indonesia. In the provinces of Aceh and Papua (formerly Irian Jaya), there have been clashes between supporters of those separatist movements and the Indonesian military, although there has been little conflict in Aceh since a memorandum of understanding was signed in August 2005. In August 2019, a series of mass riots and protests involving thousands of participants began across Papua, in areas such as Jayapura, Manokwari, Sorong and Wamena, as a response to a demand for independence in Papua and alleged racist and ethnic discriminatory behavior towards fellow Papuans, resulting in over 30 people killed, other injuries and the destruction of public facilities, such as the post office, the gas station, stores and government buildings.

Political and related social developments in Indonesia have been unpredictable in the past, and we cannot assure you that social and civil disturbances will not occur in the future and on a wider scale, or that any such disturbances will not, directly or indirectly, have a material adverse effect on our business, financial condition, results of operations and prospects.

Our business may be adversely affected by the imposition of national and regional restrictions, taxes and levies.

Our business and operations are located throughout Indonesia and may be adversely affected by conflicting or additional restrictions, taxes and levies that may be imposed by applicable national and regional authorities.

For example, on September 6, 2017, the Indonesian tax authority issued Government Regulation (GR) No. 34 (“GR 34”) regarding income tax rates on income derived from leasing out land and/or building rental, which includes those leased out by tower companies. According to GR 34, rental income for leases of telecommunication towers with lease terms commencing from and including January 2, 2018 will be subject to the final income tax rate of 10%, while rental income for leases of telecommunication towers with lease terms that commenced prior to January 2, 2018 remains subject to the prior non-final income corporate tax rate of 25%. We cannot assure you that the income tax treatment of telecommunications services providers will not change in the future, which in turn could increase our income tax payable and adversely affect our net profit.

In addition, during the administration of the former President Suharto, the central Government controlled and exercised decision-making authorities on almost all aspects of national and regional administration, including the allocation of revenues generated from extraction of national resources in the various regions. This control led to a demand for greater regional autonomy, in particular with respect to the management of local economic and financial resources. In response to such demand, the Indonesian Parliament in 1999 passed Law No. 22 of 1999 regarding Regional Autonomy (“Law No. 22/1999”) and Law No. 25 of 1999 regarding the Fiscal Balance between the Central and the Regional Governments (“Law No. 25/1999”). Law No. 22/1999 has been revoked and replaced by Law No. 32 of 2004 regarding Regional Autonomy as severally amended by Law No. 8 of 2005 and Law No. 12 of 2008 (“Law No. 32/2004”). Law No. 32/2004 has been further revoked and replaced by Law No. 23 of 2014 regarding Regional Autonomy as severally amended by Regulation in lieu of Law (Perppu) No. 2 of 2014 and Law No. 9 of 2015. Law No. 25/1999 has been revoked and replaced by Law No. 33 of 2004 regarding the Fiscal Balance between the Central and the Regional Governments. Under these regional autonomy laws, regional autonomy was expected to give the regional governments greater powers and responsibilities over the use of “national assets” and to create a balanced and equitable financial relationship between central and regional governments. However, under the pretext of regional autonomy, certain regional governments have put in place various

restrictions, taxes and levies which may differ from restrictions, taxes and levies put in by other regional governments and/or are in addition to restrictions, taxes and levies stipulated by the central government.

Indonesia is located in an earthquake zone and is subject to significant geological risk that could lead to social unrest and economic loss.

Many parts of Indonesia are vulnerable to natural disasters such as earthquakes, tsunamis, floods, volcanic eruptions as well as droughts, power outages or other events beyond our control. In the past, several natural disasters have occurred in Indonesia (in addition to the Asian tsunami in 2004). In September 2018, a 7.5 magnitude earthquake struck off the central island of Sulawesi and triggered a tsunami that hit the coastal city of Palu and 11 of our towers were affected. The region is also prone to heavy rains and flooding. The region is also prone to volcanic eruptions, such as recent eruptions of Mount Agung, Mount Merapi and Mount Sinabung. These types of natural disasters have the potential to, among other things, displace local residents and disrupt air travel and local tourism. On December 22, 2018, a tsunami followed an eruption and partial collapse of the Anak Krakatau volcano in the Sunda Strait, striking coastal regions of Banten province, Java, and Lampung province, in Sumatra. Roads connecting Serang and Pandeglang was cut off as a result.

In addition to these geological events, seasonal downpours have resulted in frequent landslides and flash floods in Indonesia, including Jakarta, Sumatra and Sulawesi, displacing a large number of people and significantly injuring others.

As a result of these natural disasters, the Government has had to spend significant amounts on emergency aid and resettlement efforts. Most of these costs have been underwritten by foreign governments and international aid agencies. We cannot assure you that such aid will continue to be forthcoming, or that it will be delivered to recipients on a timely basis. If the Government is unable to timely deliver foreign aid to affected communities, political and social unrest could result. Additionally, recovery and relief efforts are likely to continue to impose a strain on the Government's finances, and may affect its ability to meet its obligations on its sovereign debt. Any such failure on the part of the Government, or declaration by it of a moratorium on its sovereign debt, could trigger an event of default under numerous private-sector borrowings including those of our group, thereby materially and adversely affecting our business.

Our towers are located across the main islands of the Indonesian archipelago. See “— Our towers may be affected by natural disasters and other unforeseen damage for which our insurance may not provide adequate coverage.” We cannot assure you that our insurance coverage will be sufficient to protect us from potential losses resulting from such natural disasters and other events beyond our control. In addition, we cannot assure you that the premium payable for these insurance policies upon renewal will not increase substantially, which may materially and adversely affect our financial condition and results of operations. We also cannot assure you that future geological or meteorological occurrences will not have more of an impact on the Indonesian economy. A significant earthquake, other geological disturbance or weather-related natural disaster in any of Indonesia's more populated cities and financial centers could severely disrupt the Indonesian economy and undermine investor confidence, thereby materially and adversely affecting our business, financial condition, results of operations and prospects.

Terrorist activities in Indonesia could destabilize the country, thereby adversely affecting our businesses.

The conflicts in the Middle East and past terrorist attacks in North America and Europe have resulted in substantial and continuing economic volatility and social unrest globally and in Southeast

Asia. Further developments stemming from these events or other similar events could cause further volatility. Any additional significant military or other response by affected countries or any further terrorist activities could also materially and adversely affect international financial markets and the Indonesian economy.

In Indonesia during the past several years, there have been various bombing incidents directed toward the Government, foreign governments, and public and commercial buildings frequented by foreigners, including international hotels and the Jakarta Stock Exchange Building. For example, in January 2016, multiple explosions and gunfire were reported near the Sarinah shopping mall in central Jakarta, Indonesia. In May 2017, two explosions occurred at a bus terminal in Kampung Melayu, East Jakarta. In May 2018, a suicide bombing took place in three churches, an apartment and, on the following day, at the police headquarters (*Mapolrestabes Surabaya*) in Surabaya. In November 2019, a suicide bombing was conducted in Medan, North Sumatra, targeting the city's metropolitan police headquarters (*Polrestabes*). All of these incidents have resulted in several people being killed and injured, and public property being destroyed. Indonesian and foreign government officials have indicated that these attacks might be linked to international terrorist organizations.

There can be no assurance that further terrorist acts will not occur in the future. A number of governments have issued warnings to their citizens in relation to a perceived increase in the possibility of terrorist activities in Indonesia, targeting foreign, particularly the United States, interests. Such terrorist acts could destabilize Indonesia and increase internal divisions within the Government as it considers responses to such instability and unrest, thereby adversely affecting investors' confidence in Indonesia and the Indonesian economy. Violent acts arising from and leading to instability and unrest have in the past had, and could continue to have, a material adverse effect on investment and confidence in, and the performance of, the Indonesian economy, and in turn our business. Any of the events described above, including damage to our assets, could cause interruption to parts of our business and materially and adversely affect our financial condition, results of operations and prospects, and our ability to make payments under the notes.

An actual or perceived outbreak of an infectious disease or any other serious public health concerns in Asia (including Indonesia) and elsewhere may have an adverse effect on the economies of Asian countries and may adversely affect us.

The outbreak of an infectious disease in Asia (including Indonesia) and elsewhere, together with any resulting restrictions on travel or quarantines imposed, could have a negative impact on the economy and business activity in Indonesia and thereby adversely impact our revenue. Examples are the outbreak in 2003 of Severe Acute Respiratory Syndrome in Asia (SARS), the outbreaks in 2004 and 2005 of Avian influenza, or bird flu, in Asia, the outbreak in 2009 of Influenza A (H1N1), the outbreak in early 2017 of Diphtheria, and the Zika virus.

There can be no assurance that any precautionary measures taken against infectious diseases would be effective. Any intensification or recurrence of past outbreaks or the emergence of other contagious disease or any other serious public health concern in Indonesia may adversely affect our business, financial condition, results of operations and prospects.

Labor activism could adversely affect us, our customers and Indonesian companies in general, which in turn could affect our business, financial condition, results of operations and prospects.

In March 2003, the Government enacted Law No. 13 of 2003 regarding Manpower (the "Labor Law") and has further issued implementing regulations allowing employees to form unions without

interference from employers. The Labor Law increased, among other things, the amount of severance, service and compensation payments payable to employees upon termination of employment. Based on this law, companies that have 50 employees or more are required to have a bilateral forum consisting of both employers and employees, and a labor union with more than half of a company's employees participating as members may represent the employees to negotiate the collective labor agreements with the employers. The law also established more permissive procedures for staging strikes. Under the Labor Law, employees have the right to terminate their employment if there is a change of status, change of ownership or merger or consolidation of their employer and receive severance pay, tenure appreciation pay and other compensation which are calculated based on their basic salary and fixed allowances, as well as their length of employment with such employer.

Following its enactment, several labor unions urged the Constitutional Court of the Republic of Indonesia (Mahkamah Konstitusi Republik Indonesia) (the "Indonesian Constitutional Court") to declare certain provisions of the Labor Law unconstitutional and order the Government of Indonesia to revoke those provisions. The Indonesian Constitutional Court declared the Labor Law valid except for certain provisions, including those relating to the right of an employer to terminate the employment of an employee who committed a serious violation and to criminal sanctions against an employee who instigates or participates in an illegal labor strike. As a result, we may not be able to rely on certain provisions of the Labor Law.

The liberalization of regulations permitting the formation of labor unions combined with weak economic conditions has resulted, and will likely continue to result in, labor unrest and activism in Indonesia.

Labor unrest and activism in Indonesia could disrupt our operations, our suppliers or contractors and could affect the financial condition of Indonesian companies in general, depressing the prices of Indonesian securities on the Indonesian or other stock exchanges and the value of the Rupiah relative to other currencies. Such events could materially and adversely affect our business, financial condition, results of operations and prospects, and our ability to make payments under the Notes. In addition, general inflationary pressures or changes in applicable laws and regulations could increase labor costs, which could have a material adverse effect on our business, operational results, financial condition and prospects.

The Labor Law provides that the employer is not allowed to pay an employee wage below the minimum wage stipulated annually by the provincial or regional/city government. The minimum wage is set in accordance with the need for a decent standard of living and taking into consideration the productivity and growth of the economy, however as there are no specific provisions on how to determine the amount of a minimum wage increase, minimum wage increases can be unpredictable. Minimum wage increases can be unpredictable due to local regulations. For example, pursuant to local regulations promulgated in Jakarta, the minimum wage increased from Rp.3,100,000 per month in 2016 to Rp.3,355,750 per month in 2017, Rp.3,648,036 per month in 2018, Rp.3,940,973 per month in 2019 and Rp.4,276,350 per month in 2020. Further minimum wage increases in Indonesia could have a material adverse effect on our business, cash flows, financial condition and prospects.

Current Bapepam-LK or OJK regulations may restrict our ability to issue the notes and any additional debt securities.

On November 28, 2011, Bapepam-LK Regulation IX.E.2 on Material Transactions and Change of Core Business was issued, which replaced the previous regulation issued in 2009 (the "Material Transactions Regulation"). This regulation is applicable to publicly listed companies in Indonesia and

their unlisted consolidated subsidiaries. Pursuant to the Material Transactions Regulation, each borrowing and lending in one transaction or a series of related transactions for a particular purpose or activity having a transaction value of 20.0% to 50.0% of the publicly listed company's equity, as determined by the latest audited annual financial statements, semi-annual limited reviewed financial statements or audited interim financial statements (if any), must be announced to the public and the listed company must also prepare an appraisal report. The announcement relating to the material transaction must be made to the public in at least one Indonesian language daily newspaper having national circulation no later than the end of the second business day after the date of execution of the agreement(s) related to the material transaction. The announcement is required to include a summary of the transaction, an explanation of the considerations and reasons for such material transaction and the effect of the transaction on the company's financial condition, a summary of the appraisal report (including its purpose, the object, the parties involved, the assumptions, qualifications and methodology used in the appraisal report, the conclusion on the value of the transaction, and the fairness opinion on the transaction), which must not be dated more than six months prior to the date of the material transaction, the amount borrowed or lent, and a summary of the terms and conditions of the borrowing or lending. Publicly listed companies must submit evidence of an announcement as referred to above, including the independent appraisal report to OJK at the latest by the end of the second business day after the date of execution of the agreement(s) related to the material transaction.

The aggregate transaction value of the offering of the notes and the lending of the proceeds of the notes from the Issuer to its designated subsidiaries will exceed the 50.0% threshold. Accordingly, in connection with the offering, we are required to obtain and submit to OJK an appraisal report from an independent appraiser (registered with OJK), a summary of which is required to be published in a newspaper announcement at the latest two business days after the date of signing of the agreements related to the offering of the notes, including the Purchase Agreement and the Indenture. We have appointed an independent appraiser, Martokoesoemo, Prasetyo & Rekan to prepare this appraisal report, which we expect to be completed on or before the issue date of the notes.

Subject to certain exceptions under the Material Transactions Regulation, a material transaction (in this case, borrowing and lending) with a value in excess of 50.0% of a company's equity must be approved by shareholders holding more than half of all shares with valid voting rights who are present or represented, and more than half of such shareholders present or represented approve the transaction, in addition to fulfilling the appraisal disclosure requirements. The Company obtained the approval of its shareholders for this offering on October 30, 2019.

If we decide to issue additional debt securities other than through a public offering, and the amount issued exceeds the 50.0% threshold, we would be required to obtain shareholders' approval, as well as a new appraisal report. There is no assurance that we would be able to obtain the approval of our shareholders or a favorable appraisal report in order to issue such additional debt securities. This requirement could limit our ability to finance our future operations and capital needs, or pursue business opportunities or activities that may be in our interest. Any limitation on our ability to raise funds to finance our operations could materially and adversely affect our business, financial condition, results of operations and prospects.

The appraisal report may not be accurate or complete, and you will not have access to it.

The independent appraiser is relying upon the accuracy and completeness of the information, including certain projections, that we provide to the independent appraiser. The appraisal report that is submitted to OJK pursuant to Indonesian regulations will be based on certain assumptions, including certain assumptions with respect to the terms of the notes and projections, which, by their nature, are

subjective and uncertain and may differ from actual results. The independent appraiser has not independently verified such information, and assumes no responsibility for and expresses no view as to any, such information, projections or the assumptions on which they were based. The initial purchasers and our independent auditors have not examined, reviewed or compiled the projections and accordingly, do not express an opinion or any other form of assurance with respect thereto. Unanticipated results of, or changes in, our business or tower leasing industry, or changes in global or local economic conditions or other relevant factors, could affect such projections and the conclusions in the appraisal report. After the issuance of the notes, neither we nor the independent appraiser or obligated or will provide an update to the report of the differences between the projections or the assumptions made in the appraisal report.

Accordingly, the appraisal report is not a prediction or an indication of our actual ability to perform our obligations under the notes. Investors should not rely on the appraisal report when making an investment decision.

The full appraisal report, including the detailed projections underlying the analysis and the assumption on which the appraiser's conclusions are based, is confidentially submitted to OJK and not available to shareholders or to you for review. The summary of the appraisal report will only be published in a local newspaper at the latest by the end of the second business day after the date of the execution of the agreements related to the issuance of the notes, and will not include a full statement of all of the relevant facts, information and assumptions on which the appraiser bases its conclusions.

Depreciation or volatility in the value of the Rupiah may adversely affect our business, financial condition, results of operations and prospects.

One of the most important immediate causes of the economic crisis which began in Indonesia in mid-1997 was the depreciation and volatility of the value of the Rupiah, as measured against other currencies, such as the U.S. dollar. The Rupiah has experienced significant volatility in the recent past, particularly during prolonged economic downturns following the global financial crisis in 2007 to 2008, and it may experience volatility again in the future. During the period between January 1, 2014 through September 30, 2019, the Rupiah/U.S. dollar exchange rate ranged from a low of Rp.12,900 per U.S. dollar to a high of Rp.14,728 per U.S. dollar. As a result, we recorded a gain of Rp.25,277 million in 2016, a gain of Rp.13,938 million in 2017, a gain of Rp.2,221 million in 2018 and a gain of Rp.9,285 million for the nine months ended September 30, 2019. As of September 30, 2019 the Rupiah/U.S. dollar exchange rate stood at Rp.14,174 per U.S. dollar. We cannot assure you that further depreciation of the Rupiah against other currencies, including the U.S. dollar, will not occur. A substantial portion of our outstanding indebtedness is denominated in U.S. Dollars, while most of our revenues are denominated in Rupiah, hence to the extent the Rupiah depreciates further from the exchange rates at September 30, 2019, our obligations under our accounts payable and our foreign currency-denominated loans payable would increase in Rupiah terms and such depreciation of the Rupiah would result in additional losses on foreign exchange translation and could significantly impact our other income and net income.

In addition, while the Rupiah has generally been freely convertible and transferable (except that Indonesian banks may not transfer Rupiah to persons outside of Indonesia who lack a bona fide trade or investment purpose), from time to time, Bank Indonesia has intervened in the currency exchange markets in furtherance of its policies, either by selling Rupiah or by using its foreign currency reserves to purchase Rupiah. We cannot assure you that the current floating exchange rate policy of Bank Indonesia will not be modified or that the Government will take additional action to stabilize, maintain or increase the value of the Rupiah, or that any of these actions, if taken, will be successful.

Modification of the current floating exchange rate policy could result in significantly higher domestic interest rates, liquidity shortages, capital or exchange controls or the withholding of additional financial assistance by multinational lenders. This could result in a reduction of economic activity, an economic recession, loan defaults or declining usage of our subscribers, and as a result, we may also face difficulties in funding our capital expenditures and in implementing our business strategy. Any of the foregoing consequences could have a material adverse effect on our business, financial condition, results of operations and prospects.

Downgrades of credit ratings of Indonesia and Indonesian companies could adversely affect us and the market price of the notes.

In 1997, certain recognized statistical rating organizations, including Moody's Investors Services, Inc. ("Moody's") and S&P, downgraded Indonesia's sovereign rating and the credit ratings of various credit instruments of the Government and a large number of Indonesian banks and other companies. Currently, Indonesia's sovereign foreign currency long-term rating is "Baa2" by Moody's, "BBB" by S&P and "BBB" by Fitch with a stable outlook from Moody's, a stable outlook from S&P and a stable outlook from Fitch, and its short-term foreign currency rating is "A2" by S&P and "F2" by Fitch. These ratings reflect an assessment of the Government's overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they become due. Even though the recent trend in Indonesian sovereign ratings has been positive, no assurance can be given that Moody's, S&P or any other statistical rating organization will not downgrade the credit ratings of Indonesia or Indonesian companies in general. Any such downgrade could have an adverse impact on liquidity in the Indonesian financial markets, the ability of the Government and Indonesian companies, including us, to raise additional financing and the interest rates and other commercial terms at which such additional financing is available to us, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Indonesian corporate and other disclosure and accounting standards differ from those in other countries.

Our financial statements are prepared in accordance with Indonesian FAS, which differ from IFRS. As a result, our financial statements and reported earnings could be different from those which would be reported under IFRS. This offering circular does not contain a reconciliation of our financial statements to IFRS, and there can be no assurance that such reconciliation, if performed, would reveal material differences. See "Summary of Certain Differences Between Indonesian FAS and IFRS."

An Indonesian law requiring agreements involving Indonesian parties to be written in the Indonesian language may raise issues as to the enforceability of agreements entered into in connection with the offer and sale of the notes.

On September 30, 2019, the President of the Republic of Indonesia issued Regulation No. 63/2019 as the implementing regulation of Law No. 24/2009 requiring that agreements involving Indonesian parties be written in the Indonesian language. Where an agreement also involves foreign parties, it may also be executed in both the Indonesian language and a foreign language. Regulation No. 63/2019 also provides that the parties may contractually agree on the governing language of the agreement (which may be either the Indonesian language or the foreign language).

On June 20, 2013, the District Court of West Jakarta released Decision No. 451/Pdt.G/2012/PN.Jkt.Bar, which annulled a loan agreement between an Indonesian borrower, PT Bangun Karya Pratama Lestari, and a non-Indonesian lender, Nine AM. The loan agreement was governed by Indonesian laws and was drafted only in English. The court ruled that the agreement had contravened

Article 31(1) of Law No. 24/2009 and declared it to be invalid. In arriving at this conclusion, the court relied on Articles 1320, 1335 and 1337 of the Indonesian Civil Code, when taken together will render an agreement void if, among other things, it is tainted by illegality. The court held that the agreement had not been drafted in the Bahasa Indonesia as required by Article 31(1) and therefore failed to satisfy the “lawful cause” requirement and was void from the outset, meaning that a valid and binding agreement had never existed. The defendant appealed to the Jakarta High Court. Upon appeal to the Jakarta High Court, the Jakarta High Court affirmed the decision of the District Court of West Jakarta in Decision No. 48/PDT/2014/PT.DKI on May 7, 2014. The defendant further filed a cassation petition to the Supreme Court. On August 31, 2015, the Supreme Court denied the cassation petition in Decision No. 601 K/PDT/2015.

The Indenture and related transaction documents will concurrently be prepared and executed in both English and Indonesian versions as required under Law No. 24/2009 and Regulation No. 63/2019 and all of these documents will provide that in the event of a discrepancy or inconsistency, the parties intend the English version to prevail. However, we cannot assure you that, in the event of inconsistencies between the Indonesian language and English language versions of these agreements, an Indonesian court would hold that the English version prevails. Some concepts in the English language may not have a corresponding term in the Indonesian language and the exact meaning of the English text or may not be fully captured by such Indonesian version. If this occurs, we cannot assure you that the terms of the notes, including the Indenture, will be as described in this offering circular, or will be interpreted and enforced by the Indonesian courts as intended.

Law No. 24/2009 and Regulation No. 63/2019 do not specify any sanction for non-compliance. We cannot predict as to how the implementation of this new regulation will impact the validity and enforceability of the notes under Indonesian laws. This creates uncertainty as to the ability of holders of notes to enforce the notes in Indonesia.

Risks Relating to the Notes

We are a holding company. Holders of the notes will be effectively subordinated to all our subsidiaries’ indebtedness and obligations.

We conduct all of our operations through our subsidiaries. Accordingly, our only source of cash to pay interest and principal on our outstanding indebtedness is distributions relating to our ownership interests in our subsidiaries from the net earnings and cash flow generated by such subsidiaries or from proceeds of debt or equity offerings. Earnings and cash flow generated by our subsidiaries will generally first be applied by such subsidiaries in conducting their operations, including the service of their respective debt obligations, after which any excess cash flow may be paid to us. Our subsidiaries are legally distinct from us and, unless they guarantee our debt, have no obligation to pay amounts due on our debt or to make funds available to us for such payment.

The notes will be structurally subordinated to all existing and future indebtedness and other obligations of our subsidiaries. As of September 30, 2019, our subsidiaries had gross debt of approximately Rp.14,282,858 million (US\$1,007.7 million), including finance leases and indebtedness under our Credit Facilities, 2017 RLF, 2018 RCF and 2019 RLF, all of which would be structurally senior to the notes. Further, the Company and our subsidiaries have entered into subordination deeds in connection with the Credit Facilities, 2017 RLF and 2019 RLF pursuant to which intercompany liabilities between our subsidiaries or owing by our subsidiaries to the Company are subordinated to the liabilities of such subsidiaries owing under the Credit Facilities Agreement, 2017 RLF Agreement and 2019 RLF Agreement, as applicable. Under the subordination deeds, the prior written consent of the agent for the finance parties specified under the Credit Facilities, 2017 RLF Agreement and 2019

RLF Agreement, as applicable, may be required for, among other things, any payment of such intercompany liabilities between such subsidiaries or taking, accepting or receiving any payment or distribution of assets of such subsidiaries if an event of default is continuing. See “Description of Material Indebtedness” for more details on the subordination deeds. As a result of the subordination deeds and other covenants under our Credit Facilities and our 2017 RLF, 2019 RLF, the ability of certain of our subsidiaries to pay dividends or make distributions to us and to one another is materially restricted. There can be no assurance that our subsidiaries will generate sufficient cash flow to meet their respective obligations under the applicable debt instruments, nor can we assure that excess cash flow, if any, of our subsidiaries will be available for payment to us or sufficient to satisfy our debt obligations, including interest and principal payments on the notes.

Holders of the notes will be subordinated to any of our secured obligations.

The notes will be unsecured obligations of the Company and be effectively subordinated to any of our secured obligations to the extent of the assets serving as security therefor. The Indenture permits us to incur secured indebtedness including but not limited to an unlimited amount of secured indebtedness if the Company’s Debt to Annualized Cash Flow Ratio (as defined in the Indenture) on the date of such incurrence would be no greater than 6.25 to 1.00. Such additional secured debt incurred may be substantial. Accordingly, even if an event of default exists under the Indenture, our secured lenders could foreclose on our assets and those of our subsidiaries in which they have been granted a security interest, in each case to the exclusion of any holder of the notes.

We may not have the ability to raise the funds necessary to finance an offer to repurchase the notes upon the occurrence of certain events constituting a change of control or asset sale as required by the Indenture.

Upon a Change of Control (as defined in the Indenture), we must make an offer to repurchase all outstanding notes. Pursuant to such offer, we must repurchase the outstanding notes at 101% of their principal amount plus accrued and unpaid interest, if any, up to the date of repurchase. See “Description of the Notes — Repurchase at the Option of Holders — Change of Control.” In addition, upon the consummation of an Asset Sale (as defined in the Indenture) by us or any of our restricted subsidiaries, we generally must invest the net cash proceeds from such sales in our, or our restricted subsidiary’s, business within a period of time, prepay senior or structurally senior debt or make an offer to purchase a principal amount of the notes and other indebtedness that is pari passu with the notes with the excess cash proceeds. The purchase price of the notes will be 100% of their principal amount, plus accrued interest. See “Description of the Notes — Asset Sales.” However, we may not have enough available funds at the time of any Change of Control or Asset Sale to pay the purchase price of the tendered outstanding notes, as a result of our existing obligations under the 2019 RLF Agreement, the 2018 RCF Agreement, the 2017 RLF Agreement and the Credit Facilities Agreement or under other debt agreements in the future, which may require us to first repay our indebtedness under those facilities. Our failure to make the offer to repurchase or repurchase tendered notes would constitute an Event of Default (as defined in the Indenture). This Event of Default may, in turn, constitute an event of default under other indebtedness, any of which could cause the related debt to be accelerated after any applicable notice or grace periods. If such other debt were accelerated, we may not have sufficient funds to repurchase the notes and repay the debt. In addition, the definition of Change of Control for purposes of the Indenture does not necessarily afford protection for the holders of the notes in the event of some highly-leveraged transactions, including certain acquisitions, mergers, refinancings, restructurings or other recapitalizations, although these types of transactions could increase our indebtedness or otherwise affect our capital structure or credit ratings and the holders of the notes. The definition of Change of Control and Asset Sale for purposes of the Indenture also includes a phrase relating to the sale of “all or substantially all” of our properties or assets and our

subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition under applicable law. Accordingly, our obligation to make an offer to repurchase the notes, and the ability of a holder of notes to require us to repurchase the notes pursuant to the offer, as a result of a highly leveraged transaction or a sale of less than all of our assets, may be uncertain.

Through the purchase of the notes, the noteholders may be exposed to a legal system subject to considerable discretion and uncertainty; it may be difficult or impossible for noteholders to pursue claims under the notes.

Indonesian legal principles relating to the rights of debtors and creditors, or their practical implementation by Indonesian courts, may differ materially from those that would apply in other jurisdictions. Neither the rights of debtors nor the rights of creditors under Indonesian laws are as clearly established or recognized as under legislation or judicial precedent in other jurisdictions. In addition, under Indonesian laws, debtors may have rights and defenses to actions filed by creditors that such debtors would not have in other jurisdictions.

Indonesia’s legal system is a civil law system based on written statutes; judicial and administrative decisions do not constitute binding precedent and are not systematically published. Indonesia’s commercial and civil laws as well as rules on judicial process were historically based on Dutch law as in effect prior to Indonesia’s independence in 1945, and some have not been revised to reflect the complexities of modern financial transactions and instruments. Indonesian courts are often unfamiliar with sophisticated commercial or financial transactions, leading in practice to uncertainty in the interpretation and application of Indonesian legal principles. The application of Indonesian laws in large part depends upon subjective criteria such as the good faith of the parties to the transaction and principles of public policy, the practical effect of which is difficult or impossible to predict. Indonesian judges, who operate in an inquisitorial legal system, have very broad fact-finding powers and a high level of discretion in the manner in which those powers are exercised. As a result, the administration and enforcement of laws and regulations by Indonesian courts and Indonesian governmental agencies may be subject to considerable discretion and uncertainty. Furthermore, corruption in the court system in Indonesia has been widely reported in publicly available sources.

Furthermore, on September 2, 2013 the trustee of the holders of notes issued by BLD Investments Pte. Ltd. and guaranteed by PT Bakrieland Development Tbk (“Bakrieland”), under a trust deed governed under English law, filed a postponement of debt payment petition against Bakrieland with the Jakarta Commercial Court on grounds including that Bakrieland had failed to comply with its obligation to repay the principal amount of the notes when noteholders exercised their put option under the terms of the notes. In its decision dated September 20, 2013, the Jakarta Commercial Court rejected the postponement of debt payment petition on the basis that, among other things, the trust deed relating to the notes is governed by English law, all disputes arising out of or in connection with the trust deed must be settled by English courts and, accordingly, the Jakarta Commercial Court did not have authority to examine and adjudicate this case.

In early 2016, an Indonesian company, PT Trikomsel Oke Tbk. (“Trikomsel”), entered into a court suspension of payment of debt (*penundaan kewajiban pembayaran utang* or “PKPU”) process. The PKPU administrators were reported to reject claims that arose from their two Singapore dollar bonds and have taken the stance that the trustees do not have any standing to make claims on behalf of the bondholders. Further, they asserted that only individual noteholders that had filed claims on their own would be able to participate in the PKPU proceedings and to vote on the restructuring plan. However, such proceedings were settled on September 28, 2016, through the ratification of a

composition plan (*rencana perdamaian*) by the Jakarta Commercial Court. Under the approved composition plan, Trikomsel's indebtedness under two Singapore dollar bonds is included as recognized claims and will be fully converted into equity in accordance with all applicable laws. Notwithstanding such settlement, the fact remains that during the PKPU process, the PKPU administrators rejected the trustees' claims, stating that the trustees do not have any legal standing to make claims on behalf of the bondholders and therefore do not have any voting rights in the creditors meeting.

As a result, it may be difficult for the noteholders to pursue a claim against us in Indonesia, which may adversely affect or eliminate entirely the noteholders' ability to obtain and enforce a judgment against us in Indonesia or increase the noteholders' costs of pursuing, and the time required to pursue, claims against us.

The terms of the notes contain covenants limiting our financial and operating flexibility.

Covenants in the Indenture will restrict the ability of us and our restricted subsidiaries to, among other things:

- incur or guarantee additional indebtedness and issue certain redeemable or preferred stock;
- create or incur certain liens;
- make certain payments, including dividends or other distributions, with respect to our notes or those of our restricted subsidiaries;
- prepay or redeem subordinated debt or equity;
- make certain investments and capital expenditures;
- create encumbrances or restrictions on the payment of dividends, or other distributions, loans or advances;
- sell, lease or transfer certain assets, including stock of restricted subsidiaries;
- enter into sale and leaseback transactions;
- engage in certain transactions with affiliates;
- enter into unrelated businesses or engage in prohibited activities; and
- consolidate or merge with other entities.

All of these covenants are subject to the limitations, exceptions and qualifications described in "Description of the Notes — Certain Covenants." These covenants could limit our ability to pursue our growth plan, restrict our flexibility in planning for, or reacting to, changes in our business and industry, and increase our vulnerability to general adverse economic and industry conditions. We may also enter into additional financing arrangements in the future which could further restrict our flexibility.

Any defaults of covenants contained in the notes may lead to an event of default under the notes and the Indenture and may lead to cross-defaults under our other indebtedness. No assurance can be

given that we will be able to pay any amounts due to holders of the notes in the event of such default, and any default may significantly impair our ability to pay, when due, the interest of and principal on the notes.

We may not be able to generate sufficient cash flows to meet our debt service obligations.

Our ability to make scheduled payments on, or to refinance our obligations with respect to, our indebtedness will depend on our financial and operating performance, which in turn will be affected by general economic conditions and by financial, competitive, regulatory and other factors beyond our control. We may not generate sufficient cash flow from operations and future sources of capital may not be available to us in an amount sufficient to enable us to service our indebtedness, including the notes, or to fund our other liquidity needs. If we are unable to generate sufficient cash flow and capital resources to satisfy our debt obligations or other liquidity needs, we may have to undertake alternative financing plans, such as refinancing or restructuring our debt, selling assets, reducing or delaying capital investments or seeking to raise additional capital. There is no assurance that any refinancing would be possible, that any assets could be sold or, if sold, of the timing of the sales and the amount of proceeds that may be realized from those sales, or that additional financing could be obtained on acceptable terms, if at all. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. Other credit facilities and the Indenture that will govern the notes will restrict our ability to dispose of assets and use the proceeds from the disposition. We may not be able to consummate those dispositions or to obtain the proceeds which we could realize from them and these proceeds may not be adequate to meet any debt service obligations then due. Our inability to generate sufficient cash flows to satisfy our debt obligations, or to refinance our indebtedness on commercially reasonable terms and in a timely manner, would materially and adversely affect our financial condition and results of operations and our ability to satisfy our obligations under the notes. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources” and “Description of the Notes.”

Enforcing the rights of noteholders under the notes across multiple jurisdictions may prove difficult.

We are incorporated under the laws of the Republic of Indonesia. The notes and the Indenture will be governed by the laws of the State of New York. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in Indonesia and the United States. Such multi-jurisdictional proceedings are likely to be complex and costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of your rights. The rights of noteholders under the notes will be subject to the insolvency and administrative laws of several jurisdictions and there can be no assurance that you will be able to effectively enforce your rights in such complex multiple bankruptcy, insolvency or similar proceedings. In addition, the bankruptcy, insolvency, administrative and other laws of Indonesia and the United States may be materially different from, or be in conflict with, each other and those with which may be familiar, including in the areas of rights of creditors, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceeding. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction’s laws should apply, adversely affect your ability to enforce your rights under the notes in the relevant jurisdictions or limit any amounts that you may receive.

The interest of our principal shareholders may conflict with the interest of noteholders, and they may take actions that are not in, or may conflict with, the interest of the noteholders.

As of September 30, 2019, PCI and Wahana held approximately 26.02% and 29.96% (which includes both direct ownership by Wahana and indirect ownership through Natixis PT Wahana

Anugerah Sejahtera and PT Wahana TBIG, affiliates of Wahana) of our outstanding shares, respectively. See “Principal Shareholders and Related Party Transactions.” PCI and Wahana have the ability to exercise a controlling influence over our business and may cause us to take actions that are not in, or may conflict with, the noteholders’ best interests, including matters relating to our management and policies. Nominees of PCI and Wahana hold positions on our Board of Commissioners and Board of Directors, and we cannot assure you that our controlling shareholders will elect or be able to influence our business in a way that benefits the noteholders.

You may not be able to enforce a judgment of a foreign court against us and it may be difficult or impossible for you to pursue claims relating to the notes in Indonesia.

The Issuer is a limited liability company incorporated in Indonesia operating within the framework of Indonesian laws relating to investment and all of its significant assets are located in Indonesia. All of our commissioners, directors and executive officers reside in Indonesia. A substantial portion of our assets and the assets of such persons are located in Indonesia. As a result, it may not be possible for investors to effect service of process within the United States upon us or such persons or to enforce against us or such persons judgments obtained in U.S. courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state or territory within the United States.

We have been advised by our Indonesian legal advisor, Indrawan Darsyah Santoso, that judgments of non-Indonesian courts are not recognized or directly enforceable in Indonesian courts, although such judgments could be admissible as non-conclusive evidence in a proceeding on the underlying claim in an Indonesian court. Our Indonesian legal advisers have also advised us that there is doubt as to whether Indonesian courts will recognize judgments in original actions brought in Indonesian courts based only upon the civil liability provisions of the securities laws of other countries. In addition, an Indonesian court may refuse to hear an original action based on securities laws of other countries. As a result, holders of the notes would be required to pursue claims against us or our respective commissioners, directors and executive officers in Indonesian courts and on the basis of Indonesian laws.

The claims and remedies available under Indonesian laws may not be as extensive as those available in other jurisdictions. We cannot assure you that the Indonesian courts will protect the interests of investors in the same manner or to the same extent as would U.S. courts.

Indonesia’s legal system is a civil law system based on written statutes, and decided legal cases do not constitute binding precedent. The administration of laws and regulations by courts and government agencies may be subject to considerable discretion. In addition, because relatively few disputes relating to commercial matters and modern financial transactions and instruments are brought before Indonesia’s courts, such courts do not necessarily have the experience of courts in other countries. There is uncertainty as to how long it will take for proceedings in Indonesian courts to be concluded and the outcome of proceedings in Indonesian courts may be more uncertain than that of similar proceedings in other jurisdictions. Accordingly, it may not be possible for investors to obtain swift and equitable enforcement of their legal rights.

In addition, holders of the notes may have more difficulty in protecting their interests against actions by our commissioners, directors or principal shareholders than they might have as investors in debt securities issued by a corporation established under the laws of other jurisdictions.

We have not obtained a credit rating for the notes.

The notes have not been assigned a credit rating as of the date of this offering circular, and we do not intend to pursue any such ratings. Not having a credit rating for the notes could make it more difficult to make an investment decision regarding the notes. While the Company has received ratings from various rating agencies in the past and the Existing USD Notes are rated by Fitch Ratings Ltd. and Standard and Poor's Rating Group, a division of McGraw-Hill Companies, Inc., no assurances can be given that a rating for such notes will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgment circumstances in the future so warrant. In addition, while we have not requested, nor do we intend to request, for a rating for the notes, any of the rating agencies may nevertheless decide to assign a rating for the notes and, if so, there can be no assurance that such a rating would be above or below the rating for the Existing USD Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time.

An active trading market for the notes may not develop and the trading price of the notes could be materially and adversely affected.

Although the initial purchasers have advised us that they intend to make a market in the notes, they are not obligated to do so and may discontinue such market making activity at any time without notice. We cannot predict whether an active trading market for the notes will develop or be sustained. If an active trading market were to develop, the notes could trade at prices that may be lower than their initial offering price. The liquidity of any market for the notes depends on many factors, including:

- the number of holders of notes;
- the interest of securities dealers in making a market in the notes;
- prevailing interest rates and the markets for similar securities;
- general economic conditions; and
- our financial condition, historical financial performance and future prospects.

If an active market for the notes fails to develop or be sustained, the trading price of the notes could be materially and adversely affected. Approval-in-principle has been received for the listing of the notes on the SGX-ST. However, no assurance can be given that we will be able to obtain or maintain such listing or that, if listed, a trading market will develop. We do not intend to apply for listing of the notes on any securities exchange other than the SGX-ST. Lack of a liquid, active trading market for the notes may adversely affect the price of the notes or may otherwise impede a holder's ability to dispose of the notes.

The transfer of the notes is restricted which may adversely affect their liquidity and the price at which they may be sold.

The notes have not been registered under, and we are not obligated to register the notes under, the Securities Act or the securities laws of any other jurisdiction and, unless so registered, may not be offered or sold except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act and any other applicable laws. See "Transfer Restrictions." We have not agreed to or otherwise undertaken to register the notes (including by way of an exchange offer), and we have no intention to do so.

Investment in the notes may subject noteholders to foreign exchange risks.

The notes are denominated and payable in U.S. dollars. If you measure your investment returns by reference to a currency other than U.S. dollars, an investment in the notes entails foreign exchange-related risks, including possible significant changes in the value of the U.S. dollars relative to the currency by reference to which you measure your returns, due to, among other things, economic, political and other factors over which we have no control. Depreciation of the U.S. dollar against the currency by reference to which you measure your investment returns could cause a decrease in the effective yield of the notes below their stated coupon rates and could result in a loss to you when the return on the notes is translated into the currency by reference to which you measure your investment returns. In addition, there may be tax consequences for you as a result of any foreign exchange gains resulting from any investment in the notes.

USE OF PROCEEDS

We estimate that our net proceeds from this offering, after deducting the underwriting fees and commissions and other estimated fees and expenses payable in relation to this offering, will be approximately US\$345.1 million. We intend to use the net proceeds from this offering to refinance all outstanding indebtedness under Facility B and to partially refinance the outstanding indebtedness under the 2017 RLF. Amounts refinanced under Facility B and the 2017 RLF will be available and can be reborrowed.

We plan to place the net proceeds from this offering in temporary cash deposits pending their use to fund the foregoing.

CAPITALIZATION AND INDEBTEDNESS

The following table shows our total cash and capitalization as of September 30, 2019 (i) on an actual basis and (ii) as adjusted to give effect to (a) the repayment of Rp.628,000 million (US\$44.3 million) of our Rupiah-denominated bonds and our incurrence of indebtedness under Facility B, the 2017 RLF and the Rp.150,000 million Revolving Loan Facility between September 30, 2019 and the date of this offering circular and (b) the issuance of notes in this offering and the application of our net proceeds from this offering in the manner described in “Use of Proceeds.”

This table should be read in conjunction with our consolidated financial statements, including the notes thereto, included elsewhere herein and the sections of this offering circular entitled “Use of Proceeds,” “Selected Consolidated Financial Information and Other Data” and “Management’s Discussion and Analysis of Our Financial Condition and Results of Operations.”

	As of September 30, 2019			
	Actual	Actual ⁽⁵⁾	As adjusted	As Adjusted ⁽⁵⁾
	(unaudited)			
	(Rp. in millions)	(US\$ in millions)	(Rp. in millions)	(US\$ in millions)
Cash and cash equivalents	333,362	23.5	996,302	70.2
Borrowings:				
US\$350.0 million 4.25% Senior Unsecured Notes due 2025 issued by the Company	—	—	4,960,900	350.0
US\$375.0 million Revolving Loan Facility ⁽¹⁾ . . .	5,315,250	375.0	5,315,250	375.0
Facility B under the Credit Facilities (revolving loan facility) ⁽¹⁾	2,512,696	177.3	—	—
Facility D under the Credit Facilities (term loan facility) ⁽¹⁾	3,897,850	275.0	3,897,850	275.0
US\$200.0 million Revolving Loan Facility ⁽¹⁾ . . .	2,504,900	176.7	1,387,989	97.9
US\$350.0 million 5.25% Senior Unsecured Notes due 2022 issued by TBG Global Pte. Ltd.	4,960,900	350.0	4,960,900	350.0
Rp.150,000 million Revolving Loan Facility ⁽¹⁾ . .	36,750	2.6	65,850	4.7
Continuous Bonds II Phase I	230,000	16.2	230,000	16.2
Continuous Bonds II Phase II	700,000	49.4	700,000	49.4
Continuous Bonds II Phase III	700,000	49.4	700,000	49.4
Continuous Bonds III Phase I	608,000	42.9	608,000	42.9
Continuous Bonds III Phase II ⁽²⁾	628,000	44.3	—	—
Continuous Bonds III Phase III	750,000	52.9	750,000	52.9
Unamortized borrowing cost	(196,656)	(13.9)	(265,784)	(18.8)
Total third party debt	22,647,690	1,597.8	23,310,955	1,644.6
Finance leases⁽¹⁾	15,412	1.1	18,892	1.3
Total borrowings⁽³⁾⁽⁴⁾	22,663,102	1,598.9	23,329,847	1,645.9
Equity	4,011,455	283.0	4,011,130	283.0
Total capitalization	26,674,557	1,881.9	27,340,977	1,928.9

Notes:

- (1) As of September 30, 2019 and after giving effect to the issuance and sale of the Notes and the application of the net proceeds therefrom, the Issuer’s Subsidiaries would have had gross debt of approximately Rp.10,685,830 million (US\$753.9 million) including finance leases and indebtedness under the 2017 RLF, the 2018 RCF, the 2019 RLF and the Credit Facilities.

- (2) The Continuous Bonds III Phase II matured on October 28, 2019 and were fully repaid by the Company.
- (3) We define our total borrowings to include the current and non-current portion of long-term loans and finance leases, long-term notes and short-term notes. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Indebtedness” and “Description of Material Indebtedness” for details of our total borrowings.
- (4) As of the date of this offering circular, our committed and undrawn facilities under the 2017 RLF, the 2018 RCF, the 2019 RLF and the Credit Facilities amounted to US\$57.0 million, and as adjusted to take into account the issuance of notes in this offering and the application of our net proceeds from this offering in the manner described in “Use of Proceeds,” our committed and undrawn facilities under the 2017 RLF, the 2018 RCF, the 2019 RLF and the Credit Facilities would amount to US\$402.1 million.
- (5) Converted into U.S. dollars based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information.”

Except as disclosed in this offering circular, there have not been any material changes to our capitalization since September 30, 2019.

EXCHANGE RATES AND EXCHANGE CONTROLS

Exchange Rates

The following table shows the Rupiah to U.S. dollar exchange rate based on the middle exchange rate at the end of each month or day, as the case may be, during the periods indicated. The Rupiah middle exchange rate is calculated based on Bank Indonesia's buying and selling rates. We do not make any representations that the Rupiah or U.S. dollar amounts referred to in this offering circular could have been or could be converted into U.S. dollars or Rupiah, as the case may be, at the rate indicated or any other rate or at all.

	Period End	Average ⁽¹⁾	Low ⁽²⁾	High ⁽²⁾
2015	13,795	13,392	12,444	14,728
2016	13,436	13,307	12,926	13,946
2017	13,548	13,384	13,154	13,630
2018	14,481	14,246	13,290	15,253
2019	13,901	14,131	13,901	14,385
Month:				
July 2019	14,026	14,044	13,913	14,160
August 2019	14,237	14,242	14,098	14,344
September 2019	14,174	14,111	13,950	14,218
October 2019	14,008	14,118	13,996	14,207
November 2019	14,102	14,069	13,992	14,112
December 2019	13,901	14,017	13,901	14,130

Source: Statistik Ekonomi dan Keuangan Indonesia (Indonesian Financial Statistics) published monthly by Bank Indonesia; Internet website of Bank Indonesia (<http://www.bi.go.id/en/moneter/informasi-kurs/transaksi-bi/Default.aspx>)

Notes:

- (1) For full years, the average shown is calculated based on the middle exchange rate announced by Bank Indonesia on the last day of each month during the year indicated. For monthly averages, the average shown is calculated based on the daily middle exchange rates during the month indicated.
- (2) For full years, the high and low amounts are determined based upon the month-end middle exchange rate announced by Bank Indonesia during the year indicated. The high and low figures for each month are determined based on the daily middle exchange rates during the month indicated.

Bank Indonesia is the sole issuer of the Rupiah and is responsible for maintaining its stability. Since 1970, Indonesia has implemented three exchange rate systems: a fixed rate between 1970 and 1978, a managed floating exchange rate system between 1978 and 1997 and a free-floating exchange rate system since August 14, 1997. Under the managed floating rate system, Bank Indonesia maintained the stability of the Rupiah through a trading band policy, pursuant to which Bank Indonesia would enter the foreign currency market and buy or sell Rupiah, as required, when trading in the Rupiah exceeded bid and offer prices announced by Bank Indonesia on a daily basis. On August 14, 1997, Bank Indonesia terminated the trading band policy and instituted the current free-floating exchange rate system, allowing the Rupiah to float without an announced level at which it would intervene, which resulted in a substantial decrease in the value of the Rupiah relative to the U.S. dollar. Under the current system, the exchange rate of the Rupiah is determined by the market, reflecting the interaction of supply and demand in the market. Bank Indonesia may take measures, however, to maintain a stable exchange rate.

Exchange Controls

Indonesia has limited foreign exchange controls. The Rupiah has been, and in general is, freely convertible within or from Indonesia. However, to maintain the stability of the Rupiah and to prevent the utilization of the Rupiah for speculative purposes by non-residents, Bank Indonesia has introduced regulations to restrict the movement of Rupiah from banks within Indonesia to offshore banks, an offshore branch of an Indonesian bank, or any investment denominated in Rupiah by foreign parties and/or Indonesian parties domiciled or permanently residing outside Indonesia, thereby limiting offshore trading to existing sources of liquidity. In addition, Bank Indonesia has the authority to request information and data concerning the foreign exchange activities of individuals, legal entities and other entities that are domiciled, or who plan to be domiciled, in Indonesia for at least one year, including Indonesian representatives and diplomats outside Indonesia “Residents.”

Pursuant to PBI 21/2, all Indonesian residents who engage in foreign exchange traffic activities, whether individual or legal entities, are required to report to Bank Indonesia with respect to: (i) any trading of goods, services and other transaction between an Indonesian resident and a non-Indonesian resident, (ii) principal data of offshore borrowings and/or risk participation transaction; (iii) plan to draw and/or repay the offshore borrowings and/or risk participation transaction; (iv) realization of drawing and/or repayment of offshore borrowings and/or risk participation transaction; (v) position and changes of offshore financial assets, offshore financial liabilities and/or risk participation transaction; and/or (vi) plans to obtain new offshore borrowing and/or changes thereto. The report must be submitted on a monthly basis using an online system at the latest by the 15th day of the following month, while any correction thereto must be notified at least by the 20th day of the respective month. For offshore borrowings plan during the ongoing year, the report shall be submitted by no later than March 15 and any amendment thereto, no later than June 15.

In addition, for the purposes of implementing prudential principles in relation to offshore borrowings as required by PBI 16/21, Indonesian companies are required to provide the following documents:

- (1) the prudential principle implementation activity report (“KPPK report”), which is to be submitted on a quarterly basis, no later than the end of the third month;
- (2) the KPPK report, attested by a public accountant, which is to be submitted no later than the end of June after the ongoing financial year ended;
- (3) information on the fulfillment of credit ratings, which is to be submitted at the latest at the end of the month following the execution or issuance of the offshore borrowing; and
- (4) the financial statements of the company, consisting of: (i) unaudited financial statements, to be submitted on quarterly basis, by no later than the end of the third month after the end of the relevant quarter; and (ii) annual audited financial statements, which must be submitted by no later than end of June of the following year.

Bank Indonesia examines the accuracy of the foreign exchange traffic report and the prudential principle implementation activity report and may impose administrative sanctions in the form of penalties, written warning and/or may report to other authorities of any violation due to any delay or failure in submission of such reports.

As of January 1, 2016, submissions of and corrections to the prudential principle implementation activity report shall be made online. The requirement to submit credit ratings fulfillment only applies to offshore borrowings executed or issued as of January 1, 2016.

Purchasing of Foreign Currencies Against Rupiah Through Banks

On September 7, 2016, Bank Indonesia issued Regulation No. 18/18/PBI/2016 on Foreign Exchange to Rupiah Transaction between Banks and Domestic Parties (“PBI 18/18”), as implemented by the Regulation of the Members of Board of Governors of Bank Indonesia No. 20/16/PADG/2018 dated August 15, 2018. Under PBI 18/18, any foreign exchange transaction against Rupiah between commercial banks in Indonesia and Indonesian citizens or non-commercial bank legal entities domiciled in Indonesia (“Domestic Customer”) must be based on a contract. A foreign exchange transaction refers to a sale/purchase transaction of foreign currencies against Rupiah in the form of (i) spot transactions, or (ii) foreign exchange derivative transactions against Rupiah which consist of (a) standard (plain vanilla) foreign exchange derivative transactions against Rupiah in the form of forwards, swaps, options, and cross currency swaps and (b) foreign exchange structured product transactions against Rupiah in the form of call spread option. There must be an underlying transaction if: (i) the purchase of foreign currency in the form of a spot transaction amounts to more than US\$25,000 (or its equivalent) per month per Domestic Customer; (ii) the purchase of foreign currency in the form of derivative transaction amounts to more than US\$100,000 (or its equivalent) per month per Domestic Customer; (iii) the sale of foreign currency against Rupiah for forward transactions exceeds US\$5,000,000 per transaction per Domestic Customer; (iv) the sale of foreign currency against Rupiah for option transactions exceeds US\$1,000,000 (or its equivalent) per transaction per Domestic Customer; or (v) the transaction of structured product is in the form of call spread option.

The following transactions may be deemed underlying transactions under PBI 18/18: (a) domestic and international trade of goods and services; (b) investment in the forms of direct investment, portfolio investments, loans, capital and other investments inside and outside Indonesia; and/or (c) the granting of facility or financing from a bank in foreign currency and/or Rupiah for trade and investment activities. Underlying transactions do not include (a) placement of funds in banks in the form of, among others, saving accounts, demand deposit accounts, time deposits, and negotiable certificate deposits, (b) money transfer activities by remittance companies, (c) undisbursed loan facility (among others in the form of standby loan and undisbursed loan), and (d) the use of negotiable instrument of Bank Indonesia in foreign currency.

Indonesian companies who: (i) purchases foreign currencies from banks through spot transactions in excess of US\$25,000 or standard derivative (plain vanilla) transactions in excess of US\$100,000 and (ii) conducts foreign exchange structured product transaction against Rupiah in the form of call spread option, will be required to submit certain supporting documents to the selling bank, including among others, a duly stamped statement confirming that the underlying agreement is valid and the amount of foreign currency purchased does not exceed the amount stated in the underlying agreement. For purchases of foreign currencies not exceeding specific thresholds (US\$25,000 for spot transaction or US\$100,000 for standard derivative transaction), such company must declare in a duly stamped letter that its aggregate foreign currency purchases do not exceed the relevant threshold in the Indonesian banking system.

On September 7, 2016, Bank Indonesia issued Regulation No. 18/19/PBI/2016 on Foreign Exchange to Rupiah Transaction between Banks and Foreign Parties (“PBI 18/19”), as implemented by the Regulation of the Members of Board of Governors of Bank Indonesia No. 20/17/PADG/2018 dated August 15, 2018 on Foreign Exchange to Rupiah Transaction between Banks and Foreign Parties. Similar to PBI 18/18, PBI 18/19 governs foreign exchange transactions against Rupiah in Indonesia. However, PBI 18/19 specifically governs foreign exchange transactions between banks and foreign parties.

Similar to PBI 18/18, PBI 18/19 also requires an underlying transaction for a foreign exchange transaction against Rupiah if it exceeds specified thresholds. These thresholds are: (i) a purchase of foreign exchange against Rupiah of more than US\$25,000 (or its equivalent) per month per foreign party for spot transactions; (ii) the sale and purchase of foreign exchange against Rupiah of more than US\$1,000,000 (or its equivalent) per month per foreign party or per outstanding amount of each derivative transaction per bank; and (iii) the sale of foreign exchange against Rupiah of more than US\$5,000,000 (or its equivalent) per transaction per foreign party for forward transactions.

The following transactions constitute as underlying transactions under PBI 18/19: (a) domestic and international trade of goods and services; and/or (b) investments in the forms of direct investment, portfolio investments, loans, capital and other investments inside and outside Indonesia. Further, underlying transactions do not include: (a) Bank Indonesia certificates for derivative transactions, (b) a placement of funds in banks (vostro account) in the form of saving account, demand deposit account, time deposit, or negotiable certificate of deposit; (c) the granting of facility which has not been withdrawn, such as standby loan and disbursed loan; and (d) the use of Bank Indonesia securities in foreign currencies.

PBI 18/19 also sets out foreign parties that (i) enter into foreign currency structured product against Rupiah in form of a call spread option in any amount and (ii) purchase foreign currencies from banks by way of spot transactions in excess of US\$25,000 or standard derivative (plain vanilla) transactions in excess of US\$1,000,000 respectively, must submit certain supporting documents to the selling bank, including, among other items, a duly stamped written statement by the foreign party confirming that the underlying transaction document is valid and correct, and the amount of foreign currency purchased does not exceed the amount stated in the underlying transaction document. For purchase of foreign currencies not exceeding specific thresholds (US\$25,000 for spot transaction or US\$1,000,000 for standard derivative transaction), the foreign party must declare in a duly stamped written statement that its aggregate foreign currency purchases do not exceed the relevant threshold in the Indonesian banking system.

On May 14, 2014, Bank Indonesia issued PBI 16/10 which provides that any borrowings of offshore loans (in foreign currencies) that originate from (i) non-revolving loan agreements, (ii) a difference between the new loan and the refinanced loan, or (iii) debt securities (i.e., bonds, medium-term notes, floating rate notes, promissory notes, and commercial paper) must be withdrawn by the borrower through foreign exchange banks (which include offshore bank branches in Indonesia) and must be reported to Bank Indonesia. The aggregate amount of the offshore loan withdrawals should be equal to the local commitments provided under such loan. In the event that the aggregate amount of the offshore loan withdrawal through foreign exchange bank is lesser than the amount of local commitments in excess of Rp.50,000,000 (or its equivalent in foreign currencies), the borrower must submit a written explanation and sufficient supporting documents to Bank Indonesia before the expiration of the term of such loan. Withdrawals of the above offshore loans must be reported to Bank Indonesia on a monthly basis by using recapitulation data reports as regulated under PADG 21/4. These reports shall include supporting documents evidencing that the offshore loans were withdrawn through the foreign exchange bank. Administrative sanctions will be imposed on companies that fail to comply with such reporting obligations.

Indonesian Laws on Currency and Mandatory Use of Rupiah in Territory of Indonesia

Pursuant to Article 21 (1) of Law No. 7 of 2011 regarding Currency, the use of Rupiah currency is mandatory for transactions conducted within the territory of Indonesia, including for (i) each transaction with the purpose of payment, (ii) settlement of other obligations which must be satisfied

with money and/or (iii) other financial transactions. The mandatory use of Rupiah is regulated in further details under Bank Indonesia Regulation No. 17/3/PBI/2015 dated March 31, 2015 on Mandatory Use of Rupiah in the Territory of the Unitary State of the Republic of Indonesia (“PBI 17/3”) and Bank Indonesia Circular Letter No. 17/11/DKSP dated June 1, 2015 on Mandatory Use of Rupiah in the Territory of the Unitary State of the Republic of Indonesia (“SEBI 17/11”).

The obligation to use Rupiah applies to both cash and non-cash transactions, however certain transactions including the following are exempted: (i) certain transactions relating to the implementation of state revenue and expenditure, (ii) the receipt or provision of grants either from or to an overseas source, (iii) international trade transactions, including export or import of goods to or from outside Indonesia and activities relating to cross border trade in services, (iv) bank deposits denominated in foreign currencies, (v) international financing transactions and (vi) transactions in foreign currencies conducted in accordance with applicable laws, including, among others a bank’s business activities in foreign currencies conducted based on applicable laws regarding conventional and sharia banks, securities in foreign currencies issued by the Government in a primary or secondary market based on applicable laws and other transactions in foreign currencies conducted based on applicable laws.

Any party is prohibited from rejecting Rupiah as means of payment, to settle obligations expressed in Rupiah and/or with respect to other financial transactions conducted within Indonesian territory, except if: (i) there is uncertainty regarding the authenticity of the Rupiah that is received in respect to cash transactions or (ii) the parties to a transaction have agreed in writing to the payment or settlement of obligations in a foreign currency. PBI 17/3 further sets out that the exemption based on such a written agreement between the parties is only applicable to an agreement made with respect to one of the exempted transactions described above or transactions related to a strategic infrastructure project with approval from by Bank Indonesia. PBI 17/3 became effective on March 31, 2015 and the obligation to use Rupiah for non-cash transactions has been effective since July 1, 2015.

A failure to comply with the mandatory use of Rupiah in cash transactions may result in imposition of criminal sanctions against the offender, in the form of fines and imprisonment. While a failure to comply with the obligation to use Rupiah in non-cash transactions will be subjected to administrative sanctions in the form of (i) written warnings, (ii) fines, and/or (iii) prohibition from undertaking payment activities. Bank Indonesia may also recommend to the relevant authority to revoke the business license or stop the business activities of the party that fails to comply with the mandatory use of Rupiah in non-cash transactions.

SELECTED CONSOLIDATED FINANCIAL INFORMATION AND OTHER DATA

You should read the following discussion together with our audited consolidated financial statements and notes thereto as of and for the three years ended December 31, 2016, 2017 and 2018 and our unaudited interim consolidated financial statements and notes thereto as of September 30, 2019 and for the nine months ended September 30, 2018 and 2019. Our consolidated financial statements are prepared in accordance with Indonesian FAS which differs in certain respects from generally accepted accounting principles in other countries, including those in the United States.

The selected consolidated financial information as of and for the years ended December 31, 2016, 2017 and 2018 has been derived from our audited consolidated financial statements included elsewhere in this offering circular, and the selected consolidated financial information for the nine months ended September 30, 2018 and 2019 has been derived from our unaudited interim consolidated financial statements as of September 30, 2019 and for the nine months ended September 30, 2018 and 2019 included elsewhere in this offering circular. We have prepared our unaudited interim consolidated financial statements on the same basis as our audited consolidated financial statements. Due to the implementation of SE OJK No. 36/SEOJK.04/2016, our consolidated financial information as of and for the years ended December 31, 2016 were restated retrospectively to reflect its impact. See Note 46 to our consolidated financial statements as of and for the years ended December 31, 2016, 2017 and 2018 included elsewhere in this offering circular for further details of the restatement. Our historical results for any prior or interim periods are not necessarily indicative of results to be expected for a full financial year or for any future period.

We have prepared and presented our consolidated financial statements in accordance with Indonesian FAS, which differs in certain respects from IFRS. In making an investment decision, you should rely upon your own examination of the terms of the offering of the notes and the financial information contained in this offering circular. You should consult your own professional advisors for an understanding of the differences between Indonesian FAS and IFRS, and how those differences could affect the financial information contained in this offering circular. You should read the section of this offering circular entitled “Summary of Certain Differences between Indonesian FAS and IFRS” for a description of certain differences between Indonesian FAS and IFRS.

We have translated the Rupiah amounts of our consolidated financial information as of and for the year ended September 30, 2019 into U.S. dollars for convenience only based on the middle exchange rate announced by Bank Indonesia, the Indonesian central bank, which was Rp.14,174 = US\$1.00. Such translations should not be construed as representations that the Rupiah or U.S. dollar amounts referred to could have been, or could be, converted into U.S. dollars or Rupiah, as the case may be, at that or any other rate or at all. See “Exchange Rates and Exchange Controls” for further information regarding rates of exchange between the Rupiah and U.S. dollars.

Consolidated Statements of Profit or Loss and Other Comprehensive Income Data

	For the Year Ended December 31,				For the Nine Months Ended September 30,		
	2016	2017	2018	2018 ⁽¹⁾	2018	2019	2019 ⁽¹⁾
	(Rp. in millions)				(Rp. in millions)		
				(unaudited) (US\$ in millions)	(unaudited)	(unaudited)	(unaudited) (US\$ in millions)
Revenue	3,711,174	4,023,085	4,318,137	304.7	3,167,813	3,469,357	244.8
Cost of revenue	737,968	667,761	784,082	55.3	579,210	653,811	46.1
Gross profit	2,973,206	3,355,324	3,534,055	249.3	2,588,603	2,815,546	198.6
Operating expenses	315,601	343,178	381,463	26.9	276,553	321,850	22.7
Income from operations	2,657,605	3,012,146	3,152,592	222.4	2,312,050	2,493,696	175.9
Other income (charges):							
Gain (Loss) on foreign exchange — net	25,277	13,938	2,221	0.2	(6,131)	9,285	0.7
Increase of fair value of investment properties	(44,072)	7,210	7,728	0.5	888	—	—
Interest income	5,545	6,709	8,431	0.6	6,929	8,199	0.6
Tax arising from assets revaluation	(80,303)	—	—	—	—	—	—
Impairment of fair value of goodwill	(40,057)	(121,467)	(15,722)	(1.1)	—	—	—
Financial expenses — interest	(1,691,801)	(1,815,954)	(2,003,573)	(141.4)	(1,464,381)	(1,448,354)	(102.2)
Financial expenses — others	(99,100)	(148,076)	(68,024)	(4.8)	(52,078)	(57,673)	(4.1)
Income tax final	—	—	—	—	—	(60,662)	(4.3)
Others — net	52,677	(46,867)	(49,368)	(3.5)	(62,795)	(54,486)	(3.8)
Other charges — net	(1,871,834)	(2,104,507)	(2,118,307)	(149.5)	(1,577,568)	(1,603,691)	(113.1)
Profit before income tax	785,771	907,639	1,034,285	73.0	734,482	890,005	62.8
Income tax benefits (expenses)							
Current	(135,076)	(145,552)	(204,705)	(14.4)	(107,050)	(191,152)	(13.5)
Deferred	72,518	1,576,942	(126,948)	(9.0)	3,119	(54,162)	(3.8)
Income tax benefit (expenses) — net	(62,558)	1,431,390	(331,653)	(23.4)	(103,931)	(245,314)	(17.3)
Net profit for the period	723,213	2,339,029	702,632	49.6	630,551	644,691	45.5
Other Comprehensive Income							
Items that will not be reclassified to profit or loss							
Revaluation surplus	578,180	29,312	83,074	5.9	64,149	93,464	6.6
Actuarial gain (loss)	2,300	(11,507)	8,033	0.6	6,863	(395)	(0.0)
Items that may be reclassified to profit or loss							
Difference translation of foreign currency	(610)	5,215	349	0.0	(126)	35	0.0
Changes in fair value investment — available-for-sale	34	(56)	14,837	1.0	12,616	—	—
Cash flows hedging reserves	226,940	(79,765)	963,650	68.0	774,751	157,638	11.1
Total comprehensive income for the current period	1,530,057	2,282,228	1,772,575	125.1	1,488,804	895,433	63.2

	For the Year Ended December 31,				For the Nine Months Ended September 30,		
	2016	2017	2018	2018 ⁽¹⁾	2018	2019	2019 ⁽¹⁾
					(unaudited)		(unaudited)
					(US\$ in		(US\$ in
	(Rp. in millions)				millions)		millions)
					(Rp. in millions)		
Net profit attributable to:							
Equity holder of the parent							
company	713,807	2,316,368	680,581	48.0	623,454	611,962	43.2
Non-controlling interest	9,406	22,661	22,051	1.6	7,097	32,729 ⁽²⁾	2.3 ⁽²⁾
Total	723,213	2,339,029	702,632	49.6	630,551	644,691	45.5
Total comprehensive income							
attributable to:							
Equity holder of the parent							
company	1,522,392	2,253,607	1,740,522	122.8	1,478,563	841,468	59.4
Non-controlling interest	7,665	28,621	32,053	2.3	10,241	53,965	3.8
Total	1,530,057	2,282,228	1,772,575	125.1	1,488,804	895,433	63.2

Notes:

- (1) Converted into U.S. dollars based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under "Presentation of Financial Information."
- (2) Includes profit attributable to non-controlling interest as a result of our acquisition of control of two listed tower companies, GHON and GOLD in 2018.

Consolidated Statements of Financial Position Data

	As of December 31,				As of September 30,	
	2016	2017	2018	2018 ⁽¹⁾	2019	2019 ⁽¹⁾
				(unaudited) (US\$ in millions)	(unaudited) (Rp. in millions)	(unaudited) (US\$ in millions)
	(Rp. in millions)					
Assets						
Current Assets:						
Cash and cash equivalents	365,342	407,444	220,586	15.6	333,362	23.5
Trade receivables — third parties	409,092	266,127	383,303	27.0	536,500	37.9
Other receivables	78,042	91,579	77,660	5.5	118,386	8.4
Promissory notes	—	—	221,425	15.6	221,425	15.6
Accrued revenue	288,507	587,171	546,608	38.6	545,251	38.5
Inventories and supplies	217,206	20,290	22,723	1.6	38,578	2.7
Investment	2,387	2,336	1,508	0.1	1,508	0.1
Advance payments and prepaid expenses	163,190	185,754	154,803	10.9	139,345	9.8
Long-term land lease — current portion	215,088	244,282	279,643	19.7	305,245	21.5
Prepaid taxes	176,861	121,561	119,206	8.4	51,177	3.6
Advance for shares repurchase	44,957	44,957	—	—	—	—
Total current assets	1,960,672	1,971,501	2,027,465	143.0	2,290,777	161.6
Non-current Assets:						
Deferred tax assets-net	51,094	470,856	344,703	24.3	290,438	20.5
Property and equipment (net of accumulated depreciation of Rp.285,901 million, Rp.250,334 million, Rp.201,817 million and Rp.181,032 million as of September 30, 2019 and December 31, 2018, 2017 and 2016 respectively)	18,231,980	19,798,733	21,878,608	1,543.6	22,693,074	1,601.0
Investment properties — fair value	160,458	168,689	181,608	12.8	186,027	13.1
Goodwill — fair value	534,355	412,888	428,610	30.2	428,610	30.2
Long-term land lease	1,404,466	1,432,647	1,578,873	111.4	1,579,789	111.5
Refundable deposits	1,597	1,726	2,067	0.1	2,321	0.2
Derivative financial assets	1,248,410	1,302,091	2,605,591	183.8	1,934,603	136.5
Estimated claims for income tax refund	20,879	30,586	60,368	4.3	25,606	1.8
Other non-current assets	6,357	6,068	5,854	0.4	6,506	0.5
Total non-current assets	21,659,596	23,624,284	27,086,282	1,911.0	27,146,974	1,915.3
Total assets	23,620,268	25,595,785	29,113,747	2,054.0	29,437,751	2,076.9
Liabilities and Equity						
Current Liabilities						
Trade payables — third parties	184,918	192,884	231,711	16.3	279,833	19.7
Other payables	18,532	20,145	104,028	7.3	58,875	4.2
Taxes payable	137,292	51,352	60,065	4.2	75,591	5.3
Unearned income	478,863	539,198	668,543	47.2	1,315,435	92.8
Accrued expenses	1,064,440	1,181,025	1,466,028	103.4	989,237	69.8
Short-term notes	—	—	624,283	44.0	2,772,914	195.6
Long-term loans — current portion:						
Finance leases	3,545	3,518	5,095	0.4	3,946	0.3
Third parties	1,012,362	—	3,265,184	230.4	—	—
Total current liabilities	2,899,952	1,988,122	6,424,937	453.3	5,495,831	387.7

	As of December 31,				As of September 30,	
	2016	2017	2018	2018 ⁽¹⁾	2019	2019 ⁽¹⁾
	(Rp. in millions)			(unaudited) (US\$ in millions)	(unaudited) (Rp. in millions)	(unaudited) (US\$ in millions)
Non-current Liabilities:						
Deferred tax liability — net	1,169,038	11,837	12,509	0.9	12,205	0.9
Provision for post-employment benefits	35,112	34,398	30,186	2.1	32,018	2.3
Long-term notes	8,892,520	6,321,002	7,264,742	512.5	5,770,684	407.1
Long-term loans — net of current portion:						
Finance leases	7,215	7,536	12,868	0.9	11,466	0.8
Third parties	8,992,289	14,047,810	11,688,940	824.7	14,104,092	995.1
Total non-current liabilities	19,096,174	20,422,583	19,009,245	1,341.1	19,930,465	1,406.1
Total liabilities	21,996,126	22,410,705	25,434,182	1,794.4	25,426,296	1,793.9
Equity						
Share capital ⁽²⁾	453,140	453,140	453,140	32.0	453,140	32.0
Treasury stock	(411,328)	(467,618)	(985,379)	(69.5)	(1,028,268)	(72.5)
Additional paid-in capital — net	(309,548)	(309,548)	(499,660)	(35.3)	(518,150)	(36.6)
Other comprehensive income	2,251,411	2,095,383	3,060,932	216.0	3,213,023	226.7
Retained earnings:						
Statutory reserves	55,100	60,100	61,100	4.3	61,600	4.3
Unappropriated	(483,062)	1,256,573	1,280,546	90.3	1,369,423	96.6
Total equity attributable to equity holder of the parent company	1,555,713	3,088,030	3,370,679	237.8	3,550,768	250.5
Non-controlling interest	68,429	97,050	308,886	21.8	460,687	32.5
Total Equity	1,624,142	3,185,080	3,679,565	259.6	4,011,455	283.0
Total liabilities and equity	23,620,268	25,595,785	29,113,747	2,054.0	29,437,751	2,076.9

Notes:

- (1) Converted into U.S. dollars based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information.”
- (2) Share capital as of December 31, 2016, 2017 and 2018 and September 30, 2019 par value Rp.100 (full amount) per shares. Authorized capital of 14,420,120,000 shares issued and fully paid-in capital: the number of shares outstanding as of December 31, 2016, 2017 and 2018 and September 30, 2019 was 4,531,399,889 shares.

Consolidated Statements of Cash Flow Data

	For the Year Ended December 31,				For the Nine Months Ended September 30,		
	2016	2017	2018	2018 ⁽¹⁾	2018	2019	2019 ⁽¹⁾
	(Rp. in millions)			(unaudited) (US\$ in millions)	(unaudited) (Rp. in millions)	(unaudited) (US\$ in millions)	(unaudited) (US\$ in millions)
Net cash flows provided by operating activities	3,773,978	3,185,893	3,239,952	228.7	2,613,506	3,249,616	229.3
Net cash flows used in investing activities	(1,365,332)	(1,790,370)	(2,204,859)	(155.6)	(1,666,003)	(1,564,100)	(110.3)
Net cash flows used in financing activities	(2,334,801)	(1,355,114)	(1,229,193)	(86.7)	(1,072,255)	(1,569,363)	(110.7)
Effect from changes in foreign exchange rates on cash and cash equivalents	(4,634)	1,693	7,242	0.5	10,720	(3,377)	(0.2)
Net increase (decrease) of cash	69,211	42,102	(186,858)	(13.1)	(114,032)	112,776	8.0
Cash and cash equivalents at beginning of year	296,131	365,342	407,444	28.7	407,444	220,586	15.6
Cash and cash equivalents at the end of period	365,342	407,444	220,586	15.6	293,412	333,362	23.5

Note:

- (1) Converted into U.S. dollars based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information.”

Non-GAAP Financial Measures

	For the Year Ended December 31,			For the Nine Months Ended September 30,	For the Three Months Ended September 30,
	2016	2017	2018	2019	2019 ⁽⁹⁾
	(unaudited)				
Revenue ⁽¹⁾ (US\$ in millions)	261.8	283.8	304.7	244.8	84.1
EBITDA ⁽¹⁾⁽²⁾ (US\$ in millions)	227.2	246.6	262.4	208.6	71.6
EBITDA margin ⁽³⁾	86.8%	86.9%	86.1%	85.2%	85.2%
LQA EBITDA ⁽¹⁾⁽²⁾ (US\$ in millions)	232.2	256.2	278.9	—	286.5
Gross debt ⁽⁴⁾ /LQA EBITDA ⁽²⁾	5.8x	5.7x	5.8x	—	5.6x
Net debt ⁽⁵⁾ /LQA EBITDA ⁽²⁾	5.7x	5.6x	5.8x	—	5.5x
Total net senior debt ⁽⁶⁾ /LQA EBITDA ⁽²⁾ . . .	2.8x	3.3x	3.3x	—	3.2x
Gross debt after taking into account our hedging arrangements ⁽⁷⁾ /LQA EBITDA ⁽²⁾	5.2x	5.1x	5.2x	—	5.2x
Net debt after taking into account our hedging arrangements ⁽⁸⁾ /LQA EBITDA ⁽²⁾	5.1x	4.9x	5.1x	—	5.1x

Notes:

- (1) Converted into U.S. dollars based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information.”

- (2) We define EBITDA as income from operations plus depreciation of property and equipment plus land lease and license cost — amortization and LQA EBITDA as EBITDA for the three months ended December 31, 2016, 2017 and 2018 and September 30, 2019 multiplied by four, as applicable. EBITDA and LQA EBITDA are not measurements of financial performance or liquidity under Indonesian FAS and should not be considered as alternatives to net profit, income from operations or any other performance measures derived in accordance with Indonesian FAS or as alternatives to cash flow from operating activities as a measure of liquidity. In addition, EBITDA and LQA EBITDA are not standardized terms, hence, a direct comparison between companies using such terms may not be possible. The following table reconciles our income from operations under Indonesian FAS to our definition of EBITDA and LQA EBITDA for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information”):

	For the Year Ended December 31,			For the Nine Months Ended September 30,	For the Three Months Ended September 30,
	2016	2017	2018	2019	2019
	(unaudited)				
	(US\$ in millions)				
Income from Operations	187.5	212.5	222.4	175.9	60.7
Add:					
Depreciation of property and equipment	25.0	17.2	18.6	16.1	5.4
Land lease and license costs — amortization	14.7	16.9	21.5	16.6	5.5
EBITDA	<u>227.2</u>	<u>246.6</u>	<u>262.4</u>	<u>208.6</u>	<u>71.6</u>

	For the Three Months Ended December 31,			For the Three Months Ended September 30,
	2016	2017	2018	2019
	(unaudited)			
	(US\$ in millions)			
Income from Operations	31.0	55.0	59.3	60.7
Add:				
Depreciation of property and equipment	23.3	4.3	4.5	5.4
Land lease and license costs — amortization	3.7	4.8	5.9	5.5
EBITDA	<u>58.1</u>	<u>64.1</u>	<u>69.7</u>	<u>71.6</u>
LQA EBITDA	<u>232.2</u>	<u>256.2</u>	<u>278.9</u>	<u>286.5</u>

- (3) EBITDA margin represents EBITDA as a percentage of revenue.

- (4) Gross debt refers to our total borrowings (current and non-current portion of long-term loans and finance leases, long-term notes and short-term notes) before deducting unamortized borrowing costs. The following table reconciles our total borrowings (current and non-current portion of long-term loans and finance leases, long-term notes and short-term notes) to our gross debt for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for convenience of the reader as described under “Presentation of Financial Information”):

	As of December 31,			As of
	2016	2017	2018	September 30,
				2019
	(unaudited)			
	(US\$ in millions)			
Total borrowings	1,334.0	1,437.8	1,612.9	1,598.9
Add:				
Unamortized borrowing costs	14.8	14.3	11.3	13.9
Gross debt	<u>1,348.8</u>	<u>1,452.2</u>	<u>1,624.2</u>	<u>1,612.8</u>

- (5) Net debt refers to our gross debt less cash and cash equivalents. The following table reconciles our gross debt to our net debt for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information”):

	As of December 31,			As of
	2016	2017	2018	September 30,
				2019
	(unaudited)			
	(US\$ in millions)			
Gross debt	1,348.8	1,452.2	1,624.2	1,612.8
Less:				
Cash and cash equivalents	25.8	28.7	15.6	23.5
Net debt	<u>1,323.0</u>	<u>1,423.4</u>	<u>1,608.6</u>	<u>1,589.3</u>

- (6) Total senior debt is defined as our long-term loans — third parties (including indebtedness under the 2017 RLF, the 2018 RCF, the 2019 RLF and the Credit Facilities) as calculated by valuing the hedged portion of our total senior debt in U.S. dollars after taking into account our hedging arrangements, before deducting unamortized borrowing costs. We define total net senior debt as our total senior debt less cash and cash equivalents balance. The following table reconciles our total senior debt to our total net senior debt for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information”):

	As of December 31,			As of
	2016	2017	2018	September 30,
				2019
	(unaudited)			
	(US\$ in millions)			
Total senior debt	666.8	875.3	935.7	930.3
Less:				
Cash and cash equivalents	25.8	28.7	15.6	23.5
Total net senior debt	<u>641.0</u>	<u>846.6</u>	<u>920.2</u>	<u>906.8</u>

- (7) Gross debt after taking into account our hedging arrangements refers to our total borrowings (current and non-current portion of long-term loans and finance leases, long-term notes and short-term notes), as calculated by valuing the hedged portion of our gross debt in U.S. dollars using the hedged rate, before deducting unamortized borrowing costs. The following table reconciles our total borrowings (current and non-current portion of long-term loans and finance leases, long-term notes and short-term notes) after taking into account our hedging arrangements to our gross debt after taking into account our hedging arrangements for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for convenience of the reader as described under “Presentation of Financial Information”):

	As of December 31,			As of September 30,
	2016	2017	2018	2019
	(unaudited)			
	(US\$ in millions)			
Total borrowings after taking into account our hedging arrangements	1,192.2	1,280.5	1,431.6	1,476.3
Add:				
Unamortized borrowing costs	14.8	14.3	11.3	13.9
Gross debt after taking into account our hedging arrangements	<u>1,207.0</u>	<u>1,294.8</u>	<u>1,442.9</u>	<u>1,490.2</u>

- (8) Net debt after taking into account our hedging arrangements refers to our gross debt after taking into account our hedging arrangements less cash and cash equivalents. The following table reconciles our gross debt after taking into account our hedging arrangements to our net debt after taking into account our hedging arrangements for the periods indicated (and the amounts indicated were converted based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information”):

	As of December 31,			As of September 30,
	2016	2017	2018	2019
	(unaudited)			
	(US\$ in millions)			
Gross debt after taking into account our hedging arrangements	1,207.0	1,294.8	1,442.9	1,490.2
Less:				
Cash and cash equivalents	25.8	28.7	15.6	23.5
Net debt after taking into account our hedging arrangements	<u>1,181.2</u>	<u>1,266.1</u>	<u>1,427.3</u>	<u>1,466.7</u>

- (9) This information is presented for informational purposes only and is not calculated in the same manner as the method used for calculating the leverage ratios set forth in the Indenture governing the notes.

Operational Data

	As of December 31, 2015	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of September 30, 2019
Total telecommunications sites	12,389	12,610	13,509	15,091	15,485
Total number of tenancies	19,796	20,486	23,018	25,518	27,789
Total number of tower sites	11,389	12,539	13,461	15,032	15,396
Total number of tower tenancies	18,796	20,415	22,970	25,459	27,700
Tenancy ratio	1.65	1.63	1.71	1.69	1.80

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following Management's Discussion and Analysis of our Financial Condition and Results of Operations in conjunction with our consolidated financial statements, related notes to the consolidated financial statements, and other financial information, included elsewhere in this offering circular. This offering circular also contains forward-looking statements that involve risks and uncertainties including those described under "Forward-Looking Statements" elsewhere in this offering circular. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this offering circular.

Overview

We are a leading independent tower company in Indonesia. As of September 30, 2019, we owned 15,485 telecommunications sites comprising 15,396 tower sites and 89 DAS networks. For the year ended December 31, 2018 and the nine months ended September 30, 2019, 82.6% and 83.0% of our revenue, respectively, was from Telkomsel, Indosat and XL Axiata, collectively. Our principal business is leasing space for antennas and other equipment for wireless signal transmission at tower sites under long-term lease agreements. We also provide telecommunications operators with access to our DAS networks in shopping malls and office buildings in major urban areas.

As of September 30, 2019, we had 27,789 tenancies on 15,485 sites with five different telecommunications operators and two 4G LTE network providers. We lease space on tower sites under long-term lease agreements of generally 10 years and lease access to our DAS networks under long-term license agreements of generally five to eight years. As of September 30, 2019, the average remaining life of all our tenancy agreements was 5.4 years. Our tower leasing revenue (from tower sites), and our DAS network revenue accounted for 99.6% and 0.4%, respectively, of our total revenue for the year ended December 31, 2018.

In the fourth quarter of 2018, we acquired control of two listed tower companies, GHON and GOLD. See "— Factors Affecting Our Financial Condition and Results of Operations — Changes in the number of tenancies and tenancy ratio — Acquisition of site portfolios." Our revenue was Rp.4,318,137 million (US\$304.7 million) for the year ended December 31, 2018 and Rp.3,469,357 million (US\$244.8 million) for the nine months ended September 30, 2019. Our EBITDA and EBITDA margin were Rp.3,719,900 million (US\$262.4 million) and 86.1%, respectively, for the year ended December 31, 2018 and Rp.2,956,402 million (US\$208.6 million) and 85.2%, respectively, for the nine months ended September 30, 2019. Our annualized revenue and LQA EBITDA for the three months ended September 30, 2019 were Rp.4,767,992 million (US\$336.4 million) and Rp.4,061,196 million (US\$286.5 million), respectively.

Factors Affecting Our Financial Condition and Results of Operations

Our financial condition and results of operations have been, and will continue to be, affected by a number of important factors, including the following:

Creditworthiness of our customers

Our revenues are contracted significantly in advance as our tenant leases are generally long-term in nature (usually 10 years for tower sites). As of September 30, 2019, our contracted revenue under

our customers' agreements for all types of tenancies was approximately Rp.24,790 billion (US\$1.75 billion) and the average remaining life of all tenancy agreements was approximately 5.4 years. As such, we are dependent on the creditworthiness and financial strength of our tenants. Our major customers consist of Indonesia's telecommunications operators, with 82.6% of our revenue for the year ended December 31, 2018 and 83.0% of our revenue for the nine months ended September 30, 2019 attributable to Telkomsel, Indosat and XL Axiata (each of which has an investment grade rating from at least one rating agency). Should our customers experience financial difficulties, this could result in uncollectible, or a delay in collecting, trade receivables from our customers, for which we will be required to make write offs or record an impairment to our trade receivables. See also "Risk Factors — Risks Relating to Our Business — Due to the long-term expectations of revenue from tenant leases, we are exposed to the creditworthiness and financial strength of our customers."

Changes in the number of tenancies and tenancy ratio

Build-to-suit construction. We do not engage in speculative building and normally only construct new tower sites after obtaining a commitment for long-term leases (each typically for a period of 10 years) for space on such sites from our customers. In 2018, we organically increased the number of our build-to-suit tower sites by 1,582 sites and in the nine months ended September 30, 2019, we organically increased the number of our built-to-suit tower sites by 394 sites.

Tenancy ratio. We continually seek to increase co-locations for our existing towers, as additional co-locations are accretive to our cash flow and improve operating margins because the incremental cost of adding new tenants to existing towers is relatively low. Our towers that are at or near structural capacity can also be strengthened to meet future leasing capacity with relatively minor capital investment. While we have increased our tenancies from 20,486 as of December 31, 2016 to 27,789 as of September 30, 2019, our tenancy ratios may vary from time to time due to site portfolio acquisitions or build-to-suit construction. Our tower tenancy ratio increased from 1.63 as of December 31, 2016, to 1.71 as of December 31, 2017, and decreased to 1.69 as of December 31, 2018, and increased to 1.80 as of September 30, 2019.

Accordingly, upon addition of tenancies through construction of our build-to-suit sites and the addition of co-locations, we typically experience increases to our revenue.

Acquisition of site portfolios. From time to time, we also seek to increase the size of our site portfolio through the acquisition of site portfolios. As the site portfolios that we acquire typically have existing tenants, we experience increases to our revenue when we complete such acquisitions. However, the extent to which we would experience an increase in revenue and our ability to increase our tenancy ratio for these acquired sites may differ from our build-to-suit sites because the lease fees payable for, and the existing tenancy ratio of, each acquired site varies. We acquire existing site portfolios only when they meet our investment criteria, which include, among others, return on investment, potential for future co-locations, ease of leasing or purchasing land for sites, ease of community approvals, and credit strength of the potential tenant(s). In the fourth quarter of 2018, we acquired control of two listed tower companies, GHON and GOLD, which added 1,120 tenancies and 859 telecommunication sites to our portfolio. The financial results of GHON and GOLD have been reflected in our consolidated financial information since October 1, 2018 and December 31, 2018, respectively.

Interest costs

Indebtedness has been a significant source of our funding for build-to-suit construction and acquisition of other independent tower leasing companies or site portfolios. Our interest expense has

therefore been a significant component of our other charges in each of the years ended December 31, 2016, 2017 and 2018, and for the nine months ended September 30, 2019, respectively. A significant portion of our indebtedness has been subject to floating interest rates, which has caused, and is expected to continue to cause, our interest expense to fluctuate with changes in interest rates. We may, from time to time, seek to partially or fully, hedge our floating interest rate exposure by entering into interest rate swap contracts.

Capital expenditures

Our business is capital intensive. The cost of construction of a tower principally comprises the costs of steel for the tower, land lease fees, tower construction activities including transportation and labor and, to a lesser extent, licenses, community approvals and shelter construction. We also include as capital expenditures, our acquisition of property and equipment, acquisition of property investment, acquisition and investment in shares and payments for land lease. See “— Capital Expenditures.” Our capital expenditures for the years ended December 31, 2016, 2017 and 2018 and for the nine months ended September 30, 2019, were Rp.1,365,332 million, Rp.1,863,658 million, Rp.2,225,323 million (US\$157.0 million) and Rp.1,564,100 million (US\$110.3 million), respectively.

Taxes

The current corporate tax rate in Indonesia is 25%. The difference between our effective corporate tax rate and the corporate tax rate is primarily due to permanent differences in calculating our taxable income. For tax purposes, for leases signed prior to January 2, 2018, we depreciated property and equipment and investment properties based on the useful life of the related assets. For financial reporting purposes, we only depreciated property and equipment, while at the same time measured our property and equipment as well as investment properties by their fair value. Changes to investment property value are recognized in our consolidated statements of profit and loss and other comprehensive income. See “— Critical Accounting Policies — Property and equipment, and depreciation” and “— Critical Accounting Policies — Investment properties.” Under current Indonesian regulations, tax losses can be carried forward for up to five years after the tax loss was incurred. We also recognize deferred income tax assets and liabilities relating to temporary differences between the accounting and tax treatment of certain expenses. These temporary differences relate principally to tax losses, post-employment benefits and depreciation. See Note 21 to our consolidated financial statements as of and for the years ended December 31, 2016, 2017 and 2018 included elsewhere in this offering circular for a further description of these differences.

On September 6, 2017, the Indonesian tax authority issued GR 34 regarding income tax rates on income derived from leasing out land and/or building rental, which includes those leased out by tower companies. According to GR 34, rental income for leases of telecommunication towers with lease terms commencing from and including January 2, 2018 will be subject to the final income tax rate of 10%, while rental income for leases of telecommunication towers with lease terms that commenced prior to January 2, 2018 remains subject to the prior non-final income corporate tax rate of 25%.

Our effective tax rate as a percentage of profit before income tax was 32.1% in 2018 and 27.6% in the nine months ended September 30, 2019. Our income tax benefit (expenses) were an expense of Rp.62,558 million in 2016, a benefit of Rp.1,431,390 million in 2017, an expense of Rp.331,653 million (US\$23.4 million) in 2018 and an expense of Rp.245,314 million (US\$17.3 million) in the nine months ended September 30, 2019.

We are required to charge a 10.0% value-added tax to our customers. However, we are allowed to offset value-added taxes paid to our suppliers for payment of goods and services against the value-

added taxes we charge our customers. Value-added tax is not included in our revenue in the profit and loss statement and is remitted to the Government net of such offset.

Government regulation

We are subject to Government regulations on the construction and operation of tower sites. A significant proportion of our SITAC activities for tower construction involve obtaining community approvals, IMB or IMBM, and compliance with various Government regulations. Although we typically obtain community approvals prior to commencing construction of a tower site, consistent with what we believe is the common practice in Indonesia and given the long lead time generally required for processing applications for approvals and licenses (including IMB or IMBM), we sometimes proceed with, and often complete, tower construction and BTS installation for our tenants before all required approvals and licenses have been formally obtained from local authorities. If such approvals and licenses are not eventually obtained, the local authorities may issue notices for our towers to be dismantled and removed. Increased Government regulation of the tower leasing business could increase the time and cost of our build-to-suit construction, as well as the overall cost of regulatory compliance for our site portfolio. See “Regulation of the Indonesian Tower Leasing Industry” and “Risk Factors — Risks Relating to Our Business — We do not have the required approvals and licenses for some of our tower sites.”

Changes in the Indonesian economy and new technology

We conduct substantially all our operations in Indonesia and our customers’ demand for additional tenancies on our telecommunications sites is necessarily dependent on the overall health of the Indonesian economy. Indonesia’s gross domestic product, or GDP, grew at an annual rate of 5.0% in 2016, 5.1% in 2017 and 5.2% in 2018 according to Badan Pusat Statistik estimates, with an annual inflation rate of 3.0% in 2016, 3.6% in 2017 and 3.1% in 2018 according to Badan Pusat Statistik estimates. See “Risk Factors — Risks Relating to Indonesia” for a description of certain risks we face from potential changes in the political, economic and social conditions in Indonesia. New technologies, such as 4G and 5G, are expected to contribute to increased requirements for tower space among telecommunications operators and wireless data service providers, and may result in an increase in demand from our customers for us to build new towers or allow us to increase the co-locations on our existing towers.

Acquisition of tower sites from PT Indosat Tbk

On August 2, 2012, we completed the acquisition of 2,500 towers from Indosat (the “Indosat Acquisition”) pursuant to an asset purchase agreement (the “Asset Purchase Agreement”) which we entered into with Indosat in February 2012. Concurrent with our entry into the Asset Purchase Agreement, we also entered into a master lease agreement with Indosat under which Indosat leased the 2,500 acquired towers from us as an anchor tenant for a minimum period of 10 years, under separate site lease agreements governed by the terms of the master lease agreement (together with the master lease agreement, the “Indosat Lease Agreements”). The Indosat Lease Agreements have similar key terms to the master tower lease agreements that we have executed with all our Indonesian mobile telecommunications operators. See “— Tower Space Leasing.”

The purchase consideration for the Indosat Acquisition was US\$406.0 million in both cash and newly issued shares in the Company. The share consideration was based on trailing market prices over a period prior to closing and represented, at the time of closing, approximately 5% of the Company’s enlarged share capital. In addition, under the provisions of the Asset Purchase Agreement, if our

co-location revenues exceed a stated target in any year ending on or prior to December 31, 2022, we are required to pay an earn-out amount to Indosat. The maximum aggregate earn-out amount payable is US\$112.5 million. On October 11, 2019, we made our first payment of US\$18.75 million to Indosat.

Critical Accounting Policies

Our consolidated financial statements included elsewhere in this offering circular were prepared in accordance with Indonesian FAS. The preparation of these consolidated financial statements requires us to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses as well as the disclosure of contingent assets and liabilities at the reporting periods. We base our estimates and assumptions on historical experience and other factors that we believe to be reasonable under the circumstances. We continually evaluate such estimates and judgments, although existing circumstances and assumptions about future developments may change due to market changes or conditions which are beyond our control. Actual results may differ from these estimates under different assumptions or actual conditions. In order to provide an understanding of how our management forms their judgment about future events, including the variables and assumptions underlying our estimates, and the sensitivity of judgments to different circumstances, we have identified the critical accounting policies discussed below. For more details, see Notes 2 and 3 to our consolidated financial statements included in this offering circular.

Fair value measurement

Regarding the implementation of PSAK No. 16 (Revised 2014) “Property and Equipment,” we have chosen the revaluation model for the measurement after initial recognition of telecommunication towers. The fair value hierarchy of property and equipment at the end of reporting year is categorized as a level 3 recurring fair value measurement. To determine the fair value, the independent appraiser utilizes a combination of two approaches as the appraisal method: the income approach, which discounts future cash flows, and the cost approach, which is based on current replacement cost. For more details, see Notes 3 and 13 to our consolidated financial statements included in this offering circular.

Classification of financial assets and financial liabilities

We determine the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definitions set forth in PSAK No. 55 (Revised 2014). Accordingly, the financial assets and financial liabilities are accounted for in accordance with our accounting policies disclosed in Note 2(f) to our consolidated financial statements.

Allowance for impairment of trade receivables

We evaluate specific accounts where we have information that certain customers are unable to meet their financial obligations. In these cases, we use our judgment, based on the best available facts and circumstances, including but not limited to, the length of our relationship with the customer and its credit status based on third party credit reports and known market factors, to record specific provisions for customers against amounts due to reduce the receivable amounts that we expect to collect. These specific provisions are re-evaluated and adjusted as additional information we receive affects the amounts of allowance for the impairment of trade receivables.

Depreciation of property and equipment

We state our property and equipment, except for telecommunication towers, at cost net of accumulated depreciation and accumulated of asset impairment value, if any. Telecommunication

towers are accounted for using the revaluation model, which is the fair value at the date of revaluation less any accumulated depreciation and accumulated impairment losses after the date of revaluation, if any.

A revaluation at fair value is made every year. If the carrying amount of the asset increases as a result of the revaluation, the increase is recognized in other comprehensive income and accumulates in equity in the revaluation surplus section. The increase is recognized in profit and loss up to the same amount of impairment loss due to revaluation previously recognized in profit or loss. If the carrying amount of the asset decreases as a result of the revaluation, the decrease is recognized in profit or loss. The impairment is recognized in other comprehensive income, to reduce the accumulated amount of the revaluation surplus, as long as it does not exceed the revaluation surplus balance of the asset.

We compute depreciation on a straight-line method, based on the estimated useful lives of the related assets. Our management estimates the useful lives of these property and equipment to be within 4 to 30 years. These are common life expectancies applied in the industries where our group conducts its businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised.

Impairment of goodwill

We are required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on the “value in use” calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows. More information on the carrying values is included in Note 36 to our consolidated financial statements.

Post-employment benefits

We determine our obligations and cost for pension and employee benefits liabilities based on certain assumptions used by the independent actuaries in calculating such amounts. Those major assumptions include annual discount rates, future annual wage and salary increase, resignation rate, morbidity rate and mortality rate. More details of the key assumptions are set out in Note 34 to our consolidated financial statements.

Income taxes

Significant judgment is involved in determining the provision for corporate income tax. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. We recognize liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due.

Certain Income Statement Items

Our Revenue

Our revenue principally comprises lease and maintenance fees paid by our customers for tenancies on our telecommunications sites. The following table shows the breakdown of total revenue among our customers and revenue from each customer as a percentage of total revenue for the periods indicated:

	Year Ended December 31,						Nine Months Ended September 30,			
	2016		2017		2018		2018		2019	
							(unaudited)		(unaudited)	
	(Rp. in millions, except percentages)									
PT Telekomunikasi										
Selular	1,502,299	40.5%	1,821,636	45.3%	1,928,225	44.7%	1,421,446	44.9%	1,511,068	43.6%
PT Indosat Tbk	895,644	24.1%	930,739	23.1%	960,851	22.3%	703,649	22.2%	743,793	21.4%
PT XL Axiata Tbk	523,509	14.1%	581,992	14.5%	679,808	15.7%	488,970	15.4%	624,081	18.0%
PT Hutchison 3										
Indonesia	376,610	10.1%	378,399	9.4%	387,916	9.0%	286,724	9.1%	367,138	10.6%
PT Smartfren Telecom										
Tbk	147,976	4.0%	178,143	4.4%	226,140	5.2%	166,586	5.3%	193,230	5.6%
PT Internux	91,211	2.5%	101,076	2.5%	99,311	2.3%	74,119	2.3%	—	—
PT Telekomunikasi										
Indonesia Tbk	152,956	4.1%	—	—	—	—	—	—	—	—
Others	20,969	0.6%	31,100	0.8%	35,886	0.8%	26,319	0.8%	30,047	0.9%
Total	3,711,174	100.0%	4,023,085	100.0%	4,318,137	100.0%	3,167,813	100.0%	3,469,357	100.0%

The following table shows the geographical distribution of our revenue for the periods indicated:

	As of December 31,					
	2016		2017		2018	
	(Rp. in millions, except percentages)					
Java and Bali	2,246,669	60.5%	2,375,095	59.0%	2,515,040	58.2%
Sumatra	956,844	25.8%	1,040,313	25.9%	1,143,303	26.5%
Kalimantan	244,576	6.6%	280,501	7.0%	297,950	6.9%
Sulawesi and others	263,085	7.1%	327,176	8.1%	361,844	8.4%
Total Revenue	3,711,174	100.0%	4,023,085	100.0%	4,318,137	100.0%

See Note 45 to our audited consolidated financial statements as of and for the years ended December 31, 2016, 2017 and 2018 included elsewhere in this offering circular for further details of the geographical distribution of our revenue.

Cost of Revenue

Our cost of revenue was 19.9%, 16.6%, 18.2%, 18.3% and 18.8% of our revenue for the years ended December 31, 2016, 2017 and 2018 and for the nine months ended September 30, 2018 and 2019, respectively. The follow table shows the breakdown of our cost of revenue and each item as a percentage of our cost of revenue for the periods indicated:

	Year Ended December 31,						Nine months ended September 30,			
	2016		2017		2018		2018		2019	
							(unaudited)		(unaudited)	
	(Rp. in millions, except percentages)									
Land lease and license cost										
— amortization	208,031	28.2%	238,873	35.8%	304,108	38.8%	220,240	38.0%	234,677	35.9%
Depreciation of towers	320,303	43.4%	197,490	29.6%	214,588	27.4%	162,929	28.1%	191,496	29.3%
Repairs and maintenance . .	120,778	16.4%	134,843	20.2%	154,240	19.7%	114,065	19.7%	129,761	19.8%
Security	38,566	5.2%	39,063	5.8%	41,292	5.3%	30,502	5.3%	32,773	5.0%
Electricity	13,604	1.8%	11,027	1.7%	14,784	1.9%	10,385	1.8%	19,488	3.0%
Insurance	23,257	3.2%	24,821	3.7%	25,073	3.2%	18,640	3.2%	19,271	2.9%
Depreciation of										
transportable towers	3,645	0.5%	10,056	1.5%	15,971	2.0%	11,786	2.0%	12,643	1.9%
Others	9,784	1.3%	11,588	1.7%	14,026	1.8%	10,663	1.8%	13,702	2.1%
Total	737,968	100.0%	667,761	100.0%	784,082	100.0%	579,210	100.0%	653,811	100.0%

Land lease and license cost — amortization. Land lease and license — amortization comprises amortization of ground lease fees paid in advance for tower sites that we do not own, fees paid to building owners under site license agreements for our DAS networks and license cost paid in advance. Land lease fees are amortized over a period that corresponds to the term of the relevant land lease agreement, whereas license cost are amortized over the useful life of those licenses. For our acquisitions of tower companies and tower portfolios, we generally allocate the purchase price to property and equipment, after deducting, where possible, the portion allocated to land lease fees paid in advance.

Depreciation of towers. Depreciation of towers represents depreciation costs of the telecommunication towers (which are recorded under property and equipment).

Repairs and maintenance. Repair and maintenance expense comprises primarily payments to third party contractors for repairs and maintenance of our telecommunications sites.

Security. Security expense comprises payments to third party contractors for security services at tower sites.

Electricity. Electricity expense comprises electricity costs at most of our telecommunications sites, and fuel for generators used at certain of our tower sites. Electricity costs incurred for the operation of customer's equipment at our telecommunication sites are paid by our customers, except for some of our DAS network customers. For those customers, we charge electricity costs as a component of the maintenance fees and pay the actual electricity cost incurred for operation of antenna equipment at our telecommunication sites.

Insurance. Insurance expense comprises premiums paid for the insurance coverage for our telecommunications sites.

Depreciation of transportable towers. Depreciation of transportable towers represents depreciation costs of the transportable towers (which are recorded under property and equipment).

Others. Other expense mainly comprises expenses for business trips and site visits for operational staff, corporate social responsibility events and expenses related to maintaining our relationship with local communities near our sites and tax on land and buildings.

Gross Profit

Our gross profit comprises total revenue less cost of revenue. The following table shows our gross profit, including as a percentage of total revenue, for the periods indicated:

	Year Ended December 31,						Nine months ended September 30,			
	2016		2017		2018		2018		2019	
							(unaudited)		(unaudited)	
	(Rp. in millions, except percentages)									
Gross Profit	2,973,206	80.1%	3,355,324	83.4%	3,534,055	81.8%	2,588,603	81.7%	2,815,546	81.2%

Operating Expenses

Our operating expenses were 8.5%, 8.5%, 8.8%, 8.7% and 9.3% of our total revenue for the years ended December 31, 2016, 2017 and 2018 and the nine months ended September 30, 2018 and 2019, respectively. The following table shows the breakdown of our operating expenses and each item as a percentage of our operating expenses for the periods indicated:

	Year Ended December 31,						Nine months ended September 30,				
	2016		2017		2018		2018		2019		
							(unaudited)		(unaudited)		
	(Rp. in millions, except percentages)										
Salaries, wages and allowances	174,641	55.3%	192,164	56.0%	220,922	57.9%	162,563	58.8%	195,377	60.7%	
Depreciation	30,510	9.7%	36,182	10.5%	32,641	8.6%	24,437	8.8%	23,890	7.4%	
Sponsorship and representation	23,779	7.5%	25,236	7.4%	28,372	7.4%	19,527	7.1%	18,749	5.8%	
Office expenses	14,412	4.6%	16,359	4.8%	20,312	5.3%	15,434	5.6%	15,488	4.8%	
Professional fees	18,509	5.9%	20,224	5.9%	19,201	5.0%	14,431	5.2%	19,237	6.0%	
Employee benefits expenses	12,730	4.0%	14,044	4.1%	15,158	4.0%	10,533	3.8%	13,274	4.1%	
Office rent	16,238	5.2%	10,757	3.1%	10,627	2.8%	8,164	2.9%	9,982	3.1%	
Travel duty	7,255	2.3%	8,491	2.5%	10,046	2.6%	7,368	2.6%	6,832	2.1%	
Rental vehicles	5,730	1.8%	5,647	1.6%	6,759	1.8%	4,618	1.7%	5,712	1.8%	
Telecommunication	1,727	0.5%	1,308	0.4%	927	0.2%	727	0.3%	523	0.2%	
Others	10,070	3.2%	12,766	3.7%	16,498	4.3%	8,751	3.2%	12,786	4.0%	
Total	315,601	100.0%	343,178	100.0%	381,463	100.0%	276,553	100.0%	321,850	100.0%	

Salaries, wages and allowances. Salaries, wages and allowances expense comprises salaries, bonuses and allowances for our employees.

Depreciation. Depreciation expense is related to the depreciation of property and equipment using the straight-line method over their estimated useful lives.

Sponsorship and representation. Sponsorship and representation expense mainly comprises of expenses for public relations events and sponsorship for our customers, donations to disaster relief, corporate social responsibility events expenses which are not directly related to where our sites are located and marketing expenses to maintain and expand our customer relationships.

Office expenses. Office expenses comprise miscellaneous office expenses including printing and stationary, postage and courier, subscription expenses and electricity in head and regional offices.

Professional fees. Professional fees comprise fees for lawyers, accountants and other advisors.

Employee benefits expenses. Employee benefits expense is the provision for post-employment benefits for employees (in accordance with the Manpower Law).

Office rent. Office rent expense comprises lease payment for the rental of office space at our head office in Jakarta and regional offices.

Travel duty. Travel duty expense comprises expenses for business trips and site visits by non-operational staff.

Rental vehicles. Rental vehicles expense comprises payments for rental vehicles used by personnel at our regional offices.

Telecommunication. Telecommunication expense comprises expenses for mobile and fixed line phone expenses, including voice and data communications, at our head office and regional offices.

Others. Other expenses consist principally of minor items of miscellaneous expenditures including staff training, advertising and company functions.

Income from Operations

Our income from operations comprises revenue less cost of revenue and operating expenses. The following table shows our income from operations, including as a percentage of total revenue, for the periods indicated:

	Year Ended December 31,			Nine months ended September 30,		
	2016	2017	2018	2018	2019	
				(unaudited)	(unaudited)	
	(Rp. in millions, except percentages)					
Income from operations . . .	2,657,605	71.6%	3,012,146	74.9%	3,152,592	73.0%
	2,312,050	73.0%	2,493,696	71.9%		

Other Income (Charges)

The following table shows the breakdown of our other income (charges), including as a percentage of total revenue, for the periods indicated:

	Year Ended December 31,						Nine months ended September 30,			
	2016		2017		2018		2018		2019	
							(unaudited)		(unaudited)	
	(Rp. in millions, except percentages)									
Gain (Loss) on foreign exchange — net	25,277	0.7%	13,938	0.3%	2,221	0.1%	(6,131)	(0.2%)	9,285	0.3%
Increase (decrease) of fair value on investment properties	(44,072)	(1.2%)	7,210	0.2%	7,728	0.2%	888	0.0%	—	—
Interest income	5,545	0.1%	6,709	0.2%	8,431	0.2%	6,929	0.1%	8,199	0.2%
Tax arising from assets revaluation	(80,303)	(2.2%)	—	—	—	—	—	—	—	—
Impairment of fair value of goodwill	(40,057)	(1.1%)	(121,467)	(3.0%)	(15,722)	(0.4%)	—	—	—	—
Financial expenses — Interest	(1,691,801)	(45.6%)	(1,815,954)	(45.1%)	(2,003,573)	(46.4%)	(1,464,381)	(46.2%)	(1,448,354)	(41.7%)
Financial expenses — Others	(99,100)	(2.7%)	(148,076)	(3.7%)	(68,024)	(1.6%)	(52,078)	(1.6%)	(57,673)	(1.7%)
Income tax final	—	—	—	—	—	—	—	—	(60,662)	(1.7%)
Others — Net	52,677	1.4%	(46,867)	(1.2%)	(49,368)	(1.1%)	(62,795)	(2.0%)	(54,486)	(1.6%)

Gain (Loss) on foreign exchange — Net. Gain (Loss) on foreign exchange — Net primarily comprises translation gains and losses on our monetary assets and liabilities denominated in U.S. dollars including certain unsecured U.S. dollar-denominated loans from third parties.

Increase (decrease) of fair value of investment properties. Increase (decrease) of fair value of investment properties comprises the difference between the carrying cost and fair market value of our investment properties at the end of the relevant accounting period.

Interest income. Interest income comprises interest earned on our cash and cash equivalents deposited in our operating accounts.

Tax arising from assets revaluation. In December 2015, PT Tower Bersama Infrastructure Tbk and our subsidiaries, PT Solu Sindo Kreasi Pratama (“SKP”) and PT Towerindo Konvergensi, registered for the revaluation of their assets for tax purposes according to the Minister of Finance of Republic of Indonesia Regulation No. 191/PMK.010/2015 dated October 15, 2015. An independent appraiser was appointed to perform the revaluation for the investment property as of December 31, 2015 and, in 2016, the Director General of Taxes approved the results of the revaluation of the asset.

Impairment of fair value of goodwill. Effective from January 1, 2011, we conduct an impairment test in respect of goodwill from prior business combinations. See Notes 3 and 36 to our consolidated financial statements for a further discussion of this accounting policy.

Financial expenses — Interest. Financial expenses — Interest comprises interest paid and accrued interest on our debt outstanding under our U.S. dollar and Rupiah-denominated bank loans and our U.S. dollar and Rupiah-denominated bonds issued, as well as certain unsecured loans from third parties.

Financial expenses — Others. Financial expenses — Others comprise amortization of commitment and facility fees under our U.S. dollar and Rupiah denominated bank loans and bonds.

Income tax final. Income tax final represents the amount of final income tax due from the Company relating to rental income for leases of telecommunication towers that is subject to a tax rate of 10%.

Others — Net. Others — Net charges consist principally of minor items of miscellaneous non-operating expenditure.

Other Comprehensive Income

Revaluation surplus. A revaluation of our property and equipment at fair value is made at each reporting year. If the carrying amount of the asset increases as a result of the revaluation, the increase is recognized in other comprehensive income and accumulates in equity in the revaluation surplus section. However, the increase is recognized in profit and loss up to the same amount of impairment loss due to revaluation previously recognized in profit or loss. If the carrying amount of the asset decreases as a result of the revaluation, the decrease is recognized in profit or loss. The impairment is recognized in other comprehensive income, in order to reduce the accumulated amount of the revaluation surplus, as long as it does not exceed the revaluation surplus balance of the asset.

The revaluation surplus of property and equipment may be transferred to the retained earnings when there is a termination or disposal of the asset. Some revaluation surpluses may also be transferred in line with asset use. In that case, the revaluation surplus transferred to retained earnings is the difference between the amount of depreciation based on the revaluation amount and the amount of depreciation based on the initial cost. The transfer is not made through profit or loss.

Cash flows hedging reserves. We enter into hedging contracts in order to mitigate the fluctuations in interest rates and exchange rates from debt denominated in foreign currency.

Non-controlling interest

Non-controlling interest represents the minority shareholders' rights and interest in the equity and net profit of our subsidiaries that are not wholly-owned based on the percentage ownership of the minority shareholders in such subsidiaries.

Results of Operations

Nine months ended September 30, 2019 compared to nine months ended September 30, 2018

Revenue. Revenue increased by 9.5% to Rp.3,469,357 million (US\$244.8 million) in the nine months ended September 30, 2019 from Rp.3,167,813 million in the nine months ended September 30, 2018, primarily due to an increase in the number of our organic tenancies, which was offset by a one-off discontinuation of tenancies from PT Internux at the end of December 2018. The total number of our telecommunications sites increased to 15,485 as of September 30, 2019 from 14,450 as of September 30, 2018, and the total number of our tenancies increased to 27,789 as of September 30, 2019 from 24,886 as of September 30, 2018. In addition, our tenancy ratio increased to 1.80x as of September 30, 2019 from 1.73x as of September 30, 2018, as we improved the utilization of existing towers by adding more co-locations. In addition, the financial results of GHON and GOLD, which we acquired in the fourth quarter of 2018, are reflected in our consolidated financial information as of and for the nine months ended September 30, 2019.

Cost of revenue. Cost of revenue increased by 12.9% to Rp.653,811 million (US\$46.1 million) in the nine months ended September 30, 2019 from Rp.579,210 million in the nine months ended September 30, 2018, primarily due to the increase in tenancies and in the increase in the depreciation of towers, electricity expense, repair and maintenance expense and other expenses.

Land lease and licenses cost — amortization. Land lease and licenses cost — amortization increased by 6.6% to Rp.234,677 million (US\$16.6 million) in the nine months ended September 30, 2019 from Rp.220,240 million in the nine months ended September 30, 2018, primarily due to an increase in the number of tower sites.

Depreciation of towers. Depreciation of towers increased by 17.5% to Rp.191,496 million (US\$13.5 million) in the nine months ended September 30, 2019 from Rp.162,929 million in the nine months ended September 30, 2018.

Repairs and maintenance. Repairs and maintenance expense increased by 13.8% to Rp.129,761 million (US\$9.2 million) in the nine months ended September 30, 2019 from Rp.114,065 million in the nine months ended September 30, 2018, primarily due to an increase in the number of tenancies.

Security. Security expense increased by 7.4% to Rp.32,773 million (US\$2.3 million) in the nine months ended September 30, 2019 from Rp.30,502 million in the nine months ended September 30, 2018, primarily due to an increase in the number of tower sites.

Electricity. Electricity expense increased by 87.7% to Rp.19,488 million (US\$1.4 million) in the nine months ended September 30, 2019 from Rp.10,385 million in the nine months ended September 30, 2018, primarily due to an increase in the number of sites requiring electricity connection.

Insurance. Insurance expense increased by 3.4% to Rp.19,271 million (US\$1.4 million) in the nine months ended September 30, 2019 from Rp.18,640 million in the nine months ended September 30, 2018, primarily due to an increase in the number of tenancy additions insured by the Company.

Depreciation of transportable towers. Depreciation of transportable towers increased to Rp.12,643 million (US\$0.9 million) from Rp.11,786 million in the nine months ended September 30, 2019 from the nine months ended September 30, 2018.

Others. Other expenses increased by 28.5% to Rp.13,702 million (US\$1.0 million) in the nine months ended September 30, 2019 from Rp.10,663 million in the nine months ended September 30, 2018, primarily due to an increase in land and building tax expense payments.

Gross profit. As a result of the foregoing, our gross profit increased by 8.8% to Rp.2,815,546 million (US\$198.6 million) in the nine months ended September 30, 2019 from Rp.2,588,603 million in the nine months ended September 30, 2018.

Operating expenses. Operating expenses increased by 16.4% to Rp.321,850 million (US\$22.7 million) in the nine months ended September 30, 2019 from Rp.276,553 million in the nine months ended September 30, 2018, primarily due to an increase in salaries, wages and allowances. Salaries, wages and allowances increased by 20.2% to Rp.195,377 million in the nine months ended

September 30, 2019 from Rp.162,563 million in the nine months ended September 30, 2018, primarily due to additional personnel that we hired and existing personnel from acquired companies.

Income from operations. As a result of the foregoing, our income from operations increased by 7.9% to Rp.2,493,696 million (US\$175.9 million) in the nine months ended September 30, 2019 from Rp.2,312,050 million in the nine months ended September 30, 2018.

Gain (loss) on foreign exchange — Net. We had a gain on foreign exchange — net of Rp.9,285 million (US\$0.7 million) in the nine months ended September 30, 2019 compared to a loss on foreign exchange — net of Rp.6,131 million in the nine months ended September 30, 2018. This was primarily due to the impact of a strengthening of the Rupiah from Rp.14,465 per U.S. dollar to Rp.14,174 per U.S. dollar in the nine months ended September 30, 2019 compared to the weakening of the Indonesian Rupiah from Rp.13,542 per U.S. dollar to Rp.14,929 per U.S. dollar in the nine months ended September 30, 2018.

Interest income. Interest income increased by 18.3% to Rp.8,199 million (US\$0.6 million) in the nine months ended September 30, 2019 from Rp.6,929 million in the nine months ended September 30, 2018, primarily due to a higher average cash balance in the nine months ended September 30, 2019.

Financial expenses — Interest. Financial expenses — Interest decreased by 1.1% to Rp.1,448,354 million (US\$102.2 million) in the nine months ended September 30, 2019 from Rp.1,464,381 million in the nine months ended September 30, 2018.

Financial expenses — Others. Financial expenses — Others increased by 10.7% to Rp.57,673 million (US\$4.1 million) in the nine months ended September 30, 2019 from Rp.52,078 million in the nine months ended September 30, 2018, primarily due to our prepayment of Facility A.

Income tax final. We incurred income tax final of Rp.60,662 million in the nine months ended September 30, 2019, while our income tax final in the nine months ended September 30, 2018 was nil, due to the introduction of a new taxation regulation (GR 34) in September 2017, which resulted in a reversal of our deferred tax liability in 2017.

Others — Net. Others — Net decreased by 13.2% to Rp.54,486 million (US\$3.8 million) in the nine months ended September 30, 2019 from Rp.62,795 million in the nine months ended September 30, 2018 primarily due to a loss recorded as a result of our divestment of shares of PT Smartfren Telecom Tbk in 2018.

Other charges — Net. Our other charges — Net increased by 1.7% to Rp.1,603,691 million (US\$113.1 million) in the nine months ended September 30, 2019 from Rp.1,577,568 million in the nine months ended September 30, 2018.

Profit before income tax. As a result of the foregoing, our profit before income tax increased by 21.2% to Rp.890,005 million (US\$62.8 million) in the nine months ended September 30, 2019 from Rp.734,482 million in the nine months ended September 30, 2018.

Income tax benefits (expenses) — net. Our income tax expenses were Rp.245,314 million (US\$17.3 million) in the nine months ended September 30, 2019 as compared to income tax expenses — net of Rp.103,931 million in the nine months ended September 30, 2018 as a result of a decrease in the deferred tax in 2019.

Current tax expense. Our current tax expense increased by 78.6% to Rp.191,152 million (US\$13.5 million) in the nine months ended September 30, 2019 from Rp.107,050 million in the nine months ended September 30, 2018, primarily due to a reduction in carryforward losses and depreciation expense in our subsidiaries, which resulted in higher profit in our subsidiaries.

Deferred tax. Our deferred tax expense was Rp.54,162 million (US\$3.8 million) in the nine months ended September 30, 2019, as compared to a deferred tax benefit of Rp.3,119 million in the nine months ended September 30, 2018, due to the reversal of unused tax losses.

Revaluation surplus. Our revaluation surplus increased by 45.7% to Rp.93,464 million (US\$6.6 million) in the nine months ended September 30, 2019 from Rp.64,149 million in the nine months ended September 30, 2018, primarily due to higher co-location growth in 2019.

Cash flows hedging reserves. Our cash flows hedging reserves decreased by 79.7% to Rp.157,638 million (US\$11.1 million) in the nine months ended September 30, 2019 from Rp.774,751 million in the nine months ended September 30, 2018, primarily due to receipt from in-the-money expiring hedges.

Net profit attributable to equity holder of the parent company. As a result of the foregoing, our net profit attributable to equity holder of the parent company decreased by 1.8% to Rp.611,962 million (US\$43.2 million) in the nine months ended September 30, 2019 from Rp.623,454 million in the nine months ended September 30, 2018.

Net profit attributable to non-controlling interest. We recorded higher net profit attributable to non-controlling interest of Rp.32,729 million (US\$2.3 million) in the nine months ended September 30, 2019, as compared to Rp.7,097 million in the nine months ended September 30, 2018, primarily due to our acquisition of control of two listed tower companies, GHON and GOLD, in the fourth quarter of 2018.

Net profit for the period. As a result of the foregoing, our net profit for the period increased by 2.2% to Rp.644,691 million (US\$45.5 million) in the nine months ended September 30, 2019 from Rp.630,551 million in the nine months ended September 30, 2018.

Year ended December 31, 2018 compared to year ended December 31, 2017

Revenue. Revenue increased by 7.3% to Rp.4,318,137 million in the year ended December 31, 2018 from Rp.4,023,085 million in the year ended December 31, 2017, primarily due to an increase of tenancies, which increased to 25,518 as of December 31, 2018 from 23,018 as of December 31, 2017. Our tenancy ratio remained relatively stable at 1.69 as of December 31, 2018 from 1.71 as of December 31, 2017, as we added more towers than co-locations. On October 1, 2018, we acquired control of GHON, and its financial results have since been reflected in our consolidated financial information.

Cost of revenue. Cost of revenue increased by 17.4% to Rp.784,082 million in the year ended December 31, 2018 from Rp.667,761 million in the year ended December 31, 2017. The components of our cost of revenue generally increased in line with the increase in our revenue across the same period other than land lease and license cost amortization, electricity and repair and maintenance expenses, for the reasons described below.

Land lease and licenses cost — amortization. Land lease and licenses cost — amortization increased by 27.3% to Rp.304,108 million in the year ended December 31, 2018 from Rp.238,873 million in the year ended December 31, 2017, primarily due to an increase in the number of tower sites as well as from land lease renewals in 2018.

Depreciation of towers. Depreciation of towers increased by 8.7% to Rp.214,588 million in 2018 from Rp.197,490 million in 2017, based on the fair value measurement of the tower assets done by the independent appraiser.

Repairs and maintenance. Repairs and maintenance expense increased by 14.4% to Rp.154,240 million in the year ended December 31, 2018 from Rp.134,843 million in the year ended December 31, 2017, primarily due to an increase in the number of our tenancies.

Security. Security expense increased by 5.7% to Rp.41,292 million in the year ended December 31, 2018 from Rp.39,063 million in the year ended December 31, 2017, primarily due to an increase in the number of tower sites.

Electricity. Electricity expense increased by 34.1% to Rp.14,784 million in the year ended December 31, 2018 from Rp.11,027 million in the year ended December 31, 2017, primarily due to an increase in number of sites requiring electricity connection.

Insurance. Insurance expense increased by 1.0% to Rp.25,073 million in the year ended December 31, 2018 from Rp.24,821 million in the year ended December 31, 2017, primarily due to an increase in the number of tenancy additions insured by the Company.

Depreciation of transportable towers. Depreciation of transportable towers increased by 58.8% to Rp.15,971 million in the year ended December 31, 2018 from Rp.10,056 million in the year ended December 31, 2017, primarily due to an increase in the number of transportable towers.

Others. Other expenses increased by 21.0% to Rp.14,026 million in the year ended December 31, 2018 from Rp.11,588 million in the year ended December 31, 2017, primarily due to an increase in land and building tax expense payments in 2018.

Gross profit. As a result of the foregoing, our gross profit increased by 5.3% to Rp.3,534,055 million in the year ended December 31, 2018 from Rp.3,355,324 million in the year ended December 31, 2017.

Operating expenses. Operating expenses increased by 11.2% to Rp.381,463 million in the year ended December 31, 2018 from Rp.343,178 million in the year ended December 31, 2017, primarily due to increase in salaries, wages and allowances. Salaries, wages and allowances increased by 15.0% to Rp.220,922 million in the year ended December 31, 2018 from Rp.192,164 million in the year ended December 31, 2017, primarily due to additional personnel that we hired and existing personnel from acquired companies.

Income from operations. As a result of the foregoing, our income from operations increased by 4.7% to Rp.3,152,592 million in the year ended December 31, 2018 from Rp.3,012,146 million in the year ended December 31, 2017.

Other charges — Net. Our other charges — Net increased by 0.7% to Rp.2,118,307 million in the year ended December 31, 2018 compared to Rp.2,104,507 million in the year ended December 31, 2017.

Gain (Loss) on foreign exchange — Net. Gain on foreign exchange — Net was Rp.2,221 million in the year ended December 31, 2018 compared to gain on foreign exchange — net of Rp.13,938 million in the year ended December 31, 2017, primarily due to the weakening of the Rupiah in 2018 from Rp.13,548 per U.S. dollar at the end of 2017 to Rp.14,481 per U.S. dollar at the end of 2018.

Increase of fair value of investment properties. Increase of fair value of investment properties was Rp.7,728 million in the year ended December 31, 2018 compared to Rp.7,210 million in the year ended December 31, 2017. See “— Critical Accounting Policies — Investment properties.”

Interest income. Interest income increased by 25.7% to Rp.8,431 million in the year ended December 31, 2018 from Rp.6,709 million in the year ended December 31, 2017 as a result of having a higher average cash balance in 2018.

Impairment of fair value of goodwill. Impairment of fair value of goodwill decreased by 87.1% to Rp.15,722 million in the year ended December 31, 2018 from Rp.121,467 million in the year ended December 31, 2017 due to the non-renewal of some tenancies in 2017.

Financial expenses — Interest. Financial expenses — Interest increased by 10.3% to Rp.2,003,573 million in the year ended December 31, 2018 from Rp.1,815,954 million in the year ended December 31, 2017, primarily due to higher average loan balance during 2018.

Financial expenses — Others. Financial expenses — Others decreased by 54.1% to Rp.68,024 million in the year ended December 31, 2018 from Rp.148,076 million in the year ended December 31, 2017, primarily due to the costs related to the early prepayment in 2017 of the 4.625% senior unsecured notes in aggregate principal amount of US\$300.0 million issued by TBG Global Pte. Ltd.

Others — Net. Others — Net increased by 5.3% to Rp.49,368 million in the year ended December 31, 2018 from Rp.46,867 million in the year ended December 31, 2017 due to losses experienced from the sale of shares in PT Smartfren Telecom Tbk in 2018.

Profit before income tax. As a result of the foregoing, our profit before income tax increased by 14.0% to Rp.1,034,285 million in the year ended December 31, 2018 from Rp.907,639 million in the year ended December 31, 2017.

Income tax benefits (expenses) – net. Our income tax expenses was Rp.(331,653) million in the year ended December 31, 2018 as compared to income tax benefits of Rp.1,431,390 million in the year ended December 31, 2017, as a result of the introduction of GR 34 in September 2017, which is a new taxation regulation that resulted in a reversal of our deferred tax liability in 2017.

Current tax. Our current tax increased to Rp.204,705 million in the year ended December 31, 2018 from Rp.145,552 million in the year ended December 31, 2017, primarily due to higher taxable income in 2018.

Deferred tax. Our deferred tax expense decreased to Rp.(126,948) million in the year ended December 31, 2018 from a deferred tax benefit of Rp.1,576,942 million in the year ended December 31, 2017, primarily due to the introduction of GR 34 in September 2017, which is a new taxation regulation that resulted in a reversal of our deferred tax liability in 2017.

Revaluation surplus. Our revaluation surplus increased to Rp.83,074 million in the year ended December 31, 2018 from Rp.29,312 million in the year ended December 31, 2017, primarily due to an increase in tenancies.

Cash flows hedging reserves. Our cash flows hedging reserves increased to Rp.963,650 million in the year ended December 31, 2018 from a loss of Rp.79,765 million in the year ended December 31, 2017, primarily due to receipt from in-the-money expiring hedges for U.S. dollar-denominated bonds that were prepaid in 2017.

Net profit attributable to equity holder of the parent company. As a result of the foregoing, our profit attributable to equity holder of the parent company decreased by 70.6% to Rp.680,581 million in the year ended December 31, 2018 from Rp.2,316,368 million in the year ended December 31, 2017.

Net profit attributable to non-controlling interest. As a result of the foregoing, our profit attributable to non-controlling interest decreased to Rp.22,051 million in the year ended December 31, 2018 from Rp.22,661 million in the year ended December 31, 2017.

Net profit for the period. As a result of the foregoing, our net profit for the period decreased by 70.0% to Rp.702,632 million in the year ended December 31, 2018 from Rp.2,339,029 million in the year ended December 31, 2017.

Year ended December 31, 2017 compared to year ended December 31, 2016

Revenue. Revenue increased by 8.4% to Rp.4,023,085 million in the year ended December 31, 2017 from Rp.3,711,174 million in the year ended December 31, 2016, primarily due to an increase of tenancies. Our total tenancies increased to 23,018 as of December 31, 2017 from 20,486 as of December 31, 2016, and our tenancy ratio increased to 1.71 as of December 31, 2017 from 1.63 as of December 31, 2016.

Cost of revenue. Cost of revenue decreased by 9.5% to Rp.667,761 million in the year ended December 31, 2017 from Rp.737,968 million in the year ended December 31, 2016, primarily due to continued improvements from the economies of scale and a decrease in depreciation expense.

Land lease and licenses cost — amortization. Land lease and licenses cost — amortization increased to Rp.238,873 million in the year ended December 31, 2017 from Rp.208,031 million in the year ended December 31, 2016, primarily due to an increase in licenses cost amortization in 2017 as well as from land lease renewals.

Depreciation of towers. Depreciation of towers decreased by 38.3% to Rp.197,490 million in 2017 from Rp.320,303 million in 2016, based on the fair value measurement of the tower assets done by the independent appraiser.

Repairs and maintenance. Repairs and maintenance expense increased by 11.6% to Rp.134,843 million in the year ended December 31, 2017 from Rp.120,778 million in the year ended December 31, 2016, primarily due to an increase in the tenancies.

Security. Security expense increased by 1.3% to Rp.39,063 million in the year ended December 31, 2017 from Rp.38,566 million in the year ended December 31, 2016, primarily due to an increase in the number of tower sites.

Electricity. Electricity expense decreased by 18.9% to Rp.11,027 million in the year ended December 31, 2017 from Rp.13,604 million in the year ended December 31, 2016, primarily due to decreased genset expenses.

Insurance. Insurance expense increased by 6.7% to Rp.24,821 million in the year ended December 31, 2017 from Rp.23,257 million in the year ended December 31, 2016, primarily due to an increase in the number of tenancies.

Depreciation of transportable towers. Depreciation of transportable towers increased by 175.9% to Rp.10,056 million in the year ended December 31, 2017 from Rp.3,645 million in the year ended December 31, 2016 as a result of an increase in the number of transportable towers.

Others. Other expenses increased by 18.4% to Rp.11,588 million in the year ended December 31, 2017 from Rp.9,784 million in the year ended December 31, 2016, primarily due to an increase in miscellaneous operating expenditure.

Gross profit. As a result of the foregoing, our gross profit increased by 12.9% to Rp.3,355,324 million in the year ended December 31, 2017 from Rp.2,973,206 million in the year ended December 31, 2016.

Operating expenses. Operating expenses increased by 8.7% to Rp.343,178 million in the year ended December 31, 2017 from Rp.315,601 million in the year ended December 31, 2016, primarily due to an increase in salaries, wages and allowances, depreciation and other fees and expenses related to sponsorship and representation, office expenses, professional fees, employee benefits expenses and travel duty. Salaries, wages and allowances increased by 10.0% to Rp.192,164 million in the year ended December 31, 2017 from Rp.174,641 million in the year ended December 31, 2016, primarily due to additional personnel that we hired.

Income from operations. As a result of the foregoing, our income from operations increased by 13.3% to Rp.3,012,146 million in the year ended December 31, 2017 from Rp.2,657,605 million in the year ended December 31, 2016.

Other charges — Net. Our other charges — Net was Rp.2,104,507 million in the year ended December 31, 2017 compared to Rp.1,871,834 million in the year ended December 31, 2016.

Gain (Loss) on foreign exchange — Net. Gain on foreign exchange — Net was Rp.13,938 million in the year ended December 31, 2017 compared to a gain on foreign exchange of Rp.25,277 million in the year ended December 31, 2016, primarily due to decreased volatility in the relevant exchange rates in 2017 compared to 2016.

Increase of fair value of investment properties. Increase of fair value of investment properties was Rp.7,210 million in the year ended December 31, 2017 compared to a decrease of Rp.44,072 million in the year ended December 31, 2016. See “— Critical Accounting Policies — Investment properties.”

Interest income. Interest income increased by 21.0% to Rp.6,709 million in the year ended December 31, 2017 from Rp.5,545 million in the year ended December 31, 2016 as a result of higher average balance of cash and cash equivalents as well as “restricted cash in banks” in reserve accounts established under U.S. dollar and Rupiah denominated bank loans throughout the year.

Tax arising from assets revaluation. We did not incur any tax arising from assets revaluation in the year ended December 31, 2017, as compared to tax arising from assets revaluation of Rp.80,303 million in the year ended December 31, 2016.

Impairment of fair value of goodwill. Impairment of fair value of goodwill increased by 203.2% to Rp.121,467 million in the year ended December 31, 2017 from Rp.40,057 million in the year ended December 31, 2016 primarily due to the non-renewal of certain tenancies.

Financial expenses — Interest. Financial expenses — Interest increased by 7.3% to Rp.1,815,954 million in the year ended December 31, 2017 from Rp.1,691,801 million in the year ended December 31, 2016, primarily due to higher average loan balance during 2017.

Financial expenses — Others. Financial expenses — Others increased to Rp.148,076 million in the year ended December 31, 2017 from Rp.99,100 million in the year ended December 31, 2016, primarily due to cost related to the early prepayment of the 4.625% senior unsecured notes in aggregate principal amount of US\$300 million issued by TBG Global Pte. Ltd in 2017.

Others — Net. Others — Net decreased to a loss of Rp.46,867 million in the year ended December 31, 2017 from a gain of Rp.52,677 million in the year ended December 31, 2016 primarily due to a lumpsum cash receipt from early termination of Telkom Flexi contracts in 2016.

Profit before income tax. As a result of the foregoing, our profit before income tax increased by 15.5% to Rp.907,639 million in the year ended December 31, 2017 from Rp.785,771 million in the year ended December 31, 2016.

Income tax benefits (expenses) – net. Our income tax benefits were Rp.1,431,390 million in the year ended December 31, 2017 as compared to income tax expenses of Rp.(62,558) million in the year ended December 31, 2016 as a result of the introduction of GR 34 in September 2017, which is a new taxation regulation that resulted in a reversal of our deferred tax liability.

Current tax. Our current tax increased to Rp.145,552 million in the year ended December 31, 2017 from Rp.135,076 million in the year ended December 31, 2016, primarily due to higher taxable income in 2017.

Deferred tax. Our deferred tax benefits increased to Rp.1,576,942 million in the year ended December 31, 2017 from Rp.72,518 million in the year ended December 31, 2016, primarily due to as a result of the introduction of GR 34 in September 2017, which is a new taxation regulation that resulted in a reversal of our deferred tax liability.

Revaluation surplus. Our revaluation surplus decreased to Rp.29,312 million in the year ended December 31, 2017 from Rp.578,180 million in the year ended December 31, 2016, based on the revaluation calculation done by a third-party appraiser.

Cash flows hedging reserves. Our cash flows hedging reserves decreased to a loss of Rp.79,765 million in the year ended December 31, 2017 from a gain of Rp.226,940 million in the year ended December 31, 2016, primarily due to decreased volatility in the relevant exchange rates in 2017 compared to 2016.

Net profit attributable to equity holder of the parent company. As a result of the foregoing, our profit attributable to equity holder of the parent company increased by 224.5% to Rp.2,316,368 million in the year ended December 31, 2017 from Rp.713,807 million in the year ended December 31, 2016.

Net profit attributable to non-controlling interest. Our profit attributable to non-controlling interest increased to Rp.22,661 million in the year ended December 31, 2017 from Rp.9,406 million in the year ended December 31, 2016, primarily due to an increase in net profit in subsidiaries where the Company holds minority interests.

Net profit for the period. As a result of the foregoing, our net profit for the period increased by 223.4% to Rp.2,339,029 million in the year ended December 31, 2017 from Rp.723,213 million in the year ended December 31, 2016.

Recent Accounting Pronouncements

The Indonesian FAS includes the Statements of Finance Accounting Standards (“PSAK”) and the Interpretations of Financial Accounting Standards (“ISAK”) issued by the Financial Accounting Standards Board, Institute of Accountants in Indonesia. We do not believe that the following new standards, amendments, improvements and interpretations, which are issued and effective for the financial year on or after January 1, 2019, have a material impact on our consolidated financial statements:

- PSAK 22 (Improvements 2018), “Business Combination;”
- PSAK 24 (Amendment 2018), “Employee Benefits regarding Plan Amendment, Curtailment or Settlement;”
- PSAK 26 (Improvements 2018), “Borrowing Costs;”
- PSAK 46 (Improvements 2018), “Income Taxes – Recognition of Deferred Tax Assets for Unrealized Losses;”
- PSAK 66 (Improvements 2018), “Joint Arrangement;”
- ISAK 33, “Foreign Currency Transaction and Advance Consideration;” and
- ISAK 34, “Uncertainty Over Income Tax Treatments.”

As of the date of this offering circular, we are still evaluating the potential impact of the following new standards and interpretation and amendments to standards, which have been issued but are not yet effective for the financial year beginning on January 1, 2019:

- Amendments to PSAK 71, “Financial Instruments: Prepayment Features with Negative Compensation;”
- PSAK 72, “Revenue from Contracts with Customers;” and
- PSAK 73, “Leases.”

All new standards and amendments to standards are effective for the financial year beginning on January 1, 2020, while the new interpretation is effective beginning on January 1, 2019. An early adoption of the above new standards and amendments to standards is permitted, while an early adoption of PSAK 73 is permitted only upon the early adoption of PSAK 72 as well. See Note 2 to our consolidated financial statements for further details.

Liquidity and Capital Resources

We have principally used our cash for the expansion of our site portfolio by construction of new sites and acquisition of independent tower companies and their site portfolios, and the addition of co-locations. Our main source of liquidity has been cash received from our customers, and bank and bond borrowings. We currently rely on cash generated from operations and debt financing to fund our operations, construction of new sites and acquisitions of independent tower companies and their site portfolios.

We believe that after taking into account the use of proceeds from this offering, the expected cash to be generated from operations and the financial resources currently available to us, we have sufficient liquidity for our present and anticipated working capital needs, our debt service obligations, and for other cash requirements, for the 12 months following the date of this offering circular.

Consolidated Statements of Cash Flows Data

	Year Ended December 31,				Nine Months Ended September 30,		
	2016	2017	2018	2018	2018	2019	2019 ⁽¹⁾
				(unaudited) (US\$ in millions)	(unaudited) (Rp. in millions)	(unaudited) (Rp. in millions)	(unaudited) (US\$ in millions)
	(Rp. in millions)						
Cash flows from operating activities:							
Cash received from customers	4,449,051	3,958,821	4,319,731	304.8	3,405,836	3,954,052	279.0
Interest received from current accounts	5,545	6,709	8,431	0.6	6,929	8,199	0.6
Payments of tax arising from assets revaluation	(9,265)	—	—	—	—	—	—
Payments of income tax	(195,148)	(182,501)	(190,563)	(13.4)	(139,822)	(199,554)	(14.1)
Cash paid to employees	(193,177)	(247,157)	(228,894)	(16.1)	(198,413)	(187,778)	(13.2)
Cash paid to suppliers	(283,028)	(349,979)	(668,753)	(47.2)	(461,024)	(325,303)	(23.0)
Net cash flows provided by operating activities	3,773,978	3,185,893	3,239,952	228.7	2,613,506	3,249,616	229.3
Cash flows from investing activities:							
Sale proceeds of property and equipment	—	73,288	18,647	1.3	18,647	—	—
Sale of investment in shares	—	—	1,817	0.1	1,817	—	—
Purchase shares	—	—	(371,511)	(26.2)	(157,492)	—	—
Payments for land lease:							
New lease	(122,974)	(138,847)	(195,990)	(13.8)	(146,836)	(90,181)	(6.3)
Renewal lease	(170,208)	(144,164)	(194,387)	(13.7)	(151,208)	(155,446)	(11.0)
Purchase of mandatory exchangeable bonds	—	—	—	—	(64,350)	—	—
Acquisition of property investment	(19,957)	(1,021)	(5,190)	(0.4)	(3,401)	(4,419)	(0.3)
Acquisition of property and equipment	(1,052,193)	(1,579,626)	(1,458,245)	(102.9)	(1,163,180)	(1,314,054)	(92.7)
Net cash flows used in investing activities	(1,365,332)	(1,790,370)	(2,204,859)	(155.6)	(1,666,003)	(1,564,100)	(110.3)

	Year Ended December 31,				Nine Months Ended September 30,		
	2016	2017	2018	2018	2018	2019	2019 ⁽¹⁾
				(unaudited) (US\$ in millions)	(unaudited)	(unaudited)	(unaudited) (US\$ in millions)
	(Rp. in millions)				(Rp. in millions)		
Cash flows from financing activities:							
Withdrawals of bank loans	2,052,611	6,426,519	3,887,051	274.2	3,000,980	8,828,618	622.9
Receipt from derivatives	—	—	1,014,857	71.6	1,014,857	452,727	31.9
Issuance of notes	230,000	1,400,000	1,236,000	87.2	608,000	750,000	52.9
Share repurchase	(12,436)	—	(4,995)	(0.4)	(4,995)	—	—
Payments of finance lease	(4,055)	(4,645)	(4,839)	(0.3)	(3,577)	(5,136)	(0.4)
Treasury Stock	(906,348)	(56,290)	(517,761)	(36.5)	(450,872)	(42,889)	(3.0)
Dividend payment	(592,000)	(665,000)	(760,910)	(53.7)	(760,377)	(600,000)	(42.3)
Payments of interest and cost of borrowing for long-term loans and notes	(1,673,707)	(1,935,427)	(1,983,036)	(139.9)	(1,609,292)	(1,668,860)	(117.7)
Payments of bank loans and long-term notes	(1,428,866)	(6,520,271)	(4,095,560)	(288.9)	(2,866,979)	(9,306,781)	(656.6)
Proceeds from the issuance of new shares — subsidiaries	—	—	—	—	—	32,580	2.3
Payments of fees related to the issuance of new shares — subsidiaries	—	—	—	—	—	(1,625)	(0.1)
Dividend payment — subsidiaries	—	—	—	—	—	(9,197)	(0.6)
Receipt from related party	—	—	—	—	—	1,200	0.1
Net cash flows used in financing activities	(2,334,801)	(1,355,114)	(1,229,193)	(86.7)	(1,072,255)	(1,569,363)	(110.7)
Effects from changes in foreign exchange rates on cash and cash equivalents	(4,634)	1,693	7,242	0.5	10,720	(3,377)	(0.2)
Net increase (decrease) on cash and cash equivalent	69,211	42,102	(186,858)	(13.1)	(114,032)	112,776	8.0
Cash and cash equivalents at the beginning of year	296,131	365,342	407,444	28.7	407,444	220,586	15.6
Cash and cash equivalents at end of period	365,342	407,444	220,586	15.6	293,412	333,362	23.5

Note:

- (1) Converted into U.S. dollars based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information.”

Net Cash Provided by Operating Activities

Net cash provided by operating activities consists of cash received from our customers, cash paid to suppliers, cash paid to employees and cash inflows and outflows reflecting receipts, payments of interest received from current accounts and income tax and payments of tax arising from assets revaluation.

In the nine months ended September 30, 2019, cash received from customers totaled Rp.3,954,052 million, cash paid to suppliers totaled Rp.325,303 million, cash paid to employees

totalled Rp.187,778 million and payments of income tax totalled Rp.199,554 million. After taking into account net cash from interest received from current accounts, our net cash provided by operating activities amounted to Rp.3,249,616 million in the nine months ended September 30, 2019.

In 2018, cash received from customers totalled Rp.4,319,731 million, cash paid to suppliers totalled Rp.668,753 million, cash paid to employees totalled Rp.228,894 million and payments of income tax totalled Rp.190,563 million. After taking into account net cash from interest received from current accounts and deposits, our net cash flows provided by operating activities amounted to Rp.3,239,952 million in 2018.

In 2017, cash received from customers totalled Rp.3,958,821 million, cash paid to suppliers totalled Rp.349,979 million, cash paid to employees totalled Rp.247,157 million and payments of income tax totalled Rp.182,501 million. After taking into account net cash from interest received from current accounts and deposits, our net cash flows provided by operating activities amounted to Rp.3,185,893 million in 2017.

In 2016, cash received from customers totalled Rp.4,449,051 million, cash paid to suppliers totalled Rp.283,028 million, cash paid to employees totalled Rp.193,177 million, payments of income tax totalled Rp.195,148 million and payments of tax arising from assets revaluation totalled Rp.9,265 million. After taking into account net cash from interest received from current accounts and deposits, our net cash flows provided by operating activities amounted to Rp.3,773,978 million in 2016.

Net Cash Used in Investing Activities

Net cash used in investing activities consists primarily of cash received from the sale of property and equipment and the sale of investment in shares, and cash paid in purchase shares, the payments for land lease, our acquisitions of property investments, and acquisition of property and equipment.

Our net cash flows used in investing activities was Rp.1,564,100 million in the nine months ended September 30, 2019, primarily consisting of the payments of land lease of Rp.245,627 million, our acquisitions of property investments of Rp.4,419 million, and acquisition of property and equipment of Rp.1,314,054 million.

In 2018, our net cash flows used in investing activities was Rp.2,204,859 million, primarily consisting of cash received from the sale proceeds of property and equipment of Rp.18,647 million and the sale of investment in shares of Rp.1,817 million, offset by cash paid in purchase shares of Rp.371,511 million relating to our acquisition of controlling stakes in two listed tower companies, GHON and GOLD, the payments of land lease of Rp.390,377 million, our acquisitions of property investments of Rp.5,190 million and our acquisition of property and equipment of Rp.1,458,245 million.

In 2017, our net cash flows used in investing activities was Rp.1,790,370 million, primarily consisting of cash received from the sale proceeds of property and equipment of Rp.73,288 million, offset by cash paid in the payments of land lease of Rp.283,011 million, our acquisitions of property investments of Rp.1,021 million and our acquisition of property and equipment of Rp.1,579,626 million.

In 2016, our net cash flows used in investing activities was Rp.1,365,332 million, primarily consisting of cash paid in the payments of land lease of Rp.293,182 million, our acquisitions of property investments of Rp.19,957 million and our acquisition of property and equipment of Rp.1,052,193 million.

Net Cash from Financing Activities

Net cash from financing activities consists primarily of cash flows from withdrawals of bank loans, receipt from derivatives, issuance of notes, and cash paid for share repurchase, payments of finance lease, purchase of treasury stock, dividend payments, payments of interest and cost of borrowing for long-term loans and notes, and payment of bank loans and long-term notes.

Our net cash flows used in financing activities was Rp.1,569,363 million in the nine months ended September 30, 2019, primarily consisting of withdrawals of bank loans of Rp.8,828,618 million, receipt from derivatives of Rp.452,727 million, and issuance of notes of Rp.750,000 million, the payments of finance lease of Rp.5,136 million, the purchases of treasury stock and payments of dividend of Rp.642,889 million, the payments of interest and cost of borrowing for long-term loans and notes of Rp.1,668,860 million, and the payments of bank loans and long-term notes of Rp.9,306,781 million, the net proceeds from the issuance of new shares for subsidiaries of Rp.32,580 million, payment of fees related to the issuance of new shares for subsidiaries of Rp.1,625 million, the dividend payment to subsidiaries of Rp.9,197 million and the receipt from related party of Rp.1,200 million.

In 2018, our net cash flows used in financing activities was Rp.1,229,193 million, primarily consisting of withdrawals of bank loans of Rp.3,887,051 million, receipt from derivatives of Rp.1,014,857 million, and issuance of notes of Rp.1,236,000 million, partially offset by the share repurchase of Rp.4,995 million, the payments of finance lease of Rp.4,839 million, the purchases of treasury stock of Rp.517,761 million, the payments of dividends of Rp.760,910 million, the payments of interest and cost of borrowing for long-term loans and notes of Rp.1,983,036 million, and the payments of bank loans and long-term notes of Rp.4,095,560 million.

In 2017, our net cash flows used in financing activities was Rp.1,355,114 million, primarily consisting of withdrawals of bank loans of Rp.6,426,519 million and issuance of notes of Rp.1,400,000 million, partially offset by the payments of finance lease of Rp.4,645 million, the purchases of treasury stock of Rp.56,290 million, the payments of dividends of Rp.665,000 million, the payments of interest and cost of borrowing for long-term loans and notes of Rp.1,935,427 million, and the payments of bank loans and long-term notes of Rp.6,520,271 million.

In 2016, our net cash flows used in financing activities was Rp.2,334,801 million, primarily consisting of withdrawals of bank loans of Rp.2,052,611 million and issuance of notes of Rp.230,000 million, partially offset by the share repurchase of Rp.12,436 million, the payments of finance lease of Rp.4,055 million, the purchases of treasury stock of Rp.906,348 million, the payments of dividends of Rp.592,000 million, the payments of interest and cost of borrowing for long-term loans and notes of Rp.1,673,707 million, and the payments of bank loans and long-term notes of Rp.1,428,866 million.

Capital Expenditures

Historically, we have funded our capital expenditures through a combination of cash from operations and long-term and short-term debt financing. We include as capital expenditures, acquisitions of property investment, acquisitions of property and equipment, acquisition and investment in shares, and payments of land lease. We include the cost of these items on our balance sheet upon completion of construction or acquisition. The following table summarizes our historical capital expenditures relating to our property and equipment, investment properties, acquisition and investment in shares and payments of land lease, for the periods indicated:

	Year Ended December 31,				Nine months ended September 30,		
	2016	2017	2018	2018	2018	2019	2019 ⁽¹⁾
	(Rp. in millions)				(unaudited) (Rp. in millions)	(unaudited)	(unaudited)
					(US\$ in millions)		
Acquisition of property investment	(19,957)	(1,021)	(5,190)	(0.4)	(3,401)	(4,419)	(0.3)
Acquisition of property and equipment	(1,052,193)	(1,579,626)	(1,458,245)	(102.9)	(1,163,180)	(1,314,054)	(92.7)
Purchase of shares	—	—	(371,511)	(26.2)	(157,492)	—	—
Payments for land lease:							
New lease	(122,974)	(138,847)	(195,990)	(13.8)	(146,836)	(90,181)	(6.3)
Renewal lease	(170,208)	(144,164)	(194,387)	(13.7)	(151,208)	(155,446)	(11.0)
Total	(1,365,332)	(1,863,658)	(2,225,323)	(157.0)	(1,622,117)	(1,564,100)	(110.3)

Note:

- (1) Converted into U.S. dollars based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information.”

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Indebtedness

Our gross debt was Rp.22,860 billion (US\$1.61 billion) as of September 30, 2019. It consisted of aggregate principal indebtedness of Rp.14,230,696 million (US\$1,004.0 million) in U.S. dollar-denominated bank loans, Rp.4,960,900 million (US\$350.0 million) in U.S. dollar-denominated bonds, Rp.36,750 million (US\$2.6 million) in Rupiah-denominated bank loans, Rp.3,616,000 million (US\$255.1 million) in Rupiah-denominated bonds and Rp.15,412 million (US\$1.1 million) in finance leases. See Notes 23, 24 and 25 to our unaudited interim consolidated financial statements as of September 30, 2019 and for the nine months ended September 30, 2018 and 2019 and “Description of Material Indebtedness,” for further details of our outstanding and historical debt.

Our gross debt after taking into account our hedging arrangements was Rp.21,122 billion (US\$1.49 billion) as of September 30, 2019. It consisted of Rp.13,149,260 million (US\$927.7 million) in syndication loans, Rp.36,750 million (US\$2.6 million) in non-syndication loans, Rp.7,921,000 million (US\$558.8 million) in notes, and Rp.15,412 million (US\$1.1 million) in finance leases. See Note 41 to our unaudited interim consolidated financial statements as of September 30, 2019 and for the nine months ended September 30, 2018 and 2019 and “— Market Risk Disclosures” for further details of our financial risk management.

Our total cash and cash equivalents in banks as of September 30, 2019 was Rp.333,362 million (US\$ 23.5 million).

The following table sets out certain details relating to our long-term borrowings (other than finance leases) as of September 30, 2019:

Facility	Borrowings (before deducting unamortized borrowing costs) Outstanding as of September 30, 2019	Committed and Undrawn Amount as of September 30, 2019	Interest Rate Per Annum	Maturity
	(Rp. and US\$ in millions, unless otherwise stated)			
US\$375.0 million Revolving Loan Facility ⁽¹⁾	US\$375.0 (Rp.5,315,250.0)	—	LIBOR plus 1.75% (for offshore lenders) or 1.85% (for onshore lenders)	January 2025
Facility B under the Credit Facilities (revolving loan facility) ⁽¹⁾⁽²⁾	US\$177.3 (Rp.2,512,696.0)	US\$122.7 (Rp.1,739,149.8)	LIBOR plus 1.75% (for offshore lenders) or 1.85% (for onshore lenders)	June 2022
Facility D under the Credit Facilities (term loan facility) ⁽¹⁾	US\$275.0 (Rp.3,897,850.0)	—	LIBOR plus 2.00% (for offshore lenders) or 2.10% (for onshore lenders)	June 2021
US\$200.0 million Revolving Loan Facility ⁽¹⁾⁽³⁾	US\$176.7 (Rp.2,504,900.0)	US\$23.3 (Rp.330,254.2)	LIBOR plus 1.75% (for offshore lenders) or 2.00% (for onshore lenders)	June 2022
US\$350.0 million 5.25% Senior Unsecured Notes due 2022 issued by TBG Global Pte. Ltd. ⁽¹⁾	US\$350.0 (Rp.4,960,900.0)	—	5.25%	February 2022
Rp.150,000 million revolving credit facility with PT Bank UOB Indonesia, consisting of: (i) Rp.50,000 million uncommitted revolving credit facility ("RCF 1"); and (ii) Rp.100,000 million committed revolving credit facility ("RCF 2") ⁽⁴⁾	Rp.36,750.0	—	For RCF 1: JIBOR plus 1.75% (if total debt to EBITDA ratio is less than 3 times) and JIBOR plus 2.25% (if total debt to EBITDA ratio is 3 times or more) For RCF 2: JIBOR plus 2.50% (if total debt to EBITDA ratio is less than 3 times) and JIBOR plus 3.00% (if total debt to EBITDA ratio is 3 times or more)	For RCF 1: October 2020 For RCF 2: January 2021
Continuous Bonds II Phase I ⁽⁵⁾	Rp.230,000.0	—	9.25%	July 2021

Facility	Borrowings (before deducting unamortized borrowing costs) Outstanding as of September 30, 2019	Committed and Undrawn Amount as of September 30, 2019	Interest Rate Per Annum	Maturity
	(Rp. and US\$ in millions, unless otherwise stated)			
Continuous Bonds II Phase II ⁽⁶⁾	Rp.700,000.0	—	8.75%	April 2020
Continuous Bonds II Phase III ⁽⁷⁾	Rp.700,000.0	—	8.40%	September 2020
Continuous Bonds III Phase I ⁽⁸⁾	Rp.608,000.0	—	8.50%	July 2021
Continuous Bonds III Phase II ⁽⁹⁾	Rp.628,000.0	—	8.50%	October 2019
Continuous Bonds III Phase III ⁽¹⁰⁾	Rp.750,000.0	—	8.00%	June 2020

Notes:

- (1) Converted into Rupiah based on the exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019 for the convenience of the reader as described under “Presentation of Financial Information.”
- (2) We intend to use the net proceeds of this offering to repay outstanding indebtedness under this facility and/or the US\$200.0 million Revolving Loan Facility.
- (3) We intend to use the net proceeds of this offering to repay outstanding indebtedness under this facility and/or Facility B under the Credit Facilities.
- (4) Equivalent to US\$2.59 million based on an exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019.
- (5) Equivalent to US\$16.2 million based on an exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019.
- (6) Equivalent to US\$49.4 million based on an exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019.
- (7) Equivalent to US\$49.4 million based on an exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019.
- (8) Equivalent to US\$42.9 million based on an exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019.
- (9) Equivalent to US\$44.3 million based on an exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019. The Continuous Bonds III Phase II matured on October 28, 2019 and were fully repaid by the Company.
- (10) Equivalent to US\$52.9 million based on an exchange rate of Rp.14,174 = US\$1.00 on September 30, 2019.

Contractual Obligations

The following table sets forth our contractual obligations to make future principal payments (excluding interest charges but before deducting unamortized costs) of the Company’s financial liabilities as of December 31, 2018:

	Expected cash payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
(Rp. in millions)					
Contractual Obligations					
2017 RLF, 2018 RCF, 2019 RLF and Credit Facilities ⁽¹⁾	15,069,511	3,279,604	6,550,790	5,239,117	—
Existing USD Notes and IDR Bonds ⁽¹⁾	7,934,350	628,000	2,238,000	5,068,350	—
Finance leases ⁽¹⁾	17,963	5,095	8,099	4,769	—
Total	23,021,824	3,912,699	8,796,889	10,312,236	—

Note:

(1) Does not include interest payable.

Under the provisions of the Asset Purchase Agreement dated February 7, 2012, entered into by and among the Company, PT Solusi Menara Indonesia (SMI) and Indosat, relating to our acquisition of 2,500 towers from Indosat, if our co-location revenues exceed a stated target in any year ending on or prior to December 31, 2022, we are required to pay an earn-out amount to Indosat. The maximum aggregate earn-out amount payable is US\$112.5 million. On October 11, 2019, we made our first payment of US\$18.75 million to Indosat. The above table does not reflect such future contingent payments.

Market Risk Disclosures

Our major market risk exposures include, among other things, changes in interest rates and currency exchange rates. See Note 42 to our consolidated financial statements included elsewhere in this offering circular for further details.

Interest Rate Risk

We are exposed to interest rate risk through the impact rate changes on our interest-bearing liabilities. The interest rates for our borrowings can fluctuate over our borrowing period. From time to time, we enter into interest rate swap contracts to hedge our interest rate exposure.

Foreign Currency Risk

Our foreign currency denominated liabilities as of September 30, 2019 comprised mainly borrowings denominated in U.S. dollars under our bank loans and the bonds we had issued. Our revenue is principally denominated in Rupiah, and we are exposed to fluctuations in foreign exchange rates resulting mainly from our debt denominated in U.S. dollars. We hedge a portion of our foreign currency exposure principally because the receipts of our annual U.S. dollar operating revenue were less than the sum of payments of our U.S. dollar capital expenditures. We enter into forward foreign currency contracts with international financial institutions, where we typically pay a fixed rate of premium. To the extent the Rupiah declines in value relative to the U.S. dollar, the value of our monetary assets and liabilities denominated in U.S. dollars will increase in Rupiah terms. See Note 41 to our consolidated financial statements for a description of our historical monetary assets and liabilities denominated in foreign currencies. As of September 30, 2019, if the Rupiah had strengthened by 1.0% against the foreign currencies that we are exposed to, with all other variables held constant, profit for the period would have been higher by Rp.23,368 million (US\$1.6 million) mainly as a result of foreign exchange gains on the translation of monetary assets and liabilities denominated in foreign currency.

Effects of Inflation

Indonesia had an annual inflation rate of 3.0% in 2016, 3.6% in 2017 and 3.1% in 2018 and an average inflation of 3.1% in the first nine months of 2019 according to Badan Pusat Statistik estimates. We do not consider inflation in Indonesia, where all of our operations are currently located, to have had a material impact on the results of our operations. Inflation in Indonesia could adversely affect our net income and cash flow to the extent we are unable to increase our revenue to cover any increases in our operating expenses resulting from inflation. Although the maintenance fees for many of our tenancies are adjusted annually based on inflation, our lease fees are fixed and we may, upon renewal of our lease agreements, be constrained in our ability to increase our lease fees in response to inflation because of competitive pressures.

INDUSTRY OVERVIEW

Introduction

Macroeconomic Overview

Indonesia is the largest economy in Southeast Asia and the 10th largest economy in the world in terms of purchasing power parity. A diverse archipelago nation of more than 300 ethnic groups, Indonesia is the world's fourth most populous nation with a population size of approximately 268 million in 2018.

Indonesia has enjoyed steady economic growth over the past decade, averaging between five to six percent on the back of a young demographic profile, a growing middle class, and benign macroeconomic conditions such as moderate inflation, rising foreign direct investment and relatively low unemployment.

Figure 1: Demographic and economic facts

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Economic Facts					
GDP (current US\$ in billion)	891	861	932	1,015	1,042
Real GDP Growth	5.0%	4.9%	5.0%	5.1%	5.2%
Inflation	6.4%	6.4%	3.5%	3.8%	3.2%
FDI, net inflows (BoP, current US\$ in billion)	25.1	19.8	4.5	20.5	20.0
Unemployment (modeled ILO estimate)	4.0%	4.5%	4.3%	4.2%	4.3%
Demographic Facts					
Population (in million)	255	258	262	265	268
Population Growth	1.3%	1.3%	1.2%	1.2%	1.1%

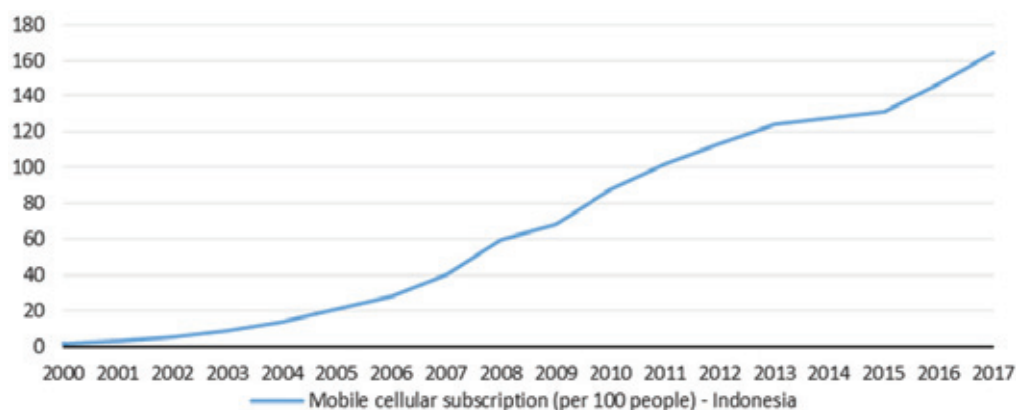
Source: World Bank

Indonesia is currently rated Baa2/Stable by Moody's, BBB/Stable by S&P and BBB/Stable by Fitch. All three rating agencies have upgraded Indonesia over the past two years. In 2017, S&P was the last credit rating agency to upgrade Indonesia to investment grade rating.

Mobile Phone Penetration

The Indonesian mobile market has experienced rapid growth over the past decade, from 20.7% mobile penetration rate in 2005 to 164% in 2017. Young Indonesians, especially those in the rapidly growing urban middle-class, are early adopters of mobile technology and internet technology. With approximately 40% of the population under 25 years of age, the demand for those technologies is expected to be robust, which in turn indicates strong growth potential for the telecom and tower industry.

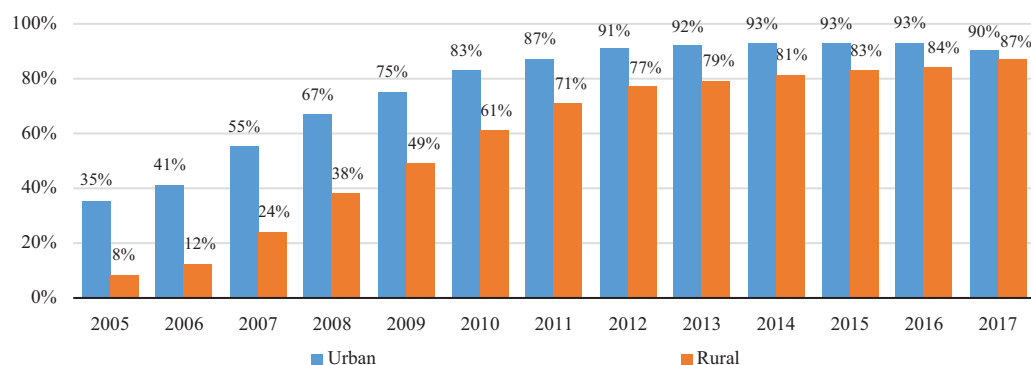
Figure 2: Indonesia mobile cellular subscription (per 100 people)



Source: World Bank

The initial mobile penetration growth has been driven by the urban population since 2005. Additionally, the urban-rural gap in terms of mobile phone ownership has narrowed over the past decade, further driving the overall mobile phone penetration in the Indonesian market.

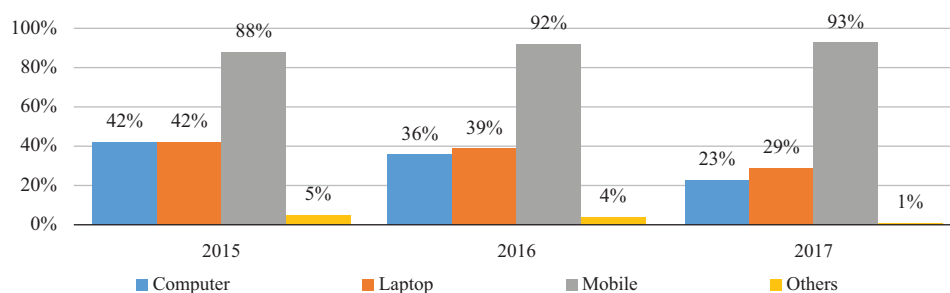
Figure 3: Percentage of household that owns cellular phone by urban rural classification



Source: Statistics Indonesia

Apart from a rapid growth in mobile phone ownership, Indonesians increasingly prefer to use mobile phones to access the internet. This is especially so in the rural areas where there is typically low fixed broadband coverage due to Indonesia's complex geography hampering development of fixed broadband infrastructure. From 2015 to 2017, household's access to internet shifted from using computers and laptops, which are usually connected through fixed broadband, to using mobile phones.

Figure 4: Percentage of household accessing internet by media of access



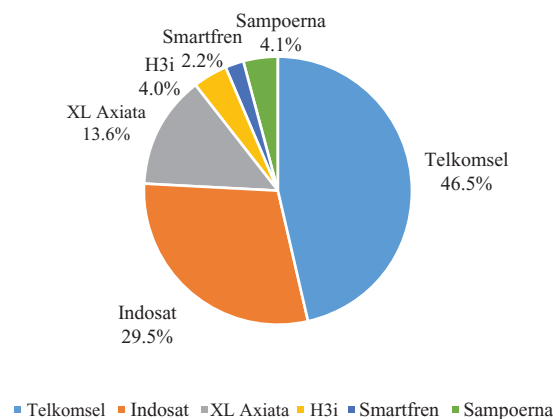
Source: Statistics Indonesia

Mobile Network Operator (“MNO”) Overview

The mobile network market is serviced by a number of operators. The three largest MNOs, namely Telkomsel, Indosat and XL Axiata, have approximately 90% of the Indonesia’s mobile subscriber market share. These operators are established players with shareholders including global telecommunications firms and the Indonesian government. Coupled with their financial strength, they are rated investment grade by at least one of the three major credit rating agencies.

Other MNOs in the market include PT Hutchison 3 Indonesia (“H3i”), Smartfren and Sampoerna (“Net 1”). They provide additional growth opportunities for the independent tower operators but represent a relatively small market share currently.

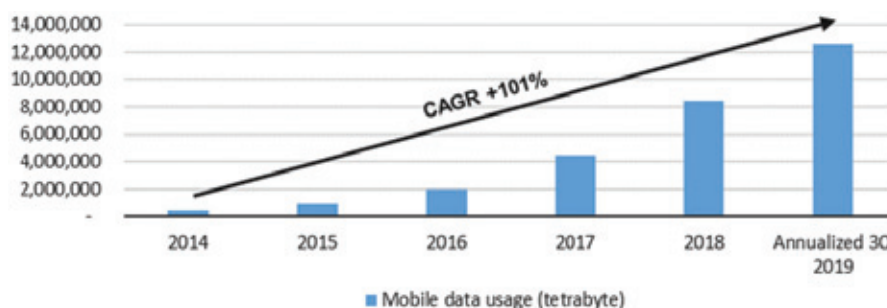
Figure 5: Market share by subscribers count of the 6 largest operators as of April 2018



Source: Export.gov

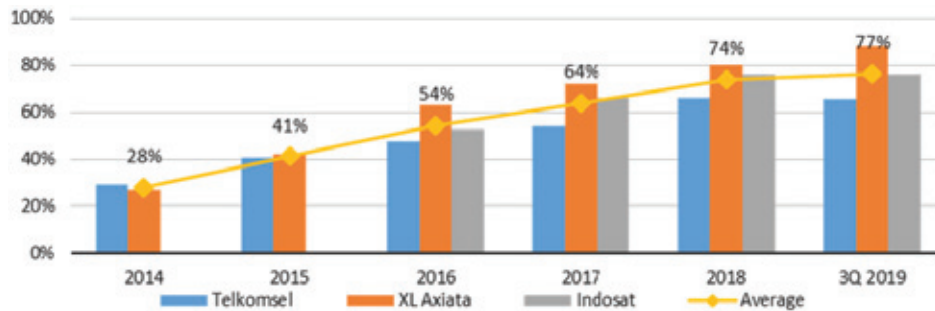
Following the on-going shift of demand from 2G to 3G / 4G networks, the Indonesian telecommunications industry has been achieving better data monetization in recent years. All top three operators have experienced increase in smartphone penetration amongst their subscribers and a correspondingly surge in data usage. The growing availability and breadth of smartphone applications, including for social networks, gaming or video streaming, carry increasing data transfer requirements. These trends, in a market environment with low fixed broadband penetration, are expected to drive mobile operators’ revenue growth going forward.

Figure 6: Data usage compiled from Telkomsel, XL Axiata and Indosat



Source: Telkomsel, XL Axiata and Indosat Reports

Figure 7: Percentage of smartphone subscribers



Source: Telkomsel, XL Axiata and Indosat Reports

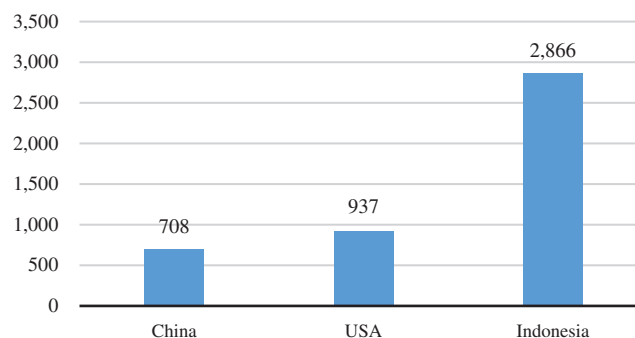
Telecom Tower Industry in Indonesia – Overview

The rapid growth in the usage of wireless data services is driven by the proliferation of mobile devices and data heavy applications. Coupled with increasing user demand for high quality telecommunication services, this necessitates investments by telecom operators in high capacity network infrastructure, network densification and coverage expansion. These investments facilitate a strong increase in the required number of base stations and towers and in turn, drive sustainable growth for tower infrastructure operators.

The growth of wireless network infrastructure in Indonesia is further supported by relatively low 4G penetration, especially in ex-Java territories. In addition, the relatively low penetration of alternative fixed broadband services, low tower density per capita, limited availability for wireless frequency spectrum overall, the high towers requirement for higher frequency spectrum bands used in 3G and 4G networks, as well as still relatively low overall data usage per user will continue to drive growth for tower infrastructure operators.

From 2015 to 2018, the number of towers in Indonesia has grown from approximately 69,500 to approximately 93,500, with an overall CAGR of 10.4%. According to TowerXchange, Indonesian tower operators build approximately 3,000-5,000 towers, rooftops and infill sites per year and tenancy ratio growth compares favorably to many other global tower markets. A comparison of Indonesia's population per telecom tower with levels seen in other tower markets such as the United States or China suggests the need for increased infrastructure investment by telecommunication operators to increase tower density or number of towers per capita. Overall, the Indonesian tower industry is structurally well positioned for further growth in the medium to long-term as the operator led network roll-outs create substantial demand. A large portion of this demand is fueled by leading operators as they expand the coverage reach and increase capacity of their 4G networks.

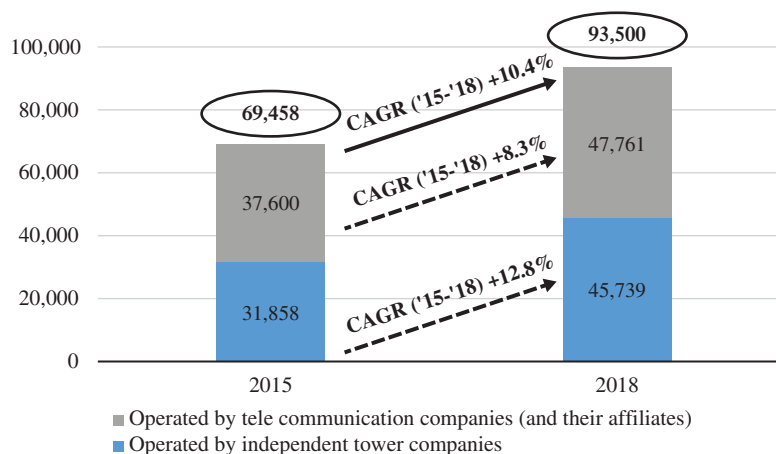
Figure 8: Estimated population per telecom tower



Source: TowerXchange, World Bank, CTIA 2019 Annual Survey Highlights

Higher density requirements of 5G technology, similarly to the ongoing transition from 2G to 3G / 4G networks, will require far larger tower additions, and should translate into significant investments and further increase in demand in the long-term for sites and towers including small cells and DAS networks. Despite selective network trials to be undertaken by wireless operators, 5G technology is not expected to have imminent impact on the tower space in Indonesia.

Figure 9: Estimated tower number in Indonesia operated by independent tower companies and telecommunication operators & their affiliates in 2015 and 2018



Source: TowerXchange, Tower Bersama, Protelindo and STP Reports

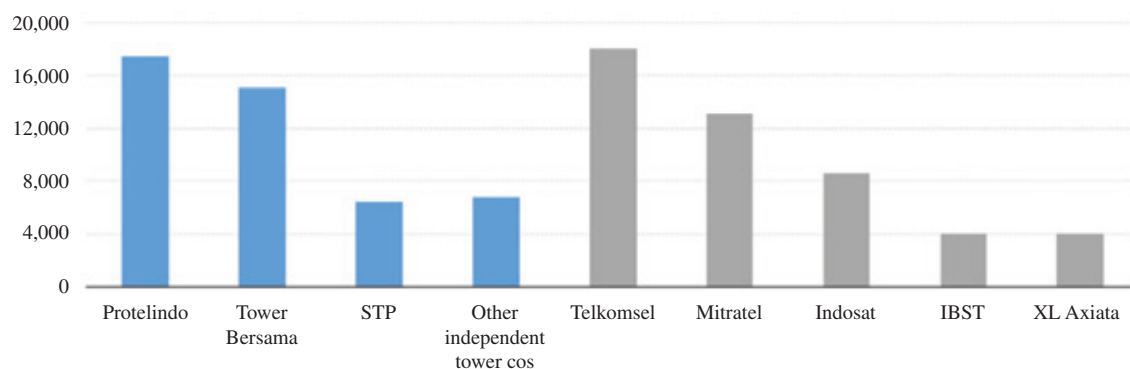
Note: Telecommunication operators and affiliates include: Telkomsel, Indosat, XL Axiata, Mitratel (affiliated to Telkomsel) and IBST (affiliated to Smartfren); independent tower companies include: Tower Bersama, Protelindo, STP, and other independent operators

It is expected that substantially all new tower growth will go to tower companies as telecommunications operators continue to increase the outsourcing of construction of sites and leasing space from tower companies. This is in line with historical trends, where independent tower companies grew their tower portfolios at faster pace (2015 to 2018 CAGR of 12.8%) than telecommunication operators and their affiliates (2015 to 2018 CAGR of 8.3%) and the tower industry overall. This is because the outsourcing model provides the most efficient way in terms of cost and time for network operators to expand and densify their networks to provide quality communication services.

Historically, the majority of the towers were built and owned by the telecommunications operators. Over time, independent tower companies have increased their share and currently account

for almost half of approximately 93,500 towers in Indonesia. This is due to their proven ability to deliver build-to-suit towers, acquire site portfolios divested by telecommunications operators, and consolidate smaller tower operators.

Figure 10. Estimated tower count in Indonesia by independent towers companies and by telecommunications operators and affiliates in 2018



Source: TowerXchange, Tower Bersama, Protelindo and STP Reports

Note: Other independent tower companies include Persadasokka Tama, Centratama Menara, Balitowers, Pekape and others

The two largest independent tower companies — Protelindo and Tower Bersama dominate the independent tower market and combined account for approximately 35% of the estimated total tower count as at end 2018. Each of the two operators is more than twice the size of the third largest independent player, STP. In addition, there are a number of subscale active tower companies with small portfolios and with limited reach and ability to service leading telecommunications operators.

Amongst the operators, Telkomsel and Mitratel, continue to hold significant tower portfolios in addition to Indosat and XL Axiata. The latter two have over time systematically divested significant portfolios to raise capital for network investments and debt repayments. It is expected that operators will continue to gradually divest tower portfolios over time to independent service providers that do not compete in their core business activities.

Large tower operators have the advantage of well-established relationships with telecommunications companies, track record and experience, portfolio benefits and economies of scale, ability to access competitive financing, capability to build on a large scale within desired timelines and in required locations in diverse areas of the Indonesian Archipelago, as well as professional management. We expect that the largest tower companies will continue to benefit from growth and densification of telecommunication networks in Indonesia. In addition, we believe the tower companies with greatest exposure to build-to-suit orders from the dominant wireless operator, Telkomsel, are best positioned to increase their tenancies through co-location by other telecommunications companies, who look to save cost and ensure rapid deployment.

In general, profitability of towers owned by the large independent tower companies is higher compared to that of towers owned by telecommunications companies. This is due to their independent status and their ability to secure optimal sites to facilitate co-location of multiple tenants at relatively low incremental cost. In addition, independent tower companies have a clear business focus and overall cost discipline.

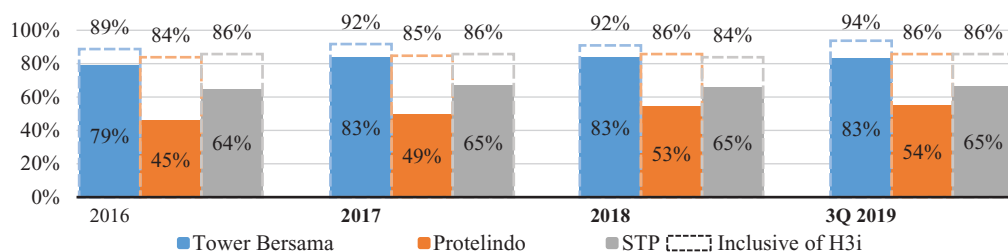
We believe the independent tower operator business model is defensive in nature. Customer retention is high due to high switching costs, such as revenue loss from network disruptions in the

event of relocation of mission critical equipment and there are penalties from early termination of contracts. The tower industry in Indonesia has gone through multiple contract renewal stages, indicating a similar dynamic to the high historical renewal rates observed in other mature tower markets such as the United States. The long term contracts signed typically with high creditworthiness customers, provide substantial visibility and stability to future financial performance of tower operators.

Customer Mix and Asset Quality of Independent Tower Operators

Amongst independent tower operators, we rank favorably amongst our peers — Protelindo and STP, in terms of exposure to Investment Grade (“IG”) customers (specifically Telkom, Indosat, XL Axiata). Higher exposure to IG customers provides greater growth opportunities and certainty to future cash flows, given the higher creditworthiness of the counterparties in the long term lease contracts. If H3i, an affiliate of CK Hutchison Holdings, is also taken into consideration, over 90% of our revenue is contracted to the four MNOs.

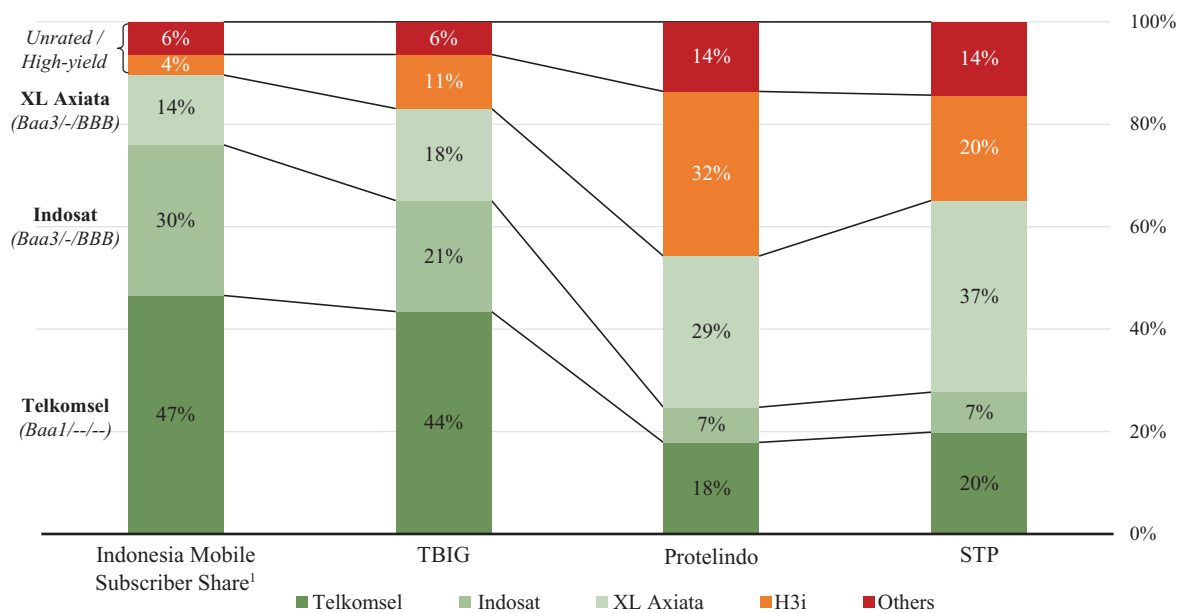
Figure 11. Revenue contribution by IG-rated telecommunications companies for Tower Bersama, Protelindo and STP (2016-3Q 2019)



Source: Tower Bersama, Protelindo and STP Reports

Compared to our peers, our revenue mix by customer closely tracks the market share of MNOs in Indonesia. Our revenue mix is well diversified, with higher exposure to the IG-rated telecommunications companies.

Figure 12. Revenue contribution by telecommunications companies for Tower Bersama, Protelindo and STP (3Q 2019)

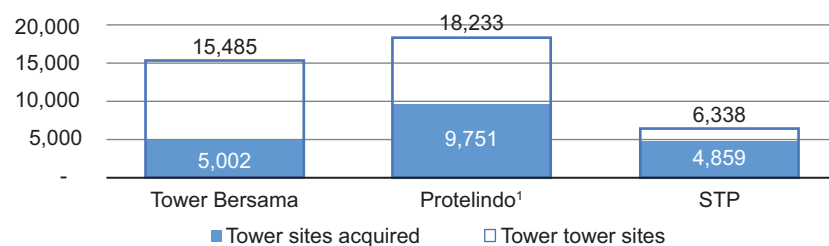


Source: Tower Bersama, Protelindo and STP Reports

Note: 1. Mobile subscriber market share of the 6 largest operators in Indonesia as of April 2018

In terms of asset quality, we believe organic build-to-suit towers are higher quality assets than acquired towers for a number of reasons. Organic towers are built based on MNO customers' network plan requirement. As these towers are typically built in unique locations, there is greater future co-location potential and higher probability of securing tenants new to a given coverage area. In addition, organic sites provide a better opportunity to assure high construction quality, optimize long term maintenance, and negotiate competitive land lease rates as compared to acquired towers. Build-to-suit towers are typically built when a long-term lease contract (each typically for a period of 10 years) is secured, whereas acquired towers often have contract terms below 10 years on average. In addition, the capital expenditure to build an organic site is typically less than the acquisition cost of a tower. We therefore believe that a portfolio with higher proportion of organic build-to-suit towers is of higher quality, and we stand out from our peers in this aspect as approximately 75% of our site portfolio is built organically.

Figure 13. Number of towers acquired from 2010 to Q3 2019 for Tower Bersama, Protelindo and STP



Source: Tower Bersama, Protelindo and STP Reports

Note: 1. Protelindo's tower sites acquired are net figures from inception of the company to 30th September 2019

BUSINESS

Overview

We are a leading independent tower company in Indonesia. Our principal business is leasing space for antennas and other equipment for wireless signal transmission at tower sites under long-term lease agreements with telecommunications operators. We also provide telecommunications operators with access to our DAS networks in shopping malls and office buildings in major urban areas. As of September 30, 2019, we operated 15,485 telecommunications sites comprising 15,396 tower sites and 89 DAS networks, and we had 27,789 tenancies on sites with five different telecommunications operators and two 4G LTE network providers. For the year ended December 31, 2018 and the nine months ended September 30, 2019, 82.6% and 83.0% of our revenue, respectively, was from Telkomsel, Indosat and XL Axiata, collectively. We lease space on tower sites under long-term lease agreements of generally 10 years and lease access to our DAS networks under long-term license agreements of generally five to eight years. As of September 30, 2019, the average remaining life of all our tenancy agreements was approximately 5.4 years, and we had total contracted revenue under our leasing agreements of approximately Rp.24,790 billion (US\$1.75 billion). Our tower leasing revenue (from tower sites), and our DAS network revenue, accounted for 99.6% and 0.4%, respectively, of our total revenue for the twelve months ended December 31, 2018.

We believe that Indonesia's tower leasing industry has strong potential for continued growth in terms of both new tower construction and additional co-locations on existing towers. We construct new sites and acquire existing site portfolios only when they meet our investment criteria which include, among others, return on investment, potential for future co-locations, ease of leasing or purchasing land for sites, ease of community approvals, and credit strength of the potential tenant(s). In particular, we only construct new sites after obtaining a commitment for long-term lease for space from a telecommunications operator. Although we generally construct sites in most provinces of Indonesia, the majority of our sites are located in areas with high population density with 12,398 sites in Java, Bali and Sumatra, and 2,693 sites in other parts of Indonesia, as of December 31, 2018.

We plan to continue to seek additional co-locations for our existing towers, as additional co-locations are accretive to our cash flow because our incremental cost of adding new tenants to existing towers is relatively low. We believe that Indonesian telecommunications operators have sought, and will continue to seek, to satisfy increases in their network coverage and capacity requirements while controlling their capital expenditures for non-core activities such as outsourcing of construction of sites and leasing space from independent tower companies. As of September 30, 2019, we had a tenancy ratio of 1.80.

Our revenue was Rp.4,318,137 million (US\$304.7 million) for the year ended December 31, 2018 and Rp.3,469,357 million (US\$244.8 million) for the nine months ended September 30, 2019. Our EBITDA and EBITDA margin were Rp.3,719,900 million (US\$262.4 million) and 86.1%, respectively, for the year ended December 31, 2018 and Rp.2,956,402 million (US\$208.6 million) and 85.2%, respectively, for the nine months ended September 30, 2019. Our annualized revenue and LQA EBITDA for the three months ended September 30, 2019 were Rp.4,767,992 million (US\$336.4 million) and Rp.4,061,196 million (US\$286.5 million), respectively. In the fourth quarter of 2018, we acquired control of two listed tower companies, GHON and GOLD. See "Management's Discussion and Analysis of our Financial Condition and Results of Operation — Factors Affecting Our Financial Condition and Results of Operations — Changes in the number of tenancies and tenancy ratio — Acquisition of site portfolios."

Key Strengths

We believe that we have the following key strengths:

Strong relationships with highly rated Indonesian telecommunications operators

Our largest customers consist of Indonesia's highly rated telecommunications operators. For the year ended December 31, 2018 and the nine months ended September 30, 2019, 82.6% and 83.0% of our revenue, respectively, was from Telkomsel, Indosat and XL Axiata (each of which has an investment grade rating from at least one of the rating agencies). Of the remaining 17.0% of our revenue for the nine months ended September 30, 2019, 10.6% was contributed by PT Hutchison 3 Indonesia. In 2013, only 62.8% of our revenue was from Telkomsel, Indosat and XL Axiata (27.5%, 23.5% and 11.8%, respectively) and, of the remaining 37.3% of our revenue, 12.1% was contributed by PT Telkom and 10.5% was contributed by PT Hutchison 3 Indonesia. Our long standing relationships with telecommunications operators help us identify opportunities to meet our customers' needs with additional co-locations and build-to-suit tower. We believe that to ensure no disruption in coverage, our customers would prioritize payments to key suppliers such as us, as we are a third-party independent service provider and we do not compete with their core business activities. Our tower leasing business also has a competitive advantage over those Indonesian telecommunications operators who offer co-locations on their tower sites to their direct competitors.

Contracted revenue under our long-term customer lease agreements provide high visibility on future revenues

Our revenues are derived from long-term lease agreements with tenants on our sites, and provide us with a highly visible recurring revenue stream. The length of our tower site lease agreements is generally 10 years and the length of our DAS network license agreements is generally five to eight years. As of September 30, 2019, our net debt after taking into account our hedging arrangements was Rp.20,789 billion (US\$1.47 billion), the contracted revenue under our customers' agreements for all types of tenancy agreements was approximately Rp.24,790 billion (US\$1.75 billion) and the average remaining life of all tenancy agreements was approximately 5.4 years. Assuming that our existing contracts are to be renewed for 10 years at a 90% renewal rate, the total contracted revenue pursuant to contract renewals is estimated to be Rp.59,651 billion (US\$4.21 billion). Our agreements generally have a fixed lease fee and a fixed or escalating maintenance fee (which typically increases annually based on inflation) payable monthly, quarterly or annually. Lease and maintenance fees vary based on tower location and height; height, size and location of our customer's antennas on the tower; and ground space and utilities provided to the customer. Since many of our sites are located in densely populated areas where telecommunications operators are experiencing high subscriber traffic and relocation of equipment takes time and involves operators reconfiguring their networks, we believe that many of our customers are likely to renew their lease agreements at the end of their current term in order to minimize disruption of coverage in such areas, avoid the potential loss of revenue and also avoid the expense they would incur from the relocation of their antenna equipment.

Extensive build-to-suit and operational experience

We believe that our extensive experience in deployment of build-to-suit sites for large Indonesian telecommunications operators, particularly our experience in SITAC and regulatory compliance, allows us to provide competitive speed-to-market on build-to-suit site construction in diverse areas of the Indonesian archipelago. Our regional management unit, supervises and works closely with our subcontractors and agents, and manages an extensive network of relationships with local vendors and government authorities. This allows us to work with our customers to identify locations where they can

install their BTS. Once a new location has been selected, tower construction is typically completed within 90 to 120 days of our customer's issuance of a work order.

Ability to acquire and integrate site portfolios

Since commencement of our business in 2004, we have acquired several tower companies and site portfolios. For example, in 2012, we acquired 2,500 towers from Indosat and in 2018, we acquired control of two listed tower companies, GHON and GOLD, which added 1,120 tenancies and 859 telecommunication sites to our portfolio. We believe that our previous acquisitions demonstrate our ability to successfully acquire and integrate large tower portfolios from large telecommunications operators. In particular, we believe that we are able to quickly assess and incorporate asset data into our own information systems to ensure that such assets can be appropriately maintained and also space on those towers can be offered to our existing customers, and we have also been able to obtain financing for such acquisitions at competitive rates. We expect that selective acquisitions of large and small site portfolios will continue to be an important part of our growth strategy and we expect to devote substantial resources to ensuring that we are aware of such opportunities and can quickly execute when an acquisition opportunity arises.

High margins and significant operating leverage

Our business enjoys high EBITDA margins that result in strong and stable cash flow from operations. Our EBITDA margins were 86.8%, 86.9%, 86.1% and 85.2% for the years ended December 31, 2016, 2017 and 2018, and the nine months ended September 30, 2019, respectively. Increases in our tenancy ratio for our existing towers should increase our operating margins because a majority of our incremental revenue from the increases of our co-location revenue flows to our operating profits. Additional co-locations are also accretive to our cash flow because the capital expenditure required for, and our incremental cost of, adding new tenants to existing sites are relatively low since most of our towers can accommodate additional co-locations without additional strengthening. As of September 30, 2019, 87.7% of our tower portfolio consisted of ground-based towers with a height of more than 32 meters and rooftop self-supporting towers which are able to accommodate three or more tenants without the need for additional capital expenditure. Our towers that are at or near structural capacity can be strengthened to provide future leasing capacity with relatively minor capital investment.

As an early entrant into the Indonesian tower leasing industry, we have been able to build site portfolios in areas where telecommunications operators experience high subscriber traffic and where there is high demand for tower space to locate BTS. As of December 31, 2018, approximately 82.2% of our sites and 84.6% of our tenancies were concentrated in the densely populated provinces of Java, Bali and Sumatra. We believe that locating our sites in these high demand areas has allowed us to increase the potential for additional co-locations.

Our tenancy ratio was 1.80 as of September 30, 2019. We believe that, with our existing portfolio of sites in high-demand areas, we are well-positioned to meet increased demand among our customers, which should allow us to further increase our tenancy ratio. In addition, although our tenancy ratios may vary from time to time due to future site portfolio acquisitions or build-to-suit construction, we believe there is strong potential for our tenancy ratio to increase in the future as we expect the existing telecommunications operators to continue to increase the outsourcing of construction of sites and leasing space from independent tower companies for their operations, and both existing telecommunications operators and new entrants are expected to roll out new technologies (such as 4G and 5G) that require site space.

Experienced management team and reputable shareholders

We have increased our tenancies from 20,486 as of December 31, 2016 to 27,789 as of September 30, 2019. We believe that our management team has the skills and experience to continue to develop and grow our business within the Indonesian telecommunications market both organically and through future acquisitions. We also believe that we benefit from the business reputation of our founding shareholders, the Saratoga Group (through Wahana) and PCI. The Saratoga Group is one of the leading business groups in Indonesia, which has business interests in key sectors of the Indonesian economy, such as consumer, infrastructure and natural resources. PCI was founded in 2005 and invested in PT Merdeka Copper Gold Tbk, a gold, silver, copper (and other related minerals) mining company with a market capitalization of approximately US\$1.8 billion as of September 30, 2019. The founding shareholders of PCI have had extensive banking and accounting experience prior to commencing the tower leasing business and therefore provide significant leadership in ensuring that proper risk management controls as well as cost-effective financing are in place. Our management has sought to leverage the relationships and expertise of both shareholders in building our business.

Our Business Strategy

The key elements of our strategy include:

Maximize co-locations on our existing site portfolio

We believe that we can continue to increase our revenue and improve our margins by increasing the tenancy ratio on our existing site portfolio. We expect that our revenues and operating profit from our tower leasing business will continue to grow because many of our existing towers are attractively located for telecommunications operators and have capacity available for additional antenna space that we can offer to customers at low incremental cost to us. The majority of our operating expenses for tower sites from and following the construction stage are of a fixed nature. Increasing the tenancy ratio will significantly increase our operating margin due to the low incremental cost of adding tenancies on existing tower sites. We will continue to focus the activities of our marketing and project management unit to increase the tenancy ratio and revenue, and further improve our margins, on our existing site portfolio. We are also continuing our efforts to improve access to information regarding our tower sites to allow faster and easier site selection by our customers. We believe that by increasing the speed with which we provide our customers with accurate and complete information about our tower sites, we will be able to increase our competitiveness and revenue generation.

Continue to strengthen our relationships with telecommunications operators

We expect that our understanding of the network expansion requirements of Indonesian telecommunications operators, combined with our ability to effectively meet those requirements, will continue to be a key component of our efforts to increase tenancies in our site portfolio. We will continue to focus on developing our relationships with our customers to identify opportunities to add new tenancies through co-locations and identify desirable new projects, including build-to-suit and acquisition opportunities.

Increase the size of our site portfolio through selective build-to-suit construction and acquisitions

We seek to increase our revenue by increasing the size of our site portfolio through both selective build-to-suit construction and selective acquisition of site portfolios or tower companies. The size of our site portfolio has increased from 12,610 sites as of December 31, 2016, to 13,509 sites as of December 31, 2017, to 15,091 sites as of December 31, 2018, and to 15,485 sites as of September 30, 2019.

We believe that we have achieved a critical scale, which will allow us to continue to seek to construct and acquire additional sites in locations throughout Indonesia, where we can leverage our relationships with existing customers to increase the tenancy ratio and thereby achieve attractive returns on our investment. We will construct new sites and acquire existing site portfolios only when they meet our investment criteria which include, among others, return on investment, potential for future co-locations, ease of leasing or purchasing land for sites, ease of community approvals, and credit strength of the potential tenant(s). Our policy is to generally build new sites only when we have a committed tenancy from our customers. From time to time, we may be engaged in a number of discussions or participate in auction processes in relation to acquisitions of site portfolios of tower companies.

Continue to focus on speed-to-market and reliable operational performance

Speed-to-market and reliable operational performance are critical KPI for our customers. We define our speed to market as the period from our receipt of work order to the commissioning of installation of our customers' telecommunications equipment at a site. Our operational performance refers to the quality of our regular maintenance service and our speed of response to fault reporting. We are constantly refining our ability to meet our customers' KPI, and our initiatives include:

- umbrella contracts for SITAC, CME and maintenance service with selected sub-contractors in certain regions;
- standardization of design, process, procedure and control documentation, including timeframe management;
- national web-enabled project management software enabling early recognition of potential delays to completion and execution of countermeasures;
- coordination of local government operational knowledge to enable efficient permit and license processing;
- regular monitoring of supplier inventory of critical components; and
- operation of a 24/7 customer assistance call center.

Capitalize on future technologies that require tower infrastructure

Our customers have introduced and deployed, and we believe that they will continue to introduce and deploy, next generation wireless technologies. We believe that our customers' rollout of new technologies, such as 4G and 5G, and their expansion of their offerings of wireless data services, have increased, and will continue to increase, our total number of tenancies and our tenancy ratio. We expect that next generation technologies, such as 4G and 5G, will result in increased demand for space on our sites.

Optimizing our capital structure to achieve funding flexibility and minimize borrowing costs

We have utilized our credit facilities and debt securities to fund our previous acquisitions and operational requirements. As of September 30, 2019, our gross debt was Rp.22,860 billion (US\$1.61 billion), and our gross debt after taking into account our hedging arrangements was Rp.21,122 billion (US\$1.49 billion). See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Indebtedness" and "Description of Material Indebtedness" for details of our total

borrowings and see Note 42 to our consolidated financial statements and “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Market Risk Disclosures” for further details of our financial risk management.

For and as of the nine months ended September 30, 2019, our financial expense (including finance expense — interest and finance expense — others) was 43.4% of our revenue, our market capitalization was US\$1,958.2 million and the ratio of our net debt after taking into account our hedging arrangements to our market capitalization plus net debt after taking into account our hedging arrangements was 0.43x. While we believe that we have a strong capital structure with a substantial equity buffer, we intend to continue to optimize our capital structure to achieve funding flexibility and to minimize our borrowing costs by working with our existing lenders as well as by exploring possibilities of accessing financing through the equity and debt capital markets.

Corporate History and Group Structure

PT Tower Bersama Infrastructure Tbk is the holding company of the Tower Bersama Group, which conducts its business operations through its directly and indirectly owned subsidiaries. The sites in our portfolio are owned by the subsidiaries of the Tower Bersama Group, and revenue from each site in our portfolio is earned under a lease agreement between the relevant subsidiary that owns the site and the tenants on such site.

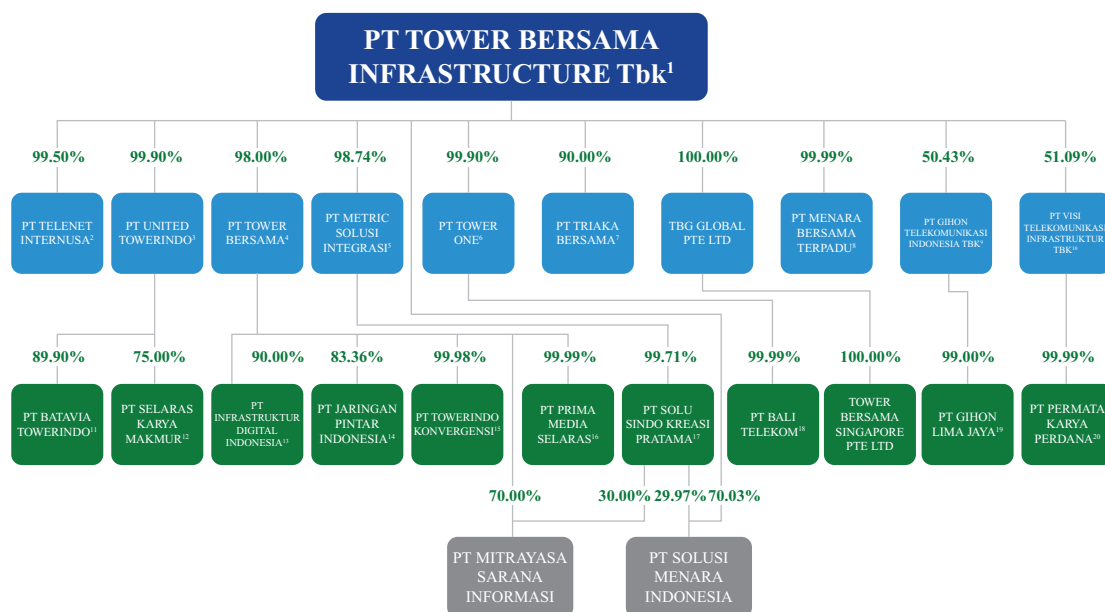
The Company was established in 2004 to own, operate, develop and lease sites. Since our inception, we have grown our portfolio through the development and construction of new sites, the acquisition of other tower companies with existing portfolios and the acquisition of towers from other telecommunication operators, increasing the size of our portfolio to 15,485 sites and 27,789 tenancies as of September 30, 2019.

The following timeline sets forth the key milestones in the history of our business and the growth of our group’s sites and tenancies.

- | | |
|------|---|
| 2004 | <ul style="list-style-type: none">• Established Tower Bersama Group• Acquired Telenet Internusa• Our group had 7 sites and 7 tenancies |
| 2005 | <ul style="list-style-type: none">• Our group had 57 sites and 58 tenancies |
| 2006 | <ul style="list-style-type: none">• Acquired Mobile-8’s core tower asset network• Our group had 347 sites and 350 tenancies |
| 2007 | <ul style="list-style-type: none">• Acquired Balikom• Our group had 556 sites and 729 tenancies |
| 2008 | <ul style="list-style-type: none">• First tranche of PT Prima Media Selaras acquisitions• Our group had 1,006 sites and 1,415 tenancies |
| 2009 | <ul style="list-style-type: none">• Signing of US\$130m Banking facility agreement• PT Prima Media Selaras consolidated into the Tower Bersama Group• Our group had 1,234 sites and 1,896 tenancies |

- 2010
 - Merger with PT Solu Sindo Kreasi Pratama resulted in our becoming one of Indonesia's largest independent tower companies
 - Received BB/Ba2 Ratings from Fitch and Moody's respectively
 - Listed on IDX at a market cap of US\$1 billion
 - Entered into the US\$2 billion debt program
 - Our group had 3,104 sites and 4,729 tenancies
- 2011
 - Acquired Mitrayasa Sarana Informasi or Infratel
 - Our group had 4,868 sites and 7,002 tenancies
- 2012
 - Acquired 2,500 towers from Indosat
 - Our group had 8,439 sites and 13,708 tenancies
- 2013
 - Issued US\$300.0 million in USD Notes and Rp.740.0 billion in IDR Bonds
 - Our group had 10,134 sites and 16,577 tenancies
- 2014
 - Received BB / Stable outlook rating from S&P
 - Refinanced all amounts outstanding under the US\$2 billion debt program with a US\$300.0 million revolving credit facility and the Credit Facilities
- 2015
 - Issued US\$350.0 million in USD Notes
 - Entered into US\$275 million bank loan
- 2016
 - Issued Rp.230.0 billion in IDR Bonds
- 2017
 - Entered into US\$500 million bank loan
 - Issued Rp.1.4 trillion in IDR Bonds
- 2018
 - Issued Rp.608 billion and Rp.628 billion in IDR Bonds
 - Acquired 50.12% shareholding in PT Gihon Telekomunikasi Indonesia Tbk
 - Acquired 51.0% shareholding in PT Visi Telekomunikasi Infrastruktur Tbk
- 2019
 - Issued Rp.750.0 billion in IDR Bonds
 - Entered into a US\$375 million revolving credit facility to refinance by prepaying the US\$400.0 million term loan facility, or Facility A, under the Credit Facilities
 - Increased shareholding in PT Gihon Telekomunikasi Indonesia Tbk to 50.43%
 - Increased shareholding in PT Visi Telekomunikasi Infrastruktur Tbk to 51.09%

The chart below sets forth our corporate structure including our direct and indirect subsidiaries as of the date of this offering circular.



Notes:

- (1) PT Tower Bersama Infrastructure Tbk (previously known as PT Banyan Mas)
- (2) Remaining 0.5% of PT Telenet Internusa owned by PT Wahana Anugerah Sejahtera
- (3) Remaining 0.1% of PT United Towerindo owned by PT Tower Bersama
- (4) Remaining 2.0% of PT Tower Bersama owned by PT Provident Capital Indonesia
- (5) Remaining 1.26% of PT Metric Solusi Integrasi owned by PT Tower Bersama
- (6) Remaining 0.1% of PT Tower One owned by PT Provident Capital Indonesia
- (7) Remaining 10.0% of PT Triaka Bersama owned by PT Tower Bersama
- (8) Remaining 0.01% of PT Menara Bersama Terpadu owned by PT Tower Bersama
- (9) Remaining 49.57% of PT Gihon Telekomunikasi Indonesia Tbk owned by Rudolf Parningotan Nainggolan, PT Gihon Nusantara Tujuh and members of the public
- (10) Remaining 48.91% of PT Visi Telekomunikasi Infrastruktur Tbk owned by PT Amanda Cipta Persada, PT Mulia Sukses Mandiri, PT Trimegah Sekuritas Indonesia Tbk and members of the public
- (11) Remaining 10.1% of PT Batavia Towerindo owned by PT Tower Bersama
- (12) Remaining 25.0% of PT Selaras Karya Makmur owned by Syamsul Bahri, Eddy Alamsyah and PT Aria Pacific Investama
- (13) Remaining 10.0% of PT Infrastruktur Digital Indonesia owned by PT Amerta Arta Anugrah
- (14) Remaining 16.64% of PT Jaringan Pintar Indonesia owned by Kristiono, Bagas Dwi Bawono, PT Tower Bersama Infrastructure Tbk
- (15) Remaining 0.02% of PT Towerindo Kovergensi owned by PT Tower Bersama Infrastructure Tbk
- (16) Remaining 0.01% of PT Prima Media Selaras owned by PT Tower Bersama Infrastructure Tbk
- (17) Remaining 0.29% of PT Solu Sindo Kreasi Pratama owned by Sakti Wahyu Trenggono and Abdul Satar
- (18) Remaining 0.01% of PT Bali Telekom owned by PT Tower Bersama Infrastructure Tbk
- (19) Remaining 1.0% of PT Gihon Lima Jaya owned by PT Gihon Nusantara Tujuh
- (20) Remaining 0.01% of PT Permata Karya Perdana owned by PT Sukses Prima Sakti

Some of the Tower Bersama Group subsidiaries were acquired through our acquisitions of site portfolios and most subsidiaries continue to construct build-to-suit sites. See “— Our Site Portfolio — Acquisition of site portfolios.”

Our Site Portfolio

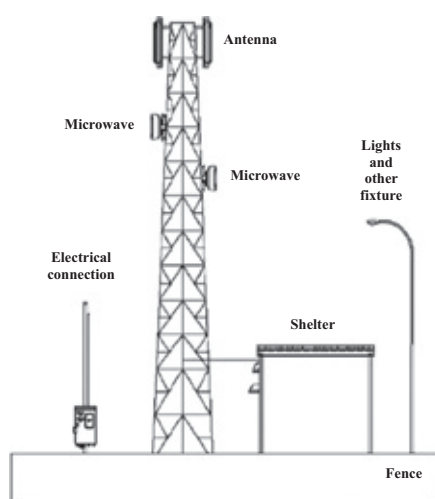
We have increased our number of sites and number of tenancies through a combination of build-to-suit construction, acquisition of independent tower companies and site portfolios of telecommunication operators, and increase in our co-locations. As of September 30, 2019, we had developed a portfolio of 15,485 sites, comprising 15,396 tower sites and 89 DAS network sites, and reached 27,789 tenancies. The following table shows the breakdown of sites and tenancies for the periods indicated.

	As of December 31,			As of September 30,
	2016	2017	2018	2019
Sites	12,610	13,509	15,091	15,485
Tower sites	12,539	13,461	15,032	15,396
DAS network sites	71	48	59	89
Tenancies	20,486	23,018	25,518	27,789

As of December 31, 2018, we owned and/or operated sites in 34 provinces of Indonesia, with 82.2% of our sites and 84.6% of our tenancies located in the densely populated provinces of Java, Bali and Sumatra. As of September 30, 2019, we also maintained 18 offices around Indonesia. The following table sets forth general geographic distribution, and each geographic region as a percentage of our total sites and total tenancies as of December 31, 2018:

Area	Sites	%	Tenancies	%
Java, Bali and Sumatra	12,398	82.2	21,594	84.6
Others	2,693	17.8	3,924	15.4
Total	<u>15,091</u>	<u>100.0</u>	<u>25,518</u>	<u>100.0</u>

Our tower site portfolio consists principally of four-legged ground-based towers typically ranging in height from 30 to 72 meters, as well as rooftop placements and monopoles. The following diagram illustrates the standard facilities located on our tower sites:



The antenna and the microwaves in the diagram above, and equipment in the shelter, are owned and maintained by our customers, while we own and maintain the passive infrastructure, including the telecommunications tower and the shelter.

The following table sets forth the number and percentage distribution of our tower sites by tower type as of September 30, 2019:

Tower Type	Height	Number	Percentage
Ground-based	> 65m	4,278	27.8%
Ground-based	51-65m	3,256	21.1%
Ground-based	32-50m	4,741	30.8%
Ground-based	< 32m	1,893	12.3%
Rooftop self-supporting towers	32-50m	27	0.2%
Rooftop self-supporting towers	<32m	317	2.1%
Rooftop Pole/Monopole	<32m	884	5.7%
Total		<u>15,396</u>	<u>100.0%</u>

Ground-based towers with a height of more than 32 meters and rooftop self-supporting towers can accommodate more than three tenants. However, primarily due to the limited weight bearing capacity and low height (and thus limited space), it is difficult to add co-locations to rooftop poles. For ground-based towers with a height of less than 32 meters, the available space at attractive heights is also limited and it is also more difficult to obtain co-locations for these towers.

Build-to-suit sites

We believe that our timely deployment of build-to-suit towers, including our expertise with SITAC, CME and regulatory compliance has been a critical component in obtaining and completing these build-to-suit orders. We generally seek to construct build-to-suit towers with optimal additional co-location capacity consistent with community and regulatory approvals for the tower. For all the towers that we construct on a build-to-suit basis, we retain ownership as well as the exclusive right to co-locate additional tenants on the tower.

The entire process from receipt of work order to completion of build-to-suit construction typically takes 90 to 120 days. The actual time taken and the detailed steps followed can vary depending on the customer, the location of the specific site and the issues identified during the SITAC process.

The following table shows our gross new sites built during the years and period indicated.

	2012	2013	2014	2015	2016	2017	2018	Nine months ended September 30, 2019
Gross new sites								
built	1,144	1,811	1,976	685	1,314	925	1,146	484

A typical process involves the following steps:

- Our customer informs our marketing unit that it requires a new site in a certain location (usually a location within a certain radius of a precise coordinate, generally within a 100 meter radius).
- Our regional management unit analyzes availability of sites and gauges ease of community acceptance and applicable licenses in that area. An Engineering Survey Report (“ESR”) is

produced for the customer by the SITAC officer in the regional unit, usually for three potential site candidates. The ESR includes site candidate coordinates, availability of mains electricity, review of site access roads and topography, and panoramic photographs. The ESR is provided to the customer and the preferred site candidate is selected.

- Once a site is selected and a work order issued by the customer, the SITAC officer, under supervision of the regional management unit, conducts the negotiation of the ground lease with the property owner and obtains consent for tower construction from each household in the surrounding community that is fully or partially located within a radius from the tower equal to the height of the tower. At the same time, we also seek informal or formal approval from the local government to commence construction.
- Upon securing community approval, and informal or formal local government approval, we complete the SITAC process and the CME process commences. In parallel, an application is made to the local government for either (i) the building construction permit (*Izin Mendirikan Bangunan* or IMB); or (ii) the tower construction permit (*Izin Mendirikan Bangunan Menara* or IMBM), depending on the applicable licenses required in that particular *kabupaten* (sub-province).
- Upon completion of the construction, a notification (typically called a “Ready for Installation” notice or RFI) is sent to the customer. Upon the customer’s acceptance of the tower construction completion (*Berita Acara Uji Kelayakan* or “BAUK”), a separate agreement is signed for the commissioning of the individual site; this agreement incorporates the provisions of the master tower lease agreement. The accrual of lease and maintenance fees generally starts at BAUK execution. Subsequent invoicing depends on the particular tenancy agreement but generally commences within one to 30 days of BAUK execution.

Acquisition of site portfolios

The principal criteria that we use to evaluate acquisition prospects are price, duration of tenant lease agreements, credit quality of tenants, status of tower regulatory compliance, potential for additional co-locations and physical quality of the assets. Since commencement of our business in 2004, we have acquired several tower companies and site portfolios, including an acquisition of 2,500 towers from Indosat in August 2012. In the fourth quarter of 2018, we acquired control of two listed tower companies, GHON and GOLD, which added 1,120 tenancies and 859 telecommunication sites to our portfolio. As of December 31, 2018, GHON has 556 telecommunications sites with 815 tenants and GOLD has 303 telecommunications sites with 305 tenants. We believe that our previous acquisitions demonstrate our ability to successfully acquire and integrate large tower portfolios from large telecommunications operators.

Some acquisitions require us to integrate, train and manage additional personnel and also integrate the information systems and reporting procedures of the acquired business.

Co-locations

Our marketing unit is in regular discussions with our customers to identify whether our existing towers can fulfill the need for new BTS installations. The entire process from receipt of work order to completion of adding a co-location typically takes 30 to 60 days. Co-locations are processed in accordance with the terms of our existing lease agreements with our customers.

The following table shows our gross number of co-locations during the years and period indicated.

	2012	2013	2014	2015	2016	2017	2018	Nine months ended September 30, 2019
Gross co-locations . . .	2,285	1,174	849	803	889	2,084	1,466	2,094

A typical process involves the following steps:

- Upon determination to lease a tower space for co-location, the customer delivers a work order requesting reservation of a tower space. Once the work order has been processed and the tower space is ready for installation, we issue a notification.
- Upon the customer's acceptance of the tower construction completion (Berita Acara Uji Kelayakan or "BAUK"), a separate agreement is signed for the commissioning of the co-location; this agreement incorporates the provisions of the master tower lease agreement. The accrual of lease and maintenance fees generally starts at BAUK execution.
- Subsequent invoicing depends on the particular tenancy agreement, but usually commences within one to 30 days of BAUK execution.

The following table shows our tenancy ratio at the dates indicated.

	December 31, 2010	December 31, 2011	December 31, 2012	December 31, 2013	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	September 30, 2019
Tenancy ratio	1.80	1.63	1.75	1.73	1.67	1.65	1.63	1.71	1.69	1.80

Our tenancy ratio decreased from 1.80 as of December 31, 2010 to 1.63 as of December 31, 2011 due to our acquisition of Infratel in 2011, which had a lower tenancy ratio than the Company, and increased from 1.63 as of December 31, 2011 to 1.75 as of December 31, 2012 as we added more co-location tenants to existing towers. Our tenancy ratio decreased from 1.75 as of December 31, 2012 to 1.63 as of December 31, 2016 due to our focus on organically building our towers based on customer orders. Our tenancy ratio increased to 1.71 as of December 31, 2017 as we began adding more co-location tenants to newly-built towers. Our tenancy ratio decreased to 1.69 as of December 31, 2018 as we absorbed the impact of the GOLD and GHON acquisitions, which had a blended tenancy ratio of 1.30. Our tenancy ratio increased to 1.80 as of September 30, 2019 as we successfully added more co-location tenants to existing towers.

Tower Space Leasing

Our core business is leasing antenna space on our towers. We lease antenna space to Indonesian telecommunications operators for signal transmission related to wireless voice and data transmission.

Tower Lease Agreements. As of September 30, 2019, we had executed master tower lease agreements with all our Indonesian mobile telecommunications operators, which provide certain terms (including price terms) that govern our lease of tower space to our tenants.

Lease Fees. Lease fees are paid in advance by tenants on a monthly, quarterly or annual basis. The average lease fee that we receive from a new tenant is generally fixed for the initial term of the tower space lease based on the following factors:

- tower site location (including ground lease cost);
- size of the tenant's antenna equipment located on the tower;
- shelter specification, ground space necessary for the tenant's electronic and other equipment related to the antenna;
- payment terms;
- type of tower and tower height; and
- location of tenant's antenna on the tower.

Under certain of our lease agreements, anchor tenants on build-to-suit towers receive discounts to their lease fees as additional co-locations occur on the tower.

Maintenance Fees. We also receive maintenance payments, which are either fixed or adjusted annually based on inflation published by Badan Pusat Statistik (although some agreements incorporate a cap on inflation escalation), for security, repairs and maintenance relating to the tower site, as well as shared back-up power infrastructure. Our maintenance fees are paid in advance by our tenants on a monthly, quarterly or annual basis.

Ground Leases. Most of our tower sites are located on real property which has been leased to us under ground lease agreements or building lease agreements with the property owners. We generally seek to enter into these lease agreements for a term of 10 to 12 years and tower lease agreements with our tenants are generally for a period of 10 years. In this manner, we seek to avoid the need to renew the ground lease during the term of our tenant leases for tower space on the relevant property. Ground lease fees are generally paid in advance for the full lease term. Ground lease fees are then amortized over the term of the land lease agreement. Since advance payments for ground lease fees typically represent a substantial percentage of the property value, we believe that ground leases will not be difficult to obtain and should not be difficult to renew.

Operating Expenses. Our operating expenses consist principally of repairs and maintenance, employee compensation and related employee benefit costs and utilities, such as electricity costs incurred for the operation of antenna equipment at our tower sites, which are paid by most of our customers.

Our operating expenses tend to increase at the rate of inflation and as tenancies increase. As a result of the relatively fixed nature of these expenses, the incremental cost of each additional co-location is low. Our site portfolio generally requires minimal sustaining capital expenditures except for items such as tower strengthening for adding co-locations if the specific tower is currently at structural capacity.

Except for certain events of default such as breach and insolvency (including in certain cases, our inability to obtain an IMB or IMBM), our tower lease agreements may not be terminated. As a result, our revenue earned in lease fees and maintenance fees for our tower leases provide us with a highly

visible recurring revenue stream. As of September 30, 2019, the average remaining life of agreements for all tenancy agreements was 5.4 years. We believe that our tenant leases will generally enjoy a high renewal rate because (i) the locations of many of our towers are critical to the efficient and cost-effective operation of our tenants' telecommunications networks, (ii) the cost and time associated with re-configuring antenna equipment across multiple towers when relocating a BTS, (iii) there is considerable lost revenue associated with relocating a BTS to another tower and (iv) SITAC, regulatory compliance issues and other barriers associated with the construction of new towers and relocation of antenna equipment.

DAS Network Leasing

Our DAS networks are generally located in malls and office buildings. Except for certain customary events of default such as breach and insolvency, our license agreements for DAS networks may not be terminated.

We have obtained the right to install and operate the in-building DAS networks under agreements with property owners (for a period generally ranging from five to eight years), and we grant rights to telecommunications operators to attach their equipment to our DAS networks for a fee under licenses that generally have terms of between five and eight years.

Our Customers

Our major customers consist of Indonesia's highly rated telecommunications operators. For the year ended December 31, 2018 and the nine months ended September 30, 2019, 82.6% and 83.0% of our revenue, respectively, was from Telkomsel, Indosat and XL Axiata (each of which has an investment grade rating from at least one rating agency). The following table sets forth revenue from each of our customers who are telecommunications operators, and such revenue as percentage of total revenue, for the periods indicated:

	Year Ended December 31,						Nine Months Ended September 30,			
	2016		2017		2018		2018		2019	
							(unaudited)		(unaudited)	
	(Rp. in millions, except percentages)									
PT Telekomunikasi Selular . . .	1,502,299	40.5%	1,821,636	45.3%	1,928,225	44.7%	1,421,446	44.9%	1,511,068	43.6%
PT Indosat Tbk	895,644	24.1%	930,739	23.1%	960,851	22.3%	703,649	22.2%	743,793	21.4%
PT XL Axiata Tbk	523,509	14.1%	581,992	14.5%	679,808	15.7%	488,970	15.4%	624,081	18.0%
PT Hutchison 3 Indonesia	376,610	10.1%	378,399	9.4%	387,916	9.0%	286,724	9.1%	367,138	10.6%
PT Smartfren Telecom Tbk . . .	147,976	4.0%	178,143	4.4%	226,140	5.2%	166,586	5.3%	193,230	5.6%
PT Internux	91,211	2.5%	101,076	2.5%	99,311	2.3%	74,119	2.3%	—	—
PT Telekomunikasi										
Indonesia Tbk	152,956	4.1%	—	—	—	—	—	—	—	—
Others	20,969	0.6%	31,100	0.8%	35,886	0.8%	26,319	0.8%	30,047	0.9%
Total	3,711,174	100.0%	4,023,085	100.0%	4,318,137	100.0%	3,167,813	100.0%	3,469,357	100.0%

Competition

We believe competition in the Indonesian tower leasing industry is based principally on tower location, relationships with telecommunications operators, tower quality and height and, to a lesser extent on size of site portfolio, pricing, operational management and additional services to tenants.

We primarily compete with Protelindo, another independent tower company of comparable scale and other smaller independent tower companies, principally on the basis of our long-term relationships

with major Indonesian telecommunications operators, our service record and customer satisfaction. Since many of our sites are located in densely populated areas where telecommunications operators are experiencing high subscriber traffic, we believe that many of our customers are likely to renew their lease agreements at the end of their current term in order to minimize disruption of coverage in such areas, avoid the potential loss of revenue and also avoid the expense they would incur from the relocation of their antenna equipment.

We also compete with large telecommunications operators that allow co-location on their towers, who may have greater financial resources, and lower cost of financing than us. We believe, however, that as a third party independent service provider that does not directly compete with our customers in their core business activities, our tower leasing business has a competitive advantage over those Indonesian telecommunications operators who offer co-locations on their tower sites.

See “Risk Factors — Risks Relating to Our Business — Competition in the tower leasing industry is substantial and may create pricing pressures that materially and adversely affect us.”

Intellectual Property

Other than our logo, which we have registered with the Directorate General of Intellectual and Property Rights, we do not have any patents, registered trademarks or trade names.

Environmental

Certain particular regional governments require that construction of new towers in Indonesia obtain environmental analysis under the Government Regulation No. 27 of 2012 on Environmental License. As the owner and operator of our telecommunications sites, our operations are subject to national and local laws and regulations relating to the management, use, storage, disposal, emission, and remediation of, and exposure to, hazardous and non-hazardous substances, materials and wastes. In general, our lease agreements prohibit our customers from using or storing any hazardous substances on our tower sites in violation of applicable environmental laws and require our customers to provide notice of certain environmental conditions caused by them.

The potential connection between radio frequency emissions and certain negative health effects, including some forms of cancer, has been the subject of substantial study by the scientific community in recent years. We have also experienced local community opposition to the building of certain sites for various reasons, including concerns about alleged health risks. See “Risk Factors — Risks Relating to Our Business — Our costs could increase and the growth of our revenues could decrease due to perceived health risks from radio emissions, especially if these perceived risks are substantiated.” As a result of such local community opposition, we could be required by the local authorities to dismantle and relocate certain towers.

We have compliance programs and monitoring projects to help assure that we are in substantial compliance with applicable environmental laws. Nevertheless, there can be no assurance that the costs of compliance with existing or future environmental laws will not have a material adverse effect on our business, results of operations and financial condition.

Employees

As of September 30, 2019, we had a total of 671 employees, comprised of 596 permanent employees and 75 temporary employees. The table below sets out the number of employees, by category, as of each of December 31, 2016, 2017 and 2018 and September 30, 2019:

	As of December 31,			As of September 30,
	2016	2017	2018	2019
Office of Chief Executive Officer, Board of Directors and Board of Commissioners and Cross-Functional Staff	33	33	47	47
Marketing Unit	27	25	34	41
Product and Innovation Unit	44	50	60	60
Project and Implementation Unit	89	92	97	98
Asset and Operation Unit	189	200	221	225
Finance Unit	68	69	74	76
Business Support Unit	95	98	115	106
Risk Management Unit	20	24	19	18
Total	565	591	667	671

Our marketing unit markets our build-to-suit capabilities and our existing tower and DAS network portfolios to Indonesian telecommunications operators.

Our product and innovation unit manages tower and site design in order to achieve capital expenditure and operational efficiency, oversees enhancements to tower design to enable additional tenancy carrying capacity, produces site layout standardization to maximize additional tenant potential and evaluates new components and services.

Our project and implementation unit is responsible for on-time delivery performance of all build-to-suit, co-location and DAS network projects.

Our asset and operation unit is responsible for SITAC, CME, maintenance and regulatory compliance functions and ensuring that the benefits and advantages of our nationwide experience and knowledge base reach each of our regional management units.

Our finance unit is responsible for financial control, financial reporting, cash cycle management (especially invoicing and collection of receivables), maintenance of fixed asset register, and actual capital expenditure variance analysis.

Our business support unit is responsible for managing procurement, human resource, business process and information technology and other administrative functions.

Our risk management unit is responsible for identifying a range of events which could cause a loss or disruption to the business and analyzing the likelihood of occurrence and the magnitude of the event.

We have adopted all mandatory retirement savings and employment-related insurance programs and provide a number of additional benefit programs for our employees. We contribute approximately

5.7% of salaries to mandatory savings, employment accident insurance and life policy insurance. In addition, we provide inpatient and outpatient medical insurance for employees and their families. We also annually budget for technical and non-technical training for the development of our employees.

Insurance

We maintain all-risk property insurance, including earthquake insurance, against losses that might arise from damage to our tower infrastructure. As of September 30, 2019, our tower infrastructure had total coverage of Rp.12,514,031 million. Some of our insurance policies have exclusions, including in relation to losses resulting from war.

We carry a comprehensive general liability insurance policy covering public liability, workers compensation, employer's liability of US\$10.0 million in aggregate for the insured period. We carry additional motor vehicle and motorcycle insurance covering damages to our vehicles and third party claims. We also have group medical insurance for our employees covering accidents, permanent disablement, medical expenses and death. Each of our insurance policies is subject to deductibles and has exclusions that may prevent us from recovering in full for any loss we may suffer.

Properties

As of September 30, 2019, we owned real property relating to 295 ground-based tower sites and leased real property relating to 15,077 ground-based tower sites. We also currently occupy 13,694 square meters of office space for our head office in Jakarta and our 17 regional offices around Indonesia.

Corporate Social Responsibility

We have formulated a corporate social responsibility program that demonstrates our commitment to be a socially responsible partner in the communities near our tower sites. Our programs are focused on education, health, culture and environment, including:

- In the area of education, we continue to support *Rumah Belajar TBIG* or the TBIG House of Learning, which provides school drop-outs in Manggarai, South Jakarta access to proper educational facilities, in cooperation with the *Yayasan Cinta Anak Bangsa* (YCAB). The *Rumah Belajar TBIG* uses a curriculum issued by the Government and provides the *paket C* (C-level high school equivalency) for 180 children from low-income and poor families, between the ages of 15-24 years, who have dropped out of school.
- We have continued our commitment in the TBIG Leading Curriculum by signing a memorandum of understanding with them, in order to encourage our partners to offer their internships to prospective graduates of the TBIG Leading Curriculum program. This coaching and development program focuses on curriculum infusion to vocational schools to assist vocational secondary education providers in minimizing the competency gap between education and the world of work. In 2019, TBIG expanded its coverage of the Leading Curriculum program to Palembang, South Sumatera.
- In 2018, we launched a new corporate social responsibility education program called "TBIG Activation." TBIG Activation aims to provide young people who want to produce effective and creative technology-based solutions to problems, an opportunity to showcase their talent, knowledge and application.

- In the area of health, the Company, in collaboration with *Rumah Zakat*, launched the TBIG Mobile Health Clinic to provide free access to medical facilities for people residing in certain areas in Indonesia that lack proper medical services and facilities. The TBIG Mobile Health Clinic is equipped with medical equipment and a doctor who provides medical check-ups and examinations for pregnant women, children, and senior citizens. The TBIG Mobile Health Clinic also provides local residents advice on to health and hygiene, disease prevention, provision of medicines, and proper nutrition for infants. We operate six TBIG Mobile Health Clinics, which include two in Sumatera, three in Java and one in Kalimantan, which together can reach 16 provinces across Indonesia.
- In 2018, the TBIG Mobile Health Clinics provided health services in the form of post-disaster treatment and assistance to approximately 17,000 beneficiaries, and they actively participated in disaster relief activities such as medical aid and logistics to earthquake victims in Lombok and Palu as well as tsunami victims in Lampung.
- In the area of culture, we continue to support the *Rumah Batik TBiG* or the TBIG Batik House, which was opened in 2014, as part of our corporate social responsibilities (“CSR”) program in the area of Culture through *Bangun Budaya Bersama/Building Culture Together*.
- *Rumah Batik TBiG* was built at Desa Waru Pekalongan, and is used as a workshop and cooperative for local batik artisans to promote entrepreneurship and encourage these artisans to start their own businesses. Through the *Rumah Batik TBiG*, we hope to assist efforts to preserve the national art of batik making as well as improve the livelihoods of batik artisans in Pekalongan.
- In the area of the environment, we launched the TBIG Heart program in 2018, which is a carbon footprint reduction program that involves employees. The TBIG Heart program involves tree planting in conservation areas, including bamboo, quinine, resin, and pine. In 2018, tree planting was carried out in a 5,000 square meter area in the Pekalongan Regency. In October 2019, our employees joined the annual tree planting activities in the Pekalongan Regency.

In recognition of our CSR efforts, we were recognized by the Pinnacle Group International for the best community program at the Global CSR Summit and Awards in 2018 and by BusinessNews Magazine for being a top leader on CSR commitment.

Legal Proceedings

We are not currently involved in any material litigation or regulatory actions, the outcome of which would, in our management’s judgment, have a material adverse effect on our results of operations or financial condition or the notes, nor is management aware of any such litigation or regulatory actions threatened against us.

DESCRIPTION OF MATERIAL INDEBTEDNESS

Overview of Material Indebtedness

Our gross debt was Rp.22,860 billion (US\$1.61 billion) as of September 30, 2019. It consisted of aggregate principal indebtedness of Rp.14,230,696 million (US\$1,004.0 million) in U.S. dollar-denominated bank loans, Rp.4,960,900 million (US\$350.0 million) in U.S. dollar-denominated bonds, Rp.36,750 million (US\$2.6 million) in Rupiah-denominated bank loans, Rp.3,616,000 million (US\$255.1 million) in Rupiah-denominated bonds and Rp.15,412 million (US\$1.1 million) in finance leases. See Notes 23, 24 and 25 to our unaudited interim consolidated financial statements as of September 30, 2019 and for the nine months ended September 30, 2018 and 2019 for a further discussion of our gross debt outstanding under our long-term loans.

Our gross debt after taking into account our hedging arrangements was Rp.21,122 billion (US\$1.49 billion) as of September 30, 2019. It consisted of Rp.13,149,260 million (US\$927.7 million) in syndicated loans, Rp.36,750 million (US\$2.6 million) in non-syndicated loans, Rp.7,921,000 million (US\$558.8 million) in notes, and Rp.15,412 million (US\$1.1 million) in finance leases. See Note 41 to our unaudited interim consolidated financial statements as of September 30, 2019 and for the nine months ended September 30, 2018 and 2019 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Market Risk Disclosures” for further details of our financial risk management.

We set forth below a summary of the 2017 RLF, the 2018 RCF, the 2019 RLF, the Credit Facilities, the IDR Bonds and the Existing USD Notes. The 2017 RLF, the 2018 RCF, the 2019 RLF, the Credit Facilities, the IDR Bonds and the Existing USD Notes are intended to be used for loan payment, capital expenditure, acquisition of investment properties, and funding our working capital.

US\$200.0 Million Revolving Loan Facility

On March 30, 2017, the Company, as parent, PT Triaka Bersama, PT Metric Solusi Integrasi, PT Telenet Internusa, PT United Towerindo, PT Tower Bersama, PT Tower One, PT Batavia Towerindo, PT Prima Media Selaras, PT Bali Telekom, PT Solu Sindo Kreasi Pratama, PT Mitrayasa Sarana Informasi, PT Solusi Menara Indonesia and PT Menara Bersama Terpadu, as original borrowers and original guarantors (the “Obligors” and each, an “Obligor”) entered into a revolving loan facility agreement (the “2017 RLF Agreement”), pursuant to which the lenders specified therein granted us a US\$200.0 million revolving loan facility (the “2017 RLF”). The original lenders under the 2017 RLF are Oversea-Chinese Banking Corporation Limited, PT Bank UOB Indonesia, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Jakarta Branch, PT Bank CIMB Niaga Tbk, DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Jakarta Branch, CIMB Bank Berhad, Singapore Branch, PT Bank ANZ Indonesia, PT Bank BNP Paribas Indonesia and PT Bank DBS Indonesia. The proceeds of the loans under the 2017 RLF facility are to be applied towards our general funding requirements, including but not limited to capital expenditure and financing any permitted acquisitions. The RLF is irrevocably and unconditionally guaranteed by the Obligors.

The final repayment date of the 2017 RLF is June 30, 2022.

The rate of interest payable on each loan under the 2017 RLF is the percentage rate per annum which is the aggregate of LIBOR and a margin equivalent to:

- in relation to offshore lenders, 1.75% per annum; and
- in relation to onshore lenders, 2.00% per annum.

The 2017 RLF Agreement requires the Obligors to maintain (a) a Senior Leverage Ratio (as defined below) not exceeding 5.0 to 1.0, and (b) a Top Tier Revenue Ratio (as defined below) not less than 0.5 to 1.0.

Subject in each case to certain permitted exceptions as specified in the 2017 RLF Agreement, the 2017 RLF Agreement prohibits each Obligor from, among other things, creating or permitting to subsist any security over its assets, selling or disposing of any of its assets, paying or declaring any dividend or distribution, entering into any merger or corporate reconstruction, making any acquisition or investment, giving any guarantee or indemnity or becoming a creditor in respect of any financial indebtedness (other than in respect of any intercompany loans that are subordinated to the 2017 RLF Agreement in accordance with the 2017 Subordination Deed (as defined below)).

The “Senior Leverage Ratio” is calculated as the ratio of Total Net Senior Debt on a relevant quarter date to annualized adjusted EBITDA for the month ended on that quarter date.

“Total Net Senior Debt” is calculated as Total Senior Debt less cash and cash equivalent investment, and so that no amount shall be included or excluded more than once.

“Total Senior Debt” is calculated as the aggregate amount of all obligations of the Obligors for or in respect of financial indebtedness other than financial indebtedness that may be eliminated or disregarded for the purposes of preparing our consolidated accounts in accordance with GAAP, and includes financial indebtedness owing by an Obligor to a member of our group that is not an Obligor. To the extent that any financial indebtedness is hedged by an agreement relating to currency exchange protection, Total Senior Debt will be calculated taking into account the effects of any such currency exchange protection.

The “Top Tier Revenue Ratio” is calculated, for each relevant period, for the Obligors in aggregate, the ratio of revenue from certain specified customers to all revenue received for such relevant period (which shall be calculated by reference to the most recent financial statements delivered pursuant to the 2017 RLF Agreement).

We cannot assure you that we will be able to satisfy the conditions precedent to any future utilization of the 2017 RLF and, accordingly, we cannot assure you that we will be able to continue utilizing the 2017 RLF on the terms as described herein or at all. See “Risk Factors — Risks Relating to Our Business — We have a substantial amount of indebtedness. In the event we do not repay or refinance such indebtedness, we could face substantial liquidity issues and might be required to issue equity securities or securities convertible into equity securities, or sell some of our assets to meet our debt payment obligations.”

As of September 30, 2019, an aggregate principal amount of Rp.2,504,900.0 million (US\$176.7 million) of the 2017 RLF was outstanding. We intend to partially refinance outstanding amounts under the 2017 RLF with the net proceeds of this offering. See “Use of Proceeds.”

2017 Subordination Deed

In connection with the 2017 RLF, the Obligors entered into a subordination deed dated March 30, 2017 (the “2017 Subordination Deed”) with United Overseas Bank Limited, as agent of the finance parties (the “2017 RLF Agent”) specified under the 2017 RLF Agreement. The Subordination Deed provides for the subordination of intercompany liabilities (the “2017 RLF Subordinated Liabilities”) among the Obligors to the liabilities of the Issuer and the Obligors owing to the finance parties specified under the 2017 RLF Agreement and the other finance documents specified under the 2017 RLF Agreement.

Pursuant to the 2017 Subordination Deed, the 2017 RLF Agent's prior written consent is required before, among other things, any of the Obligor may, in their capacity as subordinated creditors:

- (i) demand or accept payment or repayment in respect of the 2017 RLF Subordinated Liabilities;
- (ii) create or permit to exist any security to secure payment and/or repayment of the 2017 RLF Subordinated Liabilities;
- (iii) assign, transfer or otherwise dispose of any of the 2017 RLF Subordinated Liabilities;
- (iv) take, accept or receive any payment or distribution of assets of any Obligor ("Distribution");
- (v) (save only to the extent it is required to do so under any applicable law) set-off any 2017 RLF Subordinated Liabilities against the liabilities of the debtor to the subordinated creditor ("Debtor Liabilities");
- (vi) take any enforcement action in relation to the 2017 RLF Subordinated Liabilities;
- (vii) enter into any transactions causing to arise any Debtor Liabilities; or
- (viii) agree to any variation of the agreements giving rise to the 2017 RLF Subordinated Liabilities (the "Subordinated Agreements") that could make any amount payable earlier or more frequently or subject any debtor to more onerous obligations.

For so long as no event of default shall be continuing, the Obligors are entitled to receive payments under the Subordinated Agreements and to do any of the matters listed above, other than the matters set out in clause (ii) above.

Pursuant to the 2017 Subordination Deed, the 2017 RLF Agent's prior written consent is required before, among other things, any of the Obligor may, in their capacity as subordinated debtors:

- (i) pay or repay or otherwise seek to reduce any 2017 RLF Subordinated Liabilities;
- (ii) create or permit to exist any security to secure payment or repayment of the 2017 RLF Subordinated Liabilities;
- (iii) make any Distribution;
- (iv) (save only to the extent it is required to do so under any applicable law) set-off any 2017 RLF Subordinated Liabilities against any Debtor Liabilities;
- (v) take any enforcement action in relation to the 2017 RLF Subordinated Liabilities, enter into any transactions (other than permitted indebtedness pursuant to the Credit Facilities Agreement) causing to arise any Debtor Liabilities; or
- (vi) agree to any variation of the Subordinated Agreements that could make any amount payable earlier or more frequently or subject any debtor to more onerous obligations.

For so long as no event of default shall be continuing, the Obligors are entitled to make payments under the Subordinated Agreements and to do any of the matters listed above, other than the matters set out in clause (ii) above.

US\$375.0 Million Revolving Loan Facility

On June 28, 2019, the Obligors entered into a revolving loan facility agreement (the “2019 RLF Agreement”), pursuant to which the original lenders specified therein granted us a US\$375.0 million revolving loan facility (the “2019 RLF”). The original lenders under the 2019 RLF are Oversea-Chinese Banking Corporation Limited, United Overseas Bank Limited, DBS Bank Ltd., Mizuho Bank, Ltd., Singapore Branch, Crédit Agricole Corporate and Investment Bank, Australia and New Zealand Banking Group Limited, Singapore Branch, CIMB Bank Berhad, Singapore Branch, PT Bank HSBC Indonesia, PT Bank CIMB Niaga Tbk, PT Bank OCBC NISP Tbk, The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, PT Bank BNP Paribas Indonesia and PT Bank DBS Indonesia. The proceeds of loans under the 2019 RLF facility are to be applied towards our general funding requirements, including but not limited to capital expenditure and financing any permitted acquisitions and prepayment of existing indebtedness. The RLF is irrevocably and unconditionally guaranteed by the Obligors.

The final repayment date of the 2019 RLF is January 24, 2025.

The rate of interest payable on each loan under the 2019 RLF is the percentage rate per annum which is the aggregate of LIBOR and a margin equivalent to:

- in relation to offshore lenders, 1.75% per annum; and
- in relation to onshore lenders, 1.85% per annum.

The 2019 RLF Agreement requires the Obligors to maintain (a) a Senior Leverage Ratio (as defined below) not exceeding 5.0 to 1.0, and (b) a Top Tier Revenue Ratio (as defined below) not less than 0.5 to 1.0.

Subject in each case to certain permitted exceptions as specified in the 2019 RLF Agreement, the 2019 RLF Agreement prohibits each Obligor from, among other things, creating or permitting to subsist any security over its assets, selling or disposing of any of its assets, paying or declaring any dividend or distribution, entering into any merger or corporate reconstruction, making any acquisition or investment, giving any guarantee or indemnity or becoming a creditor in respect of any financial indebtedness (other than in respect of any intercompany loans that are subordinated to the 2019 RLF Agreement in accordance with the 2019 Subordination Deed (as defined below)).

The “Senior Leverage Ratio” is calculated as the ratio of Total Net Senior Debt on a relevant quarter date to annualized adjusted EBITDA for the month ended on that quarter date.

“Total Net Senior Debt” is calculated as Total Senior Debt less cash and cash equivalents, and so that no amount shall be included or excluded more than once.

“Total Senior Debt” is calculated as the aggregate amount of all obligations of the Obligors for or in respect of financial indebtedness other than financial indebtedness that may be eliminated or disregarded for the purposes of preparing our consolidated accounts in accordance with GAAP, and includes financial indebtedness owing by an Obligor to a member of our group that is not an Obligor.

To the extent that any financial indebtedness is hedged by an agreement relating to currency exchange protection, Total Senior Debt will be calculated taking into account the effects of any such currency exchange protection.

The “Top Tier Revenue Ratio” is calculated, for each relevant period, for the Obligors in aggregate, the ratio of revenue from certain specified customers to all revenue received for such relevant period (which shall be calculated by reference to the most recent financial statements delivered pursuant to the 2019 RLF Agreement).

We cannot assure you that we will be able to satisfy the conditions precedent to any future utilization of the 2019 RLF and, accordingly, we cannot assure you that we will be able to continue utilizing the 2019 RLF on the terms as described herein or at all. See “Risk Factors — Risks Relating to Our Business — We have a substantial amount of indebtedness. In the event we do not repay or refinance such indebtedness, we could face substantial liquidity issues and might be required to issue equity securities or securities convertible into equity securities, or sell some of our assets to meet our debt payment obligations.”

As of September 30, 2019, an aggregate principal amount of Rp.5,315,250.0 million (US\$375.0 million) of the 2019 RLF was outstanding.

2019 Subordination Deed

In connection with the 2019 RLF, the Obligors entered into a subordination deed dated June 28, 2019 (the “2019 Subordination Deed”) with United Overseas Bank Limited, as agent of the finance parties (the “Agent”) specified under the 2019 RLF Agreement. The 2019 Subordination Deed provides for the subordination of intercompany liabilities (the “2019 RLF Subordinated Liabilities”) among the Obligors to the liabilities of the Issuer and the Obligors owing to the finance parties specified under the 2019 RLF Agreement and the other finance documents specified under the 2019 RLF Agreement.

Pursuant to the 2019 Subordination Deed, the Agent’s prior written consent is required before, among other things, any of the Obligors may, in their capacity as subordinated creditors:

- (i) demand or accept payment or repayment in respect of the 2019 RLF Subordinated Liabilities;
- (ii) create or permit to exist any security to secure payment and/or repayment of the 2019 RLF Subordinated Liabilities;
- (iii) assign, transfer or otherwise dispose of any of the 2019 RLF Subordinated Liabilities;
- (iv) take, accept or receive any payment or distribution of assets of any Obligor (“Distribution”);
- (v) (save only to the extent it is required to do so under any applicable law) set-off any 2019 RLF Subordinated Liabilities against the liabilities of the debtor to the subordinated creditor (“Debtor Liabilities”);
- (vi) take any enforcement action in relation to the 2019 RLF Subordinated Liabilities;
- (vii) enter into any transactions causing to arise any Debtor Liabilities; or

- (viii) agree to any variation of the agreements giving rise to the 2019 RLF Subordinated Liabilities (the “Subordinated Agreements”) that could make any amount payable earlier or more frequently or subject any debtor to more onerous obligations.

For so long as no event of default shall be continuing, the Obligors are entitled to receive payments under the Subordinated Agreements and to do any of the matters listed above, other than the matters set out in clause (ii) above.

Pursuant to the 2019 Subordination Deed, the Agent’s prior written consent is required before, among other things, any of the Obligors may, in their capacity as subordinated debtors:

- (i) pay or repay or otherwise seek to reduce any 2019 RLF Subordinated Liabilities;
- (ii) create or permit to exist any security to secure payment or repayment of the 2019 RLF Subordinated Liabilities;
- (iii) make any Distribution;
- (iv) (save only to the extent it is required to do so under any applicable law) set-off any 2019 RLF Subordinated Liabilities against any Debtor Liabilities;
- (v) take any enforcement action in relation to the 2019 RLF Subordinated Liabilities, enter into any transactions (other than permitted indebtedness pursuant to the Credit Facilities Agreement) causing to arise any Debtor Liabilities; or
- (vi) agree to any variation of the Subordinated Agreements that could make any amount payable earlier or more frequently or subject any debtor to more onerous obligations.

For so long as no event of default shall be continuing, the Obligors are entitled to make payments under the Subordinated Agreements and to do any of the matters listed above, other than the matters set out in clause (ii) above.

US\$1.0 Billion Credit Facilities

On November 6, 2015, the Obligors entered into an amendment and restatement agreement, amending and restating the original credit facilities agreement entered into on November 21, 2014 between the Obligors and certain lenders specified therein (together, the “Credit Facilities Agreement”), pursuant to which the lenders (as defined in the Credit Facilities Agreement) granted us a US\$400.0 million term loan facility (“Facility A”), a US\$300.0 million revolving loan facility (“Facility B”) and a US\$275.0 million term loan facility (“Facility D” and, together with Facility A and Facility B, the “Credit Facilities”). The original lenders under the Credit Facilities are The Bank of Tokyo-Mitsubishi UFJ, Ltd., Jakarta Branch, Oversea-Chinese Banking Corporation Limited, United Overseas Bank Limited, DBS Bank Ltd., PT Bank ANZ Indonesia, Sumitomo Mitsui Banking Corporation, Singapore Branch, CIMB Bank Berhad, Singapore Branch, the Hongkong and Shanghai Banking Corporation Limited, Jakarta Branch, the Hongkong and Shanghai Banking Corporation Limited, Crédit Agricole Corporate and Investment Bank, PT Bank BNP Paribas Indonesia, CTBC Bank Co., Ltd., Singapore and Chang Hwa Commercial Bank, Ltd, Singapore Branch. The proceeds of loans under the Credit Facilities are to be applied towards our general funding requirements, including but not limited to capital expenditure and financing any permitted acquisitions and prepayment of existing indebtedness. The Credit Facilities are irrevocably and unconditionally guaranteed by the Obligors.

With respect to Facility A, the final repayment date is January 31, 2020.

With respect to Facility B, the final repayment date is June 30, 2022.

With respect to Facility D, the final repayment date is June 29, 2021.

The rate of interest payable on each loan under the Credit Facilities is the percentage rate per annum which is the aggregate of LIBOR and a margin equivalent to:

- in the case of offshore lenders, in relation to:
 - Facility A, 2.00%;
 - Facility B, 1.75%; and
 - Facility D, 2.00%; and
- in the case of onshore lenders, in relation to:
 - Facility A, 2.10%;
 - Facility B, 1.85%; and
 - Facility D, 2.10%.

The Credit Facilities Agreement requires the Obligors to maintain (a) a Senior Leverage Ratio (as defined below) not exceeding 5.0 to 1.0, and (b) a Top Tier Revenue Ratio (as defined below) not less than 0.5 to 1.0.

Subject in each case to certain permitted exceptions as specified in the Credit Facilities Agreement, the Credit Facilities Agreement prohibits each Obligor from, among other things, creating or permitting to subsist any security over its assets, selling or disposing of any of its assets, paying or declaring any dividend or distribution, entering into any merger or corporate reconstruction, making any acquisition or investment, giving any guarantee or indemnity or becoming a creditor in respect of any financial indebtedness (other than in respect of any intercompany loans that are subordinated to the Credit Facilities Agreement in accordance with the 2014 Subordination Deed (as defined below)).

The “Senior Leverage Ratio” is calculated as the ratio of Total Net Senior Debt on a relevant quarter date to annualized adjusted EBITDA for the month ended on that quarter date.

“Total Net Senior Debt” is calculated as total senior debt less cash and cash equivalent investments, and so that no amount shall be included or excluded more than once.

“Total Senior Debt” is calculated as the aggregate amount of all obligations of the Obligors for or in respect of financial indebtedness other than financial indebtedness that may be eliminated or disregarded for the purposes of preparing our consolidated accounts in accordance with GAAP, and includes financial indebtedness owing by an Obligor to a member of our group that is not an Obligor. To the extent that any financial indebtedness is hedged by an agreement relating to currency exchange protection, Total Senior Debt will be calculated taking into account the effects of any such currency exchange protection.

The “Top Tier Revenue Ratio” is calculated, for each relevant period, for the Obligor in aggregate, the ratio of revenue from certain specified customers to all revenue received for such relevant period (which shall be calculated by reference to the most recent financial statements delivered pursuant to the Credit Facilities Agreement).

We cannot assure you that we will be able to satisfy the conditions precedent to any future utilization of the Credit Facilities and, accordingly, we cannot assure you that we will be able to continue utilizing the Credit Facilities on the terms as described herein or at all. See “Risk Factors — Risks Relating to Our Business — We have a substantial amount of indebtedness. In the event we do not repay or refinance such indebtedness, we could face substantial liquidity issues and might be required to issue equity securities or securities convertible into equity securities, or sell some of our assets to meet our debt payment obligations.”

As of September 30, 2019, we have fully repaid all US\$400.0 million under Facility A, and have outstanding principal amounts of Rp.2,512,696.0 million (US\$177.3 million) and Rp.3,897,850.0 million (US\$275.0 million) under Facility B and Facility D, respectively, and our committed and undrawn amounts under Facility B was Rp.1,739,149.8 million (US\$122.7 million). We intend to refinance the outstanding amounts under Facility B with the net proceeds of this offering. See “Use of Proceeds.”

2014 Subordination Deed

In connection with the Credit Facilities, the Obligor entered into a subordination deed dated November 21, 2014 (the “2014 Subordination Deed”) with United Overseas Bank Limited, as agent of the finance parties (the “Agent”) specified under the Credit Facilities Agreement. The Subordination Deed provides for the subordination of intercompany liabilities (the “Subordinated Liabilities”) among the Obligor to the liabilities of the Issuer and the Obligor owing to the finance parties specified under the Credit Facilities Agreement and the other finance documents specified under the Credit Facilities Agreement.

Pursuant to the 2014 Subordination Deed, the Agent’s prior written consent is required before, among other things, any of the Obligor may, in their capacity as subordinated creditors:

- (i) demand or accept payment or repayment in respect of the Subordinated Liabilities;
- (ii) create or permit to exist any security to secure payment and/or repayment of the Subordinated Liabilities;
- (iii) assign, transfer or otherwise dispose of any of the Subordinated Liabilities;
- (iv) take, accept or receive any payment or distribution of assets of any Obligor (“Distribution”);
- (v) (save only to the extent it is required to do so under any applicable law) set-off any Subordinated Liabilities against the liabilities of the debtor to the subordinated creditor (“Debtor Liabilities”);
- (vi) take any enforcement action in relation to the Subordinated Liabilities;
- (vii) enter into any transactions causing to arise any Debtor Liabilities; or

- (viii) agree to any variation of the agreements giving rise to the Subordinated Liabilities (the “Subordinated Agreements”) that could make any amount payable earlier or more frequently or subject any debtor to more onerous obligations.

For so long as no event of default shall be continuing, the Obligors are entitled to receive payments under the Subordinated Agreements and to do any of the matters listed above, other than the matters set out in clause (ii) above.

Pursuant to the 2014 Subordination Deed, the Agent’s prior written consent is required before, among other things, any of the Obligors may, in their capacity as subordinated debtors:

- (i) pay or repay or otherwise seek to reduce any Subordinated Liabilities;
- (ii) create or permit to exist any security to secure payment or repayment of the Subordinated Liabilities;
- (iii) make any Distribution;
- (iv) (save only to the extent it is required to do so under any applicable law) set-off any Subordinated Liabilities against any Debtor Liabilities;
- (v) take any enforcement action in relation to the Subordinated Liabilities, enter into any transactions (other than permitted indebtedness pursuant to the Credit Facilities Agreement) causing to arise any Debtor Liabilities; or
- (vi) agree to any variation of the Subordinated Agreements that could make any amount payable earlier or more frequently or subject any debtor to more onerous obligations.

For so long as no event of default shall be continuing, the Obligors are entitled to make payments under the Subordinated Agreements and to do any of the matters listed above, other than the matters set out in clause (ii) above.

Rp.150,000 Million Revolving Credit Facility

On October 31, 2018, a subsidiary of the Company, PT Gihon Telekomunikasi Indonesia Tbk (the “2018 RCF Borrower”), and PT Bank UOB Indonesia entered into a revolving credit facility agreement, as amended from time to time, and as amended and restated thereby on December 3, 2019 (the “2018 RCF Agreement”), which granted the 2018 RCF Borrower with: (i) an uncommitted revolving facility in the amount of Rp.50,000 million (“RCF 1”) which can be withdrawn within the period starting from October 31, 2019 until October 31, 2020 and (ii) a committed revolving facility in the amount of Rp.100,000 million (“RCF 2” and, together with RCF 1, the “2018 RCF”) which can be withdrawn within the period of 24 months commencing from January 10, 2019. The facilities under the 2018 RCF Agreement are to be applied towards the working capital and capital expenditure of the 2018 RCF Borrower. The 2018 RCF Agreement is unsecured.

The final repayment date for each of the RCF 1 and RCF 2 is 180 days from the date of withdrawal of the facility, subject to an extension with the prior written approval from PT Bank UOB Indonesia.

The rates of interest payable on each loan under the 2018 RCF Agreement are as follows:

In the case when the Total Debt (as defined below) to EBITDA ratio is less than 3 times, in relation to:

- RCF 1, JIBOR plus 1.75% per annum; and
- RCF 2, JIBOR plus 2.50% per annum.

In the case when the Total Debt to EBITDA ratio is 3 times or more, in relation to:

- RCF 1, JIBOR plus 2.25% per annum; and
- RCF 2, JIBOR plus 3.00% per annum.

The 2018 RCF Agreement requires the 2018 RCF Borrower to maintain: (i) a maximum Total Debt to EBITDA ratio of 3.75 times and (ii) top tier revenue ratio in the minimum of 50%.

Subject to prior written approval from PT Bank UOB Indonesia, the 2018 RCF Agreement prohibits the 2018 RCF Borrower from, among other things, creating or permitting to subsist any security over its assets, selling or disposing of any of its assets, entering into any merger, consolidation or spin-off, making any acquisition or investment, giving any guarantee or indemnity or becoming a creditor in respect of any financial indebtedness. PT Bank UOB Indonesia limits any dividend payments to a maximum of 50% from net profit after tax.

The “Total Debt” means short term loans, long term loans and any debt of the 2018 RCF Borrower which bears an interest.

As of September 30, 2019, an aggregate of principal amount of Rp.36,750 million of the 2018 RCF Agreement was outstanding.

Continuous Bonds

Continuous Bonds II Tower Bersama Infrastructure Phase I Year 2016 (“Continuous Bonds II Phase I”)

On July 1, 2016, the Company issued Continuous Bonds II Phase I with a fixed interest rate of 9.25% per annum, which is payable on a quarterly basis, in an aggregate principal amount of Rp.230 billion. The Continuous Bonds II Phase I will mature on July 1, 2021 and they constitute unsecured obligations of the Company, ranking *pari passu* with all other present and future unsecured obligations of the Company.

Subject in each case to certain permitted exceptions as specified in the trust deed of the Continuous Bonds II Phase I, the Company is prohibited from, among other things, entering into any merger or consolidation, creating any encumbrance over its assets or permitting the creation of any encumbrance over its consolidated subsidiaries’ assets, disposing any of its fixed assets and/or permitting the disposal of any of its consolidated subsidiaries’ fixed assets either in one or a series of transactions with a value of more than 10% of its total assets based on recent audited consolidated financial statements, issuing any secured bond or other secured securities through capital markets and providing any loan to, or giving any corporate guarantee for the benefit of, third parties and/or its

affiliates. Further, the Company and/or its consolidated subsidiaries may incur new indebtedness provided that the Company maintains the ratio of total pro forma consolidation loans with pro forma EBITDA from the last quarter multiplied by 4 (four) of no more than 6.25 times on the date of incurring of such new indebtedness.

Net proceeds from the issuance of the Continuous Bonds II Phase I were used to refinance parts of outstanding indebtedness of PT Solu Sindo Kreasi Pratama under Facility B with respect to the Credit Facilities Agreement.

As of September 30, 2019, an aggregate principal amount of Rp.230 billion of the Continuous Bonds II Phase I was outstanding.

Continuous Bonds II Tower Bersama Infrastructure Phase II Year 2017 (“Continuous Bonds II Phase II”)

On April 21, 2017, the Company issued Continuous Bonds II Phase II with a fixed interest rate of 8.75% per annum, which is payable on a quarterly basis, in an aggregate principal amount of Rp.700 billion. The Continuous Bonds II Phase II will mature on April 21, 2020 and they constitute unsecured obligations of the Company, ranking *pari passu* with all other present and future unsecured obligations of the Company.

Subject in each case to certain permitted exceptions as specified in the trust deed of the Continuous Bonds II Phase II, the Company is prohibited from, among other things, entering into any merger or consolidation, creating any encumbrance over its assets or permitting the creation of any encumbrance over its consolidated subsidiaries’ assets, disposing any of its fixed assets and/or permitting the disposal of any of its consolidated subsidiaries’ fixed assets either in one or a series of transactions with a value of more than 10% of its total assets based on recent audited consolidated financial statements, issuing any secured bond or other secured securities through capital markets and providing any loan to, or giving any corporate guarantee for the benefit of, third parties and/or its affiliates. Further, the Company and/or its consolidated subsidiaries may incur new indebtedness provided that the Company maintains the ratio of total pro forma consolidation loans with pro forma EBITDA from the last quarter multiplied by 4 (four) of no more than 6.25 times on the date of incurring of such new indebtedness.

Net proceeds from the issuance of the Continuous Bonds II Phase II were used to refinance parts of outstanding indebtedness of PT Solu Sindo Kreasi Pratama under Facility B with respect to the Credit Facilities Agreement.

As of September 30, 2019, an aggregate principal amount of Rp.700 billion of the Continuous Bonds II Phase II was outstanding.

Continuous Bonds II Tower Bersama Infrastructure Phase III Year 2017 (“Continuous Bonds II Phase III”)

On September 19, 2017, the Company issued Continuous Bonds II Phase III with a fixed interest rate of 8.40% per annum, which is payable on a quarterly basis, in an aggregate principal amount of Rp.700 billion. The Continuous Bonds II Phase III will mature on September 19, 2020 and they constitute unsecured obligations of the Company, ranking *pari passu* with all other present and future unsecured obligations of the Company.

Subject in each case to certain permitted exceptions as specified in the trust deed of the Continuous Bonds II Phase III, the Company is prohibited from, among other things, entering into any merger or consolidation, creating any encumbrance over its assets or permitting the creation of any encumbrance over its consolidated subsidiaries' assets, disposing any of its fixed assets and/or permitting the disposal of any of its consolidated subsidiaries' fixed assets either in one or a series of transactions with a value of more than 10% of its total assets based on recent audited consolidated financial statements, issuing any secured bond or other secured securities through capital markets and providing any loan to, or giving any corporate guarantee for the benefit of, third parties and/or its affiliates. Further, the Company and/or its consolidated subsidiaries may incur new indebtedness provided that the Company maintains the ratio of total pro forma consolidation loans with pro forma EBITDA from the last quarter multiplied by 4 (four) of no more than 6.25 times on the date of incurring of such new indebtedness.

Net proceeds from the issuance of the Continuous Bonds II Phase III were used to refinance parts of outstanding indebtedness of PT Solu Sindo Kreasi Pratama under Facility B with respect to the Credit Facilities Agreement.

As of September 30, 2019, an aggregate principal amount of Rp.700 billion of the Continuous Bonds II Phase III was outstanding.

Continuous Bonds III Tower Bersama Infrastructure Phase I Year 2018 (“Continuous Bonds III Phase I”)

On July 5, 2018, the Company issued Continuous Bonds III Phase I with a fixed interest rate at 8.50% per annum, which is payable on a quarterly basis, in an aggregate principal amount Rp.608 billion. The Continuous Bonds III Phase I will mature on July 5, 2021 and they constitute unsecured obligations of the Company, ranking *pari passu* with all other present and future unsecured obligations of the Company.

Subject in each case to certain permitted exceptions as specified in the trust deed of the Continuous Bonds III Phase I, the Company is prohibited from, among other things, entering into any merger or consolidation, creating any encumbrance over its assets or permitting the creation of any encumbrance over its consolidated subsidiaries' assets, disposing any of its fixed assets and/or permitting the disposal of any of its consolidated subsidiaries' fixed assets either in one or a series of transactions with a value of more than 10% of its total assets based on recent audited consolidated financial statements, issuing any secured bond or other secured securities through capital markets and providing any loan to, or giving any corporate guarantee for the benefit of, third parties and/or its affiliates. Further, the Company and/or its consolidated subsidiaries may incur new indebtedness provided that the Company maintains the ratio of total pro forma consolidation loans with pro forma EBITDA from the last quarter multiplied by 4 (four) of no more than 6.25 times on the date of incurring of such new indebtedness.

Net proceeds from the issuance of the Continuous Bonds III Phase I were used to refinance parts of outstanding indebtedness of PT Solu Sindo Kreasi Pratama under Facility B with respect to the Credit Facilities Agreement.

As of September 30, 2019, an aggregate principal amount of Rp.608 billion of the Continuous Bonds III Phase I was outstanding.

Continuous Bonds III Tower Bersama Infrastructure Phase III Year 2019 (“Continuous Bonds III Phase III”)

On May 24, 2019, the Company issued Continuous Bonds III Phase III with a fixed interest rate at 8.00% per annum, which is payable on a quarterly basis, in an aggregate principal amount of Rp.750 billion. The Continuous Bonds III Phase III will mature on June 4, 2020 and they constitute unsecured obligations of the Company, ranking *pari passu* with all other present and future unsecured obligations of the Company.

Subject in each case to certain permitted exceptions as specified in the trust deed of the Continuous Bonds III Phase III, the Company is prohibited from, among other things, entering into any merger or consolidation, creating any encumbrance over its assets or permitting the creation of any encumbrance over its consolidated subsidiaries’ assets, disposing any of its fixed assets and/or permitting the disposal of any of its consolidated subsidiaries’ fixed assets either in one or a series of transactions with a value of more than 10% of its total assets based on recent audited consolidated financial statements, issuing any secured bond or other secured securities through capital markets and providing any loan to, or giving any corporate guarantee for the benefit of, third parties and/or its affiliates. Further, the Company and/or its consolidated subsidiaries may incur new indebtedness provided that the Company maintains the ratio of total pro forma consolidation loans with pro forma EBITDA from the last quarter multiplied by 4 (four) of no more than 6.25 times on the date of incurring of such new indebtedness.

Net proceeds from the issuance of the Continuous Bonds III Phase III were used to refinance parts of outstanding indebtedness of PT Solu Sindo Kreasi Pratama each under the 2017 RLF Agreement and Facility B with respect to the Credit Facilities Agreement.

As of September 30, 2019, an aggregate principal amount of Rp.750 billion of the Continuous Bonds III Phase III was outstanding.

US\$350.0 million 5.25% Senior Unsecured Notes due 2022

On February 3, 2015, TBG Global Pte. Ltd., a wholly-owned subsidiary of the Company, issued the Existing USD Notes. Interest on the Existing USD Notes is payable at 5.25% per annum on a semi-annual basis. The Existing USD Notes will mature on February 10, 2022. The Existing USD Notes are guaranteed by the Company.

The Existing USD Notes contain, among others, covenants relating to asset sales, restricted payments, restrictions on incurrence of indebtedness and issuance of preferred stock, limitations on liens, limitations on sale and leaseback transactions, dividend and payment restrictions affecting certain restricted subsidiaries of the Company, merger, consolidation or sale of assets and limitations on issuance of guarantees of indebtedness.

The net proceeds of the Existing USD Notes were used to refinance outstanding indebtedness under certain revolving loan facilities and credit facilities.

As of September 30, 2019, an aggregate principal amount of Rp.4,960,900.0 million (US\$350.0 million) of the Existing USD Notes was outstanding.

REGULATION OF THE TOWER LEASING INDUSTRY IN INDONESIA

Overview

The tower leasing industry in Indonesia is subject to a variety of national and local regulations.

National Regulations

The Joint Regulation

In 2009, the Minister for Communication and Informatics, the Minister of Home Affairs, the Minister of Public Works and the Head of the Investment Coordinating Board issued a joint regulation providing guidelines on the construction and joint operation of telecommunications towers (the “Joint Regulation”). The Joint Regulation now serves as the national legal framework with respect to construction and operation of co-location towers although its acceptance and adoption varies in different regions of Indonesia. Under the Joint Regulation, tower sites for mobile telecommunications can only be constructed and operated by telecommunications operators or tower companies.

The Joint Regulation requires all tower companies to adopt the provisions of the Joint Regulation within two years of its promulgation (March 30, 2011). Although the Joint Regulation imposes minor additional requirements on tower construction, including requirements as to the supporting facilities as described above, it supports strict compliance with local zoning plans and recognizes the authority of local governments to supervise implementation. The Joint Regulation sets out administrative and technical requirements that must be met prior to issuing the IMBM. Aside from general corporate matters, administrative requirements include, most importantly (i) approval from each of the household of the surrounding community within a radius in accordance with the height of the tower; (ii) confirmation of zoning compliance; or (iii) recommendation from relevant authorities for towers in specific areas. The Joint Regulation further provides that all towers must satisfy Indonesian or other internationally applicable standards to ensure safety. The general standards are set out in the Joint Regulation.

Under the Joint Regulation, tower companies must be wholly owned by Indonesian persons or entities, unless the tower operator company is a publicly listed company. Publicly issued shares of tower companies may be owned by Indonesian or foreign persons or entities. Privately owned tower companies with foreign shareholding must comply with this requirement within two years, or by March 30, 2011.

Tower Sharing Arrangements

Co-locations provided by tower companies must allow equal, non-discriminatory opportunity to telecommunications providers to utilize the towers in line with the relevant towers’ technical capacity. Tower companies must transparently inform co-location applicants of the towers’ available capacity and employ a queuing mechanism on a first-come, first-serve basis.

Tower companies may charge the telecommunications provider for co-locations based on reasonable rates determined by reference to capital investment, operational costs and return on investment including profits.

Environmental Management

Environmental protection in Indonesia is governed by disparate laws, regulations and decrees, including:

- Law No. 32 of 2009 on Environmental Protection and Management (the “Environmental Law”), which superseded Law No. 23 of 1997 on Environmental Management (“Law No. 23/1997”);
- Government Regulation No. 27 of 2012 on Environmental License (“GR No. 27/2012”), which superseded Government Regulation No. 27 of 1999 on Environmental Impact Analysis;
- Minister of Environment and Forestry Regulation No. P.38/MENLHK/SETJEN/KUM.1/7/2019 on Types of Business and/or Activity Plans Requiring Environmental Impact Analysis (“Regulation No. 38/2019”), which superseded Minister of Environment Regulation No. 05 of 2012 on Types of Business and/or Activity Plans Requiring Environmental Impact Analysis (“Regulation No. 05/2012”); and
- Minister of Environment Regulation No. 03 of 2013 on Environmental Audit (“Regulation No. 03/2013”);

The Environmental Law contains several material provisions, including:

- Any company conducting business and/or activity that has a potentially significant impact on the environment is required to conduct an Environmental Impact Analysis (*Analisis Mengenai Dampak Lingkungan* or AMDAL) and prepare certain documents containing such analysis. The AMDAL documents must then be evaluated and approved by the Minister of Environment and Forestry (“MOEF”), governor, or regent/major according to their respective authorities. The types of businesses and activities requiring AMDAL are stipulated in Regulation No. 38/2019;
- If a company’s business does not fall within the types of businesses and activities requiring AMDAL, it must prepare Environmental Management Plan and Environmental Monitoring Plan (*Upaya Pengelolaan Lingkungan Hidup dan Upaya Pemantauan Lingkungan Hidup* or UKL-UPL). The UKL-UPL documents must then be evaluated and approved by the MOEF, governor, or regent/major according to their respective authorities;
- In the event that the business and/or activity do not require a UKL-UPL, the company is required to provide a Statement Letter on the Undertaking of Environmental Management and Monitoring (*Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup* or SPPL);
- A requirement that a mandatory Environmental License (*Izin Lingkungan*) be obtained by each enterprise that is required to conduct AMDAL or prepare UKL-UPL. The Environmental License is a prerequisite for a company to obtain the relevant business license. Revocation of the environmental permit will result in the revocation of the business license. The Environmental Law requires all existing environment-related licenses to be integrated into an Environmental License within one year of the enactment of the Environmental Law;

- Any business that imposes significant risk of environmental impact and/or does not appear to comply with the environmental regulations are required to conduct environmental audit;
- On March 7, 2013, the Minister of Environment (“MOE”) enacted Regulation No. 03/2013, setting out the requirements of voluntary and mandatory environmental audits. Each environmental audit, whether voluntary or mandatory is to be performed by a certified environmental auditor team. The mandatory environmental audit may be imposed at the MOE’s direction on businesses that do not appear to be in compliance with the environmental regulations, at the cost and expense of the businesses being audited.

The mandatory environmental audit process is to be stated in an audit result report and reviewed by the MOE. Later, MOE will determine any follow-up actions to be imposed on the audited business. Such follow-up actions are limited to the following: (i) improvement in performance of environmental management and monitoring of the audited business; (ii) amendment of the audited business’s environmental permit; (iii) imposing restrictions and conditions on the extension of environmental protection and management permits; and/or (iv) legal enforcement actions;

- The holder of an environmental permit is required to post an environmental rehabilitation bond with a designated state-owned bank in order to ensure that environmental rehabilitation is properly carried out;
- Any business that disposes of hazardous and toxic waste is required to obtain a license from the MOEF, governor, or regent/major according to their respective authorities, and such waste may only be disposed of at certain designated locations;
- Preventative and remedial measures and sanctions (such as the obligation to rehabilitate contaminated areas, the imposition of substantial criminal penalties and fines and the revocation of environmental permit) may be imposed in order to prevent or remedy the impacts of pollution caused by commercial operations; and
- Sanctions of between one and 15 years’ imprisonment, and/or fines of between Rp.500 million and Rp.15 billion, may be imposed on any person causing environmental pollution or damage. The sanctions imposed (both prison terms and fines) will be increased by one-third if the offense is perpetrated upon order of a party to commit such offense or a party acted as the leader of such offense.

The above provisions are to be further supported by a number of implementing regulations, some of which have yet to be issued as of the date of this offering circular. According to the Environmental Law, all of the ancillary regulations issued under the previous environmental legislation, Law No. 23/1997, remain in effect to the extent that they do not conflict with the Environment Law. However, if new implementing regulations are issued, we will be required to comply with them to the extent applicable.

Environmental License

On February 23, 2012 the Government issued implementing regulation to Environmental Law in the form of GR No. 27 of 2012.

Under GR No. 27/2012, the requirement to obtain an Environmental License applies to all enterprises whose “business and/or activity” require the preparation and approval of AMDAL or UKL-UPL.

At the outset, GR No. 27/2012 stipulates that the stages involved are as follows: (i) the enterprise must prepare AMDAL or UKL-UPL documents, as the case may be; (ii) the AMDAL or UKL-UPL documents will be evaluated by the relevant authority; and (iii) the enterprise must then apply for and obtain an Environmental License. The Environmental License will be issued by the MOEF, governor, or regent/major according to their respective authorities.

The issuance of an Environmental License must be announced to the public within five working days.

Local Regulations

Tower Permits, Licenses

Every construction of ground-based tower with height of more than 6 meters will be subject to the requirement to obtain a permit to build the tower in the form of building construction permit (*Izin Mendirikan Bangunan* or IMB) or tower construction permit (*Izin Mendirikan Bangunan Menara* or IMBM) issued by the local government. The Joint Regulation also states that IMB or IMBM for a ground-based tower have no expiry in so far as there are no changes to the tower's construction; however, the tower companies must annually assess the towers "construction worthiness" and report the findings to the local authorities.

The Joint Regulation appears to exempt specific permit requirements for towers which are placed on top of buildings (provided the height does not exceed the maximum limit) or other structures. However, if the tower installation changes the construction of the building, approval may be required for such changes.

In addition to the IMB or IMBM, certain municipalities and regencies require telecommunication towers to have tower operational licenses (*Izin Operasional Menara* or IOM). These local regulations prescribe various penalties for failure to obtain such IOMs which are largely administrative in nature, although some of the local regulations introduced by certain municipalities and regencies may require tower dismantling and/or impose criminal sanctions in the event of non-compliance.

Tower Locations

The placement of towers must be in line with local zoning requirements which may include restricted and permitted areas for tower construction and restrictions on tower population and density. Construction in specific areas, such as airport/ports, protected forest or secured areas, must also comply with prevailing rules for the relevant industrial sector, such as the "borrow and use" permit for forest areas.

In June 2010, the Minister of Home Affairs issued Regulation No. 32 of 2010 on Guidelines for Issuance of Building Construction Permit ("MHA Regulation 32"), which provides guidance over the issuance of IMB. Although MHA Regulation 32 does not specifically regulate telecommunication towers, it generally recognizes tower construction as an activity requiring IMB. Under MHA Regulation 32, the issuance of IMB is based on detailed zoning plan issued by the relevant local government. Buildings constructed prior to the issuance of a zoning plan are allowed to remain in place subject to subsequent application for an IMB. Buildings constructed after the issuance of the zoning plan must be in compliance with the zoning plan and require an IMB to be approved and issued by the local authorities, without which the building may be ordered to be dismantled.

Jakarta

The Governor of Jakarta has issued Regulation No. 14 of 2014 on Telecommunication Tower Implementation (“Regulation No. 14/2014”) on February 11, 2014, which governs, among other things: (i) existing telecommunication towers; (ii) the construction of new telecommunication towers; (iii) the placement of equipment and the location and forms of the towers; (iv) tower zoning; (v) building construction permits for towers; (vi) the issue of Telecommunication Equipment Placement Permit or *Izin Penempatan Perangkat Telekomunikasi* (“IPPT”); and (vii) technical requirements for tower construction.

Regulation No. 14/2014 specifies the designated areas in which towers may be constructed, comprising the following zones: (i) new tower zones; (ii) existing tower zones that have been jointly utilized by at least two telecommunications operators; or (iii) existing tower zones where the condition of the existing towers is not technically compatible with height or construction requirements. In addition, certain specifications are imposed on the construction of new towers, including, among others, (i) the availability of land in accordance with technical specifications of the towers; (ii) height technical requirements imposed by flight operation safety areas or *Kawasan Keselamatan Operasi Penerbangan*; (iii) the requirement for tower structures to be able to accommodate telecommunication equipment from at least two telecommunication operators; and (iv) the requirement for tower coordinates, frequency spectrums and radiation levels to be assessed by Communications, Information and Public Relations Office of Jakarta.

Under Regulation No. 14/2014, the following permits and documents are required for existing towers: (i) the Tower IMB; (ii) IPPT; and (iii) the Tower Construction Feasibility Letter or *Surat Kelayakan Konstruksi Menara*. In addition, the existing towers are required to be located in permitted tower zones. Regulation 14/2014 provides a six-month grace period from the date of its issuance for: (i) technical recommendations to be obtained from Communications, Information and Public Relations Office of Jakarta for existing towers located within tower zones to be converted to co-location towers; (ii) tower IMBs to be applied for illegal existing towers located within permitted tower zones; and (iii) relocation of existing towers constructed outside permitted tower zones. Sanctions for breaches to Regulation 14/2014 range from the issuance of warning letters to the enforced dismantlement of towers that are not built in compliance with the regulation.

Based on a letter No. 1195/-1.817 dated June 12, 2006, the Governor of Jakarta has confirmed that the Company, through one of its subsidiaries, PT Batavia Towerindo, has been assigned as one of Jakarta’s partners for development of telecommunications towers in the Jakarta area.

Batam

The Municipality of Batam has issued Regional Regulation No. 6 of 2009 on Telecommunication Towers in Batam Municipality (“Batam Regulation 6”), whereby the placement and distribution of tower sites in Batam must comply with the regulation issued by the Batam Mayor upon consultation with the Regional House of Representatives of Batam Municipality. Batam Regulation 6 envisages the distribution of tower placements within several zones based on population density, building proximity and infrastructure in the relevant areas, to be detailed in a separate regulation issued by the Batam Mayor.

Batam Regulation 6 classifies tower sites into single and co-location towers if they are used by at least three telecommunications operators. Batam Regulation 6 envisages tower constructions to be implemented under a co-location framework and any application for construction of new towers must

comply with the specification for co-location towers. Further, it requires that towers existing prior to the promulgated of Batam Regulation 6, insofar as their specification permits, must be operated as collocation towers.

Batam Regulation 6 requires any tower construction to obtain prior recommendation for tower construction and IMB to be issued by the Batam Mayor or designated officers. The tower companies must conduct periodic assessment of tower construction worthiness and report the findings annually to the mayor of Batam or designated officers. The tower companies must also insure their towers while remaining liable for any accidents resulting from construction of their towers.

Tower companies are expected to contribute to local development through third party contribution to the Batam Municipality budget or corporate social responsibility programs. The amount and procedures of such contribution are to be set out in an agreement between tower companies and the Batam Municipality.

Failure to comply with certain provisions of Batam Regulation 6, may subject the tower company to administrative sanctions in the form of written warnings, permit suspensions or revocations, and/or tower dismantlement orders. Non-compliant tower specifications resulting in tower malfunction that endangers the surrounding community is a misdemeanor punishable by maximum of six months, imprisonment and a fine of at most Rp.50 million.

Tower companies must, comply with Batam Regulation 6 within two years as of its issuance, or be subject to tower relocation at their own expense.

Based on a letter No. B/42/PDSI/X/2007 dated October 24, 2007, Batam Island Industrial Area Development Authority (“Otorita Batam”) confirmed that the Company, through one of its subsidiaries, PT Telenet Internusa, has been assigned as one of Otorita Batam’s partner for the development of towers in the Batam area.

MANAGEMENT

Our Board of Commissioners consists of four members (including two independent commissioners) and our Board of Directors consists of five members. Commissioners and Directors are elected for a five-year term, without prejudice to the rights of the general meeting of shareholders to dismiss a Commissioner or a Director during their term of office or to reappoint a Commissioner or Director whose term of office has expired. Members of our Board of Directors and Board of Commissioners are each appointed through a general meeting of shareholders. The duties and authority of each member of the Board of Commissioners and the Board of Directors are regulated by our articles of association.

The Board of Commissioners and Board of Directors of the Company were elected for a term of five years at the Extraordinary General Meeting of Shareholders held on May 27, 2015.

Board of Commissioners

Our Board of Commissioners is responsible for providing supervision and advice to the Board of Directors. As of September 30, 2019, our Board of Commissioners consisted of four members.

Name	Age	Position
Edwin Soeryadjaya	70	President Commissioner
Winato Kartono	48	Commissioner
Herry Tjahjana	69	Independent Commissioner
Wahyuni Bahar	58	Independent Commissioner

Edwin Soeryadjaya has been the President Commissioner since March 2010. Edwin is one of the major shareholders of PT Saratoga Investama Sedaya Tbk (“SRTG”). Edwin is an Indonesian citizen and earned a Bachelor of Business Administration from University of Southern California, United States, in 1974. Besides his role as President Commissioner in SRTG, he currently also serves as the President Commissioner and/or Commissioner of other companies, including PT Saratoga Investama Sedaya Tbk, PT Adaro Energy Tbk., PT Merdeka Copper Gold Tbk and PT Mitra Pinasthika Mustika Tbk. He previously held several positions at PT Astra International Tbk from 1978 to 1993, with his last position as vice president director.

Winato Kartono has been a Commissioner since March 2010. Winato is a major shareholder of PT Provident Capital Indonesia. Winato is an Indonesian citizen and he received a Bachelor of Economics from Trisakti University, Indonesia. He co-established Provident Capital Indonesia, a major shareholder of the Company, in 2005. Winato was previously the head of investment banking in Indonesia for Citigroup Global Markets. During his eight years at Citigroup, he also served as director in telecommunications and as vice president in mergers and acquisitions. Prior to joining Citigroup, he worked for Arthur Andersen and Bank Sumitomo Niaga in Jakarta.

Herry Tjahjana has been an Independent Commissioner since March 2010. Herry is an Indonesian Citizen and he is a 1973 military graduate of the Indonesian Armed Forces Academy. He received a Bachelor Degree of Political Science from University Terbuka, Indonesia. He was formerly a commander of the Indonesian Army in Borneo from 2003 to 2005, commander of the Indonesian Army in Bali, East Nusa Tenggara Timur and West Nusa Tenggara from 2005 to 2006, assistant operational head of KASUM of the Indonesian National Army in 2006, and vice chief of staff of the Indonesian Army from 2006 to 2008. Herry has been a President Commissioner at PT Bara Jaya Internasional Tbk (previously PT ATPK Resources Tbk) since 2016 and PT Baramulti Suksessarana Tbk since 2017.

Wahyuni Bahar has been an Independent Commissioner since December 2012. Wahyuni is an Indonesian citizen and has a Master of Laws degree from McGill University, Montreal, Canada, a Postgraduate Diploma in Law from the Institute of Social Studies, the Hague, Netherlands and a Law Degree from the Universitas Padjajaran, Bandung, Indonesia. Wahyuni has over 19 years of experience as a legal consultant specializing in Corporate Finance and the Capital Markets. He is the founder and managing partner of Bahar & Partners Law Firm. Wahyuni previously was a commissioner of PT Mitra Bhadra Consulting from 2010 to 2012 and PT Baris Capital from 2007 to 2011. Wahyuni was also the founder and an executive director of the Center of Finance, Investment & Securities Law from 2006 to 2010, and the founder and research manager of the Indonesian Environmental Law Center from 1993 to 1996.

Board of Directors

Name	Age	Position
Herman Setya Budi	56	President Director & Chief Operating Officer
Hardi Wijaya Liong	49	Vice President Director & Chief Executive Officer
Budianto Purwahjo	56	Director & Chief of Business Development
Helmy Yusman Santoso	43	Director & Chief Financial Officer
Gusandi Sjamsudin	52	Director & Chief of Product and Innovation (Independent Director)

Herman Setya Budi has been the President Director and Chief Operating Officer since March 2010. Herman is an Indonesian citizen and he earned a Bachelor of Civil Engineering from University of Parahyangan, Indonesia. Prior to joining the Company in September 2008, Herman was the managing director of PT Finansia Multi Finance.

Hardi Wijaya Liong has been Chief Executive Officer since 2004 and Vice President Director since July 2010. Hardi is a major shareholder of PT Provident Capital Indonesia. He is an Indonesian citizen and he received a Bachelor of Economics with a major in Accounting from Trisakti University. Hardi co-founded Provident Capital Indonesia, a shareholder of the Company, with Winato Kartono in 2005 and has since been managing the Tower Bersama Group. Hardi previously spent six years at Citigroup, where he was Vice President of Citigroup's Indonesia investment banking and director of PT Citigroup Securities Indonesia. Before joining Citigroup, he was at Arthur Andersen in Jakarta.

Budianto Purwahjo has been a Director and Chief of Business Development since March 2010. Budianto Purwahjo is an Indonesian citizen and he earned a Bachelor of Engineering with a specialization in Electrical Engineering from the Institute Sains & Technology National, Indonesia. He began his career in 1986 with PT Astra Graphia, a subsidiary of PT Astra Internasional Tbk. Most recently, he served as Marketing Manager for PT Astra Graphia. He was then appointed as director of business development in PT Ariawest International.

Helmy Yusman Santoso has been a Director and Chief Financial Officer since March 2010. Helmy is an Indonesian citizen. He earned of Bachelor of Economics with a major in Accounting from Trisakti University and is a Certified Public Accountant in Indonesia. Prior to joining the Company in 2008, he was the president director of PT Astra Auto Finance (part of the Astra Credit Companies Group, a joint venture with GE). Helmy joined Astra in 2002 as part of PT Astra Sedaya Finance, a subsidiary of PT Astra International Tbk. Most recently, he served as the head of the treasury & finance division, where he was in charge of all fundraising activities including syndicated loans, bond issuance, cash management and all treasury functions. Helmy began his career at Arthur Andersen in 1997, where he was a team leader for various general audit, business advisory and corporate finance projects.

Gusandi Sjamsudin has been Director since March 2010 and Chief of Product and Innovation since January 2012. Prior to this, Gusandi served as the Company's Chief Marketing Officer since March 2010. Gusandi is an Indonesian citizen and he graduated with a Master of Telecommunications Engineering from the Aachen Technological University (RWTH-Aachen) in Germany. Gusandi started his career with Siemens Indonesia as a Service Engineer, and subsequently carried out various assignments in the areas of research, planning, implementation and operations for information technology and telecommunications companies that include PT Ariawest International (KSO Telkom) and PT Sisindokom Lintasbuana (IT Integrator).

Advisor to the Board of Directors

Decisions regarding major corporate actions such as acquisitions, debt raising and major customer strategies and initiatives are the responsibility of the Board of Directors. Our Board of Directors is assisted by Gavin Arnold Caudle, Advisor to the Board of Directors:

Gavin Arnold Caudle has been an Advisor to the Board of Directors since 2004. He obtained a Bachelor of Commerce degree from the University of Western Australia in 1988 and qualified as a Chartered Accountant in 1991. Gavin is currently a director in PT Merdeka Copper Gold Tbk. He previously served as the head of investment banking and head of mergers and acquisitions and private equity for Citigroup in Indonesia. Prior to Citigroup, Gavin worked for Arthur Andersen. He joined the firm in 1988 and became a manager in 1993. He transferred to Indonesia in 1998 and eventually became a partner in the Jakarta office.

Compensation

The total compensation paid to our Board of Commissioners and Board of Directors in 2016, 2017 and 2018 and in the nine months ended September 30, 2019 was Rp.36,515 million (US\$2.58 million), Rp.39,324 million (US\$2.77 million), Rp.39,838 million (US\$2.81 million) and Rp.34,765 million (US\$2.45 million), respectively.

The basis of determining the remuneration of the Board of Directors is through an annual general meeting of shareholders. The authority to determine the remuneration of the Board of Directors can be delegated to the Board of Commissioners by a general meeting of shareholders. The basis to determining the remuneration for the Board of Commissioners is through an annual general meeting of shareholders.

Corporate Governance Process

Our Board of Commissioners acts as the overall supervisory and monitoring body of the Company. Decisions above certain monetary thresholds have to be referred by our Board of Directors to our Board of Commissioners or shareholders for their review and approval. Our Board of Directors acts as the primary approval and decision-making body.

Our corporate governance framework provides for checks and balances while allowing our management flexibility for prompt decision making in the ordinary course of business. Post implementation audits of significant expenditures are conducted and reviewed by designated committees and by our Board of Directors.

We continue to monitor our compliance with the principles of good corporate governance ("GCG") as stipulated by the OJK which replaced the function, duty and authority of Bapepam-LK as

of December 31, 2012 as regulated under Law No. 21 of 2011 regarding Financial Services Authority and IDX rules. In connection with the implementation of GCG principles in our business and in accordance with OJK Rule No. 33/POJK.04/2014 dated December 8, 2014 on Board of Directors and Board of Commissioners of Issuers or Public Companies and OJK Rule No. 35/POJK.04/2014, dated December 8, 2014 on Corporate Secretary of Issuers or Public Companies, the Company has established the following:

- Independent Commissioners: Wahyuni Bahar and Herry Tjahjana
- Corporate Secretary: Helmy Yusman Santoso

We also have an internal audit division for supervising the implementation of policies established by the management.

Audit Committee

In order to meet the requirements of OJK Rule No. 55/POJK.04/2015 dated December 29, 2015 on the Establishment and Work Performance Guidance of an Audit Committee, on February 9, 2017, the Board of Commissioners have appointed the following individuals as members of the Audit Committee:

- Wahyuni Bahar (Chairman)
- Aria Kanaka (member)
- Ignatius Andy (member)

The term of office of the members of the Audit Committee lasts until the closing of the annual general meeting of shareholders in 2020. The duties of the Audit Committee include providing professional, independent advice to the Board of Commissioners and identifying matters that require the attention of the Board of Commissioners, including a review of the following: our financial information (including financial reports and projections); the independence and objectivity of our public accountant; the adequacy of our public accountant's audits that all material risks have been considered; the adequacy of our internal controls; our compliance as a listed company with the prevailing capital markets regulations and other regulations related to our business and our internal auditors' duties. The Audit Committee also examines and reports complaints to the Board of Commissioners, maintains the confidentiality of documents, data and information relating to us, conducts an audit of any alleged mistake in the resolutions of a Board of Directors' meeting or deviations in the implementation of the resolutions of such meetings.

Nomination and Remuneration Committee

Under OJK Rule No. 34/POJK.04/2014 dated December 8, 2014 on Nomination and Remuneration Committee of Issuers or Public Companies, a public company is required to have a function of nomination and remuneration which can be conducted by a Board of Commissioners.

The function of nomination and remuneration are to provide recommendations on the composition of Board of Directors and Board of Commissioners, make policies and criteria required in nomination process and assist in conducting evaluation to the performance of, and create remuneration structure and policies for, members of Board of Directors and Board of Commissioners. We have determined this function under the Guidance of Function of Nomination and Remuneration as approved by our Board of Commissioners on December 2, 2015.

Internal Audit

According to Decree No. 954/TBG-SKP-00/HOS/03/XII/2014 dated May 7, 2014, we have appointed Mr. Supriatno Arham as the Head of Internal Audit Unit. In accordance with OJK Rule No. 56/POJK.04/2015 dated December 29, 2015 on the Establishment and Development Guidelines for Internal Audit Charter, we have defined the roles and functions of the internal audit division under the Internal Audit Charter stipulated by the Board of Directors on January 10, 2011 and approved by the Board of Commissioners on January 10, 2011. The role of the internal audit division is to audit, evaluate, and analyze our operations and to identify any potential risks related to our activities. The internal audit division provides recommendations to the Board of Directors for potential improvements.

Corporate Secretary

As provided in OJK Rule No. 35/POJK.04/2014, dated December 8, 2014 on Corporate Secretary of Issuers or Public Companies, the functions of a corporate secretary are, among others, to keep himself or herself up-to-date with the capital market regulations, to ensure that information on the company is accessible to investors, to provide input to the Board of Directors and Board of Commissioners with respect to the compliance to Law No. 8 of 1995 on Capital Markets and its implementing regulations and act as contact person between the Company on the one hand, and the relevant authorities and the public on the other. We appointed Helmy Yusman Santoso as the Company's Corporate Secretary based on Letter No. 157/ TBG-TBI-001/FAL/01/VII/2010 dated July 8, 2010 regarding Appointment of Corporate Secretary of PT Tower Bersama Infrastructure Tbk. See "— Board of Directors" for the biography of our Corporate Secretary, Mr. Helmy Yusman Santoso.

PRINCIPAL SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Principal Shareholders

The following table sets forth certain information, as of September 30, 2019, with respect to the ownership of the Company's equity shares by (i) members of the Board of Commissioners or Board of Directors of the Company, and (ii) each person who, according to the Shareholders Register of the Company, issued by PT Datindo Entrycom as Share Registrar of the Company, owned more than 5% of the Company's equity shares.

	<u>Number of Shares</u>	<u>Percentage of Voting Rights</u>
Board of Commissioners:		
Edwin Soerjadjaya	14,296,366	0.33%
Winato Kartono	27,343,963	0.63%
Board of Directors:		
Herman Setya Budi	725,000	0.02%
Hardi Wijaya Liong	13,671,981	0.32%
Budianto Purwahjo	1,005,000	0.02%
Helmy Yusman Santoso	625,000	0.01%
Gusandi Sjamsudin	390,000	0.01%
Principal shareholders:		
PT Wahana Anugerah Sejahtera	1,525,031,319	35.25%
PT Provident Capital Indonesia	1,156,552,106	26.73%
Others:		
Members of the public	1,777,704,175	36.68%
Treasury shares	205,189,100	*

* Not meaningful.

PT Wahana Anugerah Sejahtera

Wahana is a 99.8% owned subsidiary of PT Saratoga Investama Sedaya Tbk, which is a leading active investment company with investments in key sectors of the Indonesian economy, such as consumer, infrastructure and natural resources.

PT Provident Capital Indonesia

PCI was founded in 2005 as an investment company. PCI's first investment was in the Tower Bersama Group and its other significant investment is in PT Merdeka Copper Gold Tbk, a gold, silver, copper and other related minerals mining business. The founding shareholders of PCI had extensive banking and accounting experience prior to commencing the tower business and therefore provide significant leadership in ensuring that proper risk management controls as well as cost-effective financing are in place. Our management has sought to leverage the relationships and expertise of both its shareholders in building our business.

Related Party Transactions

We have not entered into any material related party transactions during the period from January 1, 2017 to the date of this offering circular. In connection with related party transactions, it is our policy to comply with Indonesian securities laws, the rules and regulations of OJK, as well as the accounting standards regarding disclosure of information concerning related persons and companies as determined by the Indonesian Institute of Accountants. Any of our future transactions with persons with possible conflicts of interest will be reviewed by our conflict of interest committee to consider the reasonableness of any such transaction. OJK distinguishes between an affiliated party transaction and a conflict of interest transaction. Under Bapepam-LK Regulation IX.E.1 on Affiliated Party Transactions and Conflict of Interest in Certain Transactions (“Rule IX.E.1”), an affiliated party transaction is defined as a transaction between (i) a public company or a controlled company of the public company, and (ii) an affiliate of the public company or an affiliate of a member of the public company’s Board of Directors/ Board of Commissioners, or a substantial shareholder (the party which directly/indirectly holds at least 20.0% shares in the public company). However, not all affiliated party transaction will be considered as a conflict of interest transaction. Under Rule IX.E.1, a conflict of interest is defined as the difference between the economic interests of a public company and the personal economic interests of members of the Board of Directors, the Board of Commissioners, or substantial shareholder which may cause economic damage to the public company.

To enter into an affiliated party transaction, we are required to (i) disclose the transaction to OJK and (ii) make a public announcement of the transaction within two business days following such transaction. The public announcement must include, among others, a summary of the appraisal report of the transaction which is produced by an independent appraiser registered with OJK. There are also several exemptions provided in Rule IX.E.1. OJK allows certain affiliated party transactions which:

- (i) do not need to be announced to the public and only need to be reported to OJK, at the latest two business days after the affiliated party transactions have been conducted. The transactions include, among others, a transaction the value of which does not exceed 0.5% of the paid-up capital of a publicly company and does not exceed Rp.5,000,000,000, or a transaction between a public company and its subsidiary whose shares are at least 99% held by it or between subsidiaries whose shares are at least 99% held by it. For affiliated party transactions that only need to be reported to OJK, the appraisal report is not required; and
- (ii) are not required to be announced to the public and reported to OJK. These transactions include, among others, transactions that constitute the main business activities of the public company or its controlled company.

To enter into a conflict of interest transaction, we are required to receive an approval of the transaction from more than 50.0% of independent/non-interested shareholders. We believe that each of these arrangements have been entered into on arm’s-length terms or on terms that we believe have been at least as favorable to us as similar transactions with non-related parties would have been.

DESCRIPTION OF THE NOTES

You can find the definitions of certain terms used in this description under the subheading “Certain Definitions.” In this description, the word “Issuer” refers only to PT Tower Bersama Infrastructure Tbk, a company incorporated with limited liability under the laws of the Republic of Indonesia, and not to any of its Subsidiaries.

The Issuer will issue the Notes under an indenture (the “Indenture”) among itself, and The Bank of New York Mellon, London Branch, as Trustee, in a private transaction that is not subject to the registration requirements of the Securities Act. Holders of Notes will not be entitled to any registration rights. See “Transfer Restrictions.” The terms of the Notes will include those stated in the Indenture.

The following description is a summary of the material provisions of the Indenture. It does not restate the Indenture in its entirety and is qualified by reference to the Indenture. We urge you to read the Indenture because it, and not this description, defines your rights as holders of the Notes. Copies of the Indenture will be available on or after the original issue date during regular business hours at the Corporate Trust Office of the Trustee at One Canada Square, London E14 5AL, United Kingdom. Certain defined terms used in this description but not defined below under “— Certain Definitions” have the meanings assigned to them in the Indenture.

The registered holder of a Note (a “Holder”) will be treated as the owner of it for all purposes. Only registered holders will have rights under the Indenture.

Brief Description of the Notes

The Notes

The Notes will be:

- general unsecured obligations of the Issuer;
- pari passu in right of payment with all future unsecured senior Indebtedness of the Issuer;
- senior in right of payment to any future subordinated Indebtedness of the Issuer; and
- effectively subordinated to all secured Indebtedness of the Issuer to the extent of the value of the assets serving as security therefor and to all liabilities (including trade payables) of each subsidiary of the Issuer that does not guarantee the Notes.

The operations of the Issuer are conducted through its Subsidiaries and, therefore, the Issuer will depend on the cash flow of its Subsidiaries to meet obligations, including its obligations under the Notes. None of the Issuer’s Subsidiaries will initially guarantee the Notes, and the Notes will be effectively subordinated to all Indebtedness, including all borrowings under our Existing Credit Facilities and other liabilities (including trade payables and lease obligations), of such Subsidiaries. Any right of the Issuer to receive assets of any of its Subsidiaries upon the liquidation or reorganization of such Subsidiaries, and the consequent right of the Holders of the notes to participate in those assets, will be effectively subordinated to the claims of that Subsidiary’s creditors, except to the extent that the Issuer or any Subsidiary Guarantor is itself recognized as an unsubordinated creditor of such Subsidiary. Even if the Issuer is recognized as a creditor of such Subsidiary, the claims of the Issuer would still be subordinate in right of payment to any Indebtedness of such Subsidiary to the extent of any security interest in the assets of that Subsidiary securing such Indebtedness and to any indebtedness of that Subsidiary senior to that held by the Issuer.

As of September 30, 2019 and after giving effect to the issuance and sale of the Notes and the application of the net proceeds therefrom, the Issuer would have had gross debt of Rp.12,909,800 million (US\$910.8 million) outstanding.

As of September 30, 2019 and after giving effect to the issuance and sale of the Notes and the application of the net proceeds therefrom, the Issuer's Subsidiaries would have had gross debt of approximately Rp.10,685,830 million (US\$753.9 million) including finance leases and indebtedness under the 2017 RLF, the 2018 RCF, the 2019 RLF and the Credit Facilities, all of which would be structurally senior to the Notes and would have had the ability to borrow up to an additional US\$402.1 million under the Existing Credit Facilities. Further, the Issuer and its Subsidiaries have entered into subordination deeds in connection with the 2017 RLF Agreement, the 2019 RLF Agreement and the Facility Agreement, pursuant to which intercompany liabilities between the Issuer's Subsidiaries or owing by the Issuer's Subsidiaries to the Issuer are subordinated to the liabilities of such subsidiaries owing under the 2017 RLF Agreement, the 2019 RLF Agreement and the Facility Agreement, as applicable. Under the subordination deeds, the prior written consent of the agent for the finance parties specified under the 2017 RLF Agreement, the 2019 RLF Agreement or the Facility Agreement, as applicable, may be required for, among other things, any payment of such intercompany liabilities between such subsidiaries or taking, accepting or receiving any payment or distribution of assets of such subsidiaries if an event of default is continuing. See "Description of Material Indebtedness" for more details on the subordination deeds. As a result of the subordination deeds and other covenants under the Existing Credit Facilities, the ability of the Issuer's Subsidiaries to dividend or distribute cash flow or assets to the Issuer is materially restricted. See "Risk Factors — Risks Relating to the Notes — We are a holding company. Holders of the Notes are effectively subordinated to all our subsidiaries' indebtedness and obligations, and the Notes are unsecured obligations."

As of the date of the Indenture, all of the Issuer's Subsidiaries will be Restricted Subsidiaries. However, under certain circumstances, the Issuer will be able to designate current or future Subsidiaries as Unrestricted Subsidiaries. Unrestricted Subsidiaries generally will not be subject to the restrictive covenants set forth in the Indenture.

Principal, Maturity and Interest

The Issuer will issue US\$350,000,000 million in aggregate principal amount of Notes in this offering. The Issuer may issue additional Notes under the Indenture from time to time after this offering. Any issuance of additional Notes will be subject to all of the covenants in the Indenture, including the covenant described below under the caption "— Certain Covenants — Incurrence of Indebtedness and Issuance of Preferred Stock" and "— Further Issues." The Notes and any additional Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. The Issuer will issue Notes in denominations of US\$200,000 and integral multiples of US\$1,000 in excess of thereof. The Notes will mature on January 21, 2025.

Interest on the Notes will accrue at the rate of 4.25% per annum and will be payable semi-annually in arrears on January 21 and July 21, commencing on July 21, 2020. Interest on overdue principal and interest, if any, will accrue at a rate that is 1% higher than the then applicable interest rate on the Notes. The Issuer will make each interest payment to the holders of record on the immediately preceding January 6 and July 6 (each, a "Record Date"), notwithstanding any transfer, exchange or cancellation thereof after a Record Date and prior to the immediately following interest payment date. So long as the Notes are held in global form, each payment in respect of the Global Note will be made to the person shown as the Holder at the close of business on the Clearing System Business Day before the due date for such payments, where "Clearing System Business Day" means a weekday (Monday to Friday, inclusive) except December 25 and January 1.

Interest on the Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Methods of Receiving Payments on the Notes

All payments on the Notes will be made by wire transfer in U.S. dollars by the Issuer at the office or agency of the Issuer maintained for that purpose (which initially will be an office of the Paying Agent, currently located at One Canada Square, London E14 5AL, United Kingdom), and the Notes may be presented for registration of transfer or exchange at such office or agency; *provided* that, if the Notes are in certificated form and the Issuer is acting as its own paying agent, at the option of the Issuer, payment of interest may be made by check mailed to the address of the Holders at such address appears in the register maintained by the Registrar or by wire transfer. Interest payable on the Notes held through Euroclear or Clearstream will be available to Euroclear or Clearstream participants on the Business Day following payment thereof.

Paying Agent, Transfer Agent and Registrar for the Notes

The Bank of New York Mellon, London Branch will initially act as the Trustee and as Paying Agent and The Bank of New York Mellon SA/NV, Luxembourg Branch, will initially act as the Transfer Agent and as the Registrar with respect to the Notes. The Issuer may change the Paying Agent, Transfer Agent or Registrar without prior notice to the Holders of the Notes, and the Issuer or any of its Subsidiaries may act as Paying Agent, Transfer Agent or Registrar under the Indenture.

Transfer and Exchange

A Holder may transfer or exchange Notes in accordance with the provisions of the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes. Holders will be required to pay all taxes due on transfer. The Issuer will not be required to transfer or exchange any Note selected for redemption. Also, the Issuer will not be required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed.

Further Issues

Subject to the covenants and in accordance with the terms of the Indenture described below, the Issuer may, from time to time, without notice to or the consent of the Holders of the Notes, create and issue additional Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, issue price and the first payment of interest on them and, to the extent necessary, certain temporary securities law transfer restrictions) so that such additional Notes may be consolidated and form a single class with the previously outstanding Notes and vote together as one class on all matters with respect to the Notes; provided that the issuance of any such additional Notes shall then be permitted under the “— Incurrence of Indebtedness and Issuance of Preferred Stock” covenant described below; and provided further that the additional Notes will not be issued under the same CUSIP, ISIN or Common Code as the Notes unless such additional Notes are fungible with the Notes for U.S. federal income tax purposes.

Additional Amounts

All payments made by or on behalf of the Issuer under or with respect to the Notes (whether or not in the form of definitive Notes) or any Subsidiary Guarantor on its Subsidiary Guarantee will be

made free and clear of and without withholding or deduction for, or on account of, any present or future Taxes unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of any jurisdiction in which the Issuer or any Subsidiary Guarantor is then incorporated, is considered a resident for tax purposes, or any political subdivision thereof or therein or any jurisdiction by or through which payment is made by or on behalf of the Issuer or any Subsidiary Guarantor (each, a “Tax Jurisdiction”), will at any time be required to be made from any payments made by or on behalf of the Issuer under or with respect to the Notes or any Subsidiary Guarantor with respect to any Subsidiary Guarantee, including payments of principal, redemption price, purchase price, interest or premium, the Issuer or the Subsidiary Guarantor, as applicable, will pay such additional amounts (the “Additional Amounts”) as may be necessary in order that the net amounts received in respect of such payments by each holder (including Additional Amounts) after such withholding or deduction will equal the respective amounts that would have been received in respect of such payments in the absence of such withholding or deduction; provided that no Additional Amounts will be payable with respect to:

- (1) any Taxes that would not have been imposed but for the existence of any present or former connection between the holder or beneficial owner of such Note (or, if the holder or beneficial owner is an estate, nominee, trust, partnership or corporation, between a fiduciary, settler, beneficiary, partner of, member or shareholder of, or possessor of power over, the holder or beneficial owner) and the Tax Jurisdiction (including, without limitation, being a citizen or resident or national of, or carrying on a business or maintaining a permanent establishment in, or being physically present in, a Tax Jurisdiction) other than a connection resulting merely from the ownership or holding of such Note, the receipt of payments with respect to such Note or the enforcement of rights thereunder;
- (2) any Taxes imposed or withheld as a result of the failure of the holder or beneficial owner of the Notes to comply with any written request, made to the relevant holder in writing at least 45 days before any such withholding or deduction would be payable, by the Issuer, any Subsidiary Guarantor or any other Person through whom payment may be made or a relevant taxing authority to provide timely or accurate information concerning the nationality, residence or identity of such holder or beneficial owner or to make any valid or timely declaration or similar claim or satisfy any certification information or other reporting requirement applicable to such holder or beneficial owner, which is required or imposed by a statute, regulation or administrative practice of the relevant Tax Jurisdiction as a precondition to exemption from all or part of such Taxes;
- (3) any Note presented for payment (where Notes are in the form of definitive Notes and presentation is required) more than 30 days after the relevant payment is first made available for payment to the holder (except to the extent that the holder would have been entitled to Additional Amounts had the Note been presented on the last day of such 30 day period);
- (4) any estate, inheritance, gift, sale, value added, use, excise, transfer, personal property or similar Tax;
- (5) any Taxes payable otherwise than by deduction or withholding from payments under or with respect to the Notes or any Subsidiary Guarantee;
- (6) any Taxes imposed or required to be withheld under Sections 1471 to 1474 (or any successor provisions or amendments thereof) of the United States Internal Revenue Code of

1986, as amended (the “Code”), including any regulations or other official guidance thereunder, any law implementing an intergovernmental approach to such Sections, or any agreements entered into pursuant to Section 1471(b) of the Code;

- (7) any Taxes that are imposed or withheld as a result of the presentation of any note for payment by or on behalf of a holder of notes who would have been able to avoid such withholding or deduction by presenting the relevant note elsewhere; or
- (8) any combination of items (1) through (7) above.

In addition, no Additional Amounts shall be paid with respect to a holder who is a fiduciary, limited liability company or a partnership or other than the sole beneficial owner of the Notes to the extent that the beneficiary or settlor with respect to such fiduciary, the member of such limited liability company or partnership or the beneficial owner of the Notes would not have been entitled to Additional Amounts had such beneficiary, settlor, member or beneficial owner held such Notes directly.

Notwithstanding the foregoing, the limitations on the obligations of the Issuer or any Subsidiary Guarantor, as applicable, to pay Additional Amounts set forth in item (2) above will not apply if the provision of any certification, identification, information, or other reporting requirement described in such item (2) would be materially more onerous, in form, in procedure or in the substance of information disclosed, to a holder or beneficial owner of a Note than comparable information or other reporting requirements imposed under U.S. tax law, regulations, treaty and administrative practice (such as U.S. Internal Revenue Service Forms W-8BEN and W-9). In addition, for the avoidance of doubt, no holder or beneficial owner of the Notes shall be required to provide any form, statement or other information (including, but not limited to, Form DGT or any successor or similar form) to establish an exemption from or a reduced rate of Indonesian withholding taxes under a treaty between Indonesia and any applicable jurisdiction.

In addition to the foregoing, the Issuer and each Subsidiary Guarantor will pay and indemnify the holder for any present or future stamp, issue, registration, court or documentary taxes, or any other excise or property taxes, charges or similar levies or Taxes levied by any Tax Jurisdiction on the execution, delivery, registration or enforcement of any of the Notes, the Indenture, any Subsidiary Guarantee or any other document or instrument referred to therein, or the receipt of any payments with respect to the Notes or any Subsidiary Guarantee (other than Taxes excluded under items (1) through (4) or (6) through (8) above).

If the Issuer or any Subsidiary Guarantor becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the Notes or any Subsidiary Guarantee, the Issuer or the relevant Subsidiary Guarantor, as the case may be, will deliver to the Trustee and the Paying Agent on a date at least 30 days prior to the date of payment (unless the obligation to pay Additional Amounts arises after the 30th day prior to that payment date, in which case the Issuer or the relevant Subsidiary Guarantor shall notify the Trustee and the Paying Agent promptly thereafter) an Officers’ Certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The Officers’ Certificate must also set forth any other information reasonably necessary to enable the Paying Agent to pay Additional Amounts to holders on the relevant payment date. The Issuer or the relevant Subsidiary Guarantor will provide the Paying Agent with documentation evidencing the payment of Additional Amounts.

The Issuer or the relevant Subsidiary Guarantor will make all withholdings and deductions required by law and will remit the full amount deducted or withheld to the relevant Tax authority in accordance with applicable law. The Issuer or the relevant Subsidiary Guarantor will use its reasonable

efforts to obtain Tax receipts from each Tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or the relevant Subsidiary Guarantor will furnish to the Paying Agent, upon its request, within 60 days after the date the payment of any Taxes so deducted or withheld is made, certified copies of Tax receipts evidencing payment by the Issuer or a Subsidiary Guarantor, as the case may be, or if, notwithstanding such entity's efforts to obtain receipts, receipts are not obtained, other evidence of payments by such entity.

Whenever the Indenture or this "Description of the Notes" mentions the payment of amounts based on the principal amount, interest or any other amount payable under, or with respect to, any of the Notes, such mention shall be deemed to include the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The above obligation will survive any termination, defeasance or discharge of the Indenture and any transfer by a holder or beneficial owner of its Notes and will apply, mutatis mutandis, to any jurisdiction in which any successor Person to the Issuer or any Subsidiary Guarantor (if any) is organized or resident (or deemed resident) for tax purposes.

Optional Redemption

At any time prior to January 21, 2023, the Issuer may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes issued under the Indenture, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 104.25% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to the date of redemption (subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date), in an amount not to exceed the net proceeds from an Equity Offering; provided that:

- (1) at least 65% of the aggregate principal amount of Notes originally issued under the Indenture (excluding Notes held by the Issuer and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and
- (2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

Notice of any redemption upon any Equity Offering may be given prior to the redemption thereof, and any such redemption or notice may, at the Issuer's discretion, be conditioned on the completion of the related Equity Offering.

At any time prior to January 21, 2023, the Issuer may on any one or more occasions redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest, if any, to the date of redemption (subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date). Neither the Trustee nor the Paying Agent will be responsible for verifying or calculating the Applicable Premium.

Except pursuant to the preceding paragraphs, the Notes will not be redeemable at the Issuer's option prior to January 21, 2023.

On or after January 21, 2023, the Issuer may on any one or more occasions redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, on the Notes redeemed, to the applicable date of redemption, if redeemed during the periods indicated below (subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date):

Year	Percentage
Twelve-month period beginning January 21, 2023	102.1250%
Twelve-month period beginning January 21, 2024	101.0625%
One month period beginning December 21, 2024 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent (including, without limitation, the incurrence of Indebtedness the proceeds of which will be used to redeem the Notes). In addition, if such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, at the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded if any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed.

Redemption for Changes in Taxes

The Issuer may redeem the Notes, in whole but not in part, at any time upon giving not less than 30 nor more than 60 days' prior notice to the Holders (which notice will be irrevocable and given in accordance with the procedures described in "— Selection and Notice"), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Issuer for redemption (a "Tax Redemption Date") and all Additional Amounts (if any) then due and that will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the right of holders on the relevant record date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), if on the next date on which any amount would be payable in respect of the Notes or a Subsidiary Guarantee, the Issuer, or any Subsidiary Guarantor has or would be required to pay Additional Amounts and the Issuer, or the Subsidiary Guarantor cannot avoid any such payment obligation by taking reasonable measures available, (provided that changing the jurisdiction of organization of the Issuer or a Subsidiary Guarantor (as the case may be) is not a reasonable measure for purposes of this section), as a result of:

- (1) any change in, or amendment to, the laws or treaties (or any regulations, or rulings promulgated thereunder) of the relevant Tax Jurisdiction affecting taxation which becomes effective on or after the date of the Indenture (or, if the relevant Tax Jurisdiction has changed since the date of the Indenture, the date on which the then current Tax Jurisdiction became the applicable Tax Jurisdiction under the Indenture); or
- (2) any change in, or amendment to, the existing official position or the introduction of an official position regarding the application, administration or interpretation of such laws, regulations or rulings or relevant treaties (including a holding, judgment or order by a court of competent jurisdiction or a change in published practice) which becomes effective on or

after the date of the Indenture (or, if the relevant Tax Jurisdiction has changed since the date of the Indenture, the date on which the then current Tax Jurisdiction became the applicable Tax Jurisdiction under the Indenture),

provided that where any such requirements to pay Additional Amounts are in consequence of the laws and treaties of the Republic of Indonesia (or any political subdivision or taxing authority thereof or therein), the Issuer will be permitted to redeem the Notes in accordance with the provisions above only if the rate of withholding or deduction in respect of which the Additional Amounts are required is in excess of 20.0%; provided, further, that for the avoidance of doubt, where any such requirements to pay Additional Amounts are in respect of a payment under a Subsidiary Guarantee, the Issuer will be permitted to redeem the notes in accordance with the provisions above only if the change specified in (1) or (2) becomes effective after such Subsidiary Guarantor is formed and provides a Subsidiary Guarantee.

Prior to the publication or, where relevant, mailing of any notice of redemption of the Notes pursuant to the foregoing, the Issuer will deliver to the Trustee (i) an Opinion of Counsel to the effect that there has been such change or amendment which would entitle the Issuer to redeem the Notes hereunder and (ii) an Officers' Certificate stating that the Issuer is entitled to effect the redemption and setting forth a statement of facts showing the conditions precedent to the right to redeem have occurred and stating that the Issuer or the relevant Subsidiary Guarantor cannot avoid any obligation to pay Additional Amounts by taking reasonable measures available to it.

The Trustee shall accept such opinion and certificate as sufficient evidence of the satisfaction of the conditions precedent described above, in which event it shall be conclusive and binding on the holders. The Trustee shall have no duty to investigate or verify such certificate or opinion.

Selection and Notice

If less than all of the Notes are to be redeemed at any time, the Notes for redemption will be selected as follows: (1) if the Notes are listed on any securities exchange, in compliance with the requirements of the principal securities exchange on which the Notes are then traded and/or if the Notes are held through the clearing systems, in compliance with the requirements of the applicable clearing systems; or (2) if the Notes are not listed on any securities exchange or held through the clearing systems, on a *pro rata* basis, by lot or by such method as the Trustee in its sole discretion deems fair and appropriate, unless otherwise required by applicable law.

No Notes of US\$200,000 in principal amount or less can be redeemed in part. Notices of redemption will be mailed by first class mail at least 30 but not more than 60 days before the redemption date to the Trustee and each Holder to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture. Except as set forth under "Optional Redemption," notices of redemption may not be conditional.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of Notes called for redemption.

Any Notes that are redeemed will be cancelled.

Mandatory Redemption

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, the Issuer shall make an offer to repurchase all outstanding Notes pursuant to a Change of Control Offer on the terms set forth in the Indenture. In the Change of Control Offer, the Issuer will offer a Change of Control Payment in cash equal to 101% of the aggregate principal amount of Notes repurchased, plus accrued and unpaid interest, if any, on the Notes repurchased to the date of purchase, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date. Within ten days following any Change of Control, the Issuer will mail a notice to each holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the Change of Control Payment Date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice. The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with provisions of the covenant described hereunder, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the covenant described hereunder by virtue of such compliance.

On the date one Business Day prior to the Change of Control Payment Date, the Issuer will deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered. On the Change of Control Payment Date, the Issuer will, to the extent lawful:

- (1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer; and
- (2) deliver or cause to be delivered to the Paying Agent the Notes properly accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuer.

The Paying Agent will promptly mail to each Holder properly tendered the Change of Control Payment for such Notes, and the Registrar will promptly authenticate and mail (or cause to be transferred by book entry) to each holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any, provided that each new Note issued shall be in a principal amount of US\$200,000 and integral multiples of US\$1,000 in excess thereof. The Issuer will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The provisions described above that require the Issuer to make a Change of Control Offer following a Change of Control will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture does not contain provisions that permit the Holders to require that the Issuer repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption for all outstanding Notes has been given pursuant to the Indenture as described above under the caption “— Optional Redemption,” unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of “all or substantially all” of the properties or assets of the Issuer and its Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder to require the Issuer to repurchase the Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Issuer and its Subsidiaries taken as a whole to another Person or group may be uncertain.

The agreements (including the Existing Credit Facilities) governing the Issuer’s and its Restricted Subsidiaries’ other Indebtedness contain, and future agreements may contain, provisions which may prohibit or restrict our ability to repurchase the Notes upon a Change of Control. In the event a Change of Control occurs at a time when the Issuer is prohibited or restricted from purchasing the Notes, the Issuer could seek the consent of its creditors to the purchase of Notes or could attempt to refinance the borrowings that contain such prohibition or restriction. If the Issuer does not obtain such a consent or repay such borrowings, the Issuer will remain prohibited or restricted from purchasing Notes. In such case, the Issuer’s failure to purchase tendered Notes would constitute an Event of Default under the Indenture. In addition, the occurrence of a Change of Control could result in an event of default under the Existing Credit Facilities or other indebtedness of the Issuer or its Restricted Subsidiaries, which could cause, among other things, all indebtedness outstanding thereunder to become due and payable. As a result, the Issuer and/or its Restricted Subsidiaries would have to pay all such indebtedness and could result in limiting the Issuer’s ability to pay cash to the Holders upon a repurchase. See “Risk Factors — Risks Related to the Notes — We may not have the ability to raise the funds necessary to finance an offer to repurchase the notes upon the occurrence of certain events constituting a change of control or asset sale as required by the Indenture.”

Asset Sales

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

- (1) the Issuer or such Restricted Subsidiary receives consideration at the time of the Asset Sale at least equal to the Fair Market Value (measured as of the date of the definitive agreement with respect to such Asset Sale) of the assets or Equity Interests issued or sold or otherwise disposed of; and
- (2) except in the case of a Tower Asset Exchange, at least 75% of the consideration received in the Asset Sale by the Issuer or such Restricted Subsidiary is in the form of cash or Cash Equivalents.

For purposes of this provision, each of the following will be deemed to be cash:

- (a) any liabilities, as shown on the Issuer's most recent consolidated balance sheet, of the Issuer or any of its Restricted Subsidiaries (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Subsidiary Guarantee) that are assumed by the transferee of any such assets pursuant to a customary novation or indemnity agreement that releases the Issuer or such Restricted Subsidiary from further liability;
- (b) any securities, notes or other obligations received by the Issuer or such Restricted Subsidiary from the transferee that are promptly, but in any event within 30 days of closing, converted by the Issuer or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion; and
- (c) any stock or assets of the kind referred to in clauses (3) or (5) of the next paragraph of this covenant.

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Issuer or any one or more of its Restricted Subsidiaries may apply an amount equal to the amount of such Net Proceeds:

- (1) to repay Senior Indebtedness of the Issuer or any Subsidiary Guarantor, and in each case, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto;
- (2) to repay Indebtedness of one or more Restricted Subsidiaries other than a Subsidiary Guarantor (including by way of the Issuer or any of its Restricted Subsidiaries acquiring outstanding Indebtedness of any Restricted Subsidiary to be held by the Issuer or a Restricted Subsidiary to redemption or maturity of such Indebtedness);
- (3) to acquire all or substantially all of the assets of, or any Capital Stock of, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary of the Issuer;
- (4) to make a capital expenditure;
- (5) to acquire other assets that are not classified as current assets under GAAP (including long-term land use easements, ground leases and similar land rights) and that are used or useful in a Permitted Business;
- (6) to enter into a commitment to apply the Net Proceeds pursuant to clause (3), (4) or (5) of this paragraph; *provided* that such commitment shall be treated as a permitted application of the Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated in accordance with the provisions of such commitment, and (y) the 180th day following the expiration of the aforementioned 365-day time period; or
- (7) in any combination of applications specified in clauses (1) through (6) above.

Pending the final application of any Net Proceeds, the Issuer or any of its Restricted Subsidiaries may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by the Indenture.

Any Net Proceeds that are not applied or invested as provided in the preceding paragraph of this covenant will constitute “Excess Proceeds.” When the aggregate amount of Excess Proceeds exceeds US\$20.0 million (or the Dollar Equivalent thereof), within 10 days thereof, the Issuer will make an offer (an “Asset Sale Offer”) to all Holders and all holders of Senior Indebtedness that contains provisions similar to those set forth in the Indenture with respect to offers to purchase, prepay or redeem with the proceeds of sales of assets to purchase, prepay or redeem the maximum principal amount of Notes and such Senior Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds.

The offer price in any Asset Sale Offer will be equal to 100% of the principal amount, plus accrued and unpaid interest, if any, to the date of purchase, prepayment or redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Issuer may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and Senior Indebtedness tendered in (or required to be prepaid or redeemed in connection with) such Asset Sale Offer exceeds the amount of Excess Proceeds, the Notes and such Senior Indebtedness will be purchased on a *pro rata* basis, based on the amounts tendered or required to be prepaid or redeemed (with such adjustments as may be deemed appropriate by the Issuer so that only Notes in denominations of US\$200,000, or an integral multiple of US\$1,000 in excess thereof, will be purchased). Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Asset Sale provisions of the Indenture by virtue of such compliance.

Agreements governing future Indebtedness of the Issuer and its Restricted Subsidiaries may contain provisions prohibiting or restricting our ability to repurchase the Notes upon an Asset Sale. In the event an Asset Sale occurs at a time when the Issuer is prohibited or restricted from purchasing Notes, the Issuer could seek the consent of its creditors to the purchase of Notes or could attempt to refinance the borrowings that contain such prohibition or restrictions. If the Issuer does not obtain such a consent or repay such borrowings, the Issuer will remain prohibited or restricted from purchasing the Notes. In such case, the Issuer’s failure to purchase tendered Notes would constitute an Event of Default under the Indenture.

Certain Covenants

Changes in Covenants If and When Notes Rated Investment Grade

If on any date following the date of the Indenture: (a) the Issuer procures that the Notes are rated by two Rating Agencies (the “Relevant Rating Agencies”); (b) the Notes obtain a rating of Investment Grade from both of the Relevant Rating Agencies; and (c) no Default or Event of Default shall have occurred and be continuing, then, beginning on that day, the covenants specifically listed under the following captions in this offering circular will be suspended:

- (1) “— Repurchase at the Option of Holders — Asset Sales;”

- (2) “— Restricted Payments;”
- (3) “— Incurrence of Indebtedness and Issuance of Preferred Stock;”
- (4) “— Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries;”
- (5) “— Designation of Restricted and Unrestricted Subsidiaries;”
- (6) “— Transactions with Affiliates;”
- (7) clause (4) of each of the first and second paragraphs of the covenant described below under the caption “— Merger, Consolidation or Sale of Assets;”
- (8) clauses (1)(a) and (2) of the covenant described below under the caption “— Limitation on Sale and Leaseback Transactions;”
- (9) “— Limitations on Business Activities;” and
- (10) “— Limitation on Issuances of Guarantees of Indebtedness.”

During any period that the foregoing covenants have been suspended, the Issuer’s Board of Directors may not designate any of its Subsidiaries as Unrestricted Subsidiaries pursuant to the covenant described below under the caption “— Designation of Restricted and Unrestricted Subsidiaries” or the second paragraph of the definition of “Unrestricted Subsidiary.”

If on any subsequent date (the “Reinstatement Date”), the Notes cease to have a rating of Investment Grade from either of the Relevant Rating Agencies, the foregoing covenants will be reinstated as of and from the date of such rating decline. Calculations under the reinstated “Restricted Payments” covenant will be made as if the “Restricted Payments” covenant had been in effect since the date of the Indenture except that no default will be deemed to have occurred solely by reason of a Restricted Payment made while that covenant was suspended. Notwithstanding that the suspended covenants may be reinstated, no default will be deemed to have occurred as a result of a failure to comply with such suspended covenants during any period such covenants have been suspended.

There can be no assurance that the Notes will ever be rated and if rated, that the Notes will ever achieve an investment grade rating or that any such rating will be maintained. See “Risk Factors — Risks Relating to the Notes — We have not obtained a credit rating for the notes.”

Restricted Payments

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

- (1) declare or pay any dividend or make any other payment or distribution on account of the Issuer or any of its Restricted Subsidiaries’ Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Issuer or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Issuer or any of its Restricted Subsidiaries’ Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Issuer and other than dividends or distributions payable to the Issuer or a Restricted Subsidiary of the Issuer);

- (2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Issuer) any Equity Interests of the Issuer or any direct or indirect parent of the Issuer;
- (3) make any payment on or with respect to, irrevocably call for redemption, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness of the Issuer or any Subsidiary Guarantor that is contractually subordinated to the Notes or to any Subsidiary Guarantee (excluding any intercompany Indebtedness between or among the Issuer and any of its Restricted Subsidiaries), except a payment of interest or principal at the Stated Maturity thereof; or
- (4) make any Restricted Investment,

(all such payments and other actions set forth in these clauses (1) through (4) above being collectively referred to as “Restricted Payments”), unless, at the time of and after giving effect to such Restricted Payment (including the incurrence of any Indebtedness to finance such payment):

- (a) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment; and
- (b) the Issuer’s Debt to Annualized Cash Flow Ratio would have been no greater than 6.25 to 1.00.

The preceding provisions will not prohibit:

- (1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of the Indenture;
- (2) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Issuer) of, Equity Interests of the Issuer (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to the Issuer;
- (3) the payment of any dividend or similar distribution by a Restricted Subsidiary of the Issuer to the holders of its Equity Interests on a *pro rata* basis;
- (4) the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of the Issuer or any Subsidiary Guarantor that is contractually subordinated to the Notes or to any Guarantee of the Notes with the net cash proceeds from a substantially concurrent incurrence of Permitted Refinancing Indebtedness;
- (5) so long as no Default or Event of Default has occurred and is continuing, the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Issuer or any Restricted Subsidiary of the Issuer held by any current or former officer, director, commissioner, employee, consultant or advisor of the Issuer or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, shareholders’ agreement or similar agreement, including agreements entered into subsequent to the date of the Indenture; provided that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests since the date of the Indenture may not exceed US\$1.0 million (or the Dollar Equivalent thereof) in any fiscal year;

- (6) the repurchase of Equity Interests deemed to occur upon the exercise or conversion of any warrants, options or other rights to acquire Equity Interests to the extent such Equity Interests represent a portion of the exercise price of those warrants, options or other rights to acquire;
- (7) so long as no Default or Event of Default has occurred and is continuing, the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Issuer or any preferred stock of any Restricted Subsidiary of the Issuer issued after the date of the Indenture in accordance with the Debt to Annualized Cash Flow Ratio test described below under the caption “— Incurrence of Indebtedness and Issuance of Preferred Stock;”
- (8) cash payments in lieu of the issuance of fractional shares in connection with the exercise or conversion of any warrants, options or rights to acquire Capital Stock of the Issuer; provided that any such cash payment shall not be for the purpose of evading the limitation of this covenant;
- (9) payment of Receivables Fees and purchases of Receivables Assets pursuant to a Receivables Repurchase Obligation in connection with a Qualified Receivables Financing or a Permitted Recourse Receivables Financing; and
- (10) so long as no Default or Event of Default has occurred and is continuing, other Restricted Payments in an aggregate amount not to exceed US\$25.0 million (or the Dollar Equivalent thereof) since the date of the Indenture.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Issuer or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this covenant will be determined by the Board of Directors of the Issuer whose resolution with respect thereto will be delivered to the Trustee. The Board of Directors’ determination must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of international standing if the Fair Market Value exceeds US\$30.0 million (or the Dollar Equivalent thereof).

Incurrence of Indebtedness and Issuance of Preferred Stock

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, “incur”) any Indebtedness (including Acquired Debt), and the Issuer will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock (other than any preferred stock issued by Tower Bersama Singapore Pte. Ltd. to the TBG Global Pte. Ltd.); provided that the Issuer may incur Indebtedness (including Acquired Debt) or issue shares of Disqualified Stock and the Issuer’s Restricted Subsidiaries may incur Indebtedness (including Acquired Debt) or issue preferred stock if the Issuer’s Debt to Annualized Cash Flow Ratio on the date of incurrence of such Indebtedness or issuance of such Disqualified Stock or preferred stock, as the case may be, would have been no greater than 6.25 to 1.00, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or the preferred stock had been issued, as the case may be, at the beginning of the most recently ended fiscal quarter for which internal financial statements are available on such date.

The first paragraph of this covenant will not prohibit the incurrence of any of the following items of Indebtedness or the issuance of the following items of Disqualified Stock or preferred stock (collectively, "Permitted Debt"):

- (1) the incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness and letters of credit under Credit Facilities (with the letters of credit being deemed to have a principal amount equal to the maximum potential liability of the Issuer and its Restricted Subsidiaries thereunder) in an aggregate amount at any time outstanding not to exceed US\$100.0 million (or the Dollar Equivalent thereof);
- (2) the incurrence by the Issuer and its Restricted Subsidiaries of the Existing Indebtedness;
- (3) the incurrence by the Issuer of Indebtedness represented by the Notes to be issued on the date of the Indenture;
- (4) the incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property, plant or equipment used in the business of the Issuer or any of its Restricted Subsidiaries, in an aggregate amount, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (4), not to exceed US\$50.0 million (or the Dollar Equivalent thereof) at any time outstanding;
- (5) the incurrence by the Issuer or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by the Indenture to be incurred under the first paragraph of this covenant or clauses (2), (3), (4), (5), (9), (10) or (11) of this paragraph;
- (6) the incurrence by the Issuer or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Issuer and any of its Restricted Subsidiaries; provided that:
 - (a) (x) if the Issuer is the obligor on such Indebtedness or (y) if a Subsidiary Guarantor is the obligor on such Indebtedness and a Restricted Subsidiary that is not a Subsidiary Guarantor is the obligee, then in the case of (x) or (y) such Indebtedness must be unsecured and expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the Notes or such Subsidiary Guarantor's Subsidiary Guarantee; and
 - (b) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Issuer or a Restricted Subsidiary of the Issuer, will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Issuer or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

- (7) the issuance by any of the Issuer's Restricted Subsidiaries to the Issuer or to any of the Issuer's Restricted Subsidiaries of shares of preferred stock; provided that:
- (a) any subsequent issuance or transfer of Equity Interests that results in any such preferred stock being held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer; and
 - (b) any sale or other transfer of any such preferred stock to a Person that is not either the Issuer or a Restricted Subsidiary of the Issuer, will be deemed, in each case, to constitute an issuance of such preferred stock by such Restricted Subsidiary that was not permitted by this clause (7);
- (8) the guarantee by the Issuer of Indebtedness of a Restricted Subsidiary of the Issuer or any Restricted Subsidiary of Indebtedness of the Issuer or another Restricted Subsidiary of the Issuer to the extent that the guaranteed Indebtedness was permitted to be incurred by another provision of this covenant;
- (9) the incurrence by the Issuer or any of its Restricted Subsidiaries of Acquired Debt in connection with the acquisition of assets, business or a Person; provided that such Acquired Debt was incurred by the prior owner of such assets or such Person prior to such acquisition by the Issuer or one of its Restricted Subsidiaries and was not incurred in connection with, or in contemplation of, such acquisition by the Issuer or one of its Restricted Subsidiaries and the Issuer's Debt to Annualized Cash Flow Ratio at the time of incurrence of such Acquired Debt, after giving pro forma effect to such transaction as if the same had occurred at the beginning of the most recently ended fiscal quarter of the Issuer for which internal financial statements are available, would have been less than the Issuer's Debt to Annualized Cash Flow Ratio for the same period without giving pro forma effect to such transaction;
- (10) the incurrence by any Restricted Subsidiary of additional Indebtedness under any local Credit Facility in an aggregate principal amount not to exceed US\$25.0 million (or the Dollar Equivalent thereof) at any time outstanding (together with refinancings thereof);
- (11) the incurrence by the Issuer or any of its Restricted Subsidiaries of additional Indebtedness and/or the issuance by the Issuer of Disqualified Stock in an aggregate principal amount, accreted value or liquidation preference, as applicable, at any time outstanding (together with refinancings thereof), not to exceed US\$25.0 million (or the Dollar Equivalent thereof);
- (12) Indebtedness incurred by a Receivables Subsidiary in a Qualified Receivables Financing; or
- (13) Indebtedness incurred under any Permitted Recourse Receivables Financing in an aggregate principal amount not to exceed US\$25.0 million (or the Dollar Equivalent thereof) at any time outstanding;

The Issuer will not incur, and the Issuer will not and will not permit any Subsidiary Guarantor to incur, any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Issuer or such Subsidiary Guarantor, as the case may be, unless such Indebtedness is also contractually subordinated in right of payment to the Notes or the applicable Subsidiary Guarantee, on substantially identical terms; provided that no Indebtedness will

be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Issuer or any Subsidiary Guarantor solely by virtue of being unsecured or by virtue of being secured on a junior priority basis.

For purposes of determining compliance with this “Incurrence of Indebtedness and Issuance of Preferred Stock” covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (13) above, or is entitled to be incurred pursuant to the first paragraph of this covenant, the Issuer will be permitted to classify such item of Indebtedness on the date of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant. The accrual of interest or preferred stock dividends, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of preferred stock as Indebtedness due to a change in accounting principles, and the payment of dividends on preferred stock or Disqualified Stock in the form of additional shares of the same class of preferred stock or Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of preferred stock or Disqualified Stock for purposes of this covenant; provided, in each case, that the amount thereof is included in Fixed Charges of the Issuer as accrued.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar equivalent principal amount of Indebtedness denominated in a foreign currency shall be utilized, calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred. Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Issuer or any of its Restricted Subsidiaries may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

Liens

The Issuer will not, and the Issuer will not permit any of its Restricted Subsidiaries to, directly or indirectly create, incur, assume or otherwise cause or suffer to exist or become effective any Lien securing Indebtedness on any of its property or assets, now owned or hereafter acquired, other than Permitted Liens, unless all payments due under the Indenture and the Notes are secured on an equal and ratable basis with, or on a priority basis to, the obligations so secured until such time as such obligations are no longer secured by a Lien.

Limitation on Sale and Leaseback Transactions

The Issuer will not, and the Issuer will not permit any of its Restricted Subsidiaries to, enter into any sale and leaseback transaction; provided that the Issuer or any such Restricted Subsidiary may enter into a sale and leaseback transaction if:

- (1) the Issuer or such Restricted Subsidiary could have (a) incurred Indebtedness in an amount equal to the Attributable Debt relating to such sale and leaseback transaction under the covenant described above under the caption “— Incurrence of Indebtedness and Issuance of Preferred Stock” and (b) incurred a Lien to secure such Indebtedness pursuant to the covenant described above under the caption “— Liens;” and
- (2) the transfer of assets in that sale and leaseback transaction is permitted by, and the Issuer applies the proceeds of such transaction in compliance with, the covenant described above under the caption “— Repurchase at the Option of Holders — Asset Sales.”

Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

- (1) pay dividends or make any other distributions on its Capital Stock to the Issuer or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any indebtedness owed to the Issuer or any of its Restricted Subsidiaries;
- (2) make loans or advances to the Issuer or any of its Restricted Subsidiaries; or
- (3) sell, lease or transfer any of its properties or assets to the Issuer or any of its Restricted Subsidiaries;

provided that it being understood that (i) the priority of any preferred stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on Common Stock; (ii) the subordination of loans or advances made to the Issuer or any of its Restricted Subsidiaries to other Indebtedness incurred by the Issuer or any Restricted Subsidiary (including, without limitation, pursuant to provisions contained in documentation governing Indebtedness relating to the priority of payments and application of proceeds); and (iii) the provisions contained in documentation governing Indebtedness requiring transactions between or among the Issuer and/or any of its Restricted Subsidiaries to be on fair and reasonable terms or on an arm's length basis, in each case, shall not be deemed to constitute such an encumbrance or restriction.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

- (1) agreements governing or relating to Existing Indebtedness as in effect on the date of the Indenture and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements if (i) the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the date of the Indenture; (ii) such encumbrances and restrictions, taken as a whole, are customary in comparable financings (as determined conclusively in good faith by the Board of Directors or senior management of the Issuer); or (iii) the Board of Directors or senior management of the Issuer determines in good faith (which determination shall be conclusively binding) that any such encumbrance or restriction will not materially affect the Issuer's ability to pay interest or principal, when due, on the Notes;
- (2) the Indenture and the Notes;
- (3) agreements governing or relating to other Indebtedness (including Credit Facilities) permitted to be incurred under the provisions of the covenant described above under the caption "— Incurrence of Indebtedness and Issuance of Preferred Stock" and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; provided that the Board of Directors or senior management of the Issuer determines in good faith (which determination shall be

conclusively binding) that either (i) such encumbrances and restrictions, taken as a whole, are customary in comparable financings or (ii) any such encumbrance or restriction will not materially affect the Issuer's ability to pay interest or principal, when due, on the Notes;

- (4) applicable law, rule, regulation or order or the terms of any license, authorization, concession or permit;
- (5) any instrument governing or relating to Indebtedness or Capital Stock of a Person acquired by the Issuer or any of its Restricted Subsidiaries or other agreements of such Person as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was incurred (or such other agreements were entered into) in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired; provided that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred;
- (6) customary non-assignment provisions in contracts and licenses entered into in the ordinary course of business;
- (7) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in clause (3) of the preceding paragraph;
- (8) any agreement for the sale or other disposition of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending its sale or other disposition;
- (9) Permitted Refinancing Indebtedness; provided that (i) the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced or (ii) the Board of Directors or senior management of the Issuer determines in good faith (which determination shall be conclusively binding) that any such encumbrance or restriction will not materially affect the Issuer's ability to pay interest or principal, when due, on the Notes;
- (10) Liens permitted to be incurred under the provisions of the covenant described above under the caption "— Liens" that limit the right of the debtor to dispose of the assets subject to such Liens;
- (11) provisions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment) entered into with the approval of the Issuer's Board of Directors, which limitation is applicable only to the assets that are the subject of such agreements;
- (12) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;
- (13) customary separateness, bankruptcy remoteness and similar provisions included in governing or other documents related to entities structured as special purpose entities in anticipation of financing arrangements, acquisition of assets or similar transactions;

provided that the Board of Directors or senior management of the Issuer determines in good faith (which determination shall be conclusively binding) that any such encumbrance or restriction will not materially affect the Issuer's ability to pay interest or principal, when due, on the Notes;

- (14) any encumbrance or restriction pursuant to or ancillary to Hedging Obligations entered into in the ordinary course of business designed to protect the Issuer or any of its Restricted Subsidiaries against fluctuations in interest rates, currency exchange rates or commodity prices and not for speculative purposes; and
- (15) restrictions effected in connection with a Qualified Receivables Financing or a Permitted Recourse Receivables Financing that are, in the good faith determination of the Board of Director or senior management of the Issuer, necessary or advisable to effect such Qualified Receivables Financing or such Permitted Recourse Receivables Financing.

Merger, Consolidation or Sale of Assets

The Issuer will not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Issuer is the surviving corporation), or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of the Issuer and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

- (1) either: (a) the Issuer is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, lease, conveyance or other disposition has been made is an entity organized or existing under the laws of Indonesia;
- (2) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or the Person to which such sale, assignment, transfer, lease, conveyance or other disposition has been made expressly assumes all the obligations of the Issuer under the Notes and the Indenture pursuant to a supplemental indenture satisfactory to the Trustee;
- (3) immediately after such transaction, no Default or Event of Default exists; and
- (4) the Issuer or the Person formed by or surviving any such consolidation or merger (if other than the Issuer), or to which such sale, assignment, transfer, lease, conveyance or other disposition has been made either (x) would, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable Latest Quarter be permitted to incur at least US\$1.00 of additional Indebtedness pursuant to the Debt to Annualized Cash Flow Ratio test set forth in the first paragraph of the covenant described above under the caption “— Incurrence of Indebtedness and Issuance of Preferred Stock” or (y) would, on the date of such transaction after giving pro forma effect thereto and to any related financing transactions as if the same had occurred at the beginning of the applicable Latest Quarter have a Debt to Annualized Cash Flow Ratio less than the Issuer's Debt to Annualized Cash Flow Ratio immediately preceding the transaction.

No Subsidiary Guarantor will, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Subsidiary Guarantor is the surviving corporation), or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of its and its Restricted Subsidiaries'

properties or assets taken as a whole, in one or more related transactions, to another Person (other than the Issuer or another Subsidiary Guarantor), unless:

- (1) either: (a) such Subsidiary Guarantor is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made is an entity organized or existing under the laws of Indonesia;
- (2) the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made expressly assumes all the obligations of such Subsidiary Guarantor under the Notes and the Indenture pursuant to a supplemental indenture satisfactory to the Trustee;
- (3) immediately after such transaction, no Default or Event of Default exists; and
- (4) the Issuer either (x) would, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable Latest Quarter be permitted to incur at least US\$1.00 of additional Indebtedness pursuant to the Debt to Annualized Cash Flow Ratio test set forth in the first paragraph of the covenant described above under the caption “— Incurrence of Indebtedness and Issuance of Preferred Stock” or (y) would, on the date of such transaction after giving pro forma effect thereto and to any related financing transactions as if the same had occurred at the beginning of the applicable Latest Quarter have a Debt to Annualized Cash Flow Ratio less than the Issuer’s Debt to Annualized Cash Flow Ratio immediately preceding the transaction,

provided that this paragraph will not apply to (a) any sale or other disposition of a Subsidiary Guarantor that (x) has been sold or disposed of in its entirety to another Person (other than to the Issuer or an Affiliate of the Issuer), whether through a sale or disposition of Equity Interests or a sale of all or substantially all assets or (y) as a result of the sale or disposition of all or a portion of its Equity Interests, ceases to be a Subsidiary, in both cases, if in connection therewith the Issuer provides an Officer’s Certificate to the Trustee to the effect that the Issuer will comply with its obligations under the covenant described above under the caption “— Repurchase at the Option of Holders — Asset Sales” in respect of such sale or disposition and (b) a consolidation or merger of any Subsidiary Guarantor with and into the Issuer or any other Subsidiary Guarantor, so long as the Issuer or such Subsidiary Guarantor survives such consolidation or merger.

This “Merger, Consolidation or Sale of Assets” covenant will not apply to any sale, assignment, transfer, conveyance, lease or other disposition of assets between or among the Restricted Subsidiaries of the Issuer (other than any Subsidiary Guarantors and the Issuer).

Transactions with Affiliates

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, make any payment to or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Issuer,

involving aggregate payments or consideration in excess of US\$2.5 million (or the Dollar Equivalent thereof) (each, an “Affiliate Transaction”) unless:

- (1) the Affiliate Transaction is on terms that are not materially less favorable to the Issuer or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Issuer or such Restricted Subsidiary with an unrelated Person; and
- (2) the Issuer delivers to the Trustee:
 - (a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$10.0 million (or the Dollar Equivalent thereof), a resolution of the Board of Directors of the Issuer set forth in an Officers’ Certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Issuer; and
 - (b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$30.0 million (or the Dollar Equivalent thereof), an opinion as to the fairness to the Issuer or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of international standing.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

- (1) any employment agreement, employee benefit plan, officer, director or commissioner indemnification agreement or any similar arrangement entered into by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business and payments pursuant thereto;
- (2) transactions between or among the Issuer and/or its Restricted Subsidiaries;
- (3) transactions with a Person that is an Affiliate of the Issuer solely on account of the fact that the Issuer owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;
- (4) payment of reasonable and customary fees and reimbursements of expenses (pursuant to indemnity arrangements or otherwise) of officers, directors, commissioners, employees or consultants of the Issuer or any of its Restricted Subsidiaries;
- (5) any issuance of Equity Interests (other than Disqualified Stock) of the Issuer to Affiliates of the Issuer;
- (6) Restricted Payments that do not violate the provisions of the Indenture described above under the caption “— Restricted Payments;”
- (7) loans or advances to employees of the Issuer or any of its Restricted Subsidiaries in the ordinary course of business in an aggregate principal amount not to exceed US\$5.0 million (or the Dollar Equivalent thereof) at any time outstanding;
- (8) transactions with customers, clients, suppliers or purchasers or sellers of goods or services, in each case in the ordinary course of the business of the Issuer and its Restricted

Subsidiaries and otherwise in compliance with the terms of the Indenture; provided that in the reasonable determination of the Board of Directors or senior management of the Issuer, such transactions are on terms that are no less favorable to the Issuer or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Issuer or such Restricted Subsidiary with an unrelated Person; and

- (9) any transaction effected as part of a Qualified Receivables Financing or a Permitted Recourse Receivables Financing.

In addition, the requirements of clause (2)(b) of the first paragraph of this covenant will not apply to Investments permitted by the definition of “Permitted Investments.”

Limitation on Business Activities

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Businesses, except to the extent as would not be material to the Issuer and its Restricted Subsidiaries taken as a whole.

Limitation on Issuances of Guarantees of Indebtedness

The Issuer will not permit any of its Restricted Subsidiaries, directly or indirectly, to Guarantee or pledge any assets to secure the payment of any other Indebtedness of the Issuer unless such Restricted Subsidiary is a Subsidiary Guarantor or such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture to the Indenture providing for the Guarantee of the payment of the Notes by such Restricted Subsidiary for so long as such Guarantee of or pledge to secure the payment of such other Indebtedness remains in effect, which Guarantee shall be senior to or *pari passu* with such Restricted Subsidiary’s Guarantee of or pledge to secure such other Indebtedness.

The form of the Subsidiary Guarantee will be attached as an exhibit to the Indenture.

A Subsidiary Guarantee shall provide by its terms that it shall be automatically and unconditionally released and discharged:

- (1) in connection with any sale or other disposition of all of the Capital Stock of that Subsidiary Guarantor to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if the sale or other disposition does not violate the “Asset Sale” provisions of the Indenture;
- (2) if the Issuer designates any Restricted Subsidiary that is a Subsidiary Guarantor to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture;
- (3) upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided below under the captions “— Defeasance — Defeasance and Discharge” and “— Satisfaction and Discharge;” or
- (4) upon repayment in full of the Notes.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors of the Issuer may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is

designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Issuer and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under the covenant described above under the caption “— Restricted Payments” or under one or more clauses of the definition of Permitted Investments, as determined by the Issuer. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Issuer may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if that redesignation would not cause a Default.

Any designation of a Subsidiary of the Issuer as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors giving effect to such designation and an Officers’ Certificate certifying that such designation complied with the preceding conditions and was permitted by the covenant described above under the caption “— Restricted Payments.” If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of the Issuer as of such date and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption “— Incurrence of Indebtedness and Issuance of Preferred Stock,” the Issuer will be in default of such covenant.

The Board of Directors of the Issuer may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Issuer; provided that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Issuer of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under the covenant described under the caption “— Incurrence of Indebtedness and Issuance of Preferred Stock,” calculated on a pro forma basis as if such designation had occurred at the beginning of the applicable reference period; and (2) no Default or Event of Default would be in existence following such designation.

Payments for Consent

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is offered to be paid, and is paid to all Holders that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

Listing on the SGX-ST

Approval-in-principle has been received for the listing and quotation of the Notes on the Official List of the SGX-ST. The Issuer will use commercially reasonable efforts to maintain the listing of the Notes on the Official List of the SGX-ST as long as the Notes are outstanding; provided that if at any time they determine not to maintain such listing, they will obtain prior to the delisting of the Notes from the Official List of the SGX-ST, and thereafter use commercially reasonable efforts to maintain, a listing of the Notes on another recognized stock exchange.

As long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer will appoint and maintain a paying agent in Singapore, where holders may present the Notes for

payment or redemption if any Global Note is exchanged for Notes in definitive form. In addition, if any Global Note is exchanged for Notes in definitive form, the SGX-ST will announce the exchange on behalf of the Issuer. The announcement will include all material information with respect to the delivery of the Notes in definitive form, including details of the paying agent in Singapore, as long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

Reports

So long as any Notes are outstanding, the Issuer will furnish to the Trustee and, upon request, to Holders, as soon as they are available but in any event not more than 10 calendar days after they are filed with the Indonesian Stock Exchange (or any other recognized exchange on which the Issuer's ordinary shares are at any time listed for trading), true and correct copies (in English) of any financial or other report or document filed with such agency or exchange and, if necessary; provided that if at any time the ordinary shares of the Issuer cease to be listed for trading on a recognized stock exchange, the Issuer will furnish to the Trustee:

- (1) as soon as they are available, but in any event within 120 days after the end of the fiscal year of the Issuer, copies of its consolidated financial statements in respect of such fiscal year (including an income statement, balance sheet and cash flow statement and complete footnotes to such financial statements in the English language) prepared in accordance with GAAP and audited by a member firm of an internationally-recognized firm of independent accountants and including the audit report prepared by such firm in relation to such audited financial statements;
- (2) as soon as they are available, but in any event within 60 days after the end of the second fiscal quarter of the Issuer, copies of its consolidated financial statements in respect of such semi-annual period (including an income statement, balance sheet and cash flow statement and complete footnotes to such financial statements in the English language) prepared on a basis consistent with the audited financial statements of the Issuer together with an Officers' Certificate stating that such financial statements are true in all material respects and present fairly the financial position of the Issuer as at the end of, and the results of its operations for, the relevant semi-annual period; and
- (3) as soon as they are available, but in any event within 45 days after the end of the first and third fiscal quarter of the Issuer, copies of its consolidated financial statement (including an income statement, balance sheet and cash flow statement and complete footnotes to such financial statements in the English language), prepared on a basis consistent with the audited financial statements of the Issuer, together with an Officers' Certificate stating that such financial statements are true in all material respects and present fairly the financial position of the Issuer as at the end of, and the results of its operations for, the relevant quarterly period.

If the Issuer has designated any of its Subsidiaries as Unrestricted Subsidiaries, then the annual, semiannual and quarterly financial information required above will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto of the financial condition and results of operations of the Issuer and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Issuer.

In addition, so long as any of the Notes remain outstanding, the Issuer will provide to the Trustee:

- (1) within 120 days after the end of each fiscal year, an Officers' Certificate stating (A) the Debt to Annualized Cash Flow Ratio at the end of such fiscal year and showing in

reasonable detail the calculation of the Debt to Annualized Cash Flow Ratio, including the arithmetic computation of each component of the Debt to Annualized Cash Flow Ratio (including, with respect to Consolidated Indebtedness, (x) the aggregate principal amount of Indebtedness that is not hedged by an agreement relating to Currency Exchange Protection and (y) the aggregate principal amount of Indebtedness that is hedged by an agreement relating to Currency Exchange Protection and the amount of such Indebtedness taking into account the effects of such Currency Exchange Protection for purposes of the Debt to Annualized Cash Flow Ratio); and (B) that a review has been conducted of the activities of the Issuer and its Restricted Subsidiaries and their performance under the Indenture and the Notes, and that the Issuer has fulfilled all obligations thereunder or, if there has been a default in the fulfillment of any such obligation, specifying each such default and the nature and status thereof; and

- (2) as soon as practicable and in any event within 20 days after the Issuer becomes aware or should reasonably become aware of the occurrence of a Default or Event of Default, an Officers' Certificate setting forth the details thereof and the action which the Issuer proposes to take with respect thereto.

No Registration Rights

The Issuer does not intend to file a registration statement for the public resale of the Notes or for a registered exchange offer with respect to the Notes. Accordingly, Holders may only resell their Notes pursuant to an exemption from the registration requirements of the Securities Act. See "Transfer Restrictions."

Events of Default

The following events will be defined as "Events of Default" in the Indenture:

- (a) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise;
- (b) default in the payment of interest on any Note when the same becomes due and payable, and such default continues for a period of 30 consecutive days;
- (c) default in the performance or breach of the provisions of the covenants described under the captions "Certain Covenants — Merger, Consolidation or Sale of Assets" or the failure to make or consummate an Offer to Purchase in the manner described under the captions "— Repurchase at the Option of Holders-Change of Control" or "— Repurchase at the Option of Holders — Asset Sales;"
- (d) the Issuer or any Restricted Subsidiary defaults in the performance of or breaches any other covenant or agreement in the Indenture or under the Notes (other than a default specified in clause (a), (b) or (c) above) and such default or breach continues for a period of 60 consecutive days after written notice by the Trustee or the Holders of 25% or more in aggregate principal amount of the Notes then outstanding;
- (e) there occurs with respect to any Indebtedness of the Issuer or any Significant Subsidiary or any group of the Issuer's Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary having an outstanding principal amount of US\$30.0 million (or the

Dollar Equivalent thereof) or more in the aggregate for all such Indebtedness of all such Persons, whether such Indebtedness now exists or will hereafter be created, (1) an event of default that has caused the holder thereof to declare such Indebtedness to be due and payable prior to its Stated Maturity and/or (2) failure to pay principal of, or interest or premium (subject to the applicable grace period in the relevant documents) on, such Indebtedness when the same becomes due;

- (f) one or more final judgments or orders for the payment of money are rendered against the Issuer or any Significant Subsidiary or any group of its Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such Persons to exceed US\$30.0 million (or the Dollar Equivalent thereof) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;
- (g) certain events of bankruptcy or insolvency described in the Indenture with respect to the Issuer or any Significant Subsidiary or any group of the Issuer's Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary; or
- (h) any Subsidiary Guarantor denies or disaffirms in writing its obligations under its Subsidiary Guarantee or any Guarantee is finally determined in any judicial proceeding to be unenforceable or invalid or will for any reason cease to be in full force and effect, or the Issuer or any Subsidiary Guarantor repudiates the Indenture, the Notes or any Guarantee or does or causes or permits to be done any act or thing evidencing an intention to repudiate such agreement, except as permitted by the Indenture.

If an Event of Default (other than an Event of Default specified in clause (g) above) occurs and is continuing under the Indenture, the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes, then outstanding, by written notice to the Issuer (and to the Trustee if such notice is given by the Holders) may, and the Trustee at the written request of such Holders shall (subject to being indemnified and/or secured to its satisfaction), declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest will be immediately due and payable. If an Event of Default specified in clause (g) above occurs with respect to the Issuer or any Significant Subsidiary or any group of the Issuer's Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding will automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

The Holders of at least a majority in principal amount of the outstanding Notes, by written notice to the Issuer and to the Trustee, may on behalf of all Holders waive all past defaults and rescind and annul a declaration of acceleration and its consequences if:

- (x) all existing Events of Default, other than the non-payment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived; and
- (y) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

Upon such waiver, the Default will cease to exist, and any Event of Default arising therefrom will be deemed to have been cured, but no such waiver will extend to any subsequent or other Default or impair any right consequent thereon.

If an Event of Default occurs and is continuing, the Trustee may pursue, in its own name or as trustee of an express trust, any available remedy by proceeding at law or in equity to collect the payment of principal of and interest on the Notes or to enforce the performance of any provision of the Notes or the Indenture. The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding.

The Holders of at least a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or the Indenture that may involve the Trustee in personal liability or that may be unduly prejudicial to the rights of Holders not joining in the giving of such direction and may take any other action it deems proper that is not inconsistent with any such direction received from Holders.

A Holder may not pursue any remedy with respect to the Indenture or the Notes, unless:

- (1) the Holder has previously given the Trustee written notice of a continuing Event of Default;
- (2) the Holders of at least 25% in aggregate principal amount of outstanding Notes make a written request to the Trustee to pursue the remedy;
- (3) such Holder or Holders offer the Trustee indemnity and/or security satisfactory to the Trustee against any costs, liability or expense to be incurred in compliance with such written request;
- (4) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity and/or security; and
- (5) during such 60-day period, the Holders of a majority in aggregate principal amount of the outstanding Notes do not give the Trustee a written direction that is inconsistent with the request.

However, such limitations do not apply to the right of any Holder to receive payment of the principal of, premium, if any, or interest, and Additional Amounts, if any, on, such Note or to bring suit for the enforcement of any such payment, on or after the due date expressed in the Notes, which right will not be impaired or affected without the consent of the Holder.

Two officers of the Issuer must certify to the Trustee in writing, on or before a date not more than 120 days after the end of each fiscal year, that a review has been conducted of the activities of the Issuer and its Restricted Subsidiaries and the Issuer's and its Restricted Subsidiaries' performance under the Indenture and the Notes and that the Issuer has fulfilled all obligations thereunder, or, if there has been a default in the fulfillment of any such obligation, specifying each such default and the nature and status thereof. The Issuer will also be obligated to notify the Trustee in writing of any default or defaults in the performance of any covenants or agreements under the Indenture. See "Certain Covenants — Reports."

No Personal Liability of Commissioners, Directors, Officers, Employees and Stockholders

No commissioner, director, officer, employee, incorporator or stockholder of the Issuer or any Subsidiary Guarantor, as such, will have any liability for any obligations of the Issuer or any Subsidiary Guarantor under the Notes, the Subsidiary Guarantees or the Indenture, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

Defeasance

Defeasance and Discharge

The Indenture will provide that the Issuer will be deemed to have paid and will be discharged from any and all obligations in respect of the Notes on the 366th day after the deposit referred to below, and the provisions of the Indenture will no longer be in effect with respect to the Notes (except for, among other matters, certain obligations to register the transfer or exchange of the Notes, to replace stolen, lost or mutilated Notes, to maintain paying agencies and to hold monies for payment in trust) if, among other things:

- (a) the Issuer has or has caused a Person to have (1) deposited with the Trustee, in trust, money and/or U.S. Government Obligations or a combination thereof that through the payment of interest and principal in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of, premium, if any, and accrued interest on the Notes on the Stated Maturity of such payments in accordance with the terms of the Indenture and the Notes and (2) delivered to the Trustee an Opinion of Counsel or a certificate of an internationally recognized investment bank, appraisal firm or firm of independent accountants to the effect that the amount deposited by the Issuer is sufficient to provide payment for the principal of, premium, if any, and accrued interest on, the Notes on the Stated Maturity of such payment in accordance with the terms of the Indenture and the Notes and an Opinion of Counsel to the effect that the Holders have a valid, perfected, exclusive security in the trust;
- (b) the Issuer has or has caused a Person to have delivered to the Trustee an Opinion of Counsel of recognized international standing to the effect that the creation of the defeasance trust does not violate the U.S. Investment Company Act of 1940, as amended, and after the passage of 366 days following the deposit, the trust fund will not be subject to the effect of Section 547 of the United States Bankruptcy Code or Section 15 of the New York Debtor and Creditor Law;
- (c) the Issuer shall have or shall have caused to be delivered to the Trustee an Officers' Certificate stating that the deposit was not made by it with the intent of preferring the Holders over any other of its creditors or with the intent of defeating, hindering, delaying or defrauding any other of its creditors or others;
- (d) immediately after giving effect to such deposit on a pro forma basis, no Event of Default, or event that after the giving of notice or lapse of time or both would become an Event of Default, will have occurred and be continuing on the date of such deposit or during the period ending on the 366th day after the date of such deposit, and such defeasance will not result in a breach or violation of, or constitute a default under, any other agreement or

instrument to which the Issuer or any Restricted Subsidiary is a party or by which the Issuer or any Restricted Subsidiary is bound; and

- (e) the Issuer must deliver or cause the delivery to the Trustee an Officers' Certificate acceptable to the Trustee and an Opinion of Counsel, each stating that all conditions precedent relating to such defeasance have been complied with.

In case of either discharge or defeasance of the Notes, the Subsidiary Guarantees will terminate.

Defeasance of Certain Covenants

The Indenture further will provide that the provisions of the Indenture will no longer be in effect with respect to clause (4) under the second paragraph and clause (4) under the fourth paragraph under “— Merger, Consolidation or Sale of Assets” and all the covenants described herein under “— Repurchase at the Option of Holders — Asset Sales,” “— Certain Covenants” other than as described under the third paragraph of “— Certain Covenants-Incurrence of Indebtedness and Issuance of Preferred Stock,” clause (c) under “— Events of Default” with respect to such clause (4) under the second paragraph and clause (4) under the fourth paragraph under “— Merger, Consolidation or Sale of Assets” and, with respect to the other events set forth in such clause, clause (d) under “— Events of Default” with respect to such other covenants and clauses (e) and (f) under “— Events of Default” will be deemed not to be Events of Default upon, among other things, the deposit with the Trustee, in trust, of money, U.S. Government Obligations or a combination thereof that through the payment of interest and principal in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of, premium, if any, Additional Amounts, if any, and accrued interest on the Notes on the Stated Maturity of such payments in accordance with the terms of the Indenture and the Notes, the satisfaction of the provisions described in clauses (b), (c) and (e) of the preceding paragraph.

Defeasance and Certain Other Events of Default

If in the event the Issuer exercises its option to omit compliance with certain covenants and provisions of the Indenture with respect to the Notes as described in the immediately preceding paragraph and the Notes are declared due and payable because of the occurrence of an Event of Default that remains applicable, the amount of money and/or U.S. Government Obligations on deposit with the Trustee will be sufficient to pay amounts due on the Notes at the time of their Stated Maturity but may not be sufficient to pay amounts due on the Notes at the time of the acceleration resulting from such Event of Default. However, the Issuer and the Subsidiary Guarantors under the Indenture will remain liable for such payments.

Amendments and Waiver

Amendments Without Consent of Holders

The Indenture, the Notes and the Subsidiary Guarantees may be amended, without the consent of any Holder, to:

- (a) cure any ambiguity, defect, omission or inconsistency in the Indenture or the Notes in a manner that does not have a material adverse effect on Holders;
- (b) comply with the provisions described under “— Merger, Consolidation or Sale of Assets;”

- (c) evidence and provide for the acceptance of appointment by a successor Trustee;
- (d) add any Subsidiary Guarantor or any Subsidiary Guarantee or release any Subsidiary Guarantor from any Subsidiary Guarantee as provided or permitted by the terms of the Indenture;
- (e) provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;
- (f) effect any changes to the Indenture in a manner necessary to comply with the procedures of Euroclear and Clearstream;
- (g) provide for uncertificated Notes in addition to or in place of certificated Notes (provided that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code);
- (h) make any change that would provide any additional rights or benefits to Holders or that does not materially and adversely affect the rights of any Holder of Notes; or
- (i) conform the text of the Indenture, the Notes or the Guarantees to any provision of this “Description of the Notes” to the extent that such provision in this “Description of the Notes” was intended to be a verbatim recitation of a provision of the Indenture, the Notes or the Guarantees.

Amendments With Consent of Holders

Amendments of the Indenture, the Notes or the Subsidiary Guarantees may be made by the Issuer, any Subsidiary Guarantors and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Notes, and the holders of a majority in principal amount of the outstanding Notes may waive future compliance by the Issuer or any Subsidiary Guarantors with any provision of the Indenture, the Notes or the Subsidiary Guarantees; provided that no such modification, amendment or waiver may, without the consent of each Holder affected:

- (a) change the Stated Maturity of the principal of, or any installment of interest on, any Note;
- (b) reduce the principal amount of, or premium, if any, or interest on, any Note;
- (c) change the currency, time or place of payment of principal of, or premium, if any, or interest on, any Note;
- (d) impair the right to institute suit for the enforcement of any payment on or after the Stated Maturity (or, in the case of a redemption, on or after the redemption date) of any Note or any Subsidiary Guarantee;
- (e) reduce the above stated percentage or aggregate principal amount of outstanding Notes the consent of whose Holders is necessary to modify or amend the Indenture or for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults;
- (f) waive a default in the payment of principal of, premium, if any, or interest on the Notes;

- (g) release any Subsidiary Guarantor from its Subsidiary Guarantee, except as provided in the Indenture;
- (h) amend, change or modify any Subsidiary Guarantee in a manner that adversely affects the Holders;
- (i) reduce the amount payable upon a Change of Control Offer or an Asset Sale Offer or change the time or manner by which a Change of Control Offer or an Asset Sale Offer may be made or by which the Notes must be repurchased pursuant to a Change of Control Offer or an Asset Sale Offer after the obligation to make such Change of Control Offer or Asset Sale Offer has arisen;
- (j) change the redemption date or the redemption price of the Notes from that stated under “— Optional Redemption” or “— Redemption for Changes in Taxes;” or
- (k) amend, change or modify the obligation of the Issuer or any Guarantor to pay Additional Amounts.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to surviving rights of registration of transfer or exchange of the Notes, as expressly provided for in the Indenture) as to all outstanding Notes when:

- (1) either:
 - (a) all of the Notes theretofore authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust by the Issuer and thereafter repaid to the Issuer) have been delivered to the Registrar for cancellation; or
 - (b) all Notes not theretofore delivered to the Trustee or the Paying Agent for cancellation have become due and payable pursuant to an optional redemption notice or otherwise or will become due and payable within one year, and the Issuer has irrevocably deposited or caused to be deposited with the Trustee or the Paying Agent funds, in cash in U.S. dollars, non-callable U.S. Government Obligations or a combination thereof, in an amount sufficient to pay and discharge the entire indebtedness on the Notes not theretofore delivered to the Trustee or the Paying Agent for cancellation, for principal of, premium, if any, and interest on the Notes to the date of deposit together with irrevocable instructions from the Issuer directing the Trustee or the Paying Agent to apply such funds to the payment thereof at maturity or redemption, as the case may be;
- (2) the Issuer or any Subsidiary Guarantor has paid all other sums payable under this Indenture; and
- (3) no Default or Event of Default will have occurred and be continuing on the date of such deposit or will occur as a result of such deposit and such deposit will not result in a breach or violation of, or constitute a default under, any other instruments to which the Issuer or any Subsidiary Guarantor is a party or by which the Issuer or any Subsidiary Guarantor is bound.

In addition, the Issuer must deliver to the Trustee an Officers' Certificate and an Opinion of Counsel stating that all conditions precedent to satisfaction and discharge have been satisfied.

Indemnification for Judgment Currency

The obligations of the Issuer or any Subsidiary Guarantor to any Holder or the Trustee under the Indenture, the Notes or the Subsidiary Guarantees will, notwithstanding any judgment in a currency (the "Judgment Currency") other than U.S. dollars, be discharged only to the extent that on the day following receipt by such party of any amount in the Judgment Currency, such party may in accordance with normal banking procedures purchase U.S. dollars with the Judgment Currency.

If the amount of U.S. dollars so purchased is less than the amount originally to be paid to such party in U.S. dollars, the Issuer and the Subsidiary Guarantors agree as a separate obligation and notwithstanding such judgment, to the extent permitted by applicable law, to pay the difference, and, if the amount of U.S. dollars so purchased exceeds the amount originally to be paid to such party, such party agrees to pay to or for the account of such payor such excess; provided that such party shall not have any obligation to pay any such excess as long as an Event of Default has occurred and is continuing, in which case such excess may be applied by such party to such obligations.

Governing Law, Consent to Jurisdiction and Service of Process

The Notes and the Indenture provide that they will be governed by, and construed in accordance with, the laws of the State of New York.

The Issuer and any Subsidiary Guarantors will irrevocably submit to the jurisdiction of any New York state or U.S. federal court located in The Borough of Manhattan, City of New York, State of New York in relation to any legal action or proceeding (i) arising out of, related to or in connection with the Indenture and the Notes or (ii) arising under any U.S. federal or U.S. state securities laws. The Issuer and the Subsidiary Guarantors will appoint Corporation Service Company as its agent for service of process in any such action or proceeding.

Concerning the Trustee, Paying Agent, Transfer Agent and Registrar

The Bank of New York Mellon, London Branch will act as the initial Trustee and as the initial Paying Agent and The Bank of New York Mellon SA/NV, Luxembourg Branch, will act as the initial Transfer Agent and as the initial Registrar with respect to the Notes. The Paying Agent, the Transfer Agent and the Registrar are collectively referred to as the "Agents."

Except during the continuance of an Event of Default, the Trustee and the Agents will perform only such duties as are specifically set forth in the Indenture and the Notes, and no implied covenant or obligation shall be read into the Indenture and the Notes against the Trustee and the Agents.

The holders of a majority in aggregate principal amount of the then outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default has occurred and is continuing, the Trustee will use the same degree of care and skill in its exercise of the rights and power vested in it under the Indenture as a prudent man in the conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of their rights or powers under the Indenture at the request of any Holder, unless such Holder has instructed the Trustee in writing and offered to the Trustee indemnity and/or security satisfactory to them against any

loss, liability or expense. Furthermore, each Holder, by accepting the Notes will agree, for the benefit of the Trustee, that it is solely responsible for its own independent appraisal of, and investigation into, all risks arising under or in connection with the Indenture and has not relied on and will not at any time rely on the Trustee in respect of such risks.

Notwithstanding anything to the contrary herein, whenever the Trustee is required or entitled by the terms of the Indenture to exercise any discretion or power, take any action of any nature, make any decision or give any direction or certification, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction or certification, to solicit Holders for direction, and the Trustee is not responsible for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction or certification where the Trustee is seeking such directions or the non-exercise of such discretion or power, or not taking any such action or making any such decision or giving any such direction or certification in the absence of any such directions from Holders. In any event, and as provided elsewhere herein, even where the Trustee has been directed by the Holders, the Trustee shall not be required to exercise any such discretion, power or take any such action as aforesaid unless it has been indemnified and/or secured to its satisfaction.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, if a Global Note is exchanged for Certificated Notes, the Issuer will appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, and make an announcement of such exchange through the SGX-ST that will include all material information with respect to the delivery of the Certificated Notes, including details of the paying agent in Singapore.

None of the Trustee or the Agents shall be responsible for the performance by any other person appointed by the Issuer in relation to the Notes and, unless notified in writing to the contrary, shall assume that the same are being duly performed. None of the Trustee or the Agents shall be liable to any holder or any other person for any action taken by the holders, the Trustee or the Agents in accordance with the instructions of the holders. Each of the Trustee and the Agents shall be entitled to rely on any direction of the holders which has been given in accordance with the Indenture. None of the Trustee or the Agents shall be deemed to have knowledge of any Default or Event of Default unless a Responsible Officer of the Trustee has been notified in writing of such event. For the avoidance of doubt, a written notice of a Default or Event of Default provided in accordance with the notice provisions of the Indenture shall be deemed to be written notice to a Responsible Officer of the Trustee for such event. The Trustee is entitled to rely conclusively (without liability) on all instructions, notices, declarations, calculations and certifications received pursuant to the Indenture without investigating the accuracy, authenticity and validity of the same. Pursuant to the Indenture and the Notes, the Issuer will reimburse the Trustee and the Agents for all fees, costs and properly incurred expenses.

If the Trustee becomes a creditor of the Issuer, the Indenture limits the right of the Trustee to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions with the Issuer and its affiliates; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days or resign.

No amendment, waiver or consent shall amend, modify or otherwise affect the rights or duties of any Agent without the prior written consent of such Agent.

Book-Entry; Delivery and Form

The Notes will initially be represented by one or more permanent global notes in definitive, fully registered form without interest coupons (each a “Global Note”) and will be deposited with a common depositary and registered in the name of the common depositary or its nominee for the accounts of Euroclear and Clearstream.

Global Note

Ownership of beneficial interests in the Global Note (the “book-entry interests”) will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that may hold interests through such participants. Book-entry interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream and their participants.

Except as set forth below under “— Individual Definitive Notes,” the book-entry interests will not be held in definitive form. Instead, Euroclear and/or Clearstream will credit on their respective book-entry registration and transfer systems a participant’s account with the interest beneficially owned by such participant. The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may impair the ability to own, transfer or pledge book-entry interests.

So long as the Notes are held in global form, the common depositary for Euroclear and/or Clearstream (or its nominee) will be considered the sole holder of Global Note for all purposes under the Indenture and “holders” of book-entry interests will not be considered the owners or “Holders” of Notes for any purpose. As such, participants must rely on the procedures of Euroclear and Clearstream and indirect participants must rely on the procedures of the participants through which they own book-entry interests in order to transfer their interests in the Notes or to exercise any rights of Holders under the Indenture.

The Notes are not issuable in bearer form.

Payments on the Global Note

Payments of any amounts owing in respect of the Global Note (including principal, premium, interest and additional amounts) will be made to the paying agent. The paying agent will, in turn, make such payments to the common depositary for Euroclear and Clearstream, which will distribute such payments to participants in accordance with their procedures. The Issuer will make payments of all such amounts without deduction or withholding for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law and as described under “— Additional Amounts.”

Under the terms of the Indenture, the Issuer and the Trustee will treat the registered holder of the Global Note (i.e., the common depositary or its nominee) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Issuer, the Trustee, the Agents or any of their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to or payments made on account of a book-entry interest, for any such payments made by Euroclear, Clearstream or any participant or indirect participants, or for

maintaining, supervising or reviewing any of the records of Euroclear, Clearstream or any participant or indirect participant relating to or payments made on account of a book-entry interest; or

- Euroclear, Clearstream or any participant or indirect participant.

Payments by participants to owners of book-entry interests held through participants are the responsibility of such participants.

Redemption of Global Note

In the event any Global Note, or any portion thereof, is redeemed, the common depositary will distribute the amount received by it in respect of the Global Note so redeemed to Euroclear and/or Clearstream, as applicable, who will distribute such amount to the holders of the book-entry interests in such Global Note. The redemption price payable in connection with the redemption of such book-entry interests will be equal to the amount received by the common depositary, Euroclear or Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). The Issuer understands that under existing practices of Euroclear and Clearstream, if fewer than all of the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or by lot or on such other basis as they deem fair and appropriate; *provided* that no book-entry interest of US\$200,000 principal amount, or less, as the case may be, will be redeemed in part.

Action by Owners of Book-Entry Interests

Euroclear and Clearstream have advised that they will take any action permitted to be taken by a Holder only at the direction of one or more participants to whose account the book-entry interests in the Global Note are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Note. If there is an Event of Default under the Notes, however, each of Euroclear and Clearstream reserves the right to exchange the Global Note for individual definitive notes in certificated form, and to distribute such individual definitive notes to their participants.

Transfers

Transfers between participants in Euroclear and Clearstream will be effected in accordance with Euroclear and Clearstream's rules and will be settled in immediately available funds. If a Holder requires physical delivery of individual definitive notes for any reason, including to sell the Notes to persons in jurisdictions which require physical delivery of such securities or to pledge such securities, such Holder must transfer its interest in the Global Note in accordance with the normal procedures of Euroclear and Clearstream and in accordance with the provisions of the Indenture.

Any book-entry interest in a Global Note that is transferred to a person who takes delivery in the form of a book-entry interest in another Global Note will, upon transfer, cease to be a book-entry interest in the first-mentioned Global Note and become a book-entry interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to book-entry interests in such other Global Note for as long as it retains such a book-entry interest.

Global Clearance and Settlement Under the Book-Entry System

Book-entry interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable. Book-entry interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the Business Day following the settlement date against payment for value on the settlement date.

The book-entry interests will trade through participants of Euroclear or Clearstream, and will settle in immediately available funds. Since the purchaser determines the place of delivery, it is important to establish at the time of trading of any book-entry interests where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Information Concerning Euroclear and Clearstream

We understand as follows with respect to Euroclear and Clearstream: Euroclear and Clearstream hold securities for participating organizations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions, such as underwriters, securities brokers and dealers, banks and trust companies, and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodian relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Although the foregoing sets out the procedures of Euroclear and Clearstream in order to facilitate the original issue and subsequent transfers of interests in the Notes among participants of Euroclear and Clearstream, neither Euroclear nor Clearstream is under any obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time.

None of the Issuer, the Trustee or any of their respective agents will have responsibility for the performance of Euroclear or Clearstream or their respective participants of their respective obligations under the rules and procedures governing their operations, including, without limitation, rules and procedures relating to book-entry interests.

Individual Definitive Notes

If (1) the common depositary or any successor to the common depositary is at any time unwilling or unable to continue as a depositary for the reasons described in the Indenture and a successor depositary is not appointed by the Issuer within 90 days, (2) either Euroclear or Clearstream, or a successor clearing system, is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention to permanently cease business or does in fact do so, or (3) any of the Notes has become immediately due and payable in accordance with “— Events of Default” and the Issuer have received a written request from a Holder, the Issuer will issue individual definitive notes in registered form in exchange for the Global Note. Upon receipt of such notice from the common depositary or the Trustee, as the case may be, the Issuer will use its best efforts to make arrangements with the common depositary for the exchange of interests in the Global Note for individual definitive notes and cause the requested individual definitive notes to be executed and delivered to the registrar in sufficient quantities and authenticated by the Registrar for delivery to

Holders. Persons exchanging interests in a Global Note for individual definitive notes will be required to provide the registrar, through the relevant clearing system, with written instruction and other information required by the Issuer and the registrar to complete, execute and deliver such individual definitive notes. In all cases, individual definitive notes delivered in exchange for any Global Note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by the relevant clearing system.

Individual definitive notes will not be eligible for clearing and settlement through Euroclear or Clearstream.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all defined terms used therein, as well as any other capitalized terms used herein for which no definition is provided.

“2017 RLF Agreement” means the facility agreement for the US\$200,000,000 revolving loan facility dated March 30, 2017 among the Issuer, as Parent, the Borrowers, the Guarantors, the Arrangers, the Lenders and the Agent named therein, as amended, restated, modified, renewed, extended, increased, refunded, replaced or refinanced in whole or in part from time to time.

“2018 RCF Agreement” means the facility agreement for the Rp.150,000 million revolving loan facility agreement dated October 31, 2018 PT Gihon Telekomunikasi Indonesia Tbk and PT Bank UOB Indonesia, as amended, restated, modified, renewed, extended, increased, refunded, replaced or refinanced in whole or in part from time to time.

“2019 RLF Agreement” means the facility agreement for the US\$375,000,000 revolving loan facility dated June 28, 2019 among the Issuer, as Parent, the Borrowers, the Guarantors, the Arrangers, the Lenders and the Agent named therein, as amended, restated, modified, renewed, extended, increased, refunded, replaced or refinanced in whole or in part from time to time.

“Acquired Debt” means, with respect to any specified Person:

- (1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; and
- (2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control,” as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms “controlling,” “controlled by” and “under common control with” have correlative meanings.

“Applicable Premium” means, with respect to any Note on any redemption date, the greater of:

- (1) 1.0% of the principal amount of such Note; or

- (2) the excess of:
- (a) the present value at such redemption date of (i) the redemption price of the Note at January 21, 2023 (such redemption price being set forth in the table appearing above under the caption “— Optional Redemption”) plus (ii) all required interest payments due on the Note through January 21, 2023 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over
 - (b) the then-outstanding principal amount of such Note.

Calculation of the Applicable Premium will be made by the Issuer or on its behalf by any Person that it may designate; provided that the calculation or the correctness thereof will not be a duty or obligation of the Trustee or any Agent.

“Asset Sale” means:

- (1) the sale, lease, conveyance or other disposition of any assets or rights (including, without limitation, by way of sale and leaseback transaction) by the Issuer or any of its Restricted Subsidiaries; provided that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption “— Repurchase at the Option of Holders — Change of Control” and/or the provisions described above under the caption “— Certain Covenants — Merger, Consolidation or Sale of Assets” and not by the provisions of the Asset Sale covenant; and
- (2) the issuance of Equity Interests by any of the Issuer’s Restricted Subsidiaries or the sale by the Issuer or any of the Issuer’s Restricted Subsidiaries of Equity Interests in any of such Restricted Subsidiaries (other than director’s qualifying shares or shares required by applicable law to be held by a Person other than the Issuer or its Restricted Subsidiary).

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

- (1) any single transaction or series of related transactions that involves assets or Equity Interests having a Fair Market Value of less than US\$10.0 million (or the Dollar Equivalent thereof);
- (2) a transfer of assets between or among the Issuer and its Restricted Subsidiaries;
- (3) an issuance of Equity Interests by a Restricted Subsidiary of the Issuer to the Issuer or to a Restricted Subsidiary of the Issuer;
- (4) the sale, lease or other transfer of products, services or accounts receivable in the ordinary course of business and any sale or other disposition of damaged, worn-out or obsolete assets in the ordinary course of business;
- (5) grants of leases or licenses by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business;
- (6) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

- (7) the granting of Liens not prohibited by the covenant described above under the caption “— Liens;”
- (8) dispositions in connection with the foreclosure of any Lien not prohibited by the Indenture;
- (9) any surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind;
- (10) the sale or other disposition of cash or Cash Equivalents;
- (11) a Restricted Payment that does not violate the covenant described above under the caption “— Certain Covenants — Restricted Payments” or a Permitted Investment;
- (12) any disposition arising from foreclosure, condemnation or similar action with respect to any property or other assets, or exercise of termination rights under any lease, license, concession or other agreement; and
- (13) sales or dispositions of receivables in connection with any Qualified Receivables Financing, any Permitted Recourse Receivables Financing or any factoring transaction or in the ordinary course of business.

“Asset Sale Offer” has the meaning assigned to that term in the Indenture.

“Attributable Debt” in respect of a sale and leaseback transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP; provided that if such sale and leaseback transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of “Capital Lease Obligation.”

“Bank Credit Facilities” means any Credit Facility which does not constitute Public Indebtedness.

“Beneficial Owner” has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular “person” (as that term is used in Section 13(d)(3) of the Exchange Act), such “person” will be deemed to have beneficial ownership of all securities that such “person” has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The term “Beneficially Owned” has a corresponding meaning.

“Board of Directors” means:

- (1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;
- (2) with respect to a partnership, the Board of Directors of the general partner of the partnership;
- (3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

- (4) with respect to any other Person, the board or committee of such Person serving a similar function.

“Business Day” means a day, other than a Saturday, Sunday or legal holiday or other day on which commercial banking institutions in The City of New York, Singapore, Indonesia or London are authorized or required by law to close.

“Capital Lease Obligation” means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

“Capital Stock” means:

- (1) in the case of a corporation, corporate stock;
- (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;
- (3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and
- (4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

“Cash Equivalents” means:

- (1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (provided that the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than six months from the date of acquisition;
- (2) securities issued or directly and fully guaranteed or insured by the Republic of Indonesia or any agency or instrumentality of the Republic of Indonesia (provided that the full faith and credit of the Republic of Indonesia is pledged in support of those securities) having maturities of not more than six months from the date of acquisition;
- (3) securities issued or directly and fully guaranteed or insured by the Republic of Singapore or any agency or instrumentality of the Republic of Singapore (provided that the full faith and credit of the Republic of Singapore is pledged in support of those securities) having maturities of not more than six months from the date of acquisition;
- (4) demand deposits, certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers’ acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with any commercial bank having capital and surplus in excess of US\$500.0 million (or the Dollar Equivalent thereof)

and whose long-term debt is rated “A-3” or higher by Moody’s or “A-” or higher by S&P or the equivalent rating category of another internationally recognized rating agency);

- (5) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2), (3) and (4) above entered into with any financial institution meeting the qualifications specified in clause (4) above;
- (6) commercial paper having one of the two highest ratings obtainable from Moody’s or S&P and, in each case, maturing within six months after the date of acquisition;
- (7) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (6) of this definition; and
- (8) demand deposits, overnight and call deposits and certificates of deposit, time deposits and money market deposits with maturities of 90 days or less with PT Bank Central Asia Tbk, PT Bank Danamon Indonesia Tbk, PT Bank Mandiri (Persero) Tbk, PT Bank Negara Indonesia (Persero) Tbk, PT Bank CIMB Niaga Tbk, PT Bank OCBC Indonesia, PT Bank Permata Tbk, PT Bank UOB Indonesia, PT ANZ Panin Bank, PT Bank DBS Indonesia, PT Bank Mega Tbk, PT Bank of Tokyo-Mitsubishi UFJ Ltd, PT Bank Ekonomi Raharja Tbk, Deutsche Bank AG, PT Bank OCBC NISP Tbk, PT Bank ANZ Indonesia, PT Bank BNP Paribas Indonesia, MUFG Bank Ltd., The Hongkong and Shanghai Banking Corporation Ltd., PT Bank HSBC Indonesia or PT Bank INA Perdana Tbk or any other bank, trust company or other financial institution organized under the laws of Indonesia whose long-term debt is rated as high or higher than any of those banks.

“Change of Control” means the occurrence of one or more of the following events:

- (1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one of a series of related transactions, of all or substantially all of the properties or assets of the Issuer and its Restricted Subsidiaries, taken as a whole, to any Person (including any “person” (as that term is used in Section 13(d)(3) of the Exchange Act)), other than one or more Permitted Holders;
- (2) the Issuer consolidates with, or merges with or into, any Person (other than one or more Permitted Holders), or any Person (other than one or more Permitted Holders) consolidates with, or merges with or into, the Issuer, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Issuer or such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the Voting Stock of the Issuer outstanding immediately prior to such transaction is converted into or exchanged for (or continues as) Voting Stock (other than Disqualified Stock) of the surviving or transferee Person constituting a majority of the outstanding shares of Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance);
- (3) any Person (including any “person” (as that term is used in Section 13(d)(3) of the Exchange Act)) other than the Permitted Holders is or becomes the Beneficial Owner, directly or indirectly, of 50% or more of the total voting power of the Voting Stock of the Issuer; or
- (4) the adoption of a plan relating to the liquidation or dissolution of the Issuer. “Change of Control Offer” has the meaning assigned to that term in the Indenture.

“Consolidated Cash Flow” means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period plus or minus (as applicable), without duplication:

- (1) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; plus
- (2) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; plus
- (3) Receivables Fees, to the extent deducted in computing such Consolidated Net Income; plus
- (4) depreciation, amortization (including, without limitation, amortization of intangibles) and acquisition goodwill and other non-cash charges and expenses of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash charges or expenses were deducted in computing such Consolidated Net Income; plus or minus (as applicable)
- (5) non-cash gains or losses attributable to movement in the mark-to-market valuation of Hedging Obligations, in each case, on a consolidated basis and determined in accordance with GAAP, to the extent included in computing such Consolidated Net Income; plus or minus (as applicable)
- (6) gains or losses on the disposal or revaluation of assets (other than in the ordinary course of trading), to the extent included in computing such Consolidated Net Income; minus
- (7) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business, in each case, on a consolidated basis and determined in accordance with GAAP.

“Consolidated Indebtedness” means, with respect to any Person as of any date of determination, the sum, without duplication, of:

- (1) the total amount of Indebtedness of such Person and its Restricted Subsidiaries to the extent (other than Attributable Debt and Hedging Obligations) appearing as a liability upon a balance sheet (excluding the footnotes thereto) of such Person and its Restricted Subsidiaries prepared in accordance with GAAP; plus
- (2) the amount of all Disqualified Stock of such Person and all preferred stock or Disqualified Stock of Restricted Subsidiaries of such Person, valued at the greater of its voluntary and involuntary liquidation preference and its maximum fixed repurchase price plus accrued dividends, in each case, determined on a consolidated basis in accordance with GAAP.

“Consolidated Net Income” means, with respect to any specified Person for any period, the aggregate of the net income (loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis (excluding the net income (loss) of any Unrestricted Subsidiary of such Person),

determined in accordance with GAAP and without any reduction in respect of preferred stock dividends; provided that:

- (1) all extraordinary gains (or losses) and all gains (or losses) realized in connection with any Asset Sale or the disposition of securities or the early extinguishment of Indebtedness, together with any related provision for taxes on any such gain, will be excluded;
- (2) the net income (but not loss) of any Person other than the Issuer that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of the Person;
- (3) the cumulative effect of a change in accounting principles will be excluded;
- (4) non-cash gains and losses attributable to movement in the mark-to-market valuation of Hedging Obligations pursuant to GAAP will be excluded; and
- (5) any translation gains or losses due solely to fluctuations in currency values and related tax effects will be excluded.

“Contingent Obligations” means, with respect to any Person, any obligation of such Person guaranteeing in any manner, whether directly or indirectly, any operating lease, dividend or other obligation that, in each case, does not constitute Indebtedness (“primary obligations”) of any other Person (the “primary obligor”), including any obligation of such Person, whether or not contingent:

- (1) to purchase any such primary obligation or any property constituting direct or indirect security therefor;
- (2) to advance or supply funds:
 - (a) for the purchase or payment of any such primary obligation; or
 - (b) to maintain the working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or
- (3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

“Continuing” means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

“Control,” in relation to a body corporate, means:

- (1) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (i) cast, or control the casting of, more than 50 per cent of the maximum number of votes that might be cast at a general meeting of such body corporate; or
 - (ii) appoint or remove all, or the majority, of the directors or commissioners or other equivalent officers of such body corporate; or

- (iii) give directions with respect to the operating and financial policies of such body corporate with which the directors or other equivalent officers of such body corporate are obliged to comply; or
- (2) the holding beneficially of more than 50 per cent of the issued share capital of such body corporate (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

“Corporate Trust Office” means the office of the Trustee at which the corporate trust business of the Trustee is principally administered, which shall initially be located at One Canada Square, London E14 5AL, United Kingdom.

“Credit Facilities” means, one or more debt facilities, indentures or commercial paper facilities, in each case, with banks or other lenders or investors (including the Existing Credit Facilities) providing for revolving credit loans, term loans, term debt, debt securities, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, extended, increased, refunded, replaced in any manner (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time.

“Currency Exchange Protection” means any foreign exchange, currency swap, currency option, cap, floor, ceiling or collar or other similar arrangement designed to protect the Issuer or any of its Restricted Subsidiaries against fluctuations in currency exchange rates with respect to Indebtedness.

“Debt to Annualized Cash Flow Ratio” means, as of any date of determination, the ratio of:

- (1) the Consolidated Indebtedness of the Issuer as of such date to
- (2) the product of four times the Consolidated Cash Flow of the Issuer for the most recently ended fiscal quarter for which internal financial statements are available (the “Latest Quarter”) on such date.

In addition, for purposes of calculating the Debt to Annualized Cash Flow Ratio:

- (1) if any Indebtedness of the Issuer or its Restricted Subsidiaries included in the calculation of the Issuer’s Consolidated Indebtedness is hedged by an agreement relating to Currency Exchange Protection, the amount of such Indebtedness will be calculated so as to take into account the effects of such Currency Exchange Protection;
- (2) acquisitions or dispositions of assets that have been made by the Issuer or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the Issuer or any of its Restricted Subsidiaries (the “Target Assets”), and including all related financing transactions and including increases in ownership of Restricted Subsidiaries, during the Latest Quarter or subsequent to the Latest Quarter and on or prior to the date of determination, or that are to be made on the date of determination, will be given pro forma effect as if they had occurred on the first day of the Latest Quarter as determined in good faith by the Board of Directors or senior management

of the Issuer and any such pro forma calculation may include adjustments appropriate, in the reasonable determination of the Board of Directors or senior management of the Issuer, to reflect operating expense reductions and other operating improvements or synergies resulting from such acquisition that are reasonably identifiable, factually supportable and expected to be realized within six months of such acquisition (the “Synergy Adjustments”); provided that the aggregate amount of Synergy Adjustments with respect to any such acquisition included in any such pro forma calculation shall not exceed the Synergy Cap;

- (3) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the date of determination, will be excluded;
- (4) any Person that is a Restricted Subsidiary on the date of determination will be deemed to have been a Restricted Subsidiary at all times during such Latest Quarter; and
- (5) any Person that is not a Restricted Subsidiary on the date of determination will be deemed not to have been a Restricted Subsidiary at any time during such Latest Quarter.

“Default” means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

“Disqualified Stock” of any Person means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 366 days after the date on which the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require such Person to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that such Person may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption “— Certain Covenants — Restricted Payments.” The amount of Disqualified Stock deemed to be outstanding at any time for purposes of the Indenture will be the maximum amount that such Person and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

“Dollar Equivalent” means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the noon buying rate for U.S. dollars in New York City for cable transfers as certified for customs purposes by the Federal Reserve Bank of New York on the date of determination.

“Equity Interests” means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

“Equity Offering” means a sale of Equity Interests of the Issuer by the Issuer (other than Disqualified Stock and other than to a Subsidiary of the Issuer).

“Existing Credit Facilities” means the Facility Agreement, the 2017 RLF Agreement, the 2018 RCF Agreement and the 2019 RLF Agreement.

“Existing Debt Facilities” means the (i) Existing Credit Facilities, (ii) IDR Bonds and (iii) indenture dated February 10, 2015 among TBG Global Pte. Ltd., as issuer, the Issuer, as parent guarantor, and The Bank of New York Mellon, London Branch, as trustee, relating to the US\$350.0 million 5.25% Senior Unsecured Notes due 2022.

“Existing Indebtedness” means all Indebtedness of the Issuer and its Restricted Subsidiaries in existence on the date of the Indenture, including the Existing Debt Facilities, until such amounts are repaid.

“Facility Agreement” means the facility agreement for US\$1,000,000,000 dated November 21, 2014, as amended and restated on November 6, 2015, among, among others, the Issuer, as Parent, and the Borrowers, Guarantors, Arrangers, Lenders and Agent named therein, and as amended, restated, modified, renewed, extended, increased, refunded, replaced or refinanced in whole or in part from time to time.

“Fair Market Value” means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Issuer (unless otherwise provided in the Indenture).

“Fitch” means Fitch Inc.

“Fixed Charges” means, with respect to any specified Person for any period, the sum, without duplication, of:

- (1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, Additional Amounts paid in respect of the Notes and similar amounts paid in respect of other Indebtedness, amortization of debt issuance costs and original issue discount, amortized or expensed establishment fees, commitment fees, commissions, arrangement fees, guarantee fees and any like payments, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, the interest component of leasing and hire purchase payments (*provided that* Fixed Charges shall not include the interest component of any payments on any operating leases (including, without limitation, any payments on any lease, concession or license of property which would be considered an operating lease under GAAP as in effect on December 31, 2019), which does not constitute Indebtedness for the purposes of calculating the Debt to Annualized Cash Flow Ratio), imputed interest with respect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers’ acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates; plus
- (2) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period; plus
- (3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries, whether or not such Guarantee or Lien is called upon; plus
- (4) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of preferred stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests of the Issuer (other than

Disqualified Stock of the Issuer) or to the Issuer or a Restricted Subsidiary of the Issuer, times (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined national, provincial and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP,

calculated so as to take into account the effects of any Currency Exchange Protection with respect to such Fixed Charges.

“GAAP” means generally accepted accounting principles in Indonesia as in effect from time to time.

“Guarantee” means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

“Hedging Obligations” means, with respect to any specified Person, the obligations of such Person under:

- (1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements, interest rate collar agreements or other agreements or arrangements with respect to exposure to interest rates;
- (2) any foreign exchange contract, currency swap agreement or other similar agreement or arrangement with respect to currency exchange rates or values; and
- (3) any commodity futures contract, commodity option or other similar agreement or arrangement with respect to commodity prices.

“Indebtedness” means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

- (1) in respect of borrowed money;
- (2) evidenced by or issued in exchange for bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);
- (3) in respect of banker’s acceptances;
- (4) representing Capital Lease Obligations or Attributable Debt in respect of sale and leaseback transactions;
- (5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed; or
- (6) representing any Hedging Obligations (other than Hedging Obligations entered into in the ordinary course of business designed to protect the Issuer or any of its Restricted Subsidiaries against fluctuations in interest rates, currency exchange rates or commodity prices and not for speculative purposes),

if and to the extent any of the preceding items (other than letters of credit, Attributable Debt and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term “Indebtedness” includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person (which for the avoidance of doubt does not include Guarantees of obligations that do not constitute Indebtedness). Notwithstanding anything herein to the contrary, “Indebtedness” shall not include (a) reimbursement obligations with respect to letters of credit, trade guarantees or similar instruments issued in the ordinary course of business to the extent that such letters of credit or trade guarantees are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than 30 days following receipt by the Issuer or such Restricted Subsidiary of a demand for reimbursement; (b) obligations in respect of (x) workers’ compensation claims, self-insurance obligations, bankers’ acceptances, performance and surety bonds or similar instruments in the ordinary course of business (y) the financing of insurance premiums in the ordinary course of business or (z) netting, overdraft protection and other arrangements arising under standard business terms of any bank at which the Issuer or any Restricted Subsidiary maintains an overdraft, cash pooling or other similar facility or arrangement; (c) obligations arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such obligations are covered within five Business Days; (d) Contingent Obligations in the ordinary course of business; (e) any lease, concession or license of property which would be considered an operating lease under GAAP (as in effect on December 31, 2019), and any guarantee given by the Issuer or a Restricted Subsidiary in the ordinary course of business solely in connection with, and in respect of, the obligations of the Issuer or a Restricted Subsidiary under any operating lease; (f) obligations under or in respect of Qualified Receivables Financing to the extent such obligations are non-recourse to the Issuer or any Restricted Subsidiary; or (g) obligations arising from agreements providing for indemnification, adjustment of purchase price, earnouts or similar obligations of the Issuer or any of its Restricted Subsidiaries incurred in connection with the acquisition and/or disposition of any business, assets or Subsidiary of the Issuer; provided that such obligations are not reflected on the balance sheet of the Issuer or any Restricted Subsidiary and that the maximum liability in respect of all such obligations in connection with any disposition shall not exceed the gross proceeds actually received by the Issuer or any Restricted Subsidiary in connection with such disposition.

The amount of any Indebtedness outstanding as of any date will be the outstanding balance at such date of all unconditional obligations provided that:

- (1) in the case of any Indebtedness issued with original issue discount, the amount of such Indebtedness will be the accreted value thereof; and
- (2) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the amount of such Indebtedness will be lesser of:
 - (a) the Fair Market Value of such assets at the date of determination; and
 - (b) the amount of the Indebtedness of the other Person.

“IDR Bonds” means the continuous bonds issued by the Issuer, being the (i) Continuous Bonds II Tower Bersama Infrastructure Phase I Year 2016 issued on July 1, 2016, (ii) Continuous Bonds II Tower Bersama Infrastructure Phase II Year 2017 issued on April 21, 2017, (iii) Continuous Bonds II Tower Bersama Infrastructure Phase III Year 2017 issued on September 19, 2019, (iv) Continuous

Bonds III Tower Bersama Infrastructure Phase I Year 2018 issued on July 5, 2018, (v) Continuous Bonds III Tower Bersama Infrastructure Phase II Year 2018 issued on October 18, 2018 and (vi) Continuous Bonds III Tower Bersama Infrastructure Phase III Year 2019 issued on May 24, 2019.

“Investment Grade” means a rating of “AAA,” “AA,” “A” or “BBB,” as modified by a “+” or “-” indication, or an equivalent rating representing one of the four highest rating categories, by S&P, Fitch or any of their successors or assigns, or a rating of “Aaa,” or “Aa,” “A” or “Baa,” as modified by a “1,” “2” or “3” indication, or an equivalent rating representing one of the four highest rating categories, by Moody’s or any of its successors or assigns, or a rating of “AAA,” “AA,” “A” or “BBB,” as modified by a “+” or “-” indication, or an equivalent rating representing one of the four highest rating categories of any internationally recognized rating agency or agencies, as the case may be, which shall have been designated by the Issuer as having been substituted for S&P, Fitch or Moody’s, as the case may be.

“Investments” means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Issuer or any Restricted Subsidiary of the Issuer sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of the Issuer such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of the Issuer, the Issuer will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Issuer’s Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the final paragraph of the covenant described above under the caption “— Certain Covenants — Restricted Payments.” The acquisition by the Issuer or any Restricted Subsidiary of the Issuer of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Issuer or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of the covenant described above under the caption “— Certain Covenants — Restricted Payments.”

Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

“Latest Quarter” has the meaning assigned to that term in the definition of Debt to Annualized Cash Flow Ratio.

“Lien” means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in such asset and any filing of or agreement to give any financing statement under the laws of any jurisdiction.

“Moody’s” means Moody’s Investors Services, Inc.

“Net Proceeds” means the aggregate amount of cash proceeds and Cash Equivalents received by the Issuer or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash or Cash Equivalents received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including,

without limitation, legal, accounting and investment banking fees, sales commissions, any relocation expenses incurred as a result of such Asset Sale, taxes paid or payable as a result of such Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements, amounts required to be applied to the repayment of Indebtedness secured by a Lien on the asset or assets that were the subject of such Asset Sale, and any reserve for adjustment or indemnification obligations in respect of the sale price of such asset or assets established in accordance with GAAP.

“Non-Recourse Debt” means Indebtedness:

- (1) as to which neither the Issuer nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise; and
- (2) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Issuer or any of its Restricted Subsidiaries (other than the Equity Interests of an Unrestricted Subsidiary).

“Obligations” means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

“Officers’ Certificate” means a certificate signed on behalf of the Issuer by two officers of the Issuer, one of whom must be the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of the Issuer, that is reasonably satisfactory in form and substance to the Trustee and meets the requirements of the Indenture.

“Opinion of Counsel” means an opinion from legal counsel in form and substance reasonably acceptable to the Trustee, that is reasonably satisfactory in form and substance to the Trustee and meets the requirements of the Indenture. The counsel may be counsel to the Issuer or any Subsidiary of the Issuer.

“Original Issue Date” means the date on which the Notes are originally issued under the Indenture.

“Permitted Business” means:

- (1) any business conducted by the Issuer and its Restricted Subsidiaries on the date of the Indenture;
- (2) any business that consists of the upgrade, construction, creation, development, marketing, acquisition (to the extent permitted under the Indenture), operation, utilization and maintenance of telecommunications and data transfer networks and assets, including those which uses existing or future technology (including for the transmission, reception, delivery and storage of voice, video and/or other data);
- (3) any business with operating assets which generate contracted recurring revenue under long-term agreements and a predictable cash flow from operations, which has been approved by the Board of Directors of the Issuer; and

- (4) any other business reasonably related, incidental, ancillary, complementary or similar to any of the foregoing businesses or are extensions or developments of any thereof.

“Permitted Holder” means any or all of:

- (1) the Provident Group;
- (2) the Saratoga Group; and
- (3) PT Telekomunikasi Indonesia Tbk, any direct or indirect parent of PT Telekomunikasi Indonesia Tbk, any Subsidiary of PT Telekomunikasi Indonesia Tbk and any Subsidiary of a direct or indirect parent of PT Telekomunikasi Indonesia Tbk.

“Permitted Investments” means:

- (1) any Investment in the Issuer or a Restricted Subsidiary of the Issuer;
- (2) any Investment in Cash Equivalents;
- (3) any Investment by the Issuer or any Restricted Subsidiary of the Issuer in a Person, if as a result of such Investment:
 - (a) such Person becomes a Restricted Subsidiary of the Issuer; or
 - (b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary of the Issuer;
- (4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption “— Repurchase at the Option of Holders — Asset Sales;”
- (5) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Issuer;
- (6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Issuer or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes;
- (7) Investments represented by Hedging Obligations entered into in the ordinary course of business designed to protect the Issuer or any of its Restricted Subsidiaries against fluctuations in interest rates, currency exchange rates or commodity prices and not for speculative purposes;
- (8) repurchases of the Notes;
- (9) any guarantee of Indebtedness permitted to be incurred by the covenant entitled “— Certain Covenants — Incurrence of Indebtedness and Issuance of Preferred Stock” other than a

guarantee of Indebtedness of an Affiliate of the Issuer that is not a Restricted Subsidiary of the Issuer;

- (10) Investments acquired after the date of the Indenture as a result of the acquisition by the Issuer or any of its Restricted Subsidiaries of another Person, including by way of a merger, amalgamation or consolidation with or into the Issuer or any of its Restricted Subsidiaries, or all or substantially all of the assets of another Person, in each case, in a transaction that is not prohibited by the covenant described above under the caption “— Merger, Consolidation or Sale of Assets” after the date of the Indenture to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;
- (11) loans or advances to employees of the Issuer or any of its Restricted Subsidiaries in the ordinary course of business not to exceed US\$5.0 million (or the Dollar Equivalent thereof) in the aggregate at any one time outstanding;
- (12) pledges or deposits with respect to leases or utilities provided to third parties in the ordinary course of business;
- (13) any Investment deemed to result from variable interest entities accounting in respect of lease payments made with respect to interests in real property on which cell towers of the Issuer or a Restricted Subsidiary of the Issuer are located;
- (14) guarantees of performance or other obligations (other than Indebtedness) arising in the ordinary course of the business of the Issuer and its Restricted Subsidiaries, including obligations under licenses, concessions or operating leases related to the ordinary course of the business of the Issuer and its Restricted Subsidiaries;
- (15) any Investment described in this offering circular existing on, or made pursuant to binding commitments existing on, the date of the Indenture by the Issuer or any Restricted Subsidiary and any Investment consisting of an extension, modification or renewal of any such Investment described in this offering circular existing on, or made pursuant to a binding commitment existing on, the date of the Indenture; *provided that* the amount of any such Investment may be increased as required by the terms of such Investment as in existence on the date of the Indenture; and
- (16) other Investments in any Person, having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (16) that are at the time outstanding not to exceed US\$25.0 million (or the Dollar Equivalent thereof).

“Permitted Liens” means:

- (1) Liens securing Indebtedness incurred under (i) the first paragraph, (ii) clause (1) of the second paragraph, (iii) clause (10) of the second paragraph, or (iv) clause (11) of the second paragraph, of the covenant entitled “— Certain Covenants — Incurrence of Indebtedness and Issuance of Preferred Stock;”
- (2) Liens to secure Hedging Obligations and/or Obligations with respect to Treasury Management Arrangements incurred in the ordinary course of business and not for speculative purposes;

- (3) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Issuer, or any of its Restricted Subsidiaries; provided that such Liens were in existence prior to the contemplation of such merger or consolidation and do not extend to any assets other than those of the Person that is merged with or into or consolidated with the Issuer, or its Restricted Subsidiary;
- (4) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Issuer or any of its Restricted Subsidiaries; provided that such Liens were in existence prior to such acquisition and not incurred in contemplation of, such acquisition;
- (5) Liens to secure the performance of statutory obligations, insurance, surety or appeal bonds, workers compensation obligations, performance bonds or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);
- (6) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by clause (4) of the second paragraph of the covenant entitled “— Certain Covenants — Incurrence of Indebtedness and Issuance of Preferred Stock” covering only the assets acquired with or financed by such Indebtedness;
- (7) Liens existing on the date of the Indenture;
- (8) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;
- (9) Liens imposed by law, such as carriers’, warehousemen’s, landlords’ and mechanics’ Liens, in each case, incurred in the ordinary course of business;
- (10) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;
- (11) Liens created for the benefit of (or to secure) the Notes or any Subsidiary Guarantees;
- (12) Liens to secure any Permitted Refinancing Indebtedness permitted to be incurred under the Indenture; provided that:
 - (a) the new Lien is limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and
 - (b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged with

such Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

- (13) Liens on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;
- (14) filing of financing statements as a precautionary measure in connection with operating leases;
- (15) bankers' Liens, rights of setoff, Liens arising out of judgments or awards not constituting an Event of Default and notices of lis pendens and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;
- (16) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;
- (17) Liens on specific items of inventory or other goods (and the proceeds thereof) of any Person securing such Person's obligations in respect of bankers' acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;
- (18) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business;
- (19) pledges of stock or other Equity Interests of the Issuer's direct Subsidiaries securing Indebtedness of such Subsidiaries permitted to be incurred under the covenant described under the caption "— Certain Covenants — Incurrence of Indebtedness and Issuance of Preferred Stock;"
- (20) Liens in favor of the Issuer or any of its Restricted Subsidiaries;
- (21) Liens on Receivables Assets incurred in connection with a Qualified Receivables Financing or a Permitted Recourse Receivables Financing or Liens securing Indebtedness or other obligations of a Receivables Subsidiary; and
- (22) Liens incurred in the ordinary course of business of the Issuer or any Restricted Subsidiary of the Issuer with respect to obligations that do not exceed US\$25.0 million (or the Dollar Equivalent thereof) at any one time outstanding.

"Permitted Recourse Receivables Financing" means any financing other than a Qualified Receivables Financing pursuant to which the Issuer or any Restricted Subsidiary may sell, convey or otherwise transfer to any other Person, or grant a security interest in, any accounts receivable (and related assets) in any aggregate principal amount at least equal to the Fair Market Value of such accounts receivable (and related assets) of the Issuer or such Restricted Subsidiary; provided that the covenants, events of default and other provisions applicable to such financing shall be on market terms (as determined in good faith by the Board of Directors or senior management of the Issuer) and may include Standard Securitization Undertaking.

“Permitted Refinancing Indebtedness” means any Indebtedness of the Issuer or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness of the Issuer or any of its Restricted Subsidiaries (other than intercompany Indebtedness); provided that:

- (1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);
- (2) such Permitted Refinancing Indebtedness has a final maturity date no earlier than either (a) the final maturity date of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged or (b) the final maturity date of the Notes;
- (3) such Permitted Refinancing Indebtedness has a Weighted Average Life to Maturity at the time such Permitted Refinancing Indebtedness is incurred that is no shorter than the Weighted Average Life to Maturity of the portion of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;
- (4) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes on terms at least as favorable to the Holders as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and
- (5) such Indebtedness is incurred either by the Issuer or by the Restricted Subsidiary of the Issuer that was the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged and is guaranteed only by Persons who were obligors on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

“Person” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

“Provident Group” means any of:

- (1) PT Provident Capital Indonesia;
- (2) Mr. Winato Kartono;
- (3) Mr. Hardi Wijaya Liong;
- (4) Mr. Gavin Arnold Caudle;
- (5) any entity of which any of the above together or individually has Control; or
- (6) any fund which is managed by any of the Persons specified in paragraphs (2) to (5) above (whether individually or collectively).

“Public Indebtedness” means any Indebtedness consisting of bonds, debentures, notes or other similar debt securities issued in (a) a public offering or (b) a private placement to institutional

investors that is underwritten for resale in accordance with Rule 144A and/or Regulation S under the Securities Act whether or not it includes registration rights entitling the holders of such debt securities to registration thereof with the U.S. Securities and Exchange Commission for public resale. For the avoidance of doubt, the term “Public Indebtedness” shall not be construed to include any Indebtedness issued to institutional investors in a direct placement of such Indebtedness that is not underwritten by an intermediary (it being understood that, without limiting the foregoing, a financing that is distributed to not more than fifteen Persons (provided that multiple managed accounts and affiliates of any such Persons shall be treated as one Person for the purposes of this definition) shall be deemed not underwritten), or any commercial bank or similar Indebtedness, receivables financing, Capital Lease Obligation or recourse transfer of any financial asset or any other type of Indebtedness incurred in a manner not customarily viewed as a “securities offering.”

“Qualified Receivables Financing” means any Receivables Financing of a Receivables Subsidiary that meets the following conditions: (1) the Board of Directors or senior management of the Issuer shall have determined in good faith that such Qualified Receivables Financing (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to the Issuer and the Receivables Subsidiary, (2) all sales of accounts receivable and related assets to the Receivables Subsidiary are made at fair market value (as determined in good faith by the Board of Directors or senior management of the Issuer), and (3) the financing terms, covenants, termination events and other provisions thereof shall be on market terms (as determined in good faith by the Issuer) and may include Standard Securitization Undertakings. For the avoidance of doubt, the grant of a security interest in any accounts receivable of the Issuer or any of its Restricted Subsidiaries (other than a Receivables Subsidiary) to secure Indebtedness under Credit Facilities shall not be deemed a Qualified Receivables Financing.

“Rating Agencies” means (1) S&P, (2) Fitch and (3) Moody’s; provided that if S&P, Fitch, Moody’s or all of them shall not make a rating of the Notes publicly available, one or more “nationally recognized statistical rating organizations” as defined under Section 3(a)(62) of the Exchange Act selected by the Issuer as a replacement agency for S&P or Fitch or Moody’s, as the case may be.

“Responsible Officer” means, when used with respect to the Trustee, any managing director, vice president, trust associate, relationship manager, transaction manager, client service manager, any trust officer or any other officer located at the Specified Corporate Trust Office who customarily performs functions similar to those performed by any persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person’s knowledge of and familiarity with the particular subject and in each such case, who shall have direct responsibility for the day to day administration of the Indenture.

“Receivables Assets” means any assets that are or will be the subject of a Qualified Receivables Financing or a Permitted Recourse Receivables Financing.

“Receivables Fees” means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Receivables Financing or a Permitted Recourse Receivables Financing.

“Receivables Financing” means any transaction or series of transactions that may be entered into by the Issuer or any of its Subsidiaries pursuant to which the Issuer or any of its Subsidiaries may sell, convey or otherwise transfer to (1) a Receivables Subsidiary (in the case of a transfer by the Issuer or any of its Subsidiaries), or (2) any other Person (in the case of a transfer by a Receivables Subsidiary),

or may grant a security interest in, any accounts receivable (whether now existing or arising in the future) of the Issuer or any of its Subsidiaries, and any assets related thereto, including all collateral securing such accounts receivable, all contracts and all guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interest are customarily granted in connection with asset securitization transactions involving accounts receivable and any Hedging Obligations entered into by the Issuer or any such Subsidiary in connection with such accounts receivable.

“Receivables Repurchase Obligation” means any obligation of a seller of receivables in a Qualified Receivables Financing or a Permitted Recourse Receivables Financing to repurchase receivables arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

“Receivables Subsidiary” means a Wholly-Owned Subsidiary of the Issuer (or another Person formed for the purposes of engaging in a Qualified Receivables Financing with the Issuer in which the Issuer or any Subsidiary of the Issuer makes an Investment and to which the Issuer or any Subsidiary of the Issuer transfers accounts receivable and related assets) which engages in no activities other than in connection with the financing of accounts receivable of the Issuer and its Subsidiaries, all proceeds thereof and all rights (contractual or other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and which is designated by the Board of Directors of the Issuer (as provided below) as a Receivables Subsidiary and:

- (1) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (a) is guaranteed by the Issuer or any other Restricted Subsidiary of the Issuer (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (b) is subject to terms that are substantially equivalent in effect to a guarantee of any losses on securitized or sold receivables by the Issuer or any other Restricted Subsidiary of the Issuer, (c) is recourse to or obligates the Issuer or any other Restricted Subsidiary of the Issuer in any way other than pursuant to Standard Securitization Undertakings, or (d) subjects any property or asset of the Issuer or any other Restricted Subsidiary of the Issuer, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings,
- (2) with which neither the Issuer nor any other Restricted Subsidiary of the Issuer has any contract, agreement, arrangement or understanding other than on terms which the Issuer reasonably believes to be no less favorable to the Issuer or such Restricted Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of the Issuer, and
- (3) to which neither the Issuer nor any other Restricted Subsidiary of the Issuer has any obligation to maintain or preserve such entity’s financial condition or cause such entity to achieve certain levels of operating results.

Any such designation by the Board of Directors of the Issuer shall be evidenced to the Trustee by filing with the Trustee a copy of the resolution of the Board of Directors of the Issuer giving effect to such designation and an Officer’s Certificate certifying that such designation complied with the foregoing conditions.

“Restricted Investment” means an Investment other than a Permitted Investment.

“Restricted Subsidiary” of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

“Saratoga Group” means any of:

- (1) PT Wahana Anugerah Sejahtera;
- (2) PT Saratoga Investama Sedaya Tbk;
- (3) Mr. Edwin Soeryadjaya;
- (4) any entity of which any of the above together or individually has Control; or
- (5) any fund which is managed by the Persons named in paragraph (3) above, and/or any entity Controlled by any of such Persons (whether individually or collectively).

“Secured Indebtedness” means any Indebtedness of the Issuer or a Subsidiary Guarantor secured by a Lien.

“Senior Indebtedness” means all Indebtedness of the Issuer or a Subsidiary Guarantor, as relevant, whether outstanding on the date of the Indenture or thereafter created, except for Indebtedness which, in the instrument creating or evidencing the same, is expressly stated to be not senior in right of payment to the Notes or the Subsidiary Guarantee of such Subsidiary Guarantor; provided that Senior Indebtedness does not include (1) any obligation to the Issuer or any Restricted Subsidiary of the Issuer, (2) trade payables or (3) Indebtedness incurred in violation of the Indenture.

“SGX-ST” means Singapore Exchange Securities Trading Limited.

“Significant Subsidiary” means any Restricted Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date of the Indenture.

“Specified Corporate Trust Office” means The Bank of New York Mellon, Singapore Branch, located at One Temasek Avenue, #03-01 Millenia Tower, Singapore 039192, facsimile: +65 6883 0338, attention: Global Corporate Trust – PT Tower Bersama Infrastructure Tbk.

“Standard Securitization Undertakings” means representations, warranties, covenants, indemnities and guarantees of performance entered into by the Issuer or any Subsidiary of the Issuer which the Issuer has determined in good faith to be customary in a Receivables Financing, including those relating to the servicing of the assets of a Receivables Subsidiary, or in a Permitted Recourse Receivables Financing, it being understood that any Receivables Repurchase Obligation shall be deemed to be a Standard Securitization Undertaking.

“Stated Maturity” means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the first date it was incurred in compliance with the terms of the Indenture, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

“Subsidiary” means, with respect to any specified Person:

- (1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders’ agreement that effectively transfers voting power) to vote in the election of commissioners, directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled (by contract or otherwise), directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof);
- (2) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity; or
- (3) any corporation, association or other business entity which is consolidated in the financial statements of such Person in accordance with GAAP.

“Subsidiary Guarantee” means any guarantee of the obligations of the Issuer under the Indenture and the Notes by any Subsidiary Guarantor.

“Subsidiary Guarantor” means any Restricted Subsidiary of the Issuer that guarantees the payment of the Notes in accordance with the provisions of the Indenture, and their respective successors and assigns, in each case, until the Subsidiary Guarantee of such Person has been released in accordance with the provisions of the Indenture.

“Synergy Adjustments” has the meaning assigned to such term in the definition of Debt to Annualized Cash Flow Ratio.

“Synergy Cap” means, with respect to projected operating expense reductions, other operating improvements and synergies in relation to any Target Assets, the amount that would result in (x) the percentage resulting from dividing (i) the Consolidated Cash Flow of such Target Assets, on a pro forma basis giving effect to the Synergy Adjustments, by (ii) the revenues of such Target Assets determined in accordance with GAAP, in each case for the Latest Quarter, exceeding (y) the percentage resulting from dividing (i) 90% of the Consolidated Cash Flow of the Issuer by (ii) the consolidated revenues of the Issuer determined in accordance with GAAP, in each case for the Latest Quarter.

“Tax” means any tax, duty, levy, impost, assessment or other governmental charge (including penalties and interest related thereto).

“Tower Asset Exchange” means any transaction in which the Issuer or one of its Restricted Subsidiaries exchanges assets for Tower Assets and/or cash or Cash Equivalents where the Fair Market Value of the Tower Assets and/or cash or Cash Equivalents received by the Issuer and its Restricted Subsidiaries in such exchange is at least equal to the Fair Market Value of the assets disposed of in such exchange.

“Tower Assets” means all physical infrastructure and all other assets intended for use in telecommunications and data transfer, including:

- (1) ground-based and rooftop telecommunications towers and installations (including all associated movable and immovable structures and equipment, concrete pads, lighting, air conditioning and fences situated thereon);
- (2) any structure, shelter or equipment (including any in-building distributed antenna system) situated on any parcel of real property, building or telecommunications tower for use in or ancillary to telecommunications and data transfer;
- (3) wireless and microwave antenna, receivers, repeaters, cables, fibre, fibre optic, exchanges and other equipment and infrastructure for use in or ancillary to telecommunications and data transfer;
- (4) other assets used or usable in a Permitted Business or Equity Interests in any Person whose principal business is a Permitted Business, if after giving effect to any such acquisition of Equity Interests such Person becomes a Restricted Subsidiary of the Issuer; and
- (5) each parcel of real property (whether owned or leased by the Issuer or a Restricted Subsidiary) over which the Issuer or Restricted Subsidiary has a right of entry) on which the Issuer or a Restricted Subsidiary owns, operates, manages or maintains any of the foregoing assets in clauses (1) to (4) above.

“Treasury Management Arrangement” means any agreement or other arrangement governing the provision of treasury or cash management services, including deposit accounts, overdraft, credit or debit card, funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

“Treasury Rate” means, as of any redemption date, the yield to maturity as of such redemption date of the most recently issued United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 that has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to January 21, 2023; provided that if the period from the redemption date to January 21, 2023 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

“Unrestricted Subsidiary” means any Subsidiary of the Issuer that is designated by the Board of Directors of the Issuer as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

- (1) has no Indebtedness other than Non-Recourse Debt;
- (2) except as permitted by the covenant described above under the caption “— Certain Covenants — Transactions with Affiliates,” is not party to any agreement, contract, arrangement or understanding with the Issuer or any Restricted Subsidiary of the Issuer unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Issuer or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Issuer;

- (3) is a Person with respect to which neither the Issuer nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and
- (4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Issuer or any of its Restricted Subsidiaries.

"U.S. Government Obligations" means securities that are (1) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the holder thereof at any time prior to the Stated Maturity of the Notes, and will also include a depository receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the account of the holder of a depository receipt; provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of the U.S. Government Obligation evidenced by such depository receipt.

"Voting Stock" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of directors, managers or other voting members of the governing body of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

- (1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by
- (2) the then outstanding principal amount of such Indebtedness.

"Wholly Owned" means, with respect to any Subsidiary of any Person, the ownership of all of the outstanding Capital Stock of such Subsidiary (other than any director's qualifying shares or minimum number of shares owned by a second shareholder mandated by law) by such Person or one or more Wholly Owned Subsidiaries of such Person.

TAXATION

The discussion below is not intended to constitute a complete analysis of all tax consequences relating to ownership of the notes. Prospective purchasers of the notes should consult their own tax advisers concerning the tax consequences of their particular situations. This description is based on laws, regulations and interpretations as now in effect and available as of the date of this offering circular. The laws, regulations and interpretations, however, may change at any time, and any change could be retroactive to the date of issuance of the notes. These laws and regulations are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below.

Indonesian Taxation

The following is a summary of the principal Indonesian tax consequences relevant to prospective holders of the notes that are not tax resident in Indonesia and have no permanent establishment (“branch”) in Indonesia. The summary does not address any laws other than the tax laws of Indonesia in force and as they are applied in practice as of the date of this offering circular. The summary represents a general guide only and should not be relied upon by individual or corporate holders of the notes offered hereby. It is recommended that holders of the notes seek independent tax advice relevant to their facts and circumstances.

General

Resident taxpayers, individual or corporate, are subject to income tax in Indonesia on a worldwide income basis.

Generally, an individual is considered to be a non-resident of Indonesia if the individual does not reside in Indonesia or does not stay in Indonesia for more than 183 days within a 12-month period or is not present in Indonesia during a tax year with the intention of residing in Indonesia. A company will be considered to be a non-resident of Indonesia if it is not established or domiciled in Indonesia.

In determining the residency and tax status of an individual or company and the allocation of taxing rights on income between two countries, consideration will also be given to the provisions of any applicable tax treaty which Indonesia has concluded with other jurisdictions. In this section, both a non-resident individual and a non-resident company will be referred to as “Non-resident Taxpayers.”

Subject to the provisions of any applicable tax treaty, Non-resident Taxpayers, who derive income sourced in Indonesia from, (among other things):

- the sale of certain assets situated in Indonesia;
- services performed in or outside Indonesia;
- interest, or payments in the nature of interest, such as premiums; and
- royalties or dividends,

are generally subject to a withholding tax on that income at the final rate of 20.0%, as long as the income is not effectively connected with a permanent establishment held by Non-resident Taxpayers in Indonesia.

If the income is effectively connected to a permanent establishment in Indonesia, then the income is part of the taxable income of the permanent establishment which is subject to corporate income tax at the rate of 25.0%. Income effectively connected with a permanent establishment is also subject to additional income tax (i.e. branch profit tax) at the rate of 20.0% on the taxable income after tax or a reduced tax rate under the provisions of an applicable tax treaty.

Taxation on Interest and Premium

Payments of principal under the notes by the Issuer should not be subject to withholding tax in Indonesia, but the interest income (including additional amounts) sourced from Indonesia is subject to withholding tax.

Interest paid by the Issuer to the noteholders will be subject to withholding tax. Pursuant to Government Regulation No. 16 (2009), as last amended by Government Regulation No. 55 (2019) (“GR-55”), payment of interest by the Issuer to the resident taxpayers will be subject to 15% final withholding tax. Payment of interest by the Issuer to the Non-resident Taxpayers, without permanent establishment in Indonesia, will be subject to 20% withholding tax.

The amount of any payment by any Subsidiary Guarantor, which is an Indonesian tax resident, under a Guarantee attributable to an interest, premium or coupon (these amounts are generally treated as interest) payable on the notes to a Non-resident Taxpayers could be subject to final withholding tax in Indonesia at the rate of 20.0% pursuant to Article 26 of the Income Tax Law No. 36 Year 2008, unless reduced by an applicable agreement for the avoidance of double taxation (“tax treaty”).

The lower rate of withholding tax applicable to Non-resident Taxpayers who reside in a tax treaty country is also subject to satisfying the eligibility and reporting requirements for the relevant tax treaty. See “— Requirements for Non-resident Taxpayers to be eligible for the tax treaty benefits.”

To the extent that any Subsidiary Guarantor is required to pay additional amounts or any excess of the principal in accordance with the terms of the Subsidiary Guarantees, these amounts will be subject to withholding tax in the manner described above. For a description of the circumstances under which Subsidiary Guarantors may be required to pay additional amounts with respect to the Indonesian taxation on premiums on payments made under the Subsidiary Guarantees, see “Description of the Notes.”

Taxation on Capital Gains

Income derived by Non-resident Taxpayers, without a permanent establishment in Indonesia, from the disposal of notes to other Non-resident Taxpayers, without a permanent establishment in Indonesia, should not be subject to Indonesian income tax, while for non-resident individuals and corporations other than permanent establishments in Indonesia may be subject to a 20.0% Indonesian final withholding tax on any gain derived from the sale or disposal of Notes to a resident taxpayer or permanent establishment in Indonesia, or where the transaction is conducted through a securities company, dealer or bank in Indonesia, as such gain would be recharacterized as interest under Indonesian laws in these situations.

However, if the non-resident investor is a tax resident of a country that has signed a tax treaty with Indonesia, a reduced withholding tax rate applicable to interest income may be available if the gain (or a portion thereof) is considered as interest for purposes of the relevant tax treaty. Further, a full relief from the imposition of such withholding tax may be available if the relevant treaty treats the

income as gain that is taxable only by the country in which the investor is resident for tax purposes. Under the U.S.-Indonesia tax treaty, interest is generally taxed at a rate of 10.0%, and the term “interest” as used in the treaty means income from bonds, debentures, government securities, notes or other evidence of indebtedness, whether or not secured by a mortgage or other security and whether or not carrying a right to participate in profits, and debt claims of every kind, as well as other income which, under the taxation law of the contracting state in which the income has its source is assimilated to income from money limit. Under such treaty, capital gains derived from the sale or disposal of notes is considered as interest and subject to tax according to the provision in interest article of the treaty.

In addition, if such gains from disposal of the notes are derived by a resident taxpayer, whether an individual or a company (including Non-resident Taxpayers with a permanent establishment in Indonesia), is taxable in Indonesia and subject to final income tax at the rate of 15% pursuant to GR-55.

Requirements for Non-resident Taxpayers to be eligible for the tax treaty benefits

On November 21, 2018, the Director General of Tax (“DGT”) issued regulation No. PER-25/ PJ/ 2018 (the “Indonesia’s Anti Treaty Abuse Rule”) revising the anti-tax treaty abuse rules. The regulation was effective on January 1, 2019. This regulation is of importance to any non-Indonesian resident receiving income from Indonesia.

The Indonesian withholding tax agent is required to withhold tax on the income derived by Non-resident Taxpayers based on Indonesian Income Tax Law (“ITL”). Such provision can be excluded and the provision under the tax treaty will apply, if:

- The provisions of the tax treaty differ from those of the Indonesian ITL;
- The income recipient is not an Indonesian tax resident;
- The non-resident income recipient is an individual or an entity who is a tax resident of the country under the concerned Tax Treaty;
- The non-resident income recipient submits to the Indonesian withholding tax agent its certificate of domicile (i.e. Form DGT) that meets the administrative requirements (see section “Certificate of tax residence” below);
- There is no tax treaty abuse (see “B. No tax treaty abuse test”); and
- If the relevant tax treaty requires the non-resident income recipient to be the beneficial owner of the income, the beneficial owner requirements must be met (see “Beneficial Ownership”).

In order to potentially reduce the withholding tax burden on the issuer, the Issuer (or an agent or entity acting on behalf of the Issuer) may, at the Issuer’s sole discretion, contact noteholders on a semi-annual basis, via a bondholder beneficial ownership identification exercise as of the coupon record date, to ascertain the noteholders’ tax residency and contact details, and further contact selected noteholders bilaterally for certain documentation, including, but not limited to, the certificate of tax residence (as discussed in more detail below) and Form DGT, and their account details. The Issuer may, at its sole discretion, consider making payments, in the form of a filing fee, to selected noteholders who respond to the Issuer (or an agent or entity acting on behalf of the Issuer) by providing such documentation within a stipulated timeline as determined by the Issuer.

A. Certificate of tax residence (“COR”)

Pursuant to Indonesia’s Anti Treaty Abuse Rule, the administrative requirements to be fulfilled by the Non-resident Taxpayers to enjoy the tax treaty benefits require:

- (a) Using Form DGT;
- (b) The form must be filled in correctly, completely and clearly by the Non-resident Taxpayers;
- (c) Signed by the Non-resident Taxpayers or equivalent mark/ stamp as normally used in its country;
- (d) Signed by the authorized official of the treaty country where Non-resident Taxpayers reside or equivalent mark/stamp as normally used in its country;
- (e) There is a statement made by the Non-resident Taxpayers stating that there is no tax treaty abuse;
- (f) There is statement that the Non-resident Taxpayers is the Beneficial Owner in case it is required by the tax treaty;
- (g) Used for the period stated in the Form DGT; and
- (h) The signing and marking by the competent tax authority officer must be done in Part II of the Form DGT.

The signing and marking by the competent officer in Part II of the Form DGT can be replaced by a standard COR issued by that competent tax authority. Such COR must fulfill the following requirements.

- a. The document must use the English language;
- b. At least contains the information concerning the name of the Non-resident Taxpayers, issuance date, and the applicable tax year; and
- c. Bears the name and signature of the authorized tax officer of the competent tax authority of the treaty country; or sign/stamp that is equal to the signature of the tax officer and the name of the tax officer as commonly used.

In the event the Non-resident Taxpayers use a COR, it must fill in the Form DGT except for Part II of the Form DGT.

The Non-resident Taxpayers should provide the original COR form to the tax withholder. The tax withholder is required to attach the copy of the COR from the Non-resident Taxpayers, in the relevant monthly tax return.

In the case that there is income received or earned by a Non-resident Taxpayer, but no tax is withheld in Indonesia according to the tax treaty, the tax withholder is still obligated to arrange reporting of the COR.

B. No tax treaty abuse test

In the view of the DGT, tax treaty abuse does not take place if all of the following conditions are fulfilled:

1. If the Non-resident Taxpayer is an individual, he/she does not act as an agent or nominee, or
2. If the Non-resident Taxpayer is an entity:
 - a) There is economic substance in the establishment of the entity and execution of the transaction;
 - b) The legal form is the same as the economic substance in the establishment of the entity or the execution of the transaction;
 - c) The business activities are managed by its own respective management and each of such management has sufficient authority to carry out the transactions;
 - d) There are fixed assets and non-fixed assets (other than the assets generating income from Indonesia), which are adequate and sufficient to conduct business activities in that treaty country;
 - e) It has sufficient employees with the expertise and certain skills in accordance with its line of business;
 - f) It has activities or an active business other than receiving income in the form of dividend, interest, royalty from Indonesia; and
 - g) There is no arrangement of transactions either directly or indirectly with the objective to obtain benefits from implementation of Tax Treaty, such as
 - reduction of tax burden; and/or
 - double non-taxation in any country or jurisdiction;
 - which contradicts the purpose and objectives of the Tax Treaty.

In the event that there is a difference between the legal form or a transactional structure/scheme and the economic substance, Indonesian tax is applied in accordance with the applicable provisions based on substance over form as indicated in point (a) above.

C. Beneficial ownership

Under ITL No. 36/2008, beneficial ownership is determined based on a state of residence rule, taking into account where the owner of the taxpayer resides or holds effective management (more than 50.0% shares individually or commonly).

In addition to the requirement the tax treaty abuse is not committed, in the case that the tax treaty requires the Non-resident Taxpayers to be the beneficial owner of the income (for example interest, royalty and dividend income), the Non-resident Taxpayers must certify that:

- a) If he is an individual, he does not act as an agent or nominee, or
- b) If it is an entity, it does not act as an agent, nominee, or conduit, and it must meet the following criteria:
 - It has control in using or enjoying funds, assets, or rights that can generate income from Indonesia;
 - Not more than 50% of the total non-consolidated income is used to fulfill obligations to other parties (these obligations do not include fair compensation payments to employees in relation to work, and payments to other parties for normal business costs);
 - It bears the risks of assets, capital, and/or liabilities; and
 - It does not have written or unwritten obligation to provide part or all of the income derived from Indonesia to another party.

Multilateral Instrument (“MLI”)

The President of Indonesia issued Regulation No. 77 of 2019 (“PP No. 77/2019”) on November 12, 2019, which ratifies the multilateral convention implementing tax treaty-related measures to prevent base erosion and profit shifting. Pursuant to PP No. 77/2019, 47 double tax agreements with Indonesia are nominated by Indonesia to become subject to the changes set out under the MLI, including treaties with Australia, Canada, France, Hong Kong, India, Japan, Luxembourg, Malaysia, Netherlands, Singapore, Switzerland, the United Kingdom and the United States of America.

The MLI will become effective and modify a relevant tax treaty at a point (determined in the MLI) after both relevant jurisdictions have deposited the instrument of ratification, acceptance or approval and the entry into force of the MLI. As of December 19, 2019, Indonesia has not yet deposited the ratification of the MLI with the Organization for Economic Co-operation and Development (OECD). Out of the 47 treaty partner jurisdictions, some of treaty partner jurisdictions have already deposited the instrument of ratification, while others have not. Noteholders should take steps to understand the potential timing of any changes to tax treaty provisions brought about by the MLI, and the articles impacted given each jurisdiction’s selected positions.

To the extent the MLI comes into effect and operates to modify an applicable tax treaty with a noteholder’s resident jurisdiction, noteholders should, in particular, note the potential implications, in respect of the payments of interest or premium by the Issuer, of the principle purpose test and limitation of benefits (“LOB”) under the MLI, which may operate to limit treaty benefits in certain circumstances. Only some of the nominated tax treaties will be modified to include an LOB.

Other Indonesian Taxes

There are no Indonesian estates, inheritance, succession, or gift taxes generally applicable to the acquisition, ownership or disposition of the notes by Non-resident Taxpayers. There are no Indonesian stamp, issue, registration or similar taxes or duties payable by the holders of the notes, save for Indonesian stamp duty amounting to Rp.6,000 payable for stamping of any document introduced as evidence in Indonesian court proceedings.

Singapore Taxation

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines issued by the Monetary Authority of Singapore (the “MAS”) in force as of the date of this offering circular. They are subject to changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. These laws, guidelines or circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this offering circular are intended or are to be regarded as advice on the tax position of any holder of the notes or of any person acquiring, selling or otherwise dealing with the notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates.

Prospective holders of the notes should consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasized that neither the Issuer nor any other persons involved in the issuance of the notes accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the notes.

General

Singapore adopts a territorial basis of taxation whereby tax is imposed on income of any person accruing in or derived from Singapore (i.e. income sourced in Singapore), or received in Singapore from outside Singapore (i.e. foreign-sourced income), in respect of any trade or business carried on by that person.

Under Section 10(25) of the Income Tax Act, Chapter 134 of Singapore (the “SITA”), foreign-sourced income is deemed to be received in Singapore (whether or not the source from which the income is derived has ceased) if the income is:

- (a) remitted to, transmitted, or brought into Singapore;
- (b) applied in or towards the satisfaction of any debt incurred in respect of a trade or business carried on in Singapore; or
- (c) applied to purchase any movable property which is brought into Singapore.

Section 10(25) will be applied to tax foreign-sourced income received in Singapore only if the income belongs to an individual who is tax resident in Singapore or an entity that is located in and/or operating in Singapore.

Under Section 12(6) of the SITA, the following income shall be deemed to be derived from Singapore (i.e. income sourced in Singapore):

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Qualifying conditions for Qualifying Debt Securities (“QDS”)

For debt securities issued during the period from January 1, 2014 to December 31, 2023 not issued under a programme, they must meet both conditions (a) and (b), and also meet either condition (c) or (d) to qualify as QDS:

- (a) the debt securities must be “bonds, notes, commercial papers and certificates of deposits;”
- (b) the debt securities must be lead managed in accordance with the prescribed regulations:
 - (i) the lead manager is any, or if there is more than one lead manager, more than half of the lead managers are any or any combination, of the following:
 - a. a Financial Sector Incentive — Bond Market (“FSI-BM”) company;
 - b. a Financial Sector Incentive — Capital Market (“FSI-CM”) company;
 - c. a Financial Sector Incentive — Standard Tier (“FSI-ST”) company; or
 - (ii) If the issuer is not a Singapore-based issuer, more than half of the debt securities issued under the issue are distributed by any or any combination of the following:
 - a. an FSI-BM company;
 - b. an FSI-CM company;
 - c. an FSI-ST company.
- (c) the debt securities must be issued to at least four persons during its primary launch; and
- (d) if condition (c) is not met and the debt securities are issued to less than four persons, 50% or more of the issue of the debt securities, at the primary launch, must not be beneficially held or funded, directly or indirectly, by related parties of the issuer of those debt securities.

While the debt securities may meet all the necessary conditions above at its primary launch and therefore qualify as QDS, there is an additional condition that must be met by certain categories of holders during the life of the debt securities to preserve the tax incentive on Qualifying Income (as defined in paragraph 5 in the Singapore tax section of our opinion), if any, derived from the debt securities. This condition requires that at no time during the life of the debt securities must 50% or more of the debt securities outstanding at any time be beneficially held or funded, directly or indirectly, by related parties of the issuer of those debt securities. If this condition is not met, the tax exemption or concessionary rate of tax, as the case may be, on interest payable and other qualifying receipts on the debt securities will not apply to the following categories of holders:

- (a) holders who are related parties of the issuer; and
- (b) holders whose purchase of the debt securities is funded, directly or indirectly, by related parties of the issuer.

Holders of the debt securities who fall outside the two categories stated in the above paragraph will continue to enjoy the tax exemption or concessionary rate of tax, as the case may be, notwithstanding that the additional condition (as mentioned in the above paragraph) is not met. In other words, should any holders of the debt securities be related parties or become related parties of the issuer subsequent to the issuance of the debt securities or purchased the debt securities with funds originating from related parties of the issuer, only those holders will be disqualified from the tax exemption or concessionary rate of tax if their combined holdings in the debt securities is above the stipulated threshold. Other holders who are not related parties and did not purchase the debt securities with funds originating from related parties of the issuer are not affected by the disqualification.

Where the debt securities qualify as QDS and subject to certain conditions, interest, discount (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost ("Qualifying Income") derived may be exempt or subject to Singapore Income tax depending on the identities of the beneficial owner of the debt securities, and not be subject to Singapore withholding tax. See further details of the terms below.

1. "Prepayment fee", in relation to debt securities or QDS, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities.
2. "Redemption premium", in relation to debt securities or QDS, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.
3. "Break cost", in relation to debt securities or QDS, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption.

The tax treatment as described above, is subject to compliance with the following conditions:

- a. the debt securities issuer including in all offering documents relating to the debt securities:
 - (i) a statement to the effect that the tax exemption on Qualifying Income payable on the debt securities (consequent to its QDS status) shall not apply where the Qualifying Income are derived by a non-resident holder who carries on operations in Singapore

through a permanent establishment in Singapore and who uses the funds obtained from such Singapore operations to purchase the debt securities;

- (ii) a statement to the effect that any person whose Qualifying Income derived from the debt securities are not exempt from tax shall include such income in a return of income made under the SITA; and
- b. the debt securities issuer, or such other person as the Monetary Authority of Singapore (“MAS”) may direct, furnishing to the MAS a return on debt securities within one month from the date of issue of the debt securities.

PLAN OF DISTRIBUTION

Barclays Bank PLC, Singapore Branch, BNP Paribas, Cr dit Agricole Corporate and Investment Bank, Singapore Branch, DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Oversea-Chinese Banking Corporation Limited, Australia and New Zealand Banking Group Limited, CIMB Bank Berhad, Labuan Offshore Branch, Mizuho Securities Asia Limited, MUFG Securities Asia Limited Singapore Branch, SMBC Nikko Capital Markets Limited and United Overseas Bank Limited are acting as the joint bookrunners and joint lead managers of the offering of the notes. Subject to the terms and conditions stated in the purchase agreement dated the date of this offering circular (the “Purchase Agreement”), each initial purchaser named below has severally agreed to purchase, and the Issuer has agreed to sell to each such initial purchaser, the principal amount of the notes set forth opposite the name of such initial purchaser.

Initial Purchaser	Principal Amount
Barclays Bank PLC, Singapore Branch	US\$58,333,333
BNP Paribas	US\$37,333,333
Cr�dit Agricole Corporate and Investment Bank, Singapore Branch	US\$37,333,333
DBS Bank Ltd.	US\$37,333,333
The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch	US\$58,333,333
Oversea-Chinese Banking Corporation Limited	US\$37,333,333
Australia and New Zealand Banking Group Limited	US\$5,833,334
CIMB Bank Berhad, Labuan Offshore Branch	US\$23,333,333
Mizuho Securities Asia Limited	US\$5,833,334
MUFG Securities Asia Limited Singapore Branch	US\$5,833,334
SMBC Nikko Capital Markets Limited	US\$5,833,334
United Overseas Bank Limited	US\$37,333,333
Total	<u>US\$350,000,000</u>

The Purchase Agreement provides that the obligations of the initial purchasers to purchase the notes are subject to approval of certain legal matters by counsel and to certain other conditions. The initial purchasers must purchase all of the notes if they purchase any of the notes. The initial offering price is set forth on the cover page of this offering circular. After the notes are released for sale, the initial purchasers may change the offering price and other selling terms. The initial purchasers reserve the right to withdraw, cancel or modify offers to investors and to reject orders in whole or in part.

The Issuer has agreed to indemnify the initial purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments that the initial purchasers may be required to make in respect of any of such liabilities.

The Issuer has been advised that the initial purchasers propose to resell the notes at the offering price set forth on the cover page of this offering circular to non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S. See “Transfer Restrictions.”

The Issuer has agreed not to, for a period of 90 days after the date of this offering circular (i) offer for sale, sell, or otherwise dispose of (or enter into any transaction or device that is designed to, or would be expected to, result in the disposition by any person at any time in the future of) any debt securities substantially similar to the notes or securities convertible into or exchangeable for such debt securities, or sell or grant options, rights or warrants with respect to such debt securities or

securities convertible into or exchangeable for such debt securities, (ii) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of such debt securities, (iii) file or cause to be filed a registration statement, including any amendments, with respect to the registration of debt securities substantially similar to the notes or securities convertible, exercisable or exchangeable into debt securities or (iv) publicly announce an offering of any debt securities substantially similar to the notes or securities convertible or exchangeable into such debt securities, in each case without the prior written consent of the initial purchasers.

The notes have not been registered under the Securities Act and, unless so registered, may not be offered or sold within the United States or to, or for the account of, U.S. persons except to non-U.S. persons in offshore transactions in reliance on Regulation S. See “Transfer Restrictions.”

The notes will constitute a new class of securities with no established trading market. Approval-in-principle has been received for the listing of the notes on the SGX-ST. The offering and settlement of the notes is not conditioned upon obtaining the listing. The Issuer does not intend to apply for listing or quotation of the notes on any national securities exchange in the United States or through Nasdaq. However, there can be no assurance that the prices at which the notes will sell in the market after this offering will not be lower than the initial offering price or that an active trading market for the notes after the completion of the offering will develop and continue after this offering. The initial purchasers have advised us that they currently intend to make a market in the notes. However, they are not obligated to do so and may discontinue any market-making activities with respect to the notes at any time without notice. In addition, market-making activity will be subject to the limits imposed by applicable law. Accordingly, there can be no assurance that the trading market for the notes will have any liquidity.

In connection with this offering, The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, as stabilizing manager, or any person acting for it, may purchase and sell notes in the open market. These transactions may, to the extent permitted by law, include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale of a greater amount of notes than the initial purchasers are required to purchase in this offering. Stabilizing transactions consist of certain bids or purchases for the purpose of preventing or retarding a decline in the market price of the notes while this offering is in progress. These activities, to the extent permitted by law, may stabilize, maintain or otherwise affect the market price of the notes. These activities may be conducted in the over-the-counter market or otherwise. As a result, the price of the notes may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time and must in any event be brought to an end after a limited time. These activities will be undertaken solely for the account of the stabilizing manager and not for and on behalf of the Issuer.

Some of the initial purchasers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its affiliates. They have received customary, or may in the future receive, customary fees and commissions for these transactions. In particular, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Singapore Branch, DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Oversea-Chinese Banking Corporation Limited, Australia and New Zealand Banking Group Limited, CIMB Bank Berhad, Labuan Offshore Branch, Mizuho Securities Asia Limited, MUFG Securities Asia Limited Singapore Branch and United Overseas Bank Limited and/or their respective affiliates are parties to certain credit agreements with us, including the 2017 RLF Agreement, 2019 RLF Agreement and the Credit Facilities Agreement, that are expected to

be repaid using a portion of the proceeds of the offering of the notes. As a result, certain of the initial purchasers and/or their affiliates may receive proceeds of the offering in connection with the repayment of such credit agreements.

The initial purchasers or certain of their respective affiliates may purchase notes and be allocated notes for asset management and/or proprietary purposes and not with a view to distribution.

Delivery of the notes is expected to be made on or about January 21, 2020 which is the fifth business day following the date of this offering circular (such settlement cycle being referred to as T+5). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the notes on the date of pricing or the next two succeeding business days will be required, because the notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers who wish to trade the notes on the pricing date or the next succeeding two business days should consult their own advisers.

Selling Restrictions

General

No action has been taken or will be taken in any jurisdiction by the Issuer or the initial purchasers that would permit a public offering of notes, or the possession, circulation or distribution of this offering circular or any other material relating to the notes or this offering, in any jurisdiction where action for that purpose is required. Accordingly, the notes may not be offered or sold, directly or indirectly, and neither this offering circular nor such other material may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

United States

The notes have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States or to, or for the account of, U.S. persons except to non-U.S. persons in offshore transactions in reliance on Regulation S. Each initial purchaser has agreed that it has not offered or sold, and will not offer or sell, any notes within the United States or to, or for the account of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the date of the closing of the offering except in accordance with Rule 903 of Regulation S under the Securities Act. Terms used in this section have the meanings given to them by Regulation S. Resale of the notes is restricted as described under “Transfer Restrictions.”

In addition, until 40 days following the commencement of this offering, an offer or sale of notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act unless the dealer makes the offer or sell in compliance with an exemption from registration under the U.S. Securities Act.

United Kingdom

This offering circular is for distribution only to persons who (i) fall within Article 43(2)(b) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Financial Promotion Order”), (ii) have professional experience in matters relating to investments

falling within Article 19(5) of the Financial Promotion Order, (iii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc”) of the Financial Promotion Order, (iv) are outside the United Kingdom, or (v) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (as amended, the “FSMA”)) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This offering circular is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this offering circular relates is available only to relevant persons and will be engaged in only with relevant persons.

Each of the initial purchasers has represented, warranted and agreed that:

- it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the “FSMA”) received by it in connection with the issue or sale of any notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

European Economic Area

This offering circular has been prepared on the basis that any offer of notes in any Member State of the European Economic Area will be made pursuant to an exemption under Regulation (EU) 2017/1129 (the “Prospectus Regulation”). Neither the Issuer nor the initial purchasers have authorized, nor do they authorize, the making of any offer of notes in circumstances in which an obligation arises for the Issuer or the initial purchasers to publish a prospectus for such offer. Neither the Issuer nor the initial purchasers have authorized, nor do they authorize, the making of any offer of notes through any financial intermediary, other than offers made by the initial purchasers, which constitute the final placement of the notes contemplated in this offering circular.

The initial purchasers have not offered, sold or otherwise made available and will not offer, sell or otherwise make available any notes to any retail investor in the European Economic Area. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or
- (ii) a customer within the meaning of Directive (EU) 2016/97 (the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Hong Kong

The notes may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies

(Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, the Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the SFO (Cap. 571, the Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, the Laws of Hong Kong) and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the SFO and any rules made thereunder.

Japan

The notes offered in this offering circular have not been and will not be registered under the Financial Instruments and Exchange Act of Japan. The notes may not and will not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act of Japan and other relevant laws and regulations of Japan.

Singapore

This offering circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than: (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA; (ii) to a relevant person (as defined in Section 275(2) of the SFA pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be

transferred within six months after that corporation or that trust has acquired the notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Indonesia

This offering does not constitute a public offering in Indonesia under Law No. 8 of 1995 regarding Capital Markets and its implementing regulations. This offering circular may not be distributed in Indonesia and the further notes may not be offered in Indonesia or sold to Indonesian citizens wherever they are domiciled, or to Indonesian residents in a manner which constitutes a public offering under the laws and regulations of Indonesia.

Switzerland

The notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or any other exchange or regulated trading facility in Switzerland. Neither this offering circular nor any other offering or marketing material relating to the notes constitutes (i) a prospectus as such term is understood pursuant to Article 652a or 1156 of the Swiss Code of Obligations or (ii) a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland, and neither this offering circular nor any other marketing material relating to the notes may be publicly distributed or otherwise made publicly available in Switzerland. In addition, this offering circular nor any other offering or marketing material relating to the notes may not comply with the Directive for notes of Foreign Borrowers of the Swiss Bankers Association. The notes are being offered in Switzerland by way of private placement, without any public advertisement and only to investors who do not purchase the notes with the intention to distribute them to the public. The investors will be individually approached directly from time to time. This offering circular, as well as any other offering or marketing material relating to the notes, is personal and confidential and does not constitute an offer to any other person. This offering circular, as well as any other offering or marketing material relating to the notes, may only be used by those investors to whom it has been handed out in connection with the offering and may neither directly nor indirectly be distributed or made available to other persons without the Issuer's express consent.

Republic of Italy

The offering of the notes has not been registered pursuant to Italian securities legislation and, accordingly, no notes may be offered, sold or delivered, nor may copies of the offering circular or of any other document relating to the notes be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of Regulation (EU) No. 1129 of June 14, 2017 (the "PD Regulation") and any applicable provision of

Legislative Decree No. 58 of February 24, 1998, as amended (the “Financial Services Act”) and Italian CONSOB regulations; or

- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the PD Regulation, Article 34-*ter* of CONSOB Regulation No. 11971 of May 14, 1999, as amended from time to time, and the applicable Italian laws.

Any offer, sale or delivery of the notes or distribution of copies of this offering circular or any other document relating to the notes in the Republic of Italy under (i) or (ii) above must:

- (a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of February 15, 2018 (as amended from time to time) and Legislative Decree No. 385 of September 1, 1993 (as amended, the “Banking Act”);
- (b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult their legal counsel prior to making any offer, sale, resale, pledge or other transfer of the notes.

The notes are subject to restrictions on transfer as summarized below. By purchasing the notes, you will be deemed to have made the following acknowledgements, representations to, and agreements with, us and the initial purchaser:

- (1) You understand and acknowledge that:
 - the notes have not been registered under the Securities Act or any other applicable securities laws;
 - the notes are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws;
 - the notes are being offered and sold only outside of the United States, to certain persons, other than U.S. persons, in offshore transactions in reliance on Rule 903 of Regulation S under the Securities Act; and
 - unless so registered, the notes may not be sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and in each case in compliance with the conditions for transfer set forth in paragraph 4 below.
- (2) You represent that you are not an affiliate (as defined in Rule 144 under the Securities Act) of ours, that you are not acting on our behalf and that you are not a U.S. person (as defined in Regulation S under the Securities Act) our purchasing for the account or benefit of a U.S. person, other than a distributor, and you are purchasing the notes in an offshore transaction in accordance with Regulation S.
- (3) You acknowledge that neither we nor the initial purchasers nor any person representing us or the initial purchasers have made any representation to you with respect to us or the offering of the notes, other than the information contained in this offering circular. You represent that you are relying only on this offering circular in making its investment decision with respect to the notes. You agree that you have had access to such financial and other information concerning us and the notes as you have deemed necessary in connection with your decision to purchase the notes, including an opportunity to ask questions of and request information from us.
- (4) You represent that you are purchasing the notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case not with a view to, or for offer or sale in connection with, any distribution of the notes in violation of the Securities Act. You agree on your own behalf and on behalf of any investor account for which you are purchasing the notes, and each subsequent holder of the notes by its acceptance of the notes will agree, that until the end of the Distribution Compliance Period (as defined below), the notes may be offered, sold or otherwise transferred only:
 - (a) to us;

- (b) under a registration statement that has been declared effective under the Securities Act;
- (c) outside the United States in compliance with Rule 903 or 904 under the Securities Act; or
- (d) under any other available exemption from the registration requirements of the Securities Act, subject in each of the above cases to any requirement of law that the disposition of the seller's property or the property of an investor account or accounts be at all times within the seller or account's control and in compliance with applicable state and other securities laws,

and in each of such cases, in accordance with any applicable securities laws of any state of the United States and any other jurisdiction.

You agree to, and each subsequent holder is required to, notify any purchaser of the notes from it of the resale restrictions referred to in this clause, if then applicable.

(5) You also acknowledge that:

- the above restrictions on resale will apply from the closing date until the date that is 40 days after the later of the closing date and the last date that we or any of our affiliates was the owner of the notes or any predecessor of the notes (the "Distribution Compliance Period"), and will not apply after the applicable Distribution Compliance Period ends;
- we and the Transfer Agent reserve the right to require in connection with any offer, sale or other transfer of the notes under clause (d) above the delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the Transfer Agent; and
- each note will contain a legend substantially to the following effect:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

THE HOLDER OF THIS NOTE, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED NOTES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS NOTE (OR ANY PREDECESSOR OF SUCH SECURITY), ONLY (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE

UNDER THE SECURITIES ACT, (C) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (D) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY'S AND THE TRANSFER AGENT'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (D) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS PARAGRAPH OF THIS NOTE WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE. BY ITS ACQUISITION HEREOF, THE HOLDER HEREOF REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT."

- (6) You acknowledge that we, the initial purchaser, the Transfer Agent and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of the notes is no longer accurate, you will promptly notify us, the Transfer Agent and the initial purchaser. If you are purchasing any notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.
- (7) You also acknowledge that this offering circular has not been and will not be registered as a prospectus with the MAS under the SFA. Accordingly, you have represented, warranted and agreed that you have not offered or sold any notes or caused the notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any notes or cause the notes to be made the subject of an invitation for subscription or purchase, and have not circulated or distributed, nor will you circulate or distribute, this offering circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

LEGAL MATTERS

Certain legal matters with respect to the notes will be passed upon for us by Latham & Watkins LLP with respect to matters of U.S. federal securities and New York laws and by Indrawan Darsyah Santoso with respect to matters of Indonesian laws, and on behalf of the initial purchasers by Shearman & Sterling LLP with respect to matters of U.S. federal securities and New York laws and by Adnan Kelana Haryanto & Hermanto with respect to matters of Indonesian laws.

Each of Latham & Watkins LLP, Shearman & Sterling LLP, Indrawan Darsyah Santoso and Adnan Kelana Haryanto & Hermanto does not make, or purport to make, any statement in this offering circular and is not aware of any statement in this offering circular which purports to be based on a statement made by it and each of them makes no representation, express or implied, regarding, and takes no responsibility for, any statement in or omission from this offering circular.

INDEPENDENT AUDITORS

The consolidated financial statements of the Company as of and for the years ended December 31, 2016, 2017 and 2018 have been audited by KAP Tanubrata Sutanto Fahmi Bambang & Rekan, independent public accountants, located at Prudential Tower, 17th Floor, Jl. Jendral Sudirman Kav 79, Jakarta 12910, Indonesia, and is a member of BDO International Limited, as stated in their report appearing elsewhere in this offering circular.

With respect to the unaudited interim consolidated financial information of the Company as of September 30, 2019 and for the nine months periods ended September 30, 2018 and 2019, included elsewhere in this offering circular, KAP Tanubrata Sutanto Fahmi Bambang & Rekan reported that they have applied limited procedures in accordance with professional standards for a review of such information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

KAP Tanubrata Sutanto Fahmi Bambang & Rekan is a member of BDO International Limited, a United Kingdom company limited by guarantee, and forms part of the international BDO network of independent member firms.

SUMMARY OF CERTAIN DIFFERENCES BETWEEN INDONESIAN FAS AND IFRS

Our consolidated financial statements included in this offering circular are prepared and presented in accordance with Indonesian FAS, which differs in certain material respects from IFRS. Certain differences between Indonesian FAS and IFRS applicable to us are summarized below. This summary should not be construed to be exhaustive. In making an investment decision, investors must rely upon their own examination of us, the terms of the offering and our financial information. Potential investors should consult their own professional advisers for an understanding of the certain differences between Indonesian FAS and IFRS and how these differences might affect the financial information herein. Our management has not quantified the effects of the certain differences discussed below. Had we undertaken such quantification or reconciliation, other potential accounting and disclosure differences may have come to our attention that are not identified below. Accordingly, we cannot assure you that our consolidated financial statements would not be materially different if prepared in accordance with IFRS. Additionally, no attempt has been made, to identify all disclosure, presentation, or classification differences that would affect the manner in which transactions and events are presented in the consolidated financial statements or notes thereto. Further, no attempt has been made to identify future certain differences between Indonesian FAS and IFRS as the result of prescribed changes in accounting standards. Regulatory bodies that promulgate Indonesian FAS and IFRS have significant projects ongoing that could affect comparisons such as this one in the future.

Consolidation

Under Indonesian FAS, without exemptions, all parent entities are required to present consolidated financial statements. A parent entity is not allowed to present its own separate financial statements as standalone general purpose financial statements, but such may be presented as supplementary information to the consolidated financial statements.

Under IFRS, an entity (the parent) that controls one or more other entities (subsidiaries) is required to present consolidated financial statements. A parent need not present consolidated financial statements if it meets all the following conditions: (i) it is a wholly-owned subsidiary or is a partially-owned subsidiary of another entity and all its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the parent not presenting consolidated financial statements; (ii) its debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets); (iii) it did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organization for the purpose of issuing any class of instruments in a public market; and (iv) its ultimate or any intermediate parent produces consolidated financial statements that are available for public use and comply with IFRS.

Business Combination

Under Indonesian FAS, business combinations that qualify as transactions under common control are accounted for by applying the pooling-of-interest method. Any difference between the transfer price and carrying value of net asset acquired will be presented as part of the acquirer's additional paid-in capital. These are governed under PSAK 38: Accounting for Restructuring Under Common Control Entities. The objective of this standard is to specify the accounting for restructuring under common control entities which have not been covered by PSAK 22 "Business Combinations."

Under IFRS (IFRS 3: Business Combinations), the acquisition method is used for all business combinations but does not apply to business combination of entities under common control. There is no equivalent standard in IFRS for business combination of entities under common control.

Property, Plant and Equipment

Under Indonesian FAS, ISAK 31: Interpretation (“ISAK 31”) on the scope of PSAK 13: Investment Property (“PSAK 13”) became effective on January 1, 2017. The ISAK provides an interpretation of the characteristic of a building that meets the definition of investment property by PSAK 13. An asset qualifies as a building if it possesses the physical characteristics generally associated with a building, such as the walls, floors and roofs attached to the asset. Further, OJK issued SE OJK No.36/SEOJK.04/2016: Revocation Circular Letter of Indonesian Financial Service Authority (OJK) No.27/SEOJK.04/2015 concerning the accounting treatment for the leasing of telecommunication tower assets. Hence, the telecommunication tower assets were classified as property and equipment instead of investment property.

There are no equivalent standards under IFRS for the ISAK 31.

Land Rights

Under Indonesian FAS, all title to land rests with the state pursuant to Basic Agrarian Law No. 5/1960. Land use is regulated through the granting of land rights, where the holder of the rights enjoys the full use of the land for a stated period of time, subject to extensions. Land rights generally are freely tradable and may be encumbered as security under borrowing agreements. Under Indonesian FAS, the costs of ownership rights are not amortized unless the holder judges the likelihood of its obtaining of an extension or renewal of such rights to be remote. Costs to obtain those rights for the first time are capitalized as property and equipment, but subsequent costs to extend or renew the rights are recognized as intangible assets and amortized over the shorter of the economic life of the land or legal life of the right based on paragraph 11 of ISAK 25: Land Rights (“ISAK 25”). ISAK 25 is still effective until the equivalent PSAK 73 was adopted on January 1, 2020.

ISAK 25 does not have equivalent standards under IFRS. However, under IFRS 16: Leases, when a lease includes elements of both land and buildings, the classification of each element will be assessed as a finance or an operating lease separately. In determining whether the land element is an operating or a finance lease, an important consideration is that land normally has an indefinite economic life.

Financial Instruments

Recognition and Measurement

PSAK 71: Financial instruments (“PSAK 71”) addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets and is consistent with IFRS 9: Financial instruments (“IFRS 9”) in all significant respects. The derecognition rules have been transferred from PSAK 55: Financial Instruments – Recognition and Measurement (“PSAK 55”) and have not been changed. IFRS 9 supersedes IAS 39: Financial Instruments — Recognition and Measurement and IFRIC 9: Reassessment of Embedded Derivatives. IFRS 9 was effective from January 1, 2018 and early adoption is permitted. PSAK 71 replaced PSAK 55: Financial Instruments — Recognition and Measurement, and it was effective on January 1, 2020. Early adoption is permitted.

A financial instrument is recognized in the financial statements when the entity becomes a party to the financial instrument contract. An entity removes a financial liability from its statement of financial position when its obligation is extinguished. An entity removes a financial asset from its statement of financial position when its contractual rights to the asset’s cash flows expire; when it has

transferred the asset and substantially all the risks and rewards of ownership; or when it has transferred the asset, and has retained some substantial risks and rewards of ownership, but the other party may sell the asset. The risks and rewards retained are recognized as an asset.

Under Indonesian FAS, financial instruments are classified depending on the purpose for which the financial instruments were acquired in the following categories: financial assets at fair value through profit or loss (“FVPL”), loans and receivables, available-for-sale and held to maturity; and financial liabilities at FVPL if they are designated at initial recognition as such (subject to various conditions) if they are held for trading or if they are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) and can be classified as other financial liabilities. A financial asset or financial liability is measured initially at fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. When an entity uses settlement date accounting for an asset that is subsequently measured at cost or amortized cost, the asset is recognized initially at its fair value on the trade date. Subsequent measurement depends on the category of financial instrument. Some categories are measured at amortized cost and some at fair value. In limited circumstances, other measurement bases might apply; for example, certain financial guarantee contracts. Changes are taken to either the profit or loss or to other comprehensive income.

Under IFRS, when an entity first recognizes a financial asset, it classifies it based on the entity’s business model for managing the asset and the asset’s contractual cash flow characteristics, as follows: amortized cost, fair value through other comprehensive income and fair value through profit or loss. When, and only when, an entity changes its business model for managing financial assets, it must reclassify all affected financial assets. At initial recognition, an entity may irrevocably designate a financial asset as measured at fair value through profit and loss if doing so eliminates or significantly reduces an accounting mismatch. The fair value of a financial instrument at initial recognition is normally the transaction price (i.e. the fair value of the consideration given or received). However, if part of the consideration given or received is for something other than the financial instrument, an entity shall measure the fair value of the financial instrument.

Impairment of financial assets

Under Indonesian FAS, if there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset’s original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognized in profit or loss. If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed. When a decline in the fair value of an available-for-sale financial asset has been recognized in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss that had been recognized in other comprehensive income shall be reclassified from equity to profit or loss, as a reclassification adjustment, even though the financial asset has not been derecognized. Impairment losses recognized

in profit or loss for an investment in an equity instrument classified as available for sale shall not be reversed through profit or loss.

Under IFRS, an entity shall recognize a loss allowance for expected credit losses on a financial asset that is measured at amortized cost and fair value through other comprehensive income, a lease receivable, a contract asset or a loan commitment and a financial guarantee contract to which the impairment requirements apply. An entity shall apply the impairment requirements for the recognition and measurement of a loss allowance for financial assets that are measured at fair value through other comprehensive income. However, the loss allowance shall be recognized in other comprehensive income and shall not reduce the carrying amount of the financial asset in the statement of financial position. At each reporting date, an entity shall measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The objective of the impairment requirements is to recognize lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since initial recognition — whether assessed on an individual or collective basis — considering all reasonable and supportable information, including that which is forward-looking. However, if at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, an entity shall measure the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Hedge Accounting

Upon adoption of PSAK 71, entities can have an accounting policy choice to either continue to apply the hedge accounting requirements of PSAK 55 until the macro hedging project is finalized or they can apply PSAK 71 (with the scope exception only for fair value macro hedges of interest rate risk). This accounting policy choice will apply to all hedge accounting and cannot be made on a hedge-by-hedge basis. In the same way that IFRS 9 permits an entity to choose, as its accounting policy, either to apply the hedge accounting requirements of IFRS 9 or to continue to apply the hedge accounting requirements in IAS 39. Consequently, although IFRS 9 is effective (with limited exceptions for entities that issue insurance contracts and entities applying the IFRS for SMEs Standard), IAS 39, which now contains only its requirements for hedge accounting, also remains effective.

The hedging rules of PSAK 71 better aligns hedge accounting with management's risk management strategies. Also, some of the prohibitions and rules in PSAK 55 are removed or changed, making hedge accounting easier or less costly to achieve for many hedges.

Hedge effectiveness is the degree to which changes in the fair value or cash flows of the hedged item that are attributable to a hedged risk are offset by changes in the fair value or cash flows of the hedging instrument. Effectiveness is assessed, at a minimum, at the time an entity prepares its annual or interim financial statements.

Under Indonesian IFAS, PSAK 55 does not provide specific guidance about how effectiveness tests are performed. The method an entity adopts for assessing hedge effectiveness depends on its risk management strategy. PSAK 55 specifies that a hedge is normally regarded as highly effective only if (a) at inception and in subsequent periods, the hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated, and (b) the actual results are within a range of 80% to 125%. It also states that the expectation in clause (a) can be demonstrated in various ways. The appropriateness of a given method of assessing hedge effectiveness will depend on the nature of the risk being hedged and

the type of hedging instrument used. The method of assessing effectiveness must be reasonable and consistent with other similar hedges unless different methods are explicitly justified. An entity is required to document at the inception of the hedge how effectiveness will be assessed and then to apply that effectiveness test on a consistent basis for the duration of the hedge.

Effectiveness is assessed, at a minimum, at the time an entity prepares its annual or interim financial statements. If an entity does not meet hedge effectiveness criteria, the entity discontinues hedge accounting from the last date on which compliance with hedge effectiveness was demonstrated. However, if the entity identifies the event or change in circumstances that caused the hedging relationship to fail the effectiveness criteria, and demonstrates that the hedge was effective before the event or change in circumstances occurred, the entity discontinues hedge accounting from the date of the event or change in circumstances.

Under IFRS, IFRS 9 states that if a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio, but the risk management objective for that designated hedging relationship remains the same, an entity shall adjust the hedge ratio of the hedging relationship so that it meets the qualifying criteria again. This is referred to as “rebalancing.” Rebalancing refers to the adjustments made to the designated quantities of the hedged item or the hedging instrument of an already existing hedging relationship for the purpose of maintaining a hedge ratio that complies with the hedge effectiveness requirements. Rebalancing is accounted for as a continuation of the hedging relationship. On rebalancing, the hedge ineffectiveness of the hedging relationship is determined and recognized immediately, before adjusting the hedging relationship.

An entity analyzes the sources of hedge ineffectiveness that it expected to affect the hedging relationship during its term and evaluates whether changes in the extent of offset are: (a) fluctuations around the hedge ratio, which remains valid (i.e. continues to appropriately reflect the relationship between the hedging instrument and the hedged item); or (b) an indication that the hedge ratio no longer appropriately reflects the relationship between the hedging instrument and the hedged item.

An entity performs this evaluation against the hedge effectiveness requirement for the hedge ratio, that is, to ensure that the hedging relationship does not reflect an imbalance between the weightings of the hedged item and the hedging instrument that would create hedge ineffectiveness (irrespective of whether recognized or not) that could result in an accounting outcome that would be inconsistent with the purpose of hedge accounting. Hence, this evaluation requires judgement.

Revenue Recognition

PSAK 23: Revenue (“PSAK 23”) is consistent with IAS 18: Revenue (“IAS 18”) in all significant respects. However, IAS 18 is no longer effective as it is superseded by the adoption of IFRS 15: Revenue from contract with customers (“IFRS 15”). PSAK 23 was effective until the equivalent PSAK 72: Revenue from contract with customers (“PSAK 72”) was adopted in January 1, 2020. Early adoption is permitted. PSAK 72 will replace PSAK 23, which covers contracts for goods and services, and PSAK 34, which covers construction contracts. The new standard is based on the principle that revenue is recognized when control of a good or service transfers to a customer. The Company does not intend to adopt PSAK 72 early and is currently evaluating impact of the adoption of the new standard to the consolidated financial statements.

Under Indonesian FAS, revenue is recognized only if it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably. Rental income of tower building and tower building maintenance service is recognized over the lease period.

Under IFRS 15, revenue is recognized based on the satisfaction of performance obligations. In applying IFRS 15, entities would follow this five-step process: (1) Identify the contract with a customer; (2) Identify the separate performance obligations in the contract; (3) Determine the transaction price; (4) Allocate the transaction price to the separate performance obligations; and (5) Recognize revenue when (or as) each performance obligation is satisfied. IFRS 15 supersedes IAS 11, IAS 18, IFRIC 13, IFRIC 15, IFRIC 18 and SIC-31.

Leases

PSAK 30: Leases (“PSAK 30”) is consistent with IAS 17: Leases (“IAS 17”) in all significant respects. However, IAS 17 is superseded upon the issuance of IFRS 16: Leases (“IFRS 16”) which was effective on January 1, 2019 and early application is permitted if IFRS 15 is also adopted. PSAK 30 is still effective and will be superseded by PSAK 73, which became effective on January 1, 2020.

Under Indonesian FAS, lease classification as an operating lease or a finance lease (i.e. the equivalent of a capital lease under IFRS) depends on whether the lease transfers substantially all of the risks and rewards of ownership to the lessee. There are no form-driven quantitative threshold requirements.

Under IFRS 16, lessees have to recognize a lease liability reflecting future lease payments and a “right-of-use asset” for almost all lease contracts. This is a significant change compared to PSAK 30, under which lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). PSAK 73 gives lessee optional exemptions for certain short-term leases and leases for which the underlying asset is of low value. The lessee shall recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee’s benefit.

In the statement of profit or loss and other comprehensive income, a lessee shall present interest expense on the lease liability separately from the depreciation charge for the right-of-use asset. In the statement of cash flows, a lessee shall classify: (a) cash payments for the principal portion of the lease liability within financing activities; (b) cash payments for the interest portion of the lease liability applying the requirements in IAS 7 Statement of Cash Flows for interest paid; and (c) short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability within operating activities. PSAK 73 adds significant new and enhanced disclosure requirements for both lessors and lessees.

Fair Value Measurement

IFRS 13: Fair Value Measurement (“IFRS 13”) defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. It applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements), except in specified circumstances in which other standards govern. The measurement and disclosure requirements of this IFRS do not apply to: (a) share-based payment transactions within the scope of IFRS 2 Share-based Payment; (b) leasing transactions within the scope of IAS 17 Leases; and (c) measurements that have some similarities to fair value but are not fair value, such as net realizable value in inventories (as defined in IAS 2) or value in use in impairment of assets (as defined in IAS 36).

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Under Indonesian FAS, PSAK 68 is consistent with IFRS 13 in all significant respects, except for any references to IFRS 9 which has not yet been effective.

No attempt has been made to quantify the impact of the above accounting pronouncements or to identify any future differences between Indonesian FAS and IFRS that may affect the financial information of our Company.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

PT Tower Bersama Infrastructure Tbk audited consolidated financial statements for the three years ended December 31, 2016, 2017 and 2018

Independent Auditors' Report	F-2
Consolidated Statements of Financial Position	F-8
Consolidated Statements of Profit or Loss and Other Comprehensive Income	F-11
Consolidated Statements of Changes in Equity	F-13
Consolidated Statements of Cash Flows	F-16
Notes to the Consolidated Financial Statements	F-18

PT Tower Bersama Infrastructure Tbk unaudited interim consolidated financial statements as of September 30, 2019 and for the nine months ended September 30, 2018 and September 30, 2019

Report on Review of Interim Consolidated Financial Information	F-157
Interim Consolidated Statements of Financial Position	F-159
Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income Data	F-162
Interim Consolidated Statements of Changes in Equity	F-164
Interim Consolidated Statements of Cash Flows	F-166
Notes to Interim Consolidated Financial Statements	F-168

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK / *AND SUBSIDIARIES***

**LAPORAN KEUANGAN KONSOLIDASIAN/
*CONSOLIDATED FINANCIAL STATEMENTS***

**UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2018, 2017 dan 2016/
*FOR THE YEAR ENDED 31 DECEMBER 2018, 2017 and 2016***

DAN / *AND*

**LAPORAN AUDITOR INDEPENDEN/
*INDEPENDENT AUDITORS' REPORT***

*These Consolidated Financial Statements are Originally Issued
in Indonesian Language*

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016**

DAFTAR ISI

C O N T E N T S

Pernyataan Direksi

Directors' Statement

	Ekshibit/ Exhibit	
Laporan Posisi Keuangan Konsolidasian	A	<i>Consolidated Statement of Financial Position</i>
Laporan Laba Rugi dan Penghasilan Komprehensif Lain Konsolidasian	B	<i>Consolidated Statement of Profit or Loss and Other Comprehensive Income</i>
Laporan Perubahan Ekuitas Konsolidasian	C	<i>Consolidated Statement of Changes in Equity</i>
Laporan Arus Kas Konsolidasian	D	<i>Consolidated Statement of Cash Flows</i>
Catatan atas Laporan Keuangan Konsolidasian	E	<i>Notes to Consolidated Financial Statements</i>
Laporan Auditor Independen		<i>Independent Auditors' Report</i>

**SURAT PERNYATAAN DIREKSI
TENTANG TANGGUNG JAWAB ATAS
LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR PADA
31 DESEMBER 2018, 31 DESEMBER 2017
DAN 31 DESEMBER 2016
PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK**

**DIRECTORS' STATEMENT LETTER
ABOUT RESPONSIBILITY TO
THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
31 DECEMBER 2018, 31 DECEMBER 2017
AND 31 DECEMBER 2016
PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES**

Kami yang bertandatangan di bawah ini :

We, the undersigned :

1. Nama : Herman Setya Budi
Alamat kantor : The Convergence Indonesia Lt. 11,
Kawasan Rasuna Epicentrum,
Jl. HR Rasuna Said,
Jakarta Selatan 12940

Alamat Domisili : Mega Kebon Jeruk F/26
sesuai KTP atau RT. 005, RW. 001
kartu identitas Joglo, Kembangan
lain Jakarta Barat

Nomor Telepon : +62 21 2924 8900

Jabatan : Presiden Direktur
2. Nama : Helmy Yusman Santoso
Alamat kantor : The Convergence Indonesia Lt. 11,
Kawasan Rasuna Epicentrum,
Jl. HR Rasuna Said,
Jakarta Selatan 12940

Alamat Domisili : Jl. Gedong Sawah IV/2
sesuai KTP atau RT. 002, RW. 001, Pabaton
kartu identitas Bogor Tengah
lain Bogor

Nomor Telepon : +62 21 2924 8900

Jabatan : Direktur

1. Name : Herman Setya Budi
Office address : The Convergence Indonesia Lt. 11,
Kawasan Rasuna Epicentrum,
Jl. HR Rasuna Said,
Jakarta Selatan 12940

Domicile as : Mega Kebon Jeruk F/26
stated in ID RT. 005, RW. 001
Card or other Joglo, Kembangan
identity Jakarta Barat

Phone Number : +62 21 2924 8900

Position : President Director
2. Name : Helmy Yusman Santoso
Office address : The Convergence Indonesia Lt. 11,
Kawasan Rasuna Epicentrum,
Jl. HR Rasuna Said,
Jakarta Selatan 12940

Domicile as : Jl. Gedong Sawah IV/2
stated in ID RT. 002, RW. 001, Pabaton
Card or other Bogor Tengah
identity Bogor

Phone Number : +62 21 2924 8900

Position : Director

Menyatakan bahwa :

State that :

1. Bertanggung jawab atas penyusunan dan penyajian Laporan Keuangan Perusahaan.
2. Laporan Keuangan Perusahaan telah disusun dan disajikan sesuai dengan prinsip akuntansi yang berlaku umum/ standar akuntansi keuangan yang berlaku di Indonesia.
3. a. Semua informasi dalam laporan keuangan perusahaan telah dimuat secara lengkap dan benar; dan
b. Laporan keuangan perusahaan tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material.
4. Bertanggung jawab atas sistim pengendalian intern dalam Perusahaan.

1. We are responsible for the preparation and presentation of the Company's Financial Statements.
2. The Company's Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in Indonesia.
3. a. All information has been fully and correctly disclosed in the Company's Financial Statements.
b. The Company's Financial Statements do not contain false material information or facts, nor do they omit material information or facts, and
4. We are responsible for the Company's internal control systems.

Demikian pernyataan ini dibuat dengan sebenarnya.

This statement has been prepared base on the facts.

Jakarta, 25 November 2019

Jakarta, 25 November 2019

Presiden Direktur / President Director

Direktur / Director




(Herman Setya Budi)

(Helmy Yusman Santoso)

PT. Tower Bersama Infrastructure, Tbk

Gedung The Convergence Indonesia (TCI), Lantai 11

Kawasan Rasuna Epicentrum

Jl. H.R. Rasuna Said, Jakarta Selatan 12940

Telp : +62 21 2924 8900

Fax : +62 21 2157 2015



These report are originally issued in Indonesian language

No. : 001062/2.1068/AU.1/06/0115-1/1/XI/2019
Hal : Laporan Keuangan Konsolidasian
31 Desember 2018, 21017 dan 2016

No. : 001062/2.1068/AU.1/06/0115-1/1/XI/2019
Re : Consolidated Financial Statements
31 December 2018, 2017 and 2016

Laporan Auditor Independen

Independent Auditors' Report

Direksi
PT Tower Bersama Infrastructure Tbk
dan entitas anak
Jakarta

The Directors
PT Tower Bersama Infrastructure Tbk
and subsidiaries
Jakarta

Kami telah mengaudit laporan keuangan konsolidasian PT Tower Bersama Infrastructure Tbk dan entitas anak, yang terdiri dari laporan posisi keuangan konsolidasian tanggal 31 Desember 2018, 2017 dan 2016, serta laporan laba-rugi dan penghasilan komprehensif lain, perubahan ekuitas konsolidasian, dan arus kas konsolidasian untuk tahun yang berakhir pada tanggal-tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

We have audited the financial statements of PT Tower Bersama Infrastructure Tbk and subsidiaries, which comprise the statement of consolidated financial position as of 31 December 2018, 2017 and 2016, and the consolidated statement of profit or loss and other comprehensive income, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Tanggung jawab manajemen atas laporan keuangan konsolidasian

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan konsolidasian tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan konsolidasian yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of such consolidated financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Tanggung jawab auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan ini berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan yang memadai tentang apakah laporan keuangan bebas dari kesalahan penyajian material.

Auditors' responsibility

Our responsibility is to express an opinion on such financial statements based on our audits. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such financial statements are free from material misstatement.

TANUBRATA SUTANTO FAHMI BAMBANG & REKAN

Tanubrata Sutanto Fahmi Bambang & Rekan (Certified Public Accountant), an Indonesian partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of Independent member firms.

Tanggung jawab auditor (Lanjutan)

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan konsolidasian. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan konsolidasian, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan Perusahaan untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektifitasan pengendalian internal Perusahaan. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan konsolidasian secara keseluruhan.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

Opini

Menurut pendapat kami, laporan keuangan konsolidasian menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian PT Tower Bersama Infrastructure Tbk dan entitas anak tanggal-tanggal 31 Desember 2018, 2017 dan 2016, serta kinerja keuangan dan arus kas konsolidasian untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Hal Lainnya

Sebelum laporan ini, kami telah menerbitkan laporan auditor independen No. 00362/2.1068/AU.1/06/0115-1/1/III/2019, No. 326/2.T053/JM.2/12.17 dan No. 221/1.T053/JM.1/12.16 tanggal 22 Maret 2019, 16 Maret 2018 dan 8 Maret 2017 atas laporan keuangan konsolidasian PT Tower Bersama Infrastructure Tbk dan entitas anak untuk tahun yang berakhir 31 Desember 2018, 2017 dan 2016 dengan pendapat wajar tanpa modifikasi. Sehubungan dengan penambahan pengungkapan informasi mengenai laporan keuangan konsolidasian Perusahaan berkaitan dengan rencana Perusahaan untuk melakukan penawaran sekuritas seperti yang dijelaskan dalam Catatan 48 atas laporan keuangan konsolidasian, manajemen Perusahaan menerbitkan kembali laporan keuangan konsolidasian untuk tahun yang berakhir 31 Desember 2018, 2017 dan 2016.

Auditors' responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Tower Bersama Infrastructure Tbk and subsidiaries as of 31 December 2018, 2017 and 2016 and its financial performance and consolidated cash flows for the years then ended, in accordance with Indonesian Financial Accounting Standards.

Other matters

Prior to this report, we have issued independent auditors' report No. 00362/2.1068/AU.1/06/0115-1/1/III/2019, No. 326/2.T053/JM.2/12.17 and No. 221/1.T053/JM.1/12.16 dated 22 March 2019, 16 March 2018 and 8 March 2017, respectively on the consolidated financial statements of PT Tower Bersama Infrastructure Tbk and subsidiaries for the years ended 31 December 2018, 2017 and 2016 and expressed an unqualified opinion. In connection with additional disclosures information related to the Company's consolidated financial statements regarding with the plan for security offering as disclosed Note 48 on the consolidated financial statements for the years ended 31 December 2018, 2017 and 2016.

Hal Lainnya (Lanjutan)

Laporan ini diterbitkan dengan tujuan untuk dicantumkan dalam *offering memorandum* sehubungan dengan rencana penerbitan surat utang berdenominasi mata uang asing PT Tower Bersama Infrastructure Tbk dan entitas anak, serta tidak ditujukan dan tidak diperkenankan untuk digunakan untuk tujuan lain.

Other matters (Continued)

This report is issued with purpose to be included in the offering memorandum in connection with the plan for issuance of the notes denominated in foreign Currency of PT Tower Bersama Infrastructure Tbk and subsidiaries, and are not intended and shall not be used for any other purpose.

Kantor Akuntan Publik
TANUBRATA SUTANTO FAHMI BAMBANG & Rekan



Indra Sri Widodo, SE, Ak, M.Ak, CPA, CA
NIAP AP.0115/
License No. AP.0115

25 November 2019 / 25 November 2019

MF/ap

Ekshibit A

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

Exhibit A

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

	Catatan/ Notes	2018	2017	2016	
ASET					ASSETS
ASET LANCAR					CURRENT ASSETS
Kas dan setara kas	4	220.586	407.444	365.342	Cash and cash equivalents
Piutang usaha - pihak ketiga	5	383.303	266.127	409.092	Trade receivables - third parties
Piutang lain-lain	6	77.660	91.579	78.042	Other receivables
Surat sanggup bayar	8	221.425	-	-	Promissory notes
Pendapatan yang masih harus diterima	10	546.608	587.171	288.507	Accrued revenue
Persediaan dan perlengkapan	11	22.723	20.290	217.206	Inventories and supplies
Investasi	9	1.508	2.336	2.387	Investment
Uang muka dan beban dibayar di muka	12	154.803	185.754	163.190	Advance payments and prepaid expenses
Sewa lahan jangka panjang - bagian lancar	15	279.643	244.282	215.088	Long-term landlease - current portion
Pajak dibayar di muka	21a	119.206	121.561	176.861	Prepaid taxes
Uang muka kembali pembelian saham	7	-	44.957	44.957	Advance for share repurchase
Jumlah Aset Lancar		2.027.465	1.971.501	1.960.672	Total Current Assets
ASET TIDAK LANCAR					NON-CURRENT ASSETS
Aset pajak tangguhan - bersih	21d	344.703	470.856	51.094	Deferred tax assets - net
Aset tetap (setelah dikurangi akumulasi penyusutan sebesar Rp 250.334, Rp 201.817 dan Rp 181.032 masing-masing pada 31 Desember 2018, 2017, dan 2016)	13	21.878.608	19.798.733	18.231.980	Property and equipment (net of accumulated depreciation of Rp 250,334, Rp 201,817 and Rp 181,032 as of 31 December 2018, 2017 and 2016, respectively)
Properti investasi - nilai wajar	14	181.608	168.689	160.458	Investment properties - fair value
Goodwill - nilai wajar	36	428.610	412.888	534.355	Goodwill - fair value
Sewa lahan jangka panjang	15	1.578.873	1.432.647	1.404.466	Long-term landlease
Uang jaminan	16	2.067	1.726	1.597	Refundable deposits
Aset keuangan derivatif	17	2.605.591	1.302.091	1.248.410	Derivative financial assets
Taksiran klaim pajak penghasilan	21e	60.368	30.586	20.879	Estimated claims for income tax refund
Aset tidak lancar lainnya	18	5.854	6.068	6.357	Other non-current assets
Jumlah Aset Tidak Lancar		27.086.282	23.624.284	21.659.596	Total Non-Current Assets
JUMLAH ASET		29.113.747	25.595.785	23.620.268	TOTAL ASSETS

Lihat Catatan atas Laporan Keuangan Konsolidasian pada
Ekshibit E terlampir yang merupakan bagian tidak terpisahkan
dari Laporan Keuangan Konsolidasian secara keseluruhan

See accompanying Notes to Consolidated Financial
Statements on Exhibit E which are an integral part of
the Consolidated Financial Statements taken as a whole

Ekshibit A/2

Exhibit A/2

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2018, 2017, DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

	Catatan/ Notes	2018	2017	2016	
LIABILITAS DAN EKUITAS					LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK					CURRENT LIABILITIES
Utang usaha - pihak ketiga	19	231.711	192.884	184.918	Trade payables - third parties
Utang lain-lain	20	104.028	20.145	18.532	Other payables
Utang pajak	21b	60.065	51.352	137.292	Taxes payable
Pendapatan yang diterima di muka	22	668.543	539.198	478.863	Unearned income
Beban masih harus dibayar	23	1.466.028	1.181.025	1.064.440	Accrued expenses
Surat utang jangka pendek	26	624.283	-	-	Short-term notes
Pinjaman jangka panjang - bagian yang jatuh tempo dalam waktu satu tahun					Long-term loans - current portion
Sewa pembiayaan	24	5.095	3.518	3.545	Finance leases
Pihak ketiga	25	3.265.184	-	1.012.362	Third parties
Jumlah Liabilitas Jangka Pendek		6.424.937	1.988.122	2.899.952	Total Current Liabilities
LIABILITAS JANGKA PANJANG					NON-CURRENT LIABILITIES
Liabilitas pajak tangguhan - bersih	21d	12.509	11.837	1.169.038	Deferred tax liabilities - net
Cadangan imbalan pasca-kerja	34	30.186	34.398	35.112	Provision for post-employment benefits
Surat utang jangka panjang	26	7.264.742	6.321.002	8.892.520	Long-term notes
Pinjaman jangka panjang - setelah dikurangi bagian yang jatuh tempo dalam satu tahun					Long-term loans - net of current portion
Sewa pembiayaan	24	12.868	7.536	7.215	Finance leases
Pihak ketiga	25	11.688.940	14.047.810	8.992.289	Third parties
Jumlah Liabilitas Jangka Panjang		19.009.245	20.422.583	19.096.174	Total Non-Current Liabilities
Jumlah Liabilitas		25.434.182	22.410.705	21.996.126	Total Liabilities

Lihat Catatan atas Laporan Keuangan Konsolidasian pada
Ekshibit E terlampir yang merupakan bagian tidak terpisahkan
dari Laporan Keuangan Konsolidasian secara keseluruhan

See accompanying Notes to Consolidated Financial
Statements on Exhibit E which are an integral part of
the Consolidated Financial Statements taken as a whole

These Consolidated Financial Statements are Originally Issued
in Indonesian Language

Ekshibit A/3

Exhibit A/3

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

	Catatan/ Notes	2018	2017	2016	
EKUITAS					EQUITY
Modal saham					Share capital
Pada 31 Desember 2018, 2017 dan 2016					As of 31 December 2018, 2017, and 2016
nilai nominal Rp 100 (nilai penuh)					par value Rp 100 (full amount)
per saham.					per shares.
Modal dasar sebanyak					Authorized capital of
14.420.120.000 saham					14,420,120,000 shares
Modal ditempatkan dan disetor penuh:					Issued and fully paid-in capital:
31 Desember 2018, 2017 dan 2016					31 December 2018, 2017 and 2016
masing-masing sebanyak					4,531,399,889 shares,
4.531.399.889 saham	27	453.140	453.140	453.140	respectively
Saham treasuri	28	(985.379)	(467.618)	(411.328)	Treasury stock
Tambahan modal disetor - bersih	29	(499.660)	(309.548)	(309.548)	Additional paid-in capital - net
Penghasilan komprehensif lain	30	3.060.932	2.095.383	2.251.411	Other comprehensive income
Saldo laba					Retained earnings
Cadangan wajib	35	61.100	60.100	55.100	Statutory reserves
Belum ditentukan penggunaannya	35	1.280.546	1.256.573	(483.062)	Unappropriated
Jumlah ekuitas yang diatribusikan					Total equity attributable to equity
kepada pemilik entitas induk		3.370.679	3.088.030	1.555.713	holder of the parent company
Kepentingan non-pengendali	37	308.886	97.050	68.429	Non-controlling interest
Jumlah Ekuitas		3.679.565	3.185.080	1.624.142	Total Equity
JUMLAH LIABILITAS DAN EKUITAS		29.113.747	25.595.785	23.620.268	TOTAL LIABILITIES AND EQUITY

Lihat Catatan atas Laporan Keuangan Konsolidasian pada
Ekshibit E terlampir yang merupakan bagian tidak terpisahkan
dari Laporan Keuangan Konsolidasian secara keseluruhan

See accompanying Notes to Consolidated Financial
Statements on Exhibit E which are an integral part of
the Consolidated Financial Statements taken as a whole

Ekshibit B

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN LABA RUGI
DAN PENGHASILAN KOMPREHENSIF LAIN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

Exhibit B

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

	Catatan/ Notes	2018	2017	2016	
PENDAPATAN	31	4.318.137	4.023.085	3.711.174	REVENUE
BEBAK POKOK PENDAPATAN	32	784.082	667.761	737.968	COST OF REVENUE
LABA KOTOR		3.534.055	3.355.324	2.973.206	GROSS PROFIT
BEBAK USAHA	33	381.463	343.178	315.601	OPERATING EXPENSES
LABA DARI OPERASI		3.152.592	3.012.146	2.657.605	INCOME FROM OPERATIONS
PENDAPATAN (BEBAK) LAIN-LAIN					OTHER INCOME (CHARGES)
Pendapatan bunga		8.431	6.709	5.545	Interest income
Kenaikan (penurunan) nilai wajar atas properti investasi	14	7.728	7.210	(44.072)	Increase (decrease) of fair value of investment properties
Laba selisih kurs - Bersih		2.221	13.938	25.277	Gain on foreign exchange - Net
Beban pajak atas penilaian kembali aset	43	-	-	(80.303)	Tax arising from assets revaluation
Penurunan nilai wajar atas goodwill	36	(15.722)	(121.467)	(40.057)	Impairment of fair value of goodwill
Lainnya - Bersih		(49.368)	(46.867)	52.677	Others - Net
Beban keuangan - Lainnya	24,25,26	(68.024)	(148.076)	(99.100)	Financial expenses - Others
Beban keuangan - Bunga	25,26	(2.003.573)	(1.815.954)	(1.691.801)	Financial expenses - Interest
Beban Lain-lain - Bersih		(2.118.307)	(2.104.507)	(1.871.834)	Other Charges - Net
LABA SEBELUM PAJAK PENGHASILAN		1.034.285	907.639	785.771	PROFIT BEFORE INCOME TAX
MANFAAT (BEBAK) PAJAK PENGHASILAN	21c, d				INCOME TAX BENEFITS (EXPENSES)
Kini		(204.705)	(145.552)	(135.076)	Current
Tangguhan		(126.948)	1.576.942	72.518	Deferred
Manfaat (Beban) Pajak Penghasilan - Bersih		(331.653)	1.431.390	(62.558)	Tax Income Benefits (Expenses) - Net
LABA BERSIH TAHUN BERJALAN		702.632	2.339.029	723.213	NET PROFIT FOR THE CURRENT YEAR

Lihat Catatan atas Laporan Keuangan Konsolidasian pada Ekshibit E terlampir yang merupakan bagian tidak terpisahkan dari Laporan Keuangan Konsolidasian secara keseluruhan

See accompanying Notes to Consolidated Financial Statements on Exhibit E which are an integral part of the Consolidated Financial Statements taken as a whole

Ekshibit B/2

Exhibit B/2

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN LABA RUGI
DAN PENGHASILAN KOMPREHENSIF LAIN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED
1 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

	Catatan/ Notes	2018	2017	2016	
LABA BERSIH TAHUN BERJALAN		702.632	2.339.029	723.213	NET PROFIT FOR THE CURRENT YEAR
PENGHASILAN KOMPREHENSIF LAIN	30				OTHER COMPREHENSIVE INCOME
Pos-pos yang tidak akan direklasifikasi ke laba rugi					Items that will not be reclassified to profit or loss
Surplus revaluasi	13	83.074	29.312	578.180	Revaluation surplus
Keuntungan (kerugian) aktuarial		8.033 (	11.507)	2.300	Actuarial gain (loss)
Pos-pos yang akan direklasifikasi ke laba rugi					Items that may be reclassified to profit or loss
Selisih translasi mata uang asing		349	5.215 (	610)	Difference translation of foreign currency
Perubahan nilai wajar investasi - tersedia untuk dijual		14.837 (	56)	34	Changes in fair value investment - available-for-sale
Cadangan lindung nilai arus kas		963.650 (	79.765)	226.940	Cash flows hedging reserves
JUMLAH PENGHASILAN KOMPREHENSIF TAHUN BERJALAN		<u>1.772.575</u>	<u>2.282.228</u>	<u>1.530.057</u>	TOTAL COMPREHENSIVE INCOME FOR THE CURRENT YEAR
Laba bersih yang diatribusikan kepada :					Net profit attributable to :
Pemilik entitas induk		680.581	2.316.368	713.807	Equity holder of the parent company
Kepentingan non-pengendali	37	22.051	22.661	9.406	Non-controlling interest
Jumlah		<u>702.632</u>	<u>2.339.029</u>	<u>723.213</u>	Total
Jumlah laba komprehensif yang dapat diatribusikan kepada:					Total comprehensive income attributable to :
Pemilik entitas induk		1.740.522	2.253.607	1.522.392	Equity holder of the parent company
Kepentingan non-pengendali		32.053	28.621	7.665	Non-controlling interest
Jumlah		<u>1.772.575</u>	<u>2.282.228</u>	<u>1.530.057</u>	Total
LABA BERSIH PER SAHAM DASAR YANG DAPAT DIATRIBUSIKAN KEPADA PEMEGANG SAHAM BIASA ENTITAS INDUK (nilai penuh)	38	<u>156,31</u>	<u>520,80</u>	<u>157,95</u>	BASIC EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDER OF PARENT COMPANY (full amount)

Lihat Catatan atas Laporan Keuangan Konsolidasian pada Ekshibit E terlampir yang merupakan bagian tidak terpisahkan dari Laporan Keuangan Konsolidasian secara keseluruhan

See accompanying Notes to Consolidated Financial Statements on Exhibit E which are an integral part of the Consolidated Financial Statements taken as a whole

Ekshibit C

Exhibit C

PT TOWER BERSAMA INFRASTRUCTURE Tbk DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2018, 2017, DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

	Penghasilan komprehensif lain/ Other comprehensive income				Saldo laba/ Retained earnings		Jumlah ekuitas yang diatribusikan kepada pemilik entitas induk/ Total equity attribute to equity holder of parent company		Kepentingan non- pengendali/ Non- controlling interest		Jumlah ekuitas konsolidasi/ Total consolidated equity	
	Tambahan modal disorot - Bersih/ Additional paid-in capital - Net	Saham treasury/ Treasury stock	Surplus revaluasi/ Revaluation surplus	Cadangan lindung nilai/ Cash flows hedging reserves	Perubahan nilai wajar investasi - tersedia untuk dijual/ Change in fair value - available for sale	Selisih translasi atas mata uang asing/ Difference translation of foreign currency	Keuntungan (kerugian) aktuarial/ Actuarial gain (loss)	Cadangan wajib/ Statutory reserves	Belum ditentukan penggunaan/ Unappropriated			
Saldo per 1 Januari 2018	453.140 (	309.548) (	3.102.433 (	920.188) (	15.780) (	62.126) (	8.946)	60.100	1256.573	3.088.030	97.050	3.185.080
Laba tahun berjalan	-	-	-	-	-	-	-	-	680.581	680.581	22.051	702.632
Surplus revaluasi (Catatan 13)	-	-	8.1762	-	-	-	-	-	8.1762	8.1762	1.312	83.074
Selisih penyusutan nilai wajar dengan biaya perolehan	-	-	(	94.392)	-	-	-	-	94.392	-	-	-
Cadangan lindung nilai ian kas (Catatan 30a)	-	-	-	954.105	-	-	-	-	-	954.105	9.545	963.650
Perubahan nilai wajar investasi - tersedia untuk dijual (Catatan 30b)	-	-	-	-	15.780	-	-	-	-	15.780 (	943)	14.837
Penyesuaian perubahan kepemilikan efektif pada entitas anak	-	-	-	-	-	-	-	-	-	-	190.751	190.751
Selisih transaksi dengan pihak non-pengendali (Catatan 29)	-	(	51.886)	-	-	-	-	-	-	51.886)	-	51.886)
Selisih translasi atas mata uang asing (Catatan 30c)	-	-	-	-	-	349	-	-	-	349	-	349
Keuntungan aktuarial (Catatan 34)	-	-	-	-	-	-	7.945	-	-	7.945	88	8.033
Saham treasury (Catatan 28)	-	(	517.761)	-	-	-	-	-	(	517.761)	-	(
Cadangan wajib (Catatan 35)	-	-	-	-	-	-	-	1.000 (	1.000)	-	-	-
Pembagian dividen tunai - entitas anak (Catatan 35)	-	-	-	-	-	-	-	-	-	-	10.988)	10.988)
Pembagian dividen tunai (Catatan 35)	-	-	-	-	-	-	-	-	750.000)	750.000)	-	750.000)
Selisih nilai transaksi restrukturisasi entitas sepengendali (Catatan 29)	-	(	138.226)	-	-	-	-	-	-	138.226)	-	(
Saldo per 31 Desember 2018	453.140 (	499.660) (	3.069.803	33.907	-	61.777) (	1.001)	61.100	1280.546	3.370.679	308.886	3.679.565
	Catatan 27/ Note 27	Catatan 29/ Note 29	Catatan 28/ Note 28	Catatan 30a/ Note 30a	Catatan 30b/ Note 30b	Catatan 30c/ Note 30c	Catatan 34/ Note 34	Catatan 35/ Note 35			Catatan 37/ Note 37	

Lihat Catatan atas Laporan Keuangan Konsolidasian pada Ekshibit E terlampir
yang merupakan bagian tidak terpisahkan
dari Laporan Keuangan Konsolidasian secara keseluruhan

See accompanying Notes to Consolidated Financial Statements on Exhibit E
which are an integral part of
the Consolidated Financial Statements taken as a whole

Ekshibit C/2

Exhibit C/2

PT TOWER BERSAMA INFRASTRUCTURE Tbk DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

	Penghasilan komprehensif lain/ Other comprehensive income				Saldo laba/ Retained earnings		Jumlah ekuitas yang diatribusikan kepada pemilik entitas induk/ Total equity attribute to equity holder of parent company		Kepentingan non- pengendali/ Non- controlling interest		Jumlah ekuitas/ konsolidasi/ Total consolidated equity	
	Tambahan modal disetor - Bersih/ Additional paid-in capital - Net	Saham treasury/ Treasury stock	Surplus revaluasi/ Revaluation surplus	Cadangan lindung nilai arus kas/ Cash flows hedging reserves	Perubahan nilai wajar investasi tersedia untuk dijual/ Change in fair value of available for sale	Selisih translasi atas mata uang asing/ Difference translation of foreign currency	Keuntungan (kerugian) aktual/ Actual gain (loss)	Cadangan wajib Statutory reserves	Belum ditentukan penggunaan/ Unappropriated			
Saldo per 1 Januari 2017	453.140 (	309.548) (	411.328)	3.176.761 (	844.704) (	15.730) (	67.341) (	55.900 (	483.062)	1.555.713	68.429	1.624.142
Labat tahun berjalan	-	-	-	-	-	-	-	-	2.316.368	2.316.368	22.661	2.339.029
Surplus revaluasi (Catatan 13)	-	-	-	18.939	-	-	-	-	-	18.939	10.373	29.312
Selisi penyusutan nilai wajar dengan biaya perolehan	-	-	- (	93.267)	-	-	-	-	93.267	-	-	-
Cadangan lindung nilai arus kas (Catatan 30a)	-	-	-	- (	75.494)	-	-	-	-	75.494) (	4.271) (	79.765)
Perubahan nilai wajar investasi - tersedia untuk dijual (Catatan 30b)	-	-	-	-	- (	50)	-	-	-	-	6) (	56)
Selisi translasi atas mata uang asing (Catatan 30c)	-	-	-	-	-	-	5.215	-	-	5.215	-	5.215
Keuntungan aktuaria (Catatan 34)	-	-	-	-	-	-	11.371)	-	-	11.371) (	136) (	11.507)
Saham treasury (Catatan 28)	-	- (	56.290)	-	-	-	-	-	-	56.290)	-	56.290)
Cadangan wajib (Catatan 35)	-	-	-	-	-	-	-	5.000 (	5.000)	-	-	-
Pembagian dividen tunai (Catatan 35)	-	-	-	-	-	-	-	-	665.000) (	665.000)	-	665.000)
Saldo per 31 Desember 2017	453.140 (	309.548) (	467.618)	3.102.433 (	920.198) (	15.780) (	62.126) (	60.100	1236.573	3.068.030	97.050	3.165.080
	Catatan 27/ Note 27	Catatan 29/ Note 29	Catatan 28/ Note 28	Catatan 30/ Note 30	Catatan 30a/ Note 30a	Catatan 30b/ Note 30b	Catatan 30c/ Note 30c	Catatan 35/ Note 35	Catatan 34/ Note 34	Catatan 37/ Note 37		

Lihat Catatan atas Laporan Keuangan Konsolidasian pada Ekshibit E terlampir
yang merupakan bagian tidak terpisahkan
dari Laporan Keuangan Konsolidasian secara keseluruhan

See accompanying Notes to Consolidated Financial Statements on Exhibit E
which are an integral part of
the Consolidated Financial Statements taken as a whole

Ekshibit C/3

Exhibit C/3

PT TOWER BERSAMA INFRASTRUCTURE Tbk DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

	Penghasilan komprehensif lain/ Other comprehensive income					Saldo laba/ Retained earnings						
	Tambahan modal disor - Bersih/ Additional paid-in capital - Net	Saham treasury/ Treasury stock	Surplus revaluasi/ Revaluation surplus	Cadangan lindung nilai arus kas/ Cash flows hedging reserves	Perubahan nilai wajar investasi - tersedia untuk dijual/ Change in fair value - available for sale	Selisih translasi atas mata uang asing/ Difference translation of foreign currency	Keuntungan aktuarial/ Actuarial gain	Cadangan wajib/ Statutory reserves	Belum ditentukan penggunaannya/ Unappropriated	Jumlah ekuitas yang diatribusikan kepada pemilik entitas induk/ Total equity attribute to equity holder of parent company	Kepentingan non-pengendali/ Non-controlling interest	Jumlah ekuitas konsolidasi/ Total consolidated equity
Modal saham/ Capital stock	479.653	115.425 (	2.687.685 (	1.075.114) (	15.763) (	66.731) (	165	50.100	463.413	1.530.032	60.764	1.590.796
Saldo per 1 Januari 2016												Balance as of January 2016
Laba tahun berjalan	-	-	-	-	-	-	-	-	713.807	713.807	9.406	723.213
Saldo per 31 Desember 2016												Balance as of 31 December 2016
Surplus revaluasi (Catatan 13)	-	-	576.550	-	-	-	-	-	-	576.550	1.630	578.80
Saldo per 1 Januari 2016												Balance as of January 2016
Selisih penyisutan nilai wajar dengan biaya perolehan	-	-	(87.474)	-	-	-	-	-	87.474	-	-	-
Saldo per 31 Desember 2016												Balance as of 31 December 2016
Selisih aset dan liabilitas pengampunan pajak (Catatan 21, 29)	-	1.485	-	-	-	-	-	-	-	1.485	23	1508
Saldo per 1 Januari 2016												Balance as of January 2016
Cadangan lindung nilai arus kas (Catatan 30a)	-	-	-	230.410	-	-	-	-	-	230.410 (	3.470)	226.940
Saldo per 31 Desember 2016												Balance as of 31 December 2016
Penambahan nilai wajar investasi - tersedia untuk dijual (Catatan 30b)	-	-	-	-	-	33	-	-	-	33	1	34
Saldo per 1 Januari 2016												Balance as of January 2016
Selisih translasi atas mata uang asing (Catatan 30c)	-	-	-	-	-	(610)	-	-	(610)	-	-	610)
Saldo per 31 Desember 2016												Balance as of 31 December 2016
Keuntungan aktuarial (Catatan 34)	-	-	-	-	-	-	2.260	-	-	2.260	40	2.300
Saldo per 1 Januari 2016												Balance as of January 2016
Saham treasury (Catatan 28)	-	(906.348)	-	-	-	-	-	-	(906.348)	-	-	906.348)
Saldo per 31 Desember 2016												Balance as of 31 December 2016
Penarikan kembali saham dari saham treasury (Catatan 28)	(26.515) (	426.552)	1.603.821	-	-	-	-	-	1.507.756)	-	-	-
Saldo per 1 Januari 2016												Balance as of January 2016
Selisih transaksi dengan pihak non-pengendali (Catatan 29)	-	94	-	-	-	-	-	-	-	94	35	129
Saldo per 31 Desember 2016												Balance as of 31 December 2016
Cadangan wajib (Catatan 35)	-	-	-	-	-	-	-	5.000 (	5.000)	-	-	-
Saldo per 1 Januari 2016												Balance as of January 2016
Pembagian dividen tunai (Catatan 35)	-	-	-	-	-	-	-	-	592.000)	-	-	592.000)
Saldo per 31 Desember 2016												Balance as of 31 December 2016
Saldo per 31 Desember 2016	453.140	(309.548) (	3.376.761 (	844.704) (	15.730) (	67.341) (	2.425	55.100	483.062)	1.555.713	68.429	1.624.142
Saldo per 31 Desember 2016												Balance as of 31 December 2016

Lihat Catatan atas Laporan Keuangan Konsolidasian pada Ekshibit E terlampir yang merupakan bagian tidak terpisahkan dari Laporan Keuangan Konsolidasian secara keseluruhan

See accompanying Notes to Consolidated Financial Statements on Exhibit E which are an integral part of the Consolidated Financial Statements taken as a whole

Ekshibit D

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit D

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

	Catatan/ Notes	2018	2017	2016	
ARUS KAS DARI AKTIVITAS OPERASI					CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan kas dari pelanggan		4.319.731	3.958.821	4.449.051	Cash received from customers
Penerimaan jasa giro dan bunga deposito		8.431	6.709	5.545	Interest received from current accounts and deposits
Pembayaran pajak atas penilaian kembali aset		-	-	(9.265)	Payment of tax arising from assets revaluation
Pembayaran pajak penghasilan		(190.563)	(182.501)	(195.148)	Payments of income tax
Pembayaran kas ke karyawan		(228.894)	(247.157)	(193.177)	Cash paid to employees
Pembayaran kas ke pemasok		(668.753)	(349.979)	(283.028)	Cash paid to supplier
Kas bersih diperoleh dari aktivitas operasi		<u>3.239.952</u>	<u>3.185.893</u>	<u>3.773.978</u>	Net cash provided by operating activities
ARUS KAS DARI AKTIVITAS INVESTASI					CASH FLOWS FROM INVESTING ACTIVITIES
Penjualan aset tetap	13	18.647	73.288	-	Sale proceeds of property and equipment
Penjualan investasi saham	9	1.817	-	-	Sale of investment in share
Penambahan properti investasi	14	(5.190)	(1.021)	(19.957)	Acquisition of property investment
Pembayaran sewa lahan					Payments for land lease
Sewa perpanjangan	12	(194.387)	(144.164)	(170.208)	Renewal lease
Sewa baru	12	(195.990)	(138.847)	(122.974)	New lease
Pembelian saham	29	(371.511)	-	-	Purchase shares
Penambahan aset tetap	13	(1.458.245)	(1.579.626)	(1.052.193)	Acquisition of property and equipment
Kas bersih yang digunakan untuk aktivitas investasi		<u>(2.204.859)</u>	<u>(1.790.370)</u>	<u>(1.365.332)</u>	Net cash used in investing activities
ARUS KAS DARI AKTIVITAS PENDANAAN					CASH FLOWS FROM FINANCING ACTIVITIES
Pencairan pinjaman bank	25	3.887.051	6.426.519	2.052.611	Withdrawals of bank loans
Penerbitan surat utang	26	1.236.000	1.400.000	230.000	Issuance of notes
Penerimaan derivatif	17	1.014.857	-	-	Receipt from derivatif
Pembayaran sewa pembiayaan	24	(4.839)	(4.645)	(4.055)	Payments of finance lease
Pembelian kembali saham	7	(4.995)	-	(12.436)	Share repurchase
Saham treasuri	28	(517.761)	(56.290)	(906.348)	Treasury stock
Pembayaran dividen	35	(760.910)	(665.000)	(592.000)	Dividend payment
Pembayaran bunga dan biaya pinjaman jangka panjang dan surat utang	25,26	(1.983.036)	(1.935.427)	(1.673.707)	Payments of interest and cost of borrowing for long-term loan and notes
Pembayaran pinjaman bank dan surat utang jangka panjang	25,26	(4.095.560)	(6.520.271)	(1.428.866)	Payments of bank loans and long-term notes
Kas bersih yang digunakan untuk aktivitas pendanaan		<u>(1.229.193)</u>	<u>(1.355.114)</u>	<u>(2.334.801)</u>	Net cash used in financing activities

Lihat Catatan atas Laporan Keuangan Konsolidasian pada Ekshibit E terlampir yang merupakan bagian tidak terpisahkan dari Laporan Keuangan Konsolidasian secara keseluruhan

See accompanying Notes to Consolidated Financial Statements on Exhibit E which are an integral part of the Consolidated Financial Statements taken as a whole

*These Consolidated Financial Statements are Originally Issued
in Indonesian Language*

Ekshibit D/2

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit D/2

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

	Catatan/ Notes	2018	2017	2016	
Pengaruh perubahan kurs mata uang asing pada kas dan setara kas		7.242	1.693	(4.634)	<i>Effect from changes in foreign exchange rates on cash and cash equivalents</i>
KENAIKAN (PENURUNAN) BERSIH KAS DAN SETARA KAS		(186.858)	42.102	69.211	<i>NET INCREASE (DECREASE) ON CASH AND CASH EQUIVALENTS</i>
KAS DAN SETARA KAS PADA AWAL TAHUN		407.444	365.342	296.131	<i>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</i>
KAS DAN SETARA KAS PADA AKHIR TAHUN	4	220.586	407.444	365.342	<i>CASH AND CASH EQUIVALENTS AT THE END OF YEAR</i>

Lihat Catatan atas Laporan Keuangan Konsolidasian pada
Ekshibit E terlampir yang merupakan bagian tidak terpisahkan
dari Laporan Keuangan Konsolidasian secara keseluruhan

*See accompanying Notes to Consolidated Financial
Statements on Exhibit E which are an integral part of
the Consolidated Financial Statements taken as a whole*

Ekshibit E

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

1. UMUM

a. Pendirian Perusahaan

PT Tower Bersama Infrastructure Tbk ("Perusahaan"), berdomisili di Jakarta Selatan, didirikan berdasarkan akta Notaris No. 14 tanggal 8 Nopember 2004 yang dibuat di hadapan Notaris Dewi Himijati Tandika, S.H, Notaris di Jakarta, dan telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. C-28415HT.01.01.TH.2004 tanggal 12 Nopember 2004. Anggaran dasar Perusahaan telah mengalami beberapa kali perubahan, terakhir berdasarkan akta Notaris No. 211 tanggal 24 Oktober 2016, dibuat di hadapan Jose Dima Satria, S.H., M.Kn., Notaris di Jakarta, mengenai penarikan kembali saham Perusahaan dengan cara pengurangan modal yang berasal dari saham treasury dan mengubah ketentuan Pasal 4 ayat (2) Anggaran Dasar Perusahaan tentang modal ditempatkan dan disetor. Perubahan anggaran dasar tersebut telah diterima dan dicatat di dalam *database* sistem Administrasi Badan Hukum Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia sebagaimana tercantum dalam Surat Keputusan No. AHU-0022051.AH.01.02. Tahun 2016 tanggal 22 Nopember 2016. Dan tambahan terakhir, Surat Keputusan Penerimaan Pemberitahuan Perubahan Data Perseroan Akta No. 38 AHU-AH.01.03-0142983 tanggal 17 Mei 2017.

Berdasarkan Pasal 3 dari anggaran dasar Perusahaan, kegiatan usaha Perusahaan antara lain menjalankan usaha dalam bidang jasa penunjang telekomunikasi meliputi jasa persewaan dan pengelolaan menara *Base Transceiver Station* (BTS), jasa konsultasi bidang instalasi telekomunikasi, serta melakukan investasi atau penyertaan pada perusahaan lain. Perusahaan memulai kegiatan usahanya pada tahun 2004. Pada saat ini, kegiatan utama Perusahaan adalah melakukan investasi atau penyertaan pada entitas anak. Perusahaan, melalui entitas anak, telah memulai kegiatan komersialnya pada tahun 2004. Pada tahun laporan yang disajikan, Perseroan tidak melakukan ekspansi atau perampingan usaha yang signifikan.

Perusahaan merupakan entitas induk grup terakhir.

Perusahaan beralamat di Gedung The Convergence Indonesia lantai 11, Kawasan Rasuna Epicentrum, Jl HR Rasuna Said, Jakarta Selatan 12940.

b. Dewan Komisaris, Direksi, Komite Audit dan Karyawan

31 Desember 2018, 2017 dan 2016

Presiden Komisaris	:	Edwin Soeryadjaya	:
Komisaris	:	Winato Kartono	:
Komisaris Independen	:	Herry Tjahjana	:
		Wahyuni Bahar	

1. GENERAL

a. The Company's Establishment

PT Tower Bersama Infrastructure Tbk (the "Company"), domiciled in South Jakarta, was established based on the Notarial deed No. 14 dated 8 November 2004 drawn up in the presence of Dewi Himijati Tandika, S.H, a Notary in Jakarta, and was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. C-28415.HT.01.01.TH.2004 dated 12 November 2004. The Company's articles of association have been amended several times, most recently by the Notary deed No. 211 dated 24 October 2016, drawn up in the presence of Jose Dima Satria, S.H, M.Kn., a Notary in Jakarta, regarding the Company's cancellation shares through reducing its shares capital from treasury shares and changing the Company's provision of Article 4 paragraph (2) of Article of association regarding issued and fully paid-in capital. These amendments have been accepted and registered into the database of Administrative System for Legal Entities of the Ministry of Law and Human Rights of the Republic of Indonesia as stated in his Decision Letter No. AHU-0022051.AH.01.02. Tahun 2016 dated 22 November 2016. And the last addition, Decree Receiving Notification of Amendments to Company Data Deed No. 38 AHU-AH.01.03-0142983 dated 17 May 2017.

Based on Article 3 of the Company's articles of association, the business activities of the Company, among others are to carry on the business of telecommunications support services including lease and maintenance of Base Transceiver Station (BTS), consultation service and conducting investment or participation to other companies. The Company started its business activities in 2004. Currently, the Company's main activity is investing in subsidiaries. The Company, through its subsidiaries, commenced its commercial operations in 2004. In the reporting year, the Company did not conduct significant expansion or downsizing.

The Company is the ultimate parent of the group.

The Company's address is at The Convergence Indonesia, 11th floor, Kawasan Rasuna Epicentrum, Jl HR Rasuna Said, Jakarta Selatan 12940.

b. Boards of Commissioners, Directors, Audit Committee and Employees

31 December 2018, 2017 and 2016

President Commissioner
Commissioner
Independent Commissioners

Ekshibit E/2

Exhibit E/2

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

1. **UMUM (Lanjutan)**

b. **Dewan Komisaris, Direksi, Komite Audit dan Karyawan
(Lanjutan)**

Presiden Direktur & *Chief Operating Officer* : Herman Setya Budi :
Wakil Presiden Direktur & *Chief Executive Officer* : Hardi Wijaya Liong :
Direktur & *Chief of Business Development* : Budianto Purwahjo :
Direktur & *Chief Financial Officer* : Helmy Yusman Santoso :
Direktur Independen & *Chief of Product & Innovation* : Gusandi Sjamsudin :

Susunan Komite Audit Perusahaan pada tanggal 31 Desember 2018, 2017 dan 2016 adalah sebagai berikut:

	2018	2017	2016	
Ketua :	Wahyuni Bahar	Wahyuni Bahar	Mustofa *)	Chairman
Anggota :	Aria Kanaka	Aria Kanaka	Aria Kanaka	Members
	Ignatius Andy	Ignatius Andy	Ignatius Andy	

*) Berdasarkan Surat Keputusan Dewan Komisaris Nomor 01/TBIG/SIR-BOC/II/2017 tanggal 9 Februari 2017, Dewan Komisaris memutuskan untuk mengangkat Bapak Wahyuni Bahar sebagai ketua komite audit.

Cakupan manajemen kunci Perseroan adalah para komisaris dan direksi.

Pada tanggal 9 Juli 2010, Perusahaan menunjuk Bapak Helmy Yusman Santoso sebagai Sekretaris Perusahaan.

Sesuai dengan Peraturan No. IX.I.7, Lampiran Keputusan Ketua Bapepam-LK No. Kep-496/BL/2008 tanggal 28 Nopember 2008 tentang Pembentukan dan Pedoman Penyusunan Piagam Unit Audit Internal yang telah diubah dengan peraturan Otoritas Jasa Keuangan (OJK) Nomor 56/POJK.04/2015 tentang Pembentukan dan Pedoman Penyusunan Piagam Unit Audit Internal, Perusahaan telah memiliki Piagam Audit Internal tanggal 10 Januari 2011. Perusahaan telah menunjuk Bapak Supriatno Arham sebagai kepala unit Audit Internal berdasarkan Surat Keputusan Direksi No. 954/TBG-SKP-00/HOS/03/XII/2014 tanggal 7 Mei 2014.

Jumlah remunerasi yang dibayarkan untuk Dewan Komisaris Perusahaan untuk tahun yang berakhir pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar Rp 10.279, Rp 9.443 dan Rp 8.503.

1. **GENERAL (Continued)**

b. **Boards of Commissioners, Directors, Audit Committee and Employees (Continued)**

President Director & *Chief Operating Officer*
Vice President Director & *Chief Executive Officer*
Director & *Chief of Business Development*
Director & *Chief Financial Officer*
Independent Director & *Chief of Product & Innovation*

The Audit Committee of the Company as of 31 December 2018, 2017 and 2016 are as follows:

*) In accordance with Decision Letter of Board of Commissioner Nomor 01/TBIG/SIR-BOC/II/2017 dated 9 February 2017, Board of Commissioner has decided to appoint Mr. Wahyuni Bahar as Chairman of Audit Committee.

The scope of the Company's key management is the commissioners and directors.

On 9 July 2010, the Company appointed Mr. Helmy Yusman Santoso as the Corporate Secretary.

In accordance with Regulation No. IX.I.7, Decision of Chairman of Bapepam-LK No. Kep-496/BL/2008 dated 28 November 2008 on the Establishment and Development Guidelines for Internal Audit Charter, which has been changed with Otoritas Jasa Keuangan (OJK) rule No. 56/POJK.04/2015 on the Establishment and Development Guidelines for Internal Audit Charter the Company has Internal Audit Charter dated 10 January 2011. The Company appointed Mr. Supriatno Arham as the Head Of Internal Auditor based on the Directors' Decree No. 954/TBG-SKP-00/HOS/03/XII/ 2014 dated 7 May 2014.

Total remuneration paid to the Board of Commissioners of the Company for the year ended 31 December 2018, 2017 and 2016 amounted to Rp 10,279, Rp 9,443, and Rp 8,503, respectively.

Ekshibit E/3

Exhibit E/3

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

1. **UMUM (Lanjutan)**

b. **Dewan Komisaris, Direksi, Komite Audit dan Karyawan (Lanjutan)**

Jumlah remunerasi yang dibayarkan untuk Dewan Direksi Perusahaan untuk tahun yang berakhir 31 Desember 2018, 2017 dan 2016 masing-masing sebesar Rp 29.559, Rp 29.881 dan Rp 28.012.

Pada tanggal 31 Desember 2018, 2017 dan 2016, Perusahaan dan entitas anak masing-masing mempekerjakan 667 karyawan, 591 karyawan dan 565 karyawan (tidak diaudit).

c. **Struktur Entitas Anak**

Perusahaan secara langsung memiliki lebih dari 50% saham di entitas anak sebagai berikut:

1. **GENERAL (Continued)**

b. **Boards of Commissioners, Directors, Audit Committee and Employees (Continued)**

Total remuneration paid to the Board of Directors of the Company for the year ended 31 December 2018, 2017 and 2016 amounted to Rp 29,559, Rp 29,881, and Rp 28,012, respectively.

As of 31 December 2018, 2017 and 2016, the Company and subsidiaries employed 667 staffs, 591 staffs and 565 staffs (unaudited), respectively.

c. **Structure of Subsidiaries**

The Company owns directly the shareholding greater than 50% in the following subsidiaries:

Entitas anak / Subsidiaries	Dimulainya kegiatan operasi/ Commencement of operation	Persentase kepemilikan pada 31 Desember/ Percentage of ownership at 31 December 2018	Jumlah aset sebelum eliminasi/ Total assets before elimination		
			2018	2017	2016
PT Telenet Internusa	1999	99,50%	243.412	274.149	264.637
PT United Towerindo dan entitas anak/ and subsidiaries	2004	100,00%	516.136	573.386	452.314
PT Tower Bersama dan entitas anak/ and subsidiaries	2006	98,00%	14.718.992	12.479.345	10.497.041
PT Tower One dan entitas anak/ and subsidiary	2006	99,90%	460.823	483.380	624.228
PT Triaka Bersama	2010	100,00%	108.638	101.825	102.921
PT Metric Solusi Integrasi dan entitas anak/ and subsidiary	2010	100,00%	9.990.982	8.689.784	7.785.173
PT Solusi Menara Indonesia	2011	99,81%	7.075.500	6.624.627	5.814.526
TBG Global Pte Ltd dan entitas anak/ and subsidiary	2013	100,00%	14.689.156	13.715.528	17.655.877
PT Menara Bersama Terpadu	2013	99,99%	10.143	10.186	10.201
PT Gihon Telekomunikasi Indonesia Tbk dan entitas anak/ and subsidiary	2001	50,12%	485.157	-	-
PT Visi Telekomunikasi Infrastruktur Tbk dan entitas anak/ and subsidiary	1995	51,00%	239.216	-	-

Ekshibit E/4

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM (Lanjutan)**

c. **Struktur Entitas Anak (Lanjutan)**

Semua entitas anak berdomisili di Jakarta, kecuali TBG Global Pte. Ltd., yang berdomisili di Singapura.

Perusahaan melalui entitas anak memiliki kepemilikan tidak langsung lebih dari 50% pada perusahaan-perusahaan sebagai berikut:

Entitas anak / Subsidiaries	Kepemilikan melalui entitas anak/ Ownership of subsidiaries	Dimulainya kegiatan operasi/ Commencement of operation	Persentase kepemilikan pada 31 Desember/ Percentage of ownership at 31 December 2018	Jumlah aset sebelum eliminasi/ Total assets before elimination		
				2018	2017	2016
PT Batavia Towerindo	PT United Towerindo dan/ and PT Tower Bersama	2006	99,80%	161.955	164.613	165.907
PT Selaras Karya Makmur	PT United Towerindo	2013	75,00%	52	50	45
PT Prima Media Selaras	PT Tower Bersama	2003	100,00%	212.251	205.543	398.547
PT Bali Telekom	PT Tower One	2003	100,00%	345.991	346.352	446.795
PT Solu Sindo Kreasi Pratama	PT Metric Solusi Integrasi	1999	99,71%	9.155.342	8.139.857	7.283.144
PT Mitrayasa Sarana Informasi	PT Tower Bersama dan/ and PT Solu Sindo Kreasi Pratama	2004	100,00%	981.932	904.401	941.233
PT Towerindo Konvergensi	PT Tower Bersama	2009	100,00%	416.868	456.797	522.388
PT Jaringan Pintar Indonesia	PT Tower Bersama	2015	83,44%	35.368	26.363	5.000
PT Infrastruktur Digital Indonesia	PT Tower Bersama	2017	90,00%	507	510	-
Tower Bersama Singapore Pte Ltd	TBG Global Pte Ltd	2012	100,00%	7.396.111	4.851.118	8.841.215
PT Gihon Lima Jaya	PT Gihon Telekomunikasi Indonesia Tbk	2018	99,00%	1.251	-	-
PT Permata Karya Perdana	PT Visi Telekomunikasi Infrastruktur Tbk	2013	99,99%	238.437	-	-

Berikut adalah keterangan dari masing-masing entitas anak.

c.1 **PT Telenet Internusa**

PT Telenet Internusa ("TI") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 8 tanggal 6 September 1999, dibuat dihadapan Dr. Wiratni Ahmadi, S.H, Notaris di Bandung.

Akta Pendirian TI telah disahkan oleh Menteri Hukum dan Asasi Manusia Republik Indonesia dalam Surat Keputusan No. C-18566.HT.01.01.TH. 2001 tanggal 6 Nopember 2001 dan akta tersebut telah diumumkan dalam Berita Negara Republik Indonesia No. 15 tanggal 21 Februari 2006, Tambahan No. 1896.

Exhibit E/4

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

1. **GENERAL (Continued)**

c. **Structure of Subsidiaries (Continued)**

All subsidiaries are domiciled in Jakarta, except for TBG Global Pte. Ltd., which is domiciled in Singapore.

The Company owns indirectly through subsidiaries the shareholdings greater than 50% in the following companies:

The followings are the information about the subsidiaries.

c.1 **PT Telenet Internusa**

PT Telenet Internusa ("TI") is a Limited Liability Company established in Indonesia based on the deed of establishment No. 8 dated 6 September 1999, drawn up in the presence of Dr. Wiratni Ahmadi, S.H, a Notary in Bandung.

TI's deed of Establishment was approved by the Ministry of Law and Human Rights the Republic of Indonesia in his Decree No. C-18566.HT.01.01.TH. 2001 dated 6 November 2001 and was published in the State Gazette Republic Indonesia No. 15 dated 21 February 2006, Supplement No.1896.

Ekshibit E/5

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM (Lanjutan)**

c. **Struktur Entitas Anak (Lanjutan)**

c.1 **PT Telenet Internusa (Lanjutan)**

Anggaran dasar TI telah mengalami beberapa kali perubahan, terakhir dengan Akta No. 82 tanggal 23 Desember 2010, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-01618.AH.01.02 Tahun 2011 tanggal 12 Januari 2011.

Berdasarkan Pasal 3 dari anggaran dasar TI, ruang lingkup usaha TI adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan, industri, pertambangan dan transportasi darat.

c.2 **PT United Towerindo dan entitas anak**

PT United Towerindo ("UT") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 40 tanggal 30 Juni 2004, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian UT telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. C-18090.HT.01.01.TH.2004 tanggal 20 Juli 2004 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 65 tanggal 13 Agustus 2004, Tambahan No. 7930.

Anggaran dasar UT telah mengalami beberapa kali perubahan, terakhir dengan akta No. 84 tanggal 23 Desember 2010, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-05395. AH.01.02.Tahun 2011 tanggal 1 Februari 2011.

Exhibit E/5

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

2. **GENERAL (Continued)**

c. **Structure of Subsidiaries (Continued)**

c.1 **PT Telenet Internusa (Continued)**

TI's articles of association have been amended several times, the latest amendment was based on Deed No. 82 dated 23 December 2010, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-01618. AH.01.02 Tahun 2011 dated 12 January 2011.

In accordance with Article 3 of TI articles of association, the scope of TI's activities involves services (except services in law and tax), developments, trades, industries, mines and transportation.

c.2 **PT United Towerindo and subsidiaries**

PT United Towerindo ("UT") is a Limited Liability Company established in Indonesia based on the deed of establishment No. 40 dated 30 June 2004, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta. UT's deed of establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. C-18090.HT.01.01. TH.2004 dated 20 July 2004 and was published in the State Gazette of the Republic of Indonesia No. 65 dated 13 August 2004, Supplement No. 7930.

UT's articles of association have been amended several times, the latest amendment was based on deed No. 84 dated 23 December 2010, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-05395.AH. 01.02.Tahun 2011 dated 1 February 2011.

Ekshibit E/6

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. UMUM (Lanjutan)

c. Struktur Entitas Anak (Lanjutan)

c.2 PT United Towerindo dan entitas anak (Lanjutan)

Berdasarkan Pasal 3 dari anggaran dasar UT, ruang lingkup usaha UT adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan, industri, pertambangan dan transportasi darat.

UT memiliki entitas anak yaitu PT Batavia Towerindo dan PT Selaras Karya Makmur.

c.3 PT Tower Bersama dan entitas anak

PT Tower Bersama ("TB") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 5 tanggal 4 Juli 2006, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian TB telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. C-20821. HT.01.01.TH.2006 tanggal 17 Juli 2006 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 104 tanggal 29 Desember 2006, Tambahan No.13530.

Anggaran dasar TB telah mengalami beberapa kali perubahan, terakhir dengan akta No. 79 tanggal 23 Desember 2010, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-03025. AH.01.02. Tahun 2011 tanggal 19 Januari 2011.

Berdasarkan Pasal 3 dari anggaran dasar TB, ruang lingkup usaha entitas anak adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan dan industri.

TB memiliki 5 (lima) entitas anak yaitu PT Prima Media Selaras, PT Mitrayasa Sarana Informasi PT Towerindo Konvergensi, PT Jaringan Pintar Indonesia dan PT Infrastruktur Digital Indonesia dimiliki oleh PT Tower Bersama masing-masing sejak June 2008, 8 Agustus 2011, 7 Oktober 2011, 4 Oktober 2016 dan 26 Juli 2017.

Exhibit E/6

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

1. GENERAL (Continued)

c. Structure of Subsidiaries (Continued)

**c.2 PT United Towerindo and subsidiaries
(Continued)**

In accordance with Article 3 of UT's articles of association, the scope of its activities involves services (except services in law and tax), developments, trades, industries, mines and transportation.

UT has subsidiaries company which are PT Batavia Towerindo and PT Selaras Karya Makmur.

c.3 PT Tower Bersama and subsidiaries

PT Tower Bersama ("TB") is a Limited Liability Company established in Indonesia based on the deed of establishment No. 5 dated 4 July 2006, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta. TB's deed of establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia No. C-20821.HT.01.01.TH.2006 dated 17 July 2006 and was published in the State Gazette of the Republic of Indonesia in his Decree No. 104 dated 29 December 2006, Supplement No. 13530.

TB's articles of association have been amended several times, the latest amendment was based on deed No. 79 dated 23 December 2010, drawn up in the presence of Darmawan Tjoa, SH, SE, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia No. AHU-03025.AH.01.02. Tahun 2011 dated 19 January 2011.

In accordance with Article 3 of TB's articles of association, the scope of its activities involves services (except services in law and tax), developments, trades and industries.

TB has 5 (five) subsidiaries companies which are PT Prima Media Selaras, PT Mitrayasa Sarana Informasi, PT Towerindo Konvergensi, PT Jaringan Pintar Indonesia and PT Infrastruktur Digital Indonesia were acquired by PT Tower Bersama on June 2008, 8 August 2011, 7 October 2011, 4 October 2016, and 26 July 2017, respectively.

Ekshibit E/7

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM (Lanjutan)**

c. **Struktur Entitas Anak (Lanjutan)**

c.4 **PT Tower One dan entitas anak**

PT Tower One ("TO") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 6 tanggal 21 September 2006, dibuat dihadapan Angela Meilany Basiroen, S.H, Notaris di Jakarta.

Akta pendirian TO telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. W7-03499.HT.01.01-TH.2006 tanggal 8 Desember 2006 dan akta tersebut telah diumumkan dalam Berita Negara Republik Indonesia No. 63 tanggal 7 Agustus 2009, Tambahan No. 21141.

Anggaran dasar TO telah mengalami beberapa kali perubahan, terakhir dengan Akta No. 83 tanggal 23 Desember 2010, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan Anggaran Dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-02877. AH.01.02. Tahun 2011 tanggal 19 Januari 2011. Berdasarkan Pasal 3 dari anggaran dasar TO, ruang lingkup usaha TO adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan dan industri.

TO memiliki entitas anak yaitu PT Bali Telekom.

c.5 **PT Triaka Bersama**

PT Triaka Bersama ("TRB") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 33 tanggal 15 Mei 2009, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian TRB telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-24774. AH.01.01. Tahun 2009 tanggal 5 Juni 2009 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 63 tanggal 7 Agustus 2009, Tambahan No. 20847.

Exhibit E/7

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

1. **GENERAL (Continued)**

c. **Structure of Subsidiaries (Continued)**

c.4 **PT Tower One and subsidiary**

PT Tower One ("TO") is a Limited Liability Company established in Indonesia based on the Deed of Establishment No. 6 dated 21 September 2006, drawn up in the presence of Angela Meilany Basiroen, S.H, a Notary in Jakarta.

TO's deed of establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. W7-03499.HT.01.01-TH.2006 dated 8 December 2006 and was published in the State Gazette of the Republic of Indonesia in his Decree No. 63 dated 7 August 2009, Supplement No. 21141.

TO's articles of association have been amended several times, the latest amendment was based on Deed No. 83 dated 23 December 2010, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-02877. AH.01.02. Tahun 2011 dated 19 January 2011. In accordance with Article 3 of TO's articles of association, the scope of its activities involves services (except services in law and tax), developments, trades and industries.

TO has a subsidiary company which is PT Bali Telekom.

c.5 **PT Triaka Bersama**

PT Triaka Bersama ("TRB") is a Limited Liability Company established in Indonesia based on the deed of establishment No. 33 dated 15 May 2009, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta. TRB's Deed of Establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-24774. AH.01.01. Tahun 2009 dated 5 June 2009 and was published in the State Gazette of the Republic of Indonesia No. 63 dated 7 August 2009, Supplement No. 20847.

Ekshibit E/8

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM (Lanjutan)**

c. **Struktur Entitas Anak (Lanjutan)**

c.5 **PT Triaka Bersama (Lanjutan)**

Anggaran dasar TRB terakhir diubah dengan akta No. 69 tanggal 22 September 2014, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-08616.40.20.2014 tanggal 26 September 2014.

Berdasarkan Pasal 3 dari anggaran dasar TRB, ruang lingkup usaha TRB adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan dan industri.

c.6 **PT Metric Solusi Integrasi dan entitas anak**

PT Metric Solusi Integrasi ("MSI") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 20 tanggal 12 Maret 2010, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian MSI telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-13915.AH.01.01. Tahun 2010 tanggal 18 Maret 2010. Anggaran dasar MSI telah mengalami beberapa kali perubahan. Terakhir dengan akta No. 23 tanggal 9 Oktober 2015, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-0943991.AH.01.02 Tahun 2015 tanggal 16 Oktober 2015.

Berdasarkan Pasal 3 dari anggaran dasar MSI, ruang lingkup usaha MSI adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan dan industri.

MSI memiliki entitas anak yaitu PT Solu Sindo Kreasi Pratama.

Exhibit E/8

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

1. **GENERAL (Continued)**

c. **Structure of Subsidiaries (Continued)**

c.5 **PT Triaka Bersama (Continued)**

TRB's articles of association were last amended by the deed No.69 dated 22 September 2014, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-08616.40.20.2014 dated 26 September 2014.

In accordance with Article 3 of TRB's articles of association, the scope of its activities involves services (except services in law and tax), developments, trades and industries.

c.6 **PT Metric Solusi Integrasi and subsidiary**

PT Metric Solusi Integrasi ("MSI") is a Limited Liability Company established in Indonesia based on the deed of establishment No. 20 dated 12 March 2010 drawn up in the presence of Darmawan Tjoa, SH, SE, a Notary in Jakarta. MSI's deed of establishment was approved by the Ministry of Law and Human Rights the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-13915.AH.01.01. Tahun 2010 dated 18 March 2010. MSI's articles of association have been amended several times. The latest amendment was based on deed No. 23 dated 9 October 2015, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-0943991.AH.01.02 Tahun 2015 dated 16 October 2015.

In accordance with Article 3 of MSI's articles of association, the scope of its activities involves services (except services in law and tax), developments, trades and industries.

MSI has a subsidiary company which is PT Solu Sindo Kreasi Pratama.

Ekshibit E/9

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. UMUM (Lanjutan)

c. Struktur Entitas Anak (Lanjutan)

c.7 PT Solusi Menara Indonesia

PT Solusi Menara Indonesia ("SMI") adalah suatu Perseroan Terbatas yang didirikan di Indonesia berdasarkan Akta pendirian No. 77 tanggal 19 Desember 2011, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian SMI telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia sesuai dengan Surat Keputusan No. AHU-63259.AH.01.01.Tahun 2011 tanggal 22 Desember 2011.

Anggaran dasar SMI terakhir diubah dengan akta No. 18 tanggal 8 Oktober 2014, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-09810.40.20.2014 tanggal 21 Oktober 2014.

Berdasarkan Pasal 3 dari anggaran dasar SMI, ruang lingkup usaha SMI adalah berusaha dalam bidang jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan dan industri.

c.8 TBG Global Pte Ltd. dan entitas anak

TBG Global Pte Ltd. ("TBGG") adalah suatu Perseroan Terbatas yang didirikan berdasarkan hukum Negara Singapura sesuai dengan nomor pendaftaran 201302879K di tahun 2013.

TBGG memiliki entitas anak yaitu Tower Bersama Singapore Pte Ltd.

c.9 PT Menara Bersama Terpadu

PT Menara Bersama terpadu ("MBT") adalah suatu Perseroan Terbatas yang didirikan di Indonesia berdasarkan akta pendirian No. 11 tanggal 8 Januari 2013, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian MBT telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia sesuai dengan Surat Keputusan No. AHU-02685.AH.01.01.Tahun 2013 tanggal 25 Januari 2013.

Berdasarkan Pasal 3 dari anggaran dasar MBT, ruang lingkup usaha MBT adalah berusaha dalam bidang jasa (kecuali jasa dibidang hukum dan pajak), pembangunan, perdagangan dan industri.

Exhibit E/9

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

1. GENERAL (Continued)

c. Structure of Subsidiaries (Continued)

c.7 PT Solusi Menara Indonesia

PT Solusi Menara Indonesia ("SMI") is a Limited Liability Company established in Indonesia under the deed of establishment No. 77 dated 19 December 2011, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta. SMI's Deed of Establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-63259. AH.01.01. Tahun 2011 dated 22 December 2011.

SMI's articles of association have been amended based on the deed No. 18 dated 8 October 2014, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-09810. 40.20.2014 dated 21 October 2014.

According to Article 3 of SMI's articles of association, the scope of its business involves services (except services in law and tax), developments, trades and industries.

c.8 TBG Global Pte Ltd. and subsidiary

TBG Global Pte Ltd. ("TBGG") is a Limited Liability Company incorporated under the law of Republic of Singapore based on registration number 201302879K in 2013.

TBGG has a subsidiary company which is Tower Bersama Singapore Pte Ltd.

c.9 PT Menara Bersama Terpadu

PT Menara Bersama Terpadu ("MBT") is a Limited Liability Company Incorporated in Indonesia under deed of establishment No. 11 dated 8 January 2013, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta. MBT's deed establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-02685.AH.01.01.Tahun 2013 dated 25 January 2013.

According to Article 3 of MBT's articles of association, the scope of its business involves services (except services in law and tax), developments, trades and industries.

Ekshibit E/10

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. UMUM (Lanjutan)

c. Struktur Entitas Anak (Lanjutan)

c.10 PT Gihon Telekomunikasi Indonesia Tbk dan entitas anak

PT Gihon Telekomunikasi Indonesia ("GHON"), bertempat kedudukan di Jakarta, didirikan berdasarkan akta Notaris Nurmiati, S.H., No. 58 tanggal 27 April 2001 dan telah mendapat pengesahan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. C-00679.HT.01.01.TH.2001 tanggal 10 Mei 2001.

Anggaran dasar GHON telah mengalami beberapa kali perubahan dan yang terakhir berdasarkan Akta Notaris Jose Dima Satria S.H., M.Kn., Notaris di Kota Jakarta, No. 76 tanggal 29 Juni 2018, mengenai perubahan susunan pemegang saham. Perubahan anggaran dasar tersebut telah memperoleh persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia sebagaimana tercantum dalam Surat Keputusan No. AHU-AH.01.03-0225282 tanggal 24 Juli 2018.

Berdasarkan pasal 3 dari anggaran dasar Perusahaan, kegiatan usaha Perusahaan adalah menjalankan usaha dalam bidang jasa penunjang telekomunikasi, meliputi jasa persewaan dan pengelolaan menara Base Transceiver Station (BTS) atau menara telekomunikasi serta sarana telekomunikasi dan jasa konsultasi bidang instalasi telekomunikasi.

GHON memiliki entitas anak yaitu PT Gihon Lima Jaya

c.11 PT Visi Telekomunikasi Infrastruktur Tbk dan entitas anak

PT Visi Telekomunikasi Infrastruktur Tbk ("GOLD"), dahulu didirikan dengan nama PT Bima Nuansa Cempaka berdasarkan Akta Notaris Afdal Gazali, S.H., No. 136 tanggal 8 November 1995 dan telah mendapat pengesahan dari Menteri Kehakiman Republik Indonesia berdasarkan Surat Keputusan No. C2-17.467.HT.01.01 Tahun 1995 tanggal 29 Desember 1995 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 36, Tambahan No. 4144 tanggal 3 Mei 1996.

Exhibit E/10

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

1. GENERAL (Continued)

c. Structure of Subsidiaries (Continued)

c.10 PT Gihon Telekomunikasi Indonesia Tbk and subsidiary

PT Gihon Telekomunikasi Indonesia ("GHON") was established in Jakarta, based on the Notarial deed Nurmiati, S.H., No. 58 dated 17 April 2001 and was approved by the Ministry of Law and Human Rights based on its Decision Letter No. C-00679.HT.01.01.TH.2001 dated 10 May 2001.

GHON's articles of association has been amended several times, the latest based on Notarial Jose Dima Satria, S.H., M.Kn., Notary in Jakarta, No. 76 dated 29 June 2018, regarding the changes on shareholders structure. The amendment was approved which later approved by Minister of Law and Human Rights of Republic Indonesia on its Decision Letter No. AHU-AH.01.03-0225282 dated 24 July 2018.

Based on Article 3 of the Company's articles of association, the main business activities of the Company is telecommunications support services including rental and maintenance of Base Transceiver Station (BTS) towers or telecommunication towers also the telecommunication facilities and consultation service for telecommunication installation.

GHON has a subsidiary company which is PT Gihon Lima Jaya

c.11 PT Visi Telekomunikasi Infrastruktur Tbk and subsidiary

PT Visi Telekomunikasi Infrastruktur Tbk ("GOLD") formerly was established by name PT Bima Nuansa Cempaka based on the Notarial deed Afdal Gazali, S.H., No. 136 dated 8 November 1995 and was approved by the Ministry of Justice based on its Decision Letter No. C2-17.467.HT.01.01 Year 1995 dated 29 December 1995 and was published in the Official Gazette of the Republic of Indonesia No. 36, Supplement No. 4144 dated 3 May 1996.

Ekshibit E/11

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. UMUM (Lanjutan)

c. Struktur Entitas Anak (Lanjutan)

c.11 PT Visi Telekomunikasi Infrastruktur Tbk dan entitas anak (Lanjutan)

Anggaran Dasar GOLD telah mengalami beberapa kali perubahan, terakhir berdasarkan Akta Notaris Hasbullah Abdul Rasyid, S.H., M.Kn., No.154 tanggal 23 Juni 2016, sehubungan dengan peningkatan modal ditempatkan dan disetor. Perubahan tersebut telah memperoleh persetujuan oleh Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan Surat No. AHU-AH.01.03-0062592 tertanggal 29 Juni 2016.

Berdasarkan pasal 3 anggaran dasar GOLD, ruang lingkup kegiatan Perusahaan adalah dalam bidang jasa penyediaan infrastruktur telekomunikasi, termasuk melakukan investasi atau penyertaan pada perusahaan lain yang bergerak di bidang kegiatan penunjang telekomunikasi dan berusaha dalam bidang jasa, khususnya jasa penunjang telekomunikasi.

GOLD memiliki entitas anak yaitu PT Permata Karya Perdana.

d. Penawaran Umum Saham

Pada tanggal 15 Oktober 2010, Perusahaan memperoleh pernyataan efektif dari Ketua Badan Pengawas Pasar Modal dan Lembaga Keuangan (Bapepam-LK) dengan suratnya No. S-9402/BL/2010 untuk melakukan penawaran umum sebanyak 551.111.000 saham dengan nilai nominal Rp 100 (nilai penuh) per saham kepada masyarakat melalui Bursa Efek Indonesia dengan harga penawaran perdana sebesar Rp 2.025 (nilai penuh) per saham. Pada tanggal 26 Oktober 2010, seluruh saham tersebut telah dicatatkan di Bursa Efek Indonesia.

e. Penawaran Umum Obligasi

Pada tanggal 18 Oktober 2018, Perusahaan menerbitkan Obligasi Berkelanjutan III Tower Bersama Infrastruktur Tahap II Tahun 2018 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan III Tahap II") sebesar 8,5% per tahun. Nominal Obligasi Berkelanjutan III Tahap II ini adalah sebesar Rp 628.000. Obligasi ini dicatatkan pada bursa efek Indonesia pada tanggal 19 Oktober 2018.

Pada bulan Juni 2018, Perusahaan menawarkan kepada masyarakat Obligasi Berkelanjutan III Tower Bersama Infrastruktur Tahap I Tahun 2018 dengan jumlah pokok obligasi sebesar Rp 608.000 (Catatan 26). Obligasi ini dicatatkan pada Bursa Efek Indonesia pada tanggal 6 Juli 2018.

Exhibit E/11

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

1. GENERAL (Continued)

c. Structure of Subsidiaries (Continued)

c.11 PT Visi Telekomunikasi Infrastruktur Tbk and subsidiary (Continued)

GOLD's articles of association has been amended several times, the latest based on Notarial Hasbullah Abdul Rasyid, S.H., M.Kn., No. 154 dated 23 June 2016, regarding the increasing issued and fully paid-in capital. The amendment was approved which later approved by Minister of Law and Human Rights of Republic Indonesia on its Decision Letter No. AHU-AH.01.03-0062592 dated 29 June 2016.

Based on Article 3 of the GOLD's articles of association, the scope of the Company's activities is in the field of providing telecommunications infrastructure services, including investing or participating in similar companies engaged in telecommunication support activities and business in the field of services, particularly telecommunications support services.

GOLD has a subsidiary company which is PT Permata Karya Perdana.

d. Share Public Offering

On 15 October 2010, the Company received an effective statement from the Chairman of the Capital Market and Financial Institution Supervisory Agency (Bapepam-LK) in its Decision Letter No. S-9402/BL/2010 to offer 551,111,000 of its shares to the public with par value of Rp 100 (full amount) per share through the Indonesia Stock Exchange, at an initial offering price of Rp 2,025 (full amount) per share. On 26 October 2010, those shares were listed on the Indonesia Stock Exchange.

e. Bonds Offering

On 18 October 2018, the Company issued Continuous Bonds III phase II Year 2018 with a Fixed Interest Rate ("Continuous Bonds III Phase II") of 8.5% per annum. The Continuous Bonds III Phase II has a total principal of Rp 628,000. These bonds are listed on the Indonesia stock exchange on 19 October 2018.

In June 2018, the Company offered to the public Continuous Bonds III Tower Bersama Infrastructure Phase I Year 2018 with nominal value of Rp 608,000 (Note 26) bonds. On 6 July 2018 these bonds were listed on the Indonesia Stock Exchange.

Ekshibit E/12

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. UMUM (Lanjutan)

e. Penawaran Umum Obligasi (Lanjutan)

Pada bulan September 2017, Perusahaan menawarkan kepada masyarakat Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap III Tahun 2017 dengan jumlah pokok obligasi sebesar Rp 700.000 (Catatan 26). Obligasi ini dicatatkan pada Bursa Efek Indonesia pada tanggal 19 September 2017.

Pada bulan April 2017, Perusahaan menawarkan kepada masyarakat Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap II Tahun 2017 dengan jumlah pokok obligasi sebesar Rp 700.000 (Catatan 26). Obligasi ini dicatatkan pada Bursa Efek Indonesia pada tanggal 25 April 2017.

Pada bulan Juni 2016, Perusahaan menawarkan kepada masyarakat Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap I Tahun 2016 dengan jumlah pokok obligasi sebesar Rp 230.000 (Catatan 26), yang dinyatakan efektif oleh Otoritas Jasa Keuangan (OJK) pada tanggal 24 Juni 2016 berdasarkan Surat Keputusan No. S-316/D.04/2016. Obligasi ini dicatatkan pada Bursa Efek Indonesia pada tanggal 11 Juli 2016.

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN

a. Dasar penyajian laporan keuangan konsolidasian

Laporan keuangan konsolidasian ini telah disajikan sesuai dengan standar akuntansi keuangan di Indonesia yang mencakup Pernyataan Standar Akuntansi Keuangan (PSAK) serta peraturan Badan Pengawas Pasar Modal dan Lembaga Keuangan (Bapepam-LK, yang fungsinya dialihkan kepada Otoritas Jasa Keuangan ("OJK") sejak tanggal 1 Januari 2013) yaitu Peraturan No. VIII.G.7 Lampiran Keputusan Ketua Bapepam-LK No. KEP-347/BL/2012 tanggal 25 Juni 2012 tentang "Pedoman Penyajian Laporan Keuangan".

Laporan keuangan konsolidasian disusun berdasarkan basis akrual, dan dasar pengukuran dengan menggunakan konsep biaya historis, kecuali untuk akun tertentu yang diukur dengan menggunakan dasar seperti yang disebutkan dalam catatan yang relevan.

Laporan arus kas konsolidasian disusun dengan menggunakan metode langsung, menyajikan penerimaan dan pengeluaran kas dan setara kas yang dikelompokkan ke dalam aktivitas operasi, investasi dan pendanaan.

Exhibit E/12

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

1. GENERAL (Continued)

e. Bonds Offering (Continued)

In September 2017, the Company offered to the public Continuous Bonds II Tower Bersama Infrastructure Phase III Year 2017 with nominal value of Rp 700,000 (Note 26). On 19 September 2017, these bonds were listed on the Indonesia Stock Exchange.

In April 2017, the Company offered to the public Continuous Bonds II Tower Bersama Infrastructure Phase II Year 2017 with nominal value of Rp 700,000 (Note 26). On 25 April 2017, these bonds were listed on the Indonesia Stock Exchange.

In June 2016, the Company offered to the public Continuous Bonds II Tower Bersama Infrastructure Phase I Year 2016 with nominal value of Rp 230,000 (Note 26), which was approved to be effective by Otoritas Jasa Keuangan (OJK) on 24 June 2016 based on the Decision Letter No. S-316/D.04/2016. On 11 July 2016, these bonds were listed on the Indonesia Stock Exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of the consolidated financial statements

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in Indonesia comprising of the Statements of Financial Accounting Standards (PSAK) and rules established by the Capital Market and Financial Institution Supervisory Agency (Bapepam-LK, which function has been transferred to Financial Service Authority ("OJK") starting at 1 January 2013) No. VIII.G.7 Attachment of chairman of BAPEPAM's decision No. KEP-347/BL/2012 dated 25 June 2012 regarding "Financial Statements Presentation Guidance".

The consolidated financial statements have been prepared using the accrual basis, and the measurement basis used is historical cost concept, except for certain accounts which are measured on the bases described in the relevant notes herein.

The consolidated statement of cash flows, which has been prepared using direct method, present receipts and disbursements of cash and cash equivalent classified into operating, investing and financing activities.

Ekshibit E/13

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

a. Dasar penyajian laporan keuangan konsolidasian (Lanjutan)

Laporan keuangan konsolidasian Perusahaan dan entitas anak disajikan dalam Rupiah (IDR) yang merupakan mata uang fungsional, kecuali untuk entitas anak TBG Global Pte Ltd., disajikan dalam Dolar Amerika Serikat (USD) yang merupakan mata uang fungsional. Seluruh angka dalam laporan keuangan konsolidasian dibulatkan menjadi jutaan Rupiah, kecuali dinyatakan lain.

Penyusunan laporan keuangan konsolidasian berdasarkan PSAK mensyaratkan penggunaan estimasi akuntansi kritis tertentu. Penyusunan laporan keuangan konsolidasian juga mensyaratkan manajemen Perusahaan untuk menggunakan pertimbangan dalam menerapkan kebijakan akuntansi Perusahaan. Hal-hal di mana pertimbangan dan estimasi yang signifikan telah dibuat dalam penyusunan laporan keuangan konsolidasian beserta dampaknya diungkapkan dalam Catatan 3.

b. Standar baru, amandemen, revisi, penyesuaian dan Interpretasi Standar Akuntansi Keuangan

Standar baru, amandemen, revisi, penyesuaian dan interpretasi yang telah diterbitkan, dan yang akan berlaku efektif untuk tahun buku yang dimulai pada atau setelah 1 Januari 2019 namun tidak berdampak material terhadap laporan keuangan konsolidasian adalah sebagai berikut:

- PSAK 22 (Penyesuaian 2018), "Kombinasi Bisnis";
- PSAK 24 (Amandemen 2018), "Imbalan Kerja tentang Amandemen, Kurtailmen atau Penyelesaian Program";
- PSAK 26 (Penyesuaian 2018), "Biaya Pinjaman";
- PSAK 46 (Penyesuaian 2018), "Pajak Penghasilan - Pengakuan Aset Pajak Tangguhan untuk Rugi yang Belum Direalisasi";
- PSAK 66 (Penyesuaian 2018), "Pengaturan Bersama";
- ISAK 33, "Transaksi Valuta Asing dan Imbalan di Muka";
- ISAK 34, "Ketidakpastian dalam Perlakuan Pajak Penghasilan".

Exhibit E/13

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

a. Basis of preparation of the consolidated financial statements (Continued)

The consolidated financial statements of the Company and subsidiaries are presented in Rupiah (IDR) which is the functional currency, except TBG Global Pte Ltd., the subsidiary of the Company, is presented in United States Dollar (USD), which is the functional currency. Amounts in the consolidated financial statements are rounded to and stated in millions of Rupiah, unless otherwise stated.

The preparation of consolidated financial statements in compliance with PSAK requires the use of certain critical accounting estimates. It also requires the Company management to exercise judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the consolidated financial statements and their effects are disclosed in Note 3.

b. New Standards, Amendments, Improvements and Interpretations of Financial Accounting Standards

New standards, amendments, improvements and interpretations issued and effective for the financial year at or after 1 January 2019 which do not have material impact on the consolidated financial statement are as follows:

- PSAK 22 (Improvements 2018), "Business Combination";
- PSAK 24 (Amendment 2018), "Employee Benefits regarding Plan Amendment, Curtailment or Settlement";
- PSAK 26 (Improvements 2018), "Borrowing costs";
- PSAK 46 (Improvements 2018), "Income Taxes - Recognition of Deferred Tax Assets for Unrealized Losses";
- PSAK 66 (Improvements 2018), "Joint Arrangement";
- ISAK 33, "Foreign Currency Transaction and Advance Consideration";
- ISAK 34, "Uncertainty Over Income Tax Treatments".

Ekshibit E/14

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

b. Standar baru, amandemen, revisi, penyesuaian dan Interpretasi Standar Akuntansi Keuangan (Lanjutan)

Pada tanggal penerbitan laporan keuangan konsolidasian ini, manajemen sedang mempelajari dampak yang mungkin timbul dari penerapan standar dan interpretasi standar baru dan amandemen standar berikut yang telah diterbitkan, namun belum berlaku efektif untuk tahun buku yang dimulai 1 Januari 2019 adalah sebagai berikut:

- ISAK 33, "Transaksi Valuta Asing dan Imbalan Dimuka";
- Amandemen PSAK 15, "Investasi pada Entitas Asosiasi dan Ventura Bersama: Kepentingan Jangka Panjang pada Entitas Asosiasi dan Ventura Bersama";
- Amandemen PSAK 62, "Kontrak Asuransi";
- PSAK 71, "Instrumen Keuangan";
- Amandemen PSAK 71, "Instrumen Keuangan: Fitur Percepatan Pelunasan dengan Kompensasi Negatif";
- PSAK 72, "Pendapatan dari Kontrak dengan Pelanggan"; dan
- PSAK 73, "Sewa".

Seluruh standar baru dan amandemen standar berlaku efektif untuk tahun buku yang dimulai 1 Januari 2020, sementara interpretasi standar baru berlaku efektif dimulai 1 Januari 2019. Penerapan dini atas standar baru dan amandemen standar tersebut diperkenankan, sementara penerapan dini atas PSAK 73 diperkenankan jika telah menerapkan dini PSAK 72.

c. Prinsip-prinsip konsolidasian

Laporan keuangan konsolidasian meliputi akun-akun Induk Perusahaan dan seluruh entitas anak seperti yang dijelaskan di Catatan 1c. Pengendalian didapat ketika Perusahaan dan entitas anak terekspos atau memiliki hak atas imbal hasil variabel dari keterlibatannya dengan *investee* dan memiliki kemampuan untuk mempengaruhi imbal hasil tersebut melalui kekuasaannya atas *investee*. Dengan demikian, Perusahaan dan entitas anak mengendalikan *investee* jika dan hanya jika Perusahaan dan entitas anak memiliki:

- kekuasaan atas *investee* (Contoh hak saat ini yang memberikan kemampuan ini untuk mengarahkan aktivitas relevan *investee*);
- eksposur atau hak atas imbal hasil variabel dari keterlibatannya dengan *investee*; dan
- kemampuan untuk menggunakan kekuasaannya atas *investee* untuk mempengaruhi jumlah imbal hasilnya.

Exhibit E/14

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

b. New Standards, Amendments, Improvements and Interpretations of Financial Accounting Standards
(Continued)

As at the authorization date of the consolidated financial statements, the management is still evaluating the potential impact of the new standards and interpretation and amendments to standards which have been issued but are not yet effective for the financial year beginning on 1 January 2019 as follows:

- ISAK 33, "Foreign Currency Transactions and Advance Consideration";
- Amendments to PSAK 15, "Investments in Associate and Joint Ventures: Long Term Interest in Associate and Joint Ventures";
- Amendments to PSAK 62, "Insurance Contracts";
- PSAK 71, "Financial Instruments";
- Amendments to PSAK 71, "Financial Instruments: Prepayment Features with Negative Compensation";
- PSAK 72, "Revenue from Contracts with Customers"; and
- PSAK 73, "Leases".

All new standards and amendments to standards are effective for the financial year beginning 1 January 2020, while the new interpretation is effective beginning 1 January 2019. Early adoption of the above new standards and amendments to standards is permitted, while early adoption of PSAK 73 is permitted only upon early adoption also of PSAK 72.

c. Principles of consolidation

The consolidated financial statements include the accounts of the Parent Company and all the subsidiaries mentioned in Note 1c. Control is achieved when the Company and subsidiaries is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through power over the investee. Specifically, the Company and subsidiaries controls an investee if and only if the Company and subsidiaries has:

- power over the investee (i.e. existing rights that give the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

Ekshibit E/15

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

c. Prinsip-prinsip konsolidasian (Lanjutan)

Ketika Perusahaan dan entitas anak mempunyai hak suara kurang dari mayoritas atau hak serupa terhadap *investee*, Perusahaan dan entitas anak mempertimbangkan seluruh fakta dan keadaan dalam menilai apakah terdapat kekuasaan atas sebuah *investee*, termasuk:

- pengaturan kontraktual dengan pemilik hak suara lain *investee*;
- hak yang timbul dari pengaturan kontraktual lain; dan
- hak suara Perusahaan dan entitas anak dan hak suara potensial.

Perusahaan dan entitas anak menilai kembali apakah terdapat atau tidak pengendalian terhadap *investee* jika fakta dan keadaan yang menunjukkan bahwa ada perubahan satu atau lebih dari tiga elemen pengendalian. Entitas anak dikonsolidasi secara penuh sejak tanggal pengendalian dialihkan ke Perusahaan dan entitas anak dan dihentikan untuk dikonsolidasi sejak tanggal pengendalian ditransfer keluar dari Perusahaan dan entitas anak. Aset, liabilitas, pendapatan dan beban dari entitas anak, yang diakuisisi atau dijual selama tahun berjalan, termasuk dalam laporan laba rugi dari tanggal Perusahaan dan entitas anak mendapatkan pengendalian sampai dengan tanggal Perusahaan dan entitas anak berhenti untuk mengendalikan entitas anak.

Laba rugi dan setiap komponen penghasilan komprehensif lain diatribusikan ke pemilik entitas induk dari Perusahaan dan entitas anak dan kepentingan non-pengendali, meskipun hal tersebut mengakibatkan kepentingan non-pengendali memiliki saldo defisit. Ketika diperlukan, penyesuaian dibuat pada laporan keuangan entitas anak agar kebijakan akuntansinya seragam dengan kebijakan akuntansi Perusahaan dan entitas anak. Seluruh aset dan liabilitas, ekuitas, pendapatan, beban dan arus kas dalam intra Perusahaan dan entitas anak terkait dengan transaksi antar entitas dalam Perusahaan dan entitas anak dieliminasi seluruhnya dalam konsolidasi.

Exhibit E/15

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

c. Principles of consolidation (Continued)

When the Company and subsidiaries has less than majority of the voting rights or similar rights to an *investee*, the Company and subsidiaries considers all relevant facts and circumstances in assessing whether it has power over an *investee*, including:

- the contractual arrangement with the other vote holders of the *investee*;
- rights arising from other contractual arrangements; and
- voting rights of the Company and subsidiaries and potential voting rights.

The Company and subsidiaries re-assesses whether or not it controls an *investee* if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date control is transferred to the Company and subsidiaries and cease to be consolidated from the date control is transferred out of the Company and subsidiaries. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of income from the date the Company and subsidiaries gains control until the date the Company and subsidiaries ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Company and subsidiaries and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with accounting policies of the Company and subsidiaries. All intra-Company and subsidiaries assets and liabilities, equity, income expenses and cash flows relating to transactions between members of the Company and subsidiaries are eliminated in full on consolidation.

Ekshibit E/16

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

c. Prinsip-prinsip konsolidasian (Lanjutan)

Jika kehilangan pengendalian atas suatu entitas anak, maka Perusahaan dan entitas anak:

- menghentikan pengakuan aset (termasuk setiap *goodwill*) dan liabilitas entitas anak;
- menghentikan pengakuan jumlah tercatat setiap KNP;
- menghentikan pengakuan akumulasi selisih penjabaran, yang dicatat di ekuitas, bila ada;
- mengakui nilai wajar pembayaran yang diterima;
- mengakui setiap sisa investasi pada nilai wajarnya;
- mengakui setiap perbedaan yang dihasilkan sebagai keuntungan atau kerugian dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian; dan
- mereklasifikasi bagian induk atas komponen yang sebelumnya diakui sebagai penghasilan komprehensif ke laporan laba rugi dan penghasilan komprehensif lain konsolidasian, atau mengalihkan secara langsung ke saldo laba.

Perubahan dalam bagian kepemilikan entitas induk pada entitas anak yang tidak mengakibatkan hilangnya pengendalian dicatat sebagai transaksi ekuitas. Ketika pengendalian atas entitas anak hilang, bagian kepemilikan yang tersisa di entitas tersebut diukur kembali pada nilai wajarnya dan keuntungan atau kerugian yang dihasilkan diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Kepentingan Non-Pengendali ("KNP") mencerminkan bagian atas laba rugi dan aset bersih dari entitas anak yang tidak dapat diatribusikan secara langsung maupun tidak langsung oleh Perusahaan, yang masing-masing disajikan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian dan dalam ekuitas pada laporan posisi keuangan konsolidasian, terpisah dari bagian yang dapat diatribusikan kepada pemilik entitas induk.

Exhibit E/16

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

c. Principles of consolidation (Continued)

In case of loss of control over a subsidiary, the Company and subsidiaries:

- *derecognizes the assets (including goodwill) and liabilities of the subsidiary;*
- *derecognizes the carrying amount of any NCI;*
- *derecognizes the cumulative translation differences, recorded in equity, if any;*
- *recognizes the fair value of the consideration received;*
- *recognizes the fair value of any investment retained;*
- *recognizes the surplus or deficit in profit or loss in consolidated statement of profit or loss and other comprehensive income; and*
- *reclassifies the parent's share of components previously recognized in comprehensive income to consolidated statement of profit or loss and other comprehensive income or retained earnings, as appropriate.*

Changes in the parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for as equity transactions. When control over a previous subsidiary is lost, any remaining interest in the entity is remeasured at fair value and the resulting gain or loss is recognised in consolidated statement of profit or loss and other comprehensive income.

Non-Controlling Interest ("NCI") represents the portion of the profit or loss and net assets of the subsidiary attributable to equity interests that are not owned directly or indirectly by the Company, which is presented in the consolidated statement of comprehensive income and under the equity section of the consolidated statement of financial position, respectively, separately from the corresponding portion attributable to the equity holders of the parent company.

Ekshibit E/17

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

d. Kombinasi bisnis

Ketika Perusahaan dan entitas anak melakukan akuisisi atas sebuah bisnis, Perusahaan dan entitas anak mengklasifikasikan dan menentukan aset keuangan yang diperoleh dan liabilitas keuangan yang diambil alih berdasarkan pada persyaratan kontraktual, kondisi ekonomi dan kondisi terkait lain yang ada pada tanggal akuisisi. Hal ini termasuk pengelompokan derivatif melekat dalam kontrak utama oleh pihak yang diakuisisi.

Kombinasi bisnis dicatat dengan menggunakan metode akuisisi (*acquisition method*). Biaya perolehan dari sebuah akuisisi diukur pada nilai agregat imbalan yang dialihkan, diukur pada nilai wajar pada tanggal akuisisi dan jumlah setiap KNP pada pihak yang diakuisisi. Untuk setiap kombinasi bisnis, pihak pengakuisisi mengukur KNP pada entitas yang diakuisisi baik pada nilai wajar ataupun pada proporsi kepemilikan KNP atas aset bersih yang teridentifikasi dari entitas yang diakuisisi. Biaya-biaya akuisisi yang timbul dibebankan langsung dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Jika imbalan tersebut kurang dari nilai wajar aset bersih entitas anak yang diakuisisi, selisih tersebut diakui sebagai keuntungan dari pembelian dengan diskon pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian. Sebelum mengakui keuntungan dari pembelian dengan diskon, Perusahaan menilai kembali apakah telah mengidentifikasi dengan tepat seluruh aset yang diperoleh dan liabilitas yang diambil-alih serta mengakui setiap aset atau liabilitas tambahan yang dapat diidentifikasi dalam pengkajian kembali tersebut. Perusahaan selanjutnya mengkaji kembali prosedur yang digunakan untuk mengukur jumlah yang dipersyaratkan untuk diakui pada tanggal akuisisi untuk seluruh hal-hal berikut ini:

- aset teridentifikasi yang diperoleh dan liabilitas yang diambil-alih;
- kepentingan non-pengendali pada pihak yang diakuisisi, jika ada;
- untuk kombinasi bisnis yang dilakukan secara bertahap, kepentingan ekuitas pihak pengakuisisi yang dimiliki sebelumnya pada pihak yang diakuisisi; dan
- imbalan yang dialihkan.

Tujuan dari kajian kembali ini untuk meyakinkan bahwa pengukuran tersebut telah mencerminkan dengan tepat semua informasi yang tersedia pada tanggal akuisisi.

Exhibit E/17

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

d. Business combination

When the Company and subsidiaries acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any NCI in the acquiree. For each business combination, the acquirer measures the NCI in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are directly expensed in the consolidated statement of profit or loss and other comprehensive income.

If the consideration is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized as a gain from a bargain purchase in the consolidated statement of profit or loss and other comprehensive income. Prior to recognizing the gain from the bargain purchase, the Company reassesses whether it has correctly identified all of the assets acquired and liabilities taken over and recognizes any additional assets or liabilities that may be identified in the reassessment. The Company further reviews the procedures used to measure the amount required to be recognized at the acquisition date for all of the following:

- identifiable assets acquired and liabilities taken over;
- non-controlling interests of the acquired party, if any;
- for business combinations achieved in stages, the acquirer's previously held equity interests in the acquired party, and
- consideration transferred.

The purpose of the review is to ensure that the remeasurement accurately reflects all the information available at the acquisition date.

Ekshibit E/18

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

d. Kombinasi bisnis (Lanjutan)

Imbalan kontinjensi yang dialihkan oleh pihak pengakuisisi diakui pada nilai wajar tanggal akuisisi. Perubahan nilai wajar atas imbalan kontinjensi setelah tanggal akuisisi yang diklasifikasikan sebagai aset atau liabilitas, akan diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian atau penghasilan komprehensif lain sesuai dengan PSAK 55 (Revisi 2014). Jika diklasifikasikan sebagai ekuitas, imbalan kontinjensi tidak diukur kembali dan Penyelesaian selanjutnya diperhitungkan dalam ekuitas.

Dalam suatu kombinasi bisnis yang dilakukan secara bertahap, pihak pengakuisisi mengukur kembali kepentingan ekuitas yang dimiliki sebelumnya pada pihak yang diakuisisi pada nilai wajar tanggal akuisisi dan mengakui keuntungan atau kerugian yang dihasilkan melalui laporan laba atau rugi.

Pada tanggal akuisisi, *goodwill* awalnya diukur pada biaya perolehan yang merupakan selisih lebih nilai agregat dari imbalan yang dialihkan dan jumlah setiap KNP atas selisih jumlah dari aset teridentifikasi yang diperoleh dan liabilitas yang diambil alih. Jika imbalan tersebut kurang dari nilai wajar aset bersih entitas anak yang diakuisisi, selisih tersebut diakui sebagai laba atau rugi.

Setelah pengakuan awal, *goodwill* diukur pada jumlah tercatat dikurangi akumulasi kerugian penurunan nilai. Untuk tujuan uji penurunan nilai, *goodwill* yang diperoleh dari suatu kombinasi bisnis, sejak tanggal akuisisi dialokasikan kepada setiap Unit-Penghasil Kas ("UPK") dari Perusahaan dan entitas anak yang diharapkan akan bermanfaat dari sinergi kombinasi tersebut, terlepas dari apakah aset atau liabilitas lain dari pihak yang diakuisisi ditetapkan atas UPK tersebut.

Jika *goodwill* telah dialokasikan pada suatu UPK dan operasi tertentu atas UPK tersebut dihentikan, maka *goodwill* yang diasosiasikan dengan operasi yang dihentikan tersebut termasuk dalam jumlah tercatat operasi tersebut ketika menentukan keuntungan atau kerugian dari penjualan operasi. *Goodwill* yang dilepaskan tersebut diukur berdasarkan nilai relatif operasi yang dihentikan dan porsi UPK yang ditahan.

Exhibit E/18

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

d. Business combination (Continued)

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized in accordance with PSAK 55 (Revised 2014) either in consolidated statement of profit or loss and other comprehensive income or as other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

In a business combination achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date through profit or loss.

At acquisition date, goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for NCI over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated from the acquisition date, to each Cash-Generating Units ("CGU") of the Company and subsidiaries that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquirer are assigned to those CGUs.

Where goodwill forms part of a CGU and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Ekshibit E/19

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

e. Penjabaran mata uang asing

Transaksi dalam mata uang asing dicatat berdasarkan kurs yang berlaku pada saat terjadinya transaksi. Pada tanggal laporan posisi keuangan konsolidasian, aset dan liabilitas moneter dalam mata uang asing disesuaikan ke dalam Rupiah untuk mencerminkan kurs tengah Bank Indonesia pada tanggal tersebut. Jika ada keuntungan atau kerugian akan dikreditkan atau dibebankan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian pada tahun berjalan.

Laba rugi kurs yang terjadi dikreditkan atau dibebankan pada operasi tahun berjalan, kecuali rugi kurs yang dikapitalisasi.

Pembukuan akun TBG Global Pte. Ltd., entitas anak (Catatan 1c), dilakukan di dalam mata uang selain Rupiah. Untuk tujuan penyajian Laporan keuangan konsolidasian, aset dan liabilitas entitas anak pada tanggal laporan posisi keuangan konsolidasian, dijabarkan ke dalam mata uang Rupiah dengan menggunakan kurs nilai tukar pada tanggal laporan posisi keuangan konsolidasian, sementara laporan laba rugi dan penghasilan komprehensif lain konsolidasian dijabarkan dengan menggunakan kurs nilai tukar tahun yang bersangkutan. Hasil penyesuaian penjabaran ditampilkan sebagai bagian ekuitas sebagai "Selisih Translasi atas Mata Uang Asing".

Pada tanggal 31 Desember 2018, 2017 dan 2016 kurs tengah yang digunakan untuk US\$ 1 masing-masing adalah Rp 14.481, Rp 13.548 dan Rp 13.436 (nilai penuh).

f. Aset dan liabilitas keuangan dan instrumen ekuitas

Perusahaan dan entitas anak mengakui aset keuangan atau liabilitas keuangan dalam laporan posisi keuangan konsolidasian, jika dan hanya jika, Perusahaan dan entitas anak menjadi salah satu pihak dalam ketentuan kontrak instrumen keuangan tersebut.

1. Aset keuangan

Aset keuangan diklasifikasikan sebagai aset keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi, pinjaman yang diberikan dan piutang, investasi dimiliki hingga jatuh tempo, aset keuangan tersedia untuk dijual, atau sebagai derivatif yang ditetapkan sebagai instrumen lindung nilai dalam lindung nilai yang efektif.

Perusahaan dan entitas anak menentukan klasifikasi aset keuangannya pada saat pengakuan awalnya, sepanjang diperbolehkan, mengevaluasi penentuan klasifikasi aset keuangan pada setiap akhir tahun.

Exhibit E/19

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

e. Foreign currency translations

Transactions involving foreign currencies are recorded at the rates prevailing at the time the transactions are made. At the consolidated statement of financial position date, monetary assets and liabilities denominated in foreign currencies are adjusted to Rupiah to reflect Bank Indonesia's middle rate on the said date. Any resulting gains or losses are credited or charged to the consolidated statement of profit or loss and other comprehensive income for the current year.

Foreign exchange gains and losses are credited or charged to operations for the year, except for capitalized foreign exchange losses.

The accounting of TBG Global Pte. Ltd., a subsidiary (Note 1c), is maintained in currency other than Rupiah. For presentation purposes of the consolidated financial statements, assets and liabilities of the subsidiaries at consolidated statements of financial position date are translated into Rupiah using the exchange rates at consolidated financial position date, while consolidated statements of profit or loss and other comprehensive income are translated at the average rates of exchange for the respective year. Resulting translation adjustments are shown as part of equity as "Difference from Translation of Foreign Currency".

On 31 December 2018, 2017 and 2016 the exchange rates per US\$ 1 equivalents to Rp 14,481, Rp 13,548 and Rp 13,436 (full amount), respectively.

f. Financial assets and liabilities and equity instruments

The Company and subsidiaries recognized financial assets or financial liabilities in consolidated statement of financial position, when and only when, the Company and subsidiaries become party to contractual provision of the financial instrument.

1. Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge.

The Company and subsidiaries determine the classification of its financial assets at initial recognition, and when allowed, reevaluates the classification of such financial assets at each year-end.

Ekshibit E/20

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

1. Aset keuangan (Lanjutan)

Aset keuangan yang diukur pada nilai wajar melalui
laporan laba atau rugi

Kategori ini meliputi aset keuangan “yang dimiliki untuk diperdagangkan” dan aset keuangan yang ditetapkan pada nilai wajar melalui laporan laba rugi pada awal penentuan. Suatu aset keuangan diklasifikasikan sebagai dimiliki untuk dijual apabila secara prinsip diperoleh untuk tujuan dijual dalam jangka pendek. Aset keuangan yang ditetapkan pada nilai wajar melalui laporan laba rugi pada saat penetapan awal adalah aset keuangan yang dikelola, dan kinerjanya dievaluasi berdasarkan nilai wajar, sesuai dengan suatu strategi investasi yang terdokumentasi. Derivatif juga dikategorikan sebagai investasi yang dimiliki untuk tujuan diperdagangkan, kecuali ditetapkan sebagai lindung nilai efektif. Aset keuangan, yang diukur pada nilai wajar melalui laporan laba rugi diukur pada nilai wajar, dan segala perubahan nilai wajar diakui pada laporan laba rugi.

Perusahaan dan entitas anak memiliki aset keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi berupa aset keuangan derivatif.

Pinjaman yang diberikan dan piutang

Pinjaman yang diberikan dan piutang adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan, yang tidak mempunyai kuotasi di pasar aktif.

Setelah pengakuan awal, aset keuangan tersebut dicatat pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif (*effective interest rate method*), dimana metode yang digunakan untuk menghitung biaya perolehan yang diamortisasi dari aset keuangan atau liabilitas keuangan (atau grup aset keuangan atau liabilitas keuangan) dan alokasi pendapatan bunga atau biaya bunga melebihi tahun yang bersangkutan. Keuntungan dan kerugian terkait diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian pada saat pinjaman yang diberikan dan piutang dihentikan pengakuannya atau mengalami penurunan nilai, demikian juga melalui proses amortisasi.

Exhibit E/20

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

1. Financial assets (Continued)

Financial assets measured at fair value through
profit or loss

This category includes financial assets “held for trading” and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Financial assets designated at fair value through profit or loss at inception are those that are managed, and their performance evaluated on a fair value basis, in accordance with a documented investment strategy. Derivatives are also categorized as held for trading, unless they are designated as effective hedges. Financial assets, at fair value through profit or loss are measured at fair value, and any fair value changes are recognized in profit or loss.

Financial assets of the Company and subsidiaries measured at fair value through profit or loss include derivative financial assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market.

After initial recognition, such financial assets are recorded at amortized cost using the effective interest rate method, which is the method used for calculating the amortized cost of a financial asset or financial liability (or group of financial assets or financial liabilities) and the allocation interest income or interest expense in future years. Gains and losses are recognized in the consolidated statement of profit or loss and other comprehensive income when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Ekshibit E/21

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

1. Aset keuangan (Lanjutan)

Pinjaman yang diberikan dan piutang (Lanjutan)

Perusahaan dan entitas anak memiliki pinjaman yang diberikan dan piutang berupa kas dan setara kas, pendapatan yang masih harus diterima, piutang usaha, piutang lain-lain, uang jaminan dan aset lain-lain.

Investasi dimiliki hingga jatuh tempo

Aset keuangan dimiliki sampai jatuh tempo (*held-to-maturity*) merupakan aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan dengan jatuh tempo tetap di mana manajemen Perusahaan dan entitas anak memiliki tujuan dan kemampuan positif untuk memiliki investasi sampai jatuh tempo.

Investasi dimiliki sampai jatuh tempo diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif, dikurangi segala kerugian penurunan nilai. Keuntungan dan kerugiannya diakui di dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian pada saat investasi dimiliki sampai jatuh tempo dihentikan pengakuannya atau mengalami penurunan nilai, sebagaimana halnya melalui proses amortisasi.

Perusahaan dan entitas anak tidak memiliki investasi dimiliki hingga jatuh tempo pada tanggal 31 Desember 2018, 2017 dan 2016.

Aset keuangan tersedia untuk dijual

Aset keuangan tersedia untuk dijual (*available-for-sale*) adalah aset keuangan non-derivatif yang ditetapkan sebagai tersedia untuk dijual atau yang tidak diklasifikasikan dalam dua kategori sebelumnya. Setelah pengukuran awal, aset keuangan tersedia untuk dijual diukur dengan nilai wajar dengan keuntungan atau kerugian yang belum terealisasi diakui dalam ekuitas sampai investasi tersebut dihentikan pengakuannya. Pada saat itu, keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam ekuitas akan direklasifikasi ke laporan laba rugi dan penghasilan komprehensif lain konsolidasian sebagai penyesuaian reklasifikasi.

Perusahaan dan entitas anak memiliki aset keuangan tersedia untuk dijual berupa investasi.

Exhibit E/21

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

1. Financial assets (Continued)

Loans and receivables (Continued)

Loans and receivables of the Company and subsidiaries include cash and cash equivalents, accrued revenue, trade receivables, other receivables, refundable deposits and other asset.

Held-to-maturity investment

Financial assets held-to-maturity are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management of the Company and subsidiaries has the positive intention and ability to hold the investment to maturity.

Held-to-maturity investments are measured at amortized cost using the effective interest rate method, less any impairment losses. Gains and losses are recognized in consolidated statement of profit or loss and other comprehensive income when the held-to-maturity investments are derecognized or impaired, as well as through the amortization process.

The Company and subsidiaries has no held-to-maturity investments as of 31 December 2018, 2017 and 2016.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets designated as available-for-sale or not classified in the two previous categories. After initial measurement, available-for-sale financial assets are measured at fair value with unrealized gains or losses recognized in equity until the investment is derecognized. At that time, the cumulative gain or loss previously recognized in equity will be reclassified to consolidated statement of profit or loss and other comprehensive income as a reclassification adjustment.

Available-for-sale financial assets of the Company and subsidiaries include investments.

Ekshibit E/22

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

2. Liabilitas keuangan dan instrumen ekuitas

Instrumen utang dan ekuitas dikelompokkan sebagai liabilitas keuangan atau sebagai ekuitas sesuai dengan substansi pengaturan kontraktual.

Liabilitas keuangan diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi dan liabilitas keuangan lainnya. Perusahaan dan entitas anak menentukan klasifikasi liabilitas keuangan pada saat pengakuan awal.

Instrumen ekuitas

Instrumen ekuitas adalah setiap kontrak yang memberikan hak residual atas aset suatu entitas setelah dikurangi dengan seluruh liabilitasnya. Instrumen ekuitas yang diterbitkan oleh Perusahaan dan entitas anak akan dicatat sebesar jumlah yang diperoleh, setelah dikurangi dengan biaya emisi langsung.

Sebuah instrumen merupakan instrumen ekuitas jika, dan hanya jika, kedua kondisi (i) dan (ii) di bawah ini terpenuhi:

- (i) Instrumen tersebut tidak memiliki liabilitas kontraktual:
 - (a) Untuk memberikan kas atau aset keuangan lainnya kepada entitas lain; atau
 - (b) Untuk menukar aset keuangan atau liabilitas keuangan dengan entitas lain dalam kondisi yang tidak menguntungkan bagi penerbit.
- (ii) Jika instrumen akan atau dapat diselesaikan oleh penerbit yang memiliki instrumen ekuitas, apabila instrumen itu:
 - (a) Non-derivatif yang tidak memiliki liabilitas kontraktual terhadap penerbit untuk memberikan sejumlah variabel terhadap instrumen ekuitas pemilik; atau
 - (b) Derivatif yang akan diselesaikan oleh penerbit hanya dengan menukarkan sejumlah uang tunai atau aset keuangan lainnya untuk sejumlah instrumen ekuitas pemilik. Untuk kepentingan ini, instrumen ekuitas milik penerbit tidak meliputi instrumen yang terikat kontrak untuk penerimaan di masa mendatang atau pengiriman instrumen ekuitas milik penerbit.

Exhibit E/22

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

2. Financial liabilities and equity instruments

Debt and equity instruments are classified as financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities are classified as financial liabilities measured at fair value through profit or loss and other financial liabilities. The Company and subsidiaries determines the classification of financial liabilities at initial recognition.

Equity instruments

An equity instrument is any contract that gives the right to the residual assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company and subsidiaries will be recorded at the amounts received, after deducting direct issuance costs.

An instrument is an equity instrument if, and only if, both conditions (i) and (ii) below are met:

- (i) The instrument does not have a contractual liabilities:
 - (a) To deliver cash or another financial asset to another entity; or
 - (b) To exchange financial assets or financial liability with another entity under conditions that are not profitable for issuers.
- (ii) If the instrument will or may be settled by the issuer which has an equity instrument, an instrument that:
 - (a) Non-derivatives that have no contractual liabilities to the issuer to deliver a variable number of owner's equity instruments; or
 - (b) Derivatives that will be completed by the issuer only in exchange for some cash or another financial asset for a number of owner's equity instruments. For this purpose, the instrument does not include the issuer's equity instruments that are under contract for the future receipt or delivery of issuer's equity instruments.

Ekshibit E/23

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

2. Liabilitas keuangan dan instrumen ekuitas (Lanjutan)

Instrumen ekuitas (Lanjutan)

Instrumen keuangan majemuk, seperti obligasi atau instrumen konversi sejenis yang diubah menjadi sejumlah saham biasa oleh pemegangnya, diklasifikasikan secara terpisah sebagai liabilitas keuangan dan ekuitas sesuai dengan materi dalam perjanjian kontraktual. Pada tanggal penerbitan instrumen keuangan majemuk, nilai wajar dari komponen liabilitas diestimasi menggunakan tingkat suku bunga pasar yang berlaku untuk instrumen non-konversi yang sejenis. Jumlah ini dicatat sebagai liabilitas atas dasar biaya perolehan yang diamortisasi dengan menggunakan metode suku bunga efektif sampai dengan pelaksanaan konversi atau pada tanggal jatuh tempo instrumen. Komponen ekuitas ditentukan dengan mengurangi jumlah komponen liabilitas dari nilai wajar instrumen keuangan majemuk secara keseluruhan. Jumlah ini diakui dan dimasukkan ke dalam ekuitas, setelah dikurangi dengan efek pajak penghasilan, dan tidak diperhitungkan kembali.

Instrumen ekuitas Perusahaan dan entitas anak meliputi modal saham.

Liabilitas keuangan

(i) Liabilitas keuangan diukur melalui laporan laba atau rugi

Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi termasuk liabilitas keuangan untuk diperdagangkan dan liabilitas keuangan yang ditetapkan pada saat pengakuan awal untuk diukur pada nilai wajar melalui laporan laba atau rugi.

Liabilitas keuangan diklasifikasikan sebagai kelompok diperdagangkan jika mereka diperoleh untuk tujuan dijual kembali dalam waktu dekat. Liabilitas derivatif juga diklasifikasikan sebagai kelompok diperdagangkan kecuali derivatif yang ditetapkan sebagai instrumen lindung nilai yang efektif. Aset dan liabilitas keuangan diukur pada nilai wajar melalui laporan laba atau rugi dicatat pada laporan posisi keuangan konsolidasian pada nilai wajar dengan pengakuan keuntungan atau kerugian pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Perusahaan dan entitas anak tidak memiliki liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi pada tanggal 31 Desember 2018, 2017 dan 2016.

Exhibit E/23

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

2. Financial liabilities and equity instruments
(Continued)

Equity instruments (Continued)

Compound financial instruments, such as convertible bonds or similar instruments convertible into a number of common shares by the holder, are classified separately as financial liabilities and equity in accordance with the substance of the contractual agreement. On the date of issuance of a compound financial instrument, the fair value of the liability component is estimated using market interest rates applicable to similar non-convertible instruments. This amount is recorded as a liability on the basis of amortized cost using the effective interest rate method until the conversion or execution on the maturity date of the instrument. The equity component is determined by deducting the liability component from the fair value of the compound financial instrument taken as a whole. This amount is recognized and included in equity, net of income tax effects, and not recomputed.

Equity instruments of the Company and subsidiaries include share capital.

Financial liabilities

(i) Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include the financial liabilities held for trading and liabilities designated upon initial recognition at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of resale in the near future. Derivative liabilities are also classified as held for trading unless the derivatives are designated as effective hedging instruments. Financial assets and financial liabilities at fair value through profit or loss are recorded in the consolidated statement of financial position at fair value with gains or losses recognized in the consolidated statement of profit or loss and other comprehensive income.

The Company and subsidiaries has no financial liabilities measured at fair value through profit or loss as of 31 December 2018, 2017 and 2016.

Ekshibit E/24

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

2. Liabilitas keuangan dan instrumen ekuitas (Lanjutan)

Liabilitas keuangan (Lanjutan)

(ii) Liabilitas keuangan lainnya

Kategori ini berhubungan dengan liabilitas keuangan yang tidak dimiliki untuk diperdagangkan atau diukur pada nilai wajar melalui keuntungan atau kerugian pada saat pengakuan liabilitas awal. Termasuk dalam liabilitas yang berasal dari operasi atau pinjaman dan utang.

Liabilitas keuangan lainnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Pada tanggal laporan posisi keuangan konsolidasian, beban bunga masih harus dibayar dicatat secara terpisah dari pokok pinjaman terkait dalam bagian liabilitas lancar. Keuntungan dan kerugian diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian ketika liabilitas dihentikan pengakuannya serta melalui proses amortisasi menggunakan metode suku bunga efektif.

Perusahaan dan entitas anak memiliki liabilitas keuangan lainnya berupa utang usaha, utang lain-lain, beban masih harus dibayar, pinjaman jangka panjang dan surat utang.

3. Pengakuan

Pada pengakuan awal, aset atau liabilitas keuangan diukur pada nilai wajar, kecuali untuk aset dan liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi, ditambah atau dikurangi dengan biaya transaksi yang secara langsung dapat dibagikan untuk perolehan dari aset atau liabilitas keuangan tersebut. Pengukuran dari aset dan liabilitas keuangan tersebut bergantung pada klasifikasi dari aset dan liabilitas keuangan.

4. Nilai wajar

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayarkan untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran. Pengukuran nilai wajar mengasumsikan bahwa transaksi untuk menjual aset atau mengalihkan liabilitas terjadi:

Exhibit E/24

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

2. Financial liabilities and equity instruments
(Continued)

Financial liabilities (Continued)

(ii) Other financial liabilities

This category pertains to financial liabilities that are not held for trading or designated as fair value through profit or loss upon the inception of the liability. This includes liabilities arising from operations or loans and borrowings.

Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. On the consolidated statement of financial position date, accrued interest is recorded separately from the principal involved in the current liabilities. Gains and losses are recognized in consolidated statement of profit or loss and other comprehensive income when the liability is derecognized, as well as through the amortization using the effective interest rate method.

The Company and subsidiaries has other financial liabilities consisting of trade payables, other payables, accrued expenses, long-term loan and notes.

3. Recognition

At initial recognition, financial assets or liabilities are measured at fair value, except for financial assets and liabilities measured at fair value through profit or loss, plus or minus the transaction costs that are directly attributable to the acquisition of financial assets or issuance of financial liabilities. The subsequent measurement of financial assets and liabilities depends on the classification of financial assets and liabilities.

4. Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell or transfer the liability takes place either:

Ekshibit E/25

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

**f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)**

4. Nilai wajar (Lanjutan)

- di pasar utama untuk aset dan liabilitas tersebut; atau
- jika terdapat pasar utama, di pasar yang paling menguntungkan untuk aset dan liabilitas tersebut

Pasar utama atau pasar yang paling menguntungkan harus dapat diakses oleh Perusahaan dan entitas anak.

Nilai wajar suatu aset atau liabilitas menggunakan asumsi yang akan digunakan pelaku pasar ketika menentukan harga aset atau liabilitas tersebut, dengan asumsi bahwa pelaku pasar bertindak dalam kepentingan ekonomi terbaiknya.

Pengukuran nilai wajar aset non-keuangan memperhitungkan kemampuan pelaku pasar untuk menghasilkan manfaat ekonomik dengan menggunakan aset dalam penggunaan tertinggi dan terbaiknya atau dengan menjualnya kepada pelaku pasar lain yang akan menggunakan aset tersebut dalam penggunaan tertinggi dan terbaiknya.

Perusahaan dan entitas anak menggunakan teknik penilaian yang sesuai dalam keadaan dan dimana data yang memadai tersedia untuk mengukur nilai wajar, memaksimalkan penggunaan input yang dapat diobservasi yang relevan dan meminimalkan penggunaan input yang tidak dapat diobservasi.

PSAK 68 mensyaratkan pengungkapan tertentu yang mensyaratkan klasifikasi aset keuangan dan liabilitas keuangan yang diukur pada nilai wajar dengan menggunakan hirarki nilai wajar yang mencerminkan signifikansi input yang digunakan di dalam melakukan pengukuran nilai wajar. Hirarki nilai wajar memiliki tingkatan sebagai berikut:

- Tingkat 1: Harga kuotasian (tidak disesuaikan) dalam pasar aktif untuk aset atau liabilitas yang identik
- Tingkat 2: Input selain harga kuotasian yang termasuk dalam Tingkat 1 yang dapat diobservasi untuk aset atau liabilitas, baik secara langsung (misalnya harga) atau secara tidak langsung (misalnya derivasi dari harga)
- Tingkat 3: Input untuk aset atau liabilitas yang bukan berdasarkan data pasar yang dapat diobservasi (input yang tidak dapat diobservasi)

Exhibit E/25

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**f. Financial assets and liabilities and equity instruments
(Continued)**

4. Fair value (Continued)

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company and subsidiaries.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company and subsidiaries uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

PSAK 68 requires certain disclosures which require the classification of financial assets and financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in measuring fair value. Fair value hierarchy has the following levels:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than market quotations included within Level 1 that are observable for the asset or liability, either directly (eg, prices) or indirectly (for example, derivatives prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Ekshibit E/26

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

**f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)**

4. Nilai wajar (Lanjutan)

Untuk aset dan kewajiban yang diakui dalam laporan keuangan secara berulang, Perusahaan dan entitas anak menentukan apakah transfer telah terjadi antara Tingkat dalam hirarki dengan menilai kembali kategorisasi (berdasarkan masukan tingkat terendah yang signifikan terhadap pengukuran nilai wajar secara keseluruhan) pada akhir setiap tahun pelaporan.

Nilai wajar instrumen keuangan yang diperdagangkan dalam pasar aktif pada tanggal laporan didasarkan pada harga kuotasi atau kuotasi harga pedagang efek yang mengikat (harga penawaran untuk jangka panjang dan harga permintaan untuk jangka pendek), tanpa adanya pengurangan untuk biaya transaksi. Sekuritas didefinisikan dalam pencatatan ini sebagai "terdaftar" diperjualbelikan dalam pasar aktif. Dimana Perusahaan dan entitas anak memiliki aset dan liabilitas keuangan dengan posisi saling hapus dalam risiko pasar atau risiko kredit pihak ketiga, telah memilih untuk menggunakan pengukuran pengecualian untuk mengukur nilai wajar atas eksposur risiko bersihnya dengan menerapkan harga penawaran atau permintaan ke posisi pembukaan bersih yang sesuai. Untuk seluruh instrumen keuangan lain yang tidak diperdagangkan dalam pasar aktif, nilai wajar ditentukan dengan menggunakan teknik valuasi yang dianggap tepat dan sesuai kondisi. Teknik penilaian termasuk pendekatan pasar (misalnya menggunakan transaksi *arm's length* yang disesuaikan seperlunya dan mengacu pada nilai pasar instrumen lain yang sama secara substansial) dan pendekatan pendapatan (misalnya analisis arus kas diskonto dan opsi model penentuan harga membuat penggunaan data pasar yang tersedia dan mendukung yang memungkinkan).

Seluruh aset dan liabilitas yang nilai wajarnya dinilai dan diungkapkan dalam Laporan keuangan konsolidasian dikategorikan dalam hirarki nilai wajar.

Untuk tujuan pengungkapan nilai wajar, Perusahaan dan entitas anak menentukan kelas aset dan liabilitas yang sesuai dengan dasar sifat, karakteristik dan risiko aset atau liabilitas dan level hirarki nilai wajar seperti yang dijelaskan di atas.

Exhibit E/26

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**f. Financial assets and liabilities and equity instruments
(Continued)**

4. Fair value (Continued)

For assets and liabilities that are recognized in the financial statement on a recurring basis, the Company and subsidiaries determines whether transfers have occurred between Levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or binding dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. Securities defined in these accounts as "listed" are traded in an active market. Where the Company and subsidiaries has financial assets and financial liabilities with offsetting positions in market risks or counterparty credit risk, it has elected to use the measurement exception to measure the fair value of its net risk exposure by applying the bid or ask price to the net open position as appropriate. For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy.

For the purpose of the fair value disclosures, the Company and subsidiaries has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Ekshibit E/27

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

**f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)**

5. Pengukuran biaya perolehan diamortisasi

Biaya perolehan diamortisasi dari aset dan liabilitas keuangan adalah jumlah aset atau liabilitas keuangan yang diukur pada saat pengakuan awal dikurangi pembayaran pokok, ditambah atau dikurangi dengan amortisasi kumulatif dengan menggunakan metode suku bunga efektif yang dihitung dari selisih antara nilai awal dan nilai jatuh temponya, dan dikurangi penyisihan kerugian penurunan nilai.

6. Penurunan nilai dari aset keuangan

Pada setiap tanggal laporan posisi keuangan konsolidasian, Perusahaan dan entitas anak mengevaluasi apakah terdapat bukti yang obyektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai. Aset keuangan atau kelompok aset keuangan diturunkan nilainya dan kerugian penurunan nilai telah terjadi hanya jika terdapat bukti yang obyektif mengenai penurunan nilai tersebut sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset tersebut (peristiwa yang merugikan), dan peristiwa yang merugikan tersebut berdampak pada estimasi arus kas masa depan atas aset keuangan atau kelompok aset keuangan yang dapat diestimasi secara handal.

Perusahaan dan entitas anak pertama kali menentukan apakah terdapat bukti obyektif penurunan nilai secara individual atas aset keuangan yang signifikan secara individual, dan secara individual atau kolektif untuk aset keuangan yang tidak signifikan secara individual.

Jika Perusahaan dan entitas anak menentukan tidak terdapat bukti obyektif mengenai penurunan nilai aset keuangan yang dinilai secara individual, terlepas aset keuangan tersebut signifikan atau tidak, maka Perusahaan dan entitas anak memasukkan aset tersebut ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang serupa dan menilai penurunan nilai kelompok tersebut secara kolektif. Aset yang penurunan nilainya dinilai secara individual, dan untuk itu kerugian penurunan nilai diakui atau tetap diakui, tidak termasuk dalam penilaian penurunan nilai secara kolektif.

Exhibit E/27

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**f. Financial assets and liabilities and equity instruments
(Continued)**

5. Amortized cost measurement

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal payments, plus or minus the cumulative amortization using the effective interest rate method, calculated from the difference between initial amount and maturity amount, minus any reduction for impairment.

6. Impairment of financial assets

At each consolidated statement of financial position date, the Company and subsidiaries assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events occurring subsequent to initial recognition of the asset (loss events), and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Company and subsidiaries considers whether there is objective evidence of impairment individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant.

If the Company and subsidiaries determines that no objective evidence of impairment of financial assets exists individually for an individually-assessed financial assets, regardless of whether the financial asset is significant or not, those financial assets will be assessed collectively in a group of financial assets that have similar credit risk characteristics. Assets that are individually assessed and for impairment or continues to be recognized, are not included in a collective assessment of impairment.

Ekshibit E/28

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

**f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)**

6. Penurunan nilai dari aset keuangan (Lanjutan)

Jumlah kerugian penurunan nilai atas aset keuangan yang penurunan nilainya dievaluasi secara individual diukur berdasarkan selisih antara nilai tercatat aset keuangan dengan nilai kini dari estimasi arus kas masa datang yang didiskontokan menggunakan tingkat suku bunga efektif awal dari aset keuangan tersebut. Nilai tercatat aset tersebut dikurangi melalui akun cadangan kerugian penurunan nilai dan beban kerugian diakui pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Arus kas masa datang dari kelompok aset keuangan yang penurunan nilainya dievaluasi secara kolektif, diestimasi berdasarkan arus kas kontraktual atas aset-aset di dalam kelompok tersebut dan kerugian historis yang pernah dialami atas aset-aset yang memiliki karakteristik risiko kredit yang serupa dengan karakteristik risiko kredit kelompok tersebut. Kerugian historis yang pernah dialami kemudian disesuaikan berdasarkan data terkini yang dapat diobservasi untuk mencerminkan kondisi saat ini yang tidak berpengaruh pada tahun terjadinya kerugian historis tersebut, dan untuk menghilangkan pengaruh kondisi yang ada pada tahun historis namun sudah tidak ada lagi pada saat ini.

7. Penghentian pengakuan

Perusahaan dan entitas anak menghentikan pengakuan aset keuangan pada saat hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut kadaluarsa atau Perusahaan dan entitas anak mentransfer seluruh hak untuk menerima arus kas kontraktual dari aset keuangan dalam transaksi di mana Perusahaan dan entitas anak secara substansial telah mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan yang ditransfer. Setiap hak atau liabilitas atas aset keuangan yang ditransfer yang timbul atau yang masih dimiliki oleh Perusahaan dan entitas anak diakui sebagai aset atau liabilitas secara terpisah.

Perusahaan dan entitas anak menghentikan pengakuan liabilitas keuangan pada saat liabilitas yang ditetapkan dalam kontrak dilepaskan, dibatalkan atau kadaluarsa.

Exhibit E/28

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**f. Financial assets and liabilities and equity instruments
(Continued)**

6. Impairment of financial assets (Continued)

The impairment loss of a financial asset which is assessed individually is measured as the difference between the carrying value of the financial asset and the present value of estimated future cash flows discounted using the effective interest rate at the beginning of the financial assets. The carrying amount of the asset is presented by deducting the allowance for impairment losses and the impairment loss is recognized in the consolidated statement of profit or loss and other comprehensive income.

Future cash flows of a group of financial asset that are collectively evaluated for impairment, are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the year in which the historical loss experience is based and to remove the effects of conditions in the historical year that do not exist currently.

7. Derecognition

The Company and subsidiaries derecognizes financial assets when the contractual rights of the cash flows arising from the financial assets expire or the Company and subsidiaries transfers all rights to receive contractual cash flows of financial assets in a transaction where the Company and subsidiaries has transferred substantially all the risks and rewards of ownership of financial assets. Any rights or obligations on the transferred financial assets that arise or are still owned by the Company and subsidiaries are recognized as assets or liabilities separately.

The Company and subsidiaries derecognizes financial liabilities when the obligation specified in the contract is released, canceled or expired.

Ekshibit E/29

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

**f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)**

7. Penghentian pengakuan (Lanjutan)

Dalam transaksi di mana Perusahaan dan entitas anak secara substansial tidak memiliki atau tidak mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan, Perusahaan dan entitas anak menghentikan pengakuan aset tersebut jika Perusahaan dan entitas anak tidak lagi memiliki pengendalian atas aset tersebut. Hak dan liabilitas yang timbul atau yang masih dimiliki dalam transfer tersebut diakui secara terpisah sebagai aset atau liabilitas.

Dalam transfer di mana pengendalian atas aset masih dimiliki, Perusahaan dan entitas anak tetap mengakui aset yang ditransfer tersebut sebesar keterlibatan yang berkelanjutan, dimana tingkat keberlanjutan Perusahaan dan entitas anak dalam aset yang ditransfer adalah sebesar perubahan nilai aset yang ditransfer.

8. Saling hapus

Aset keuangan dan liabilitas keuangan disalinghapuskan dan nilai bersihnya disajikan dalam laporan posisi keuangan konsolidasian jika, dan hanya jika, saat ini memiliki hak yang dapat dipaksakan secara hukum untuk melakukan saling hapus atas jumlah yang telah diakui tersebut dan Perusahaan dan entitas anak berintensitas untuk menyelesaikan secara bersih atau untuk merealisasikan aset dan menyelesaikan liabilitasnya secara simultan. Hal ini tidak umum terjadi dengan perjanjian induk untuk menyelesaikan secara bersih, dan aset dan kewajiban terkait disajikan sebesar nilai bruto dalam laporan posisi keuangan keuangan konsolidasian.

9. Instrumen keuangan derivatif

Derivatif adalah suatu instrumen keuangan atau kontrak lain dengan tiga karakteristik berikut ini:

- a) nilainya berubah sebagai akibat dari perubahan variabel yang telah ditentukan (sering disebut dengan variabel yang mendasari/*underlying*), antara lain: suku bunga, harga instrumen keuangan, harga komoditas, nilai tukar mata uang asing, indeks harga atau indeks suku bunga, peringkat kredit atau indeks kredit, atau variabel lainnya. Untuk variabel non-keuangan, variabel tersebut tidak berkaitan dengan pihak-pihak dalam kontrak

Exhibit E/29

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**f. Financial assets and liabilities and equity instruments
(Continued)**

7. Derecognition (Continued)

In transactions in which the Company and subsidiaries neither retains nor transfers substantially all the risks and rewards of ownership of financial assets, the Company and subsidiaries derecognizes the assets if they do not retain control over the assets. The rights and obligations retained in the transfer are recognized separately as assets and liabilities as appropriate.

In transfers in which control over the asset is retained, the Company and subsidiaries continues to recognize the assets to the extent of their continuing involvement, determined by the extent to which they are exposed to changes in the value of the transferred assets.

8. Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if and only if there is a currently legal right to offset the recognized amounts and the Company and subsidiaries intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented at gross amounts in the consolidated statement of financial position.

9. Derivative financial instruments

A derivative is a financial instrument or other contract with all three of the following characteristics:

- a) *its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the "underlying")*

Ekshibit E/30

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

**f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)**

9. Instrumen keuangan derivatif (Lanjutan)

- b) tidak memerlukan investasi awal bersih atau memerlukan investasi awal bersih dalam jumlah yang lebih kecil dibandingkan dengan jumlah yang diperlukan untuk kontrak serupa lainnya yang diharapkan akan menghasilkan dampak yang serupa sebagai akibat perubahan faktor pasar

- c) diselesaikan pada tanggal tertentu di masa mendatang.

Perusahaan dan entitas anak menggunakan instrumen keuangan derivatif, seperti kontrak forward mata uang, untuk melindungi nilai risiko mata uang asing yang berasal dari denominasi pinjaman dalam Dolar Amerika Serikat. Instrumen keuangan derivatif tersebut diakui pada nilai wajar pada tanggal dimana kontrak derivatif dibuat dan selanjutnya dinilai pada nilai wajar. Derivatif dicatat sebagai aset keuangan saat nilai wajar positif dan sebagai liabilitas keuangan saat nilai wajar negatif.

Laba rugi yang berasal dari perubahan nilai wajar derivatif dicatat langsung ke laporan laba rugi dan penghasilan komprehensif lain konsolidasian, kecuali untuk porsi efektif lindung nilai arus kas, yang diakui dalam penghasilan komprehensif lain.

Instrumen derivatif diklasifikasikan sebagai lancar dan tidak lancar berdasarkan penilaian fakta dan keadaan tertentu (seperti dasar arus kas kontraktual). Ketika Perusahaan dan entitas anak mempunyai derivatif sebagai lindung nilai ekonomi dan tidak diterapkan sebagai lindung nilai akuntansi untuk tahun diatas 12 bulan setelah tanggal pelaporan, derivatif diklasifikasikan sebagai tidak lancar.

Exhibit E/30

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**f. Financial assets and liabilities and equity instruments
(Continued)**

9. Derivative financial instruments (Continued)

- b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors

- c) it is settled at a future date.

The Company and subsidiaries uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks arising from US dollar (USD)-denominated loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to consolidated statement of profit or loss and other comprehensive income, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income.

Derivative instruments are classified as current or non-current based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows). When the the Company and subsidiaries will hold a derivative as an economic hedge and does not apply hedge accounting for a year beyond 12 months after the reporting date, the derivative is classified as non-current.

Ekshibit E/31

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

g. Transaksi dengan pihak-pihak berelasi

Suatu pihak dianggap berelasi dengan Perusahaan dan entitas anak jika:

- a) langsung atau tidak langsung melalui satu atau lebih perantara, suatu pihak (i) mengendalikan atau dikendalikan oleh, atau berada di bawah pengendalian bersama dengan Perusahaan dan entitas anak; (ii) memiliki kepentingan dalam Perusahaan dan entitas anak yang memberikan pengaruh signifikan atas Perusahaan dan entitas anak; atau (iii) memiliki pengendalian bersama atas Perusahaan dan entitas anak;
- b) suatu pihak yang berelasi dengan Perusahaan dan entitas anak;
- c) suatu pihak adalah ventura bersama dimana Perusahaan dan entitas anak sebagai *venture*;
- d) suatu pihak adalah anggota dari personil manajemen kunci Perusahaan dan entitas anak atau induk;
- e) suatu pihak adalah anggota keluarga dekat dengan individu yang diuraikan dalam butir (a) atau (d);
- f) suatu pihak adalah entitas yang dikendalikan, dikendalikan bersama atau dipengaruhi signifikan oleh atau untuk dimana hak suara signifikan pada beberapa entitas, langsung maupun tidak langsung, individu seperti diuraikan dalam butir (d) atau (e); atau
- g) suatu pihak adalah suatu program imbalan pasca-kerja untuk imbalan kerja dari Perusahaan dan entitas anak atau entitas lain yang terkait dengan Perusahaan dan entitas anak.

Transaksi ini dilakukan berdasarkan persyaratan yang disetujui oleh kedua belah pihak, dimana persyaratan tersebut mungkin tidak sama dengan transaksi lain yang dilakukan dengan pihak-pihak tidak berelasi.

Seluruh transaksi dan saldo yang material dengan pihak-pihak berelasi telah diungkapkan dalam catatan atas Laporan keuangan konsolidasian.

h. Kas dan setara kas

Kas dan setara kas merupakan bagian aset keuangan yang tidak digunakan sebagai jaminan atas pinjaman dan tidak dibatasi penggunaannya.

Exhibit E/31

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

g. Transactions with related parties

A party is considered to be related party to the Company and subsidiaries if:

- a) directly or indirectly through one or more intermediaries, the party (i) controls, or is controlled by, or is under common control with the Company and subsidiaries; (ii) has an interest in the Company and subsidiaries that gives significant influence over the Company and subsidiaries; or (iii) has joint control over the Company and subsidiaries;*
- b) the party is an associated of the Company and subsidiaries;*
- c) the party is a joint venture in which the Company and subsidiaries is a venturer;*
- d) the party is a member of the key management personnel of the Company and subsidiaries or its parent;*
- e) the party is a close member of the family of any individual referred to (a) or (d);*
- f) the party is an entity that is controlled, jointly controlled or significant influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to (d) or (e); or*
- g) the party is a post-employment benefits plan for the benefit or employees of the Company and subsidiaries, or any entity that is a related party of the Company and subsidiaries.*

The transactions are made based on the terms agreed by the parties, such term may not be the same as those transactions with unrelated parties.

All material transactions and balances with related parties are disclosed in the notes to the consolidated financial statements.

h. Cash and cash equivalents

Cash and cash equivalents are financial assets, which are not being as collateral of loan nor restricted for use.

Ekshibit E/32

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

i. Piutang

Piutang usaha dan piutang non-usaha pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode bunga efektif, apabila dampak pendiskontoan signifikan, dikurangi provisi atas penurunan nilai.

Kolektibilitas piutang usaha dan piutang non-usaha ditinjau secara berkala. Piutang yang diketahui tidak tertagih, dihapuskan dengan cara langsung mengurangi nilai tercatatnya. Akun penyisihan digunakan ketika terdapat bukti yang objektif bahwa Perusahaan dan entitas anak tidak dapat menagih seluruh jumlah piutang sesuai dengan persyaratan awal piutang.

Jumlah kerugian penurunan nilai diakui pada laporan laba rugi konsolidasian dan disajikan dalam "Penyisihan atas penurunan nilai piutang usaha".

j. Persediaan

Persediaan diakui sebesar nilai yang lebih rendah antara biaya perolehan dan nilai realisasi bersih (*the lower of cost or net realizable value*). Biaya perolehan ditentukan dengan menggunakan metode *first-in, first-out (FIFO) method*. Perusahaan dan entitas anak menentukan penyisihan persediaan usang berdasarkan hasil penelaahan terhadap keadaan persediaan pada akhir tahun.

k. Aset tetap

Aset tetap, kecuali menara telekomunikasi, dicatat dengan menggunakan model biaya yaitu biaya perolehan dikurangi akumulasi penyusutan dan akumulasi penurunan nilai aset, jika ada.

Menara telekomunikasi dicatat dengan menggunakan model revaluasi, yaitu nilai wajar pada tanggal revaluasi dikurangi dengan akumulasi penyusutan dan akumulasi rugi penurunan nilai setelah tanggal revaluasi, jika ada.

Exhibit E/32

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

i. Receivables

Trade and non-trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, if the impact of discounting is significant, less any provision for impairment.

Collectibility of trade and non-trade receivables is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Company and subsidiaries will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the impairment loss is recognized in consolidated statement of profit or loss and other comprehensive income within "Allowance for impairment losses of trade receivables".

j. Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined based on the first-in, first-out (FIFO) method. The Company and subsidiaries provide a provision for inventory obsolescence based on a review of the condition of inventories at the end of the year.

k. Property and equipment

Property and equipment, unless telecommunication tower are stated at cost net of accumulated depreciation and accumulated of asset impairment value, if any.

Telecommunication towers are accounted for using the revaluation model, which is the fair value at the date of revaluation less any accumulated depreciation and accumulated impairment losses after the date of revaluation, if any.

Ekshibit E/33

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

Exhibit E/33

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

k. Aset tetap (Lanjutan)

Revaluasi pada nilai wajar dilakukan pada setiap tahun pelaporan. Jika jumlah tercatat aset meningkat akibat revaluasi, maka kenaikan tersebut diakui dalam penghasilan komprehensif lain dan terakumulasi dalam ekuitas pada bagian surplus revaluasi. Akan tetapi, kenaikan tersebut diakui dalam laba rugi hingga sebesar jumlah penurunan nilai aset yang sama akibat revaluasi yang pernah diakui sebelumnya dalam laporan laba rugi. Jika jumlah tercatat aset turun akibat revaluasi, maka penurunan tersebut diakui dalam laba rugi. Penurunan nilai tersebut diakui dalam penghasilan komprehensif lain, untuk mengurangi jumlah akumulasi dari surplus revaluasi, sepanjang tidak melebihi saldo surplus revaluasi dari aset tersebut.

Surplus revaluasi aset tetap dapat dialihkan ke saldo laba ketika terjadi penghentian atau pelepasan aset tersebut. Sebagian surplus revaluasi juga dapat dialihkan sejalan dengan penggunaan aset. Dalam hal tersebut, maka surplus revaluasi yang dialihkan ke saldo laba adalah sebesar perbedaan antara jumlah penyusutan berdasarkan nilai revaluasi dan jumlah penyusutan berdasarkan biaya perolehan awalnya. Pengalihan tersebut tidak dilakukan melalui laba rugi.

Penyusutan terhadap aset tetap dihitung dengan metode garis lurus (*straight-line method*), berdasarkan taksiran manfaat ekonomis aset tetap, sebagai berikut:

	Masa manfaat/ Useful lives Tahun/ Years
Menara telekomunikasi	30
Bangunan	20
Menara bergerak	10
Perangkat lunak	4
Peralatan, perlengkapan kantor dan perangkat elektronik	4
Kendaraan	4
Genset	4

Beban penyusutan diperhitungkan di dalam laporan laba rugi selama tahun buku di mana beban tersebut terjadi. Akumulasi penyusutan untuk aset yang direvaluasi, dieliminasi terhadap jumlah tercatat bruto dan jumlah tercatat neto setelah eliminasi disajikan kembali sebesar jumlah revaluasiannya.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

k. Property and equipment (Continued)

A revaluation at fair value is made at each reporting year. If the carrying amount of the asset increases as a result of the revaluation, the increase is recognized in other comprehensive income and accumulates in equity in the revaluation surplus section. However, the increase is recognized in profit and loss up to the same amount of impairment loss due to revaluation previously recognized in profit or loss. If the carrying amount of the asset decreases as a result of the revaluation, the decrease is recognized in profit or loss. The impairment is recognized in other comprehensive income, to reduce the accumulated amount of the revaluation surplus, as long as it does not exceed the revaluation surplus balance of the asset.

The revaluation surplus of property and equipment may be transferred to the retained earnings when there is a termination or disposal of the asset. Some revaluation surpluses may also be transferred in line with asset use. In that case, the revaluation surplus transferred to retained earnings is the difference between the amount of depreciation based on the revaluation amount and the amount of depreciation based on the initial cost. The transfer is not made through profit or loss.

Depreciation of property and equipment has been computed on a straight-line method, based on the estimated useful lives of the related assets, as follows:

Tarif penyusutan / Depreciation rate	
3,33%	Telecommunication towers
5%	Buildings
10%	Transportable towers
25%	Software
25%	Tools, office equipment and electronic hardware
25%	Vehicles
25%	Gensets

Depreciation expenses are taken to profit or loss during the financial year in which they are incurred. The accumulated depreciation for the revalued asset is eliminated against the gross carrying amount and the net carrying amount after elimination is restated for the amount of revaluation.

Ekshibit E/34

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

k. Aset tetap (Lanjutan)

Perbaikan dan perawatan diperhitungkan ke dalam laporan laba rugi selama tahun di mana perbaikan dan perawatan terjadi. Biaya renovasi dan restorasi utama digabungkan ke dalam nilai tercatat aset jika biaya tersebut memiliki kemungkinan untuk memberikan manfaat di masa depan yang jumlahnya melebihi standar kinerja pada penilaian awal aset yang ada yang akan mengalir ke dalam Perusahaan dan entitas anak, dan disusutkan sebesar sisa umur manfaat aset tersebut.

Nilai residu, masa manfaat, dan metode depresiasi, dikaji pada tiap akhir tahun pelaporan, dan disesuaikan secara prospektif, sesuai dengan keadaan.

Ketika terdapat indikasi penurunan nilai, nilai tercatat aset dinilai dan segera dicatat berdasarkan jumlah terpulihkan.

Keuntungan atau kerugian pelepasan aset tetap ditentukan dengan membandingkan penerimaan dengan nilai tercatat dan dicatat ke dalam laba rugi dari operasi.

Aset dalam penyelesaian dinyatakan sebesar biaya perolehan dan disajikan sebagai bagian dari aset tetap. Akumulasi biaya perolehan akan dipindahkan ke masing-masing akun aset tetap yang bersangkutan pada saat aset tersebut selesai dikerjakan dan siap digunakan.

l. Properti investasi

Properti investasi adalah tanah atau bangunan atau bagian dari suatu bangunan atau kedua-duanya yang dikuasai oleh Perusahaan dan entitas anak untuk menghasilkan sewa atau untuk kenaikan nilai atau kedua-duanya, dan tidak digunakan maupun dijual dalam kegiatan operasi.

Properti investasi diukur pada nilai wajar. Nilai wajar properti investasi diakui berdasarkan penilaian dari penilai independen yang memenuhi kualifikasi dan telah diakui, serta didukung oleh bukti pasar. Perubahan nilai wajar properti investasi diakui pada laporan laba rugi komprehensif konsolidasian.

Properti investasi dihentikan pengakuannya (dikeluarkan) dari laporan posisi keuangan konsolidasian pada saat pelepasan atau ketika properti investasi tersebut tidak digunakan lagi secara permanen dan tidak memiliki manfaat ekonomis di masa depan yang dapat diharapkan pada saat pelepasannya. Laba atau rugi yang timbul dari penghentian atau pelepasan properti investasi diakui dalam laporan laba rugi dan penghasilan komprehensif konsolidasian dalam tahun terjadinya penghentian atau pelepasan tersebut.

Exhibit E/34

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

k. Property and equipment (Continued)

Repair and maintenance expenses are taken to profit or loss during the financial year in which they are incurred. The cost of major renovations and restorations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company and subsidiaries, and depreciated over the remaining useful life of the asset.

The residual value, useful life and depreciation method are reviewed at the end of each reporting year, and adjusted prospectively, if appropriate.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

Gains or losses on disposal are determined by comparing proceeds with the carrying amount and are included in profit or loss from operations.

Assets in progress are stated at cost and presented as part of the property and equipments. The accumulated cost will be reclassified to the appropriate property and equipments account when the installation is substantially completed and the asset is ready for its intended use.

l. Investment properties

Investment property is land or buildings or part of a building or both which is controlled by the Company and subsidiaries to earn rental or for capital appreciation or both, rather than for use or sale in the ordinary course of business.

Investment property shall be measured at fair value. The fair value of investment property is recognized based on an appraisal by a qualified and authorized independent appraiser and supported by the market evidence. Changes to investment property fair value shall be recognized in the consolidated statements of comprehensive income.

The investment property shall be eliminated from the consolidated statements of financial position on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected when withdrawn. Gains or losses from investment property withdrawals or disposals are recorded in the consolidated statements of profit or loss and other comprehensive income when incurred.

Ekshibit E/35

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

m. Penurunan nilai aset non-keuangan

Pada setiap akhir tahun pelaporan, Perusahaan dan entitas anak menilai apakah terdapat indikasi suatu aset mengalami penurunan nilai. Jika terdapat indikasi tersebut atau pada saat pengujian penurunan nilai aset (yaitu aset tak berwujud dengan umur manfaat tidak terbatas, aset tak berwujud yang belum dapat digunakan, atau *goodwill* yang diperoleh dalam suatu kombinasi bisnis) diperlukan, maka Perusahaan dan entitas anak membuat estimasi formal jumlah terpulihkan aset tersebut.

Jumlah terpulihkan yang ditentukan untuk aset individual adalah jumlah yang lebih tinggi antara nilai wajar aset atau unit penghasil kas ("UPK") dikurangi biaya pelepasan dengan nilai pakainya, kecuali aset tersebut tidak menghasilkan arus kas masuk yang sebagian besar independen dari aset atau kelompok aset lain. Jika nilai tercatat aset lebih besar daripada nilai terpulihkannya, maka aset tersebut mengalami penurunan nilai dan nilai tercatat aset diturunkan menjadi sebesar nilai terpulihkannya. Rugi penurunan nilai segera diakui dalam laba rugi.

Dalam menghitung nilai pakai, estimasi arus kas masa depan bersih didiskontokan ke nilai kini dengan menggunakan tingkat diskonto sebelum pajak yang menggambarkan penilaian pasar terkini atas nilai waktu dari uang dan risiko spesifik dari aset. Jika tidak terdapat transaksi tersebut, Perusahaan dan entitas anak menggunakan model penilaian yang sesuai untuk menentukan nilai wajar aset. Perhitungan-perhitungan ini dikuatkan oleh penilaian berganda atau indikasi nilai wajar yang tersedia.

Dalam menentukan nilai wajar dikurangi biaya untuk menjual, digunakan harga penawaran pasar terakhir, jika tersedia. Kerugian penurunan nilai dari operasi yang dilanjutkan, jika ada, diakui pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian sesuai dengan kategori beban yang konsisten dengan fungsi dari aset yang diturunkan nilainya.

Exhibit E/35

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

m. Impairment of non-financial assets

At the end of each reporting year, the Company and subsidiaries assesses whether there is an indication that an asset may be impaired. If any such indication exists or impairment testing for an asset (i.e., an intangible asset with an indefinite useful life, an intangible asset not yet available for use, or goodwill acquired in a business combination) is required, the Company and subsidiaries makes an estimate of the asset's recoverable amount.

An individual asset's recoverable amount is determined by the higher between the fair value asset or cash generating unit ("CGU") less costs to disposal and its value in use, unless the asset does not generate cash inflows that are largely independent of those from assets or group of other assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written-down to its recoverable amount. Impairment losses are recognized immediately in profit or loss.

In assessing the value in use, the estimated net future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If no such transactions can be identified, the Company and subsidiaries use an appropriate valuation model to determine the fair value of the assets. These calculations are corroborated by multiple valuation or other available fair value indicators.

In determining fair value less costs to sell, recent market transactions are taken into account, if available. Impairment losses of continuing operations, if any, are recognized in the consolidated statement of profit or loss and other comprehensive income under expense categories that are consistent with the functions of the impaired assets.

Ekshibit E/36

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

m. Penurunan nilai aset non-keuangan (Lanjutan)

Penilaian dilakukan pada akhir setiap tahun pelaporan tahunan apakah terdapat indikasi bahwa rugi penurunan nilai yang telah diakui dalam tahun sebelumnya untuk aset selain *goodwill* mungkin tidak ada lagi atau mungkin telah menurun. Jika indikasi dimaksud ditemukan, maka entitas mengestimasi jumlah terpulihkan aset tersebut. Kerugian penurunan nilai yang telah diakui dalam tahun sebelumnya untuk aset selain *goodwill* dibalik hanya jika terdapat perubahan asumsi-asumsi yang digunakan untuk menentukan jumlah terpulihkan aset tersebut sejak rugi penurunan nilai terakhir diakui. Dalam hal ini, jumlah tercatat aset dinaikkan ke jumlah terpulihkannya. Pembalikan tersebut dibatasi sehingga jumlah tercatat aset tidak melebihi jumlah terpulihkannya maupun jumlah tercatat, bersih setelah penyusutan, seandainya tidak ada rugi penurunan nilai yang telah diakui untuk aset tersebut pada tahun sebelumnya. Pembalikan rugi penurunan nilai diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian. Setelah pembalikan tersebut, penyusutan aset tersebut disesuaikan di tahun mendatang untuk mengalokasikan jumlah tercatat aset yang direvisi, dikurangi nilai sisanya, dengan dasar yang sistematis selama sisa umur manfaatnya.

n. Aset tak berwujud

Perusahaan dan entitas anak telah mengadopsi PSAK 19 (Revisi 2010) "Aset tak Berwujud". Aset tak berwujud terdiri dari aset tak berwujud yang berasal dari akuisisi entitas anak. Aset tak berwujud diakui jika Perusahaan dan entitas anak kemungkinan besar akan memperoleh manfaat ekonomis masa depan dari aset tak berwujud tersebut dan biaya aset tersebut dapat diukur dengan andal.

Aset tak berwujud dicatat berdasarkan biaya perolehan dikurangi akumulasi amortisasi dan penurunan nilai, jika ada. Aset tak berwujud diamortisasi berdasarkan estimasi masa manfaat. Perusahaan dan entitas anak harus mengestimasi nilai yang dapat diperoleh kembali dari aset tak berwujud. Apabila nilai tercatat aset tak berwujud melebihi estimasi nilai yang dapat diperoleh kembali, maka nilai tercatat aset tersebut diturunkan menjadi sebesar nilai yang dapat diperoleh kembali.

Aset tak berwujud, disusutkan dengan menggunakan metode garis lurus berdasarkan estimasi masa manfaat aset tak berwujud yaitu 10 (sepuluh) tahun.

Exhibit E/36

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

m. Impairment of non-financial assets (Continued)

An assessment is made at the end of each reporting year as to whether there is any indication that previously recognized impairment losses recognized for an asset other than goodwill may no longer exist or may have decreased. If such indication exists, the entity estimates the recoverable amount. A previously recognized impairment loss for an asset is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Reversal of an impairment loss is recognized in the consolidated statement of profit or loss and other comprehensive income. After such a reversal, the depreciation charge on the said asset is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

n. Intangible assets

The Company and subsidiaries have adopted PSAK 19 (Revised 2010) "Intangible Assets". Intangible assets consist of intangible assets from acquisition of subsidiaries. Intangible asset is recognized if the Company and its subsidiaries is likely to obtain future economic benefits of the intangible asset and the cost of the asset can be measured reliably.

Intangible assets are recorded at cost less accumulated amortization and impairment, if any. Intangible assets are amortized based on estimated useful lives. The Company and subsidiaries shall estimate the recoverable value of intangible assets. If the carrying value of intangible assets exceeds the estimated recoverable value, the carrying value of these assets is revealed to be of value in return.

Intangible assets are amortized using the straight-line method based on estimated useful lives of intangible assets of 10 (ten) years.

Ekshibit E/37

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

o. Sewa

Dalam menentukan apakah suatu perjanjian merupakan perjanjian sewa atau perjanjian mengandung sewa, Perusahaan dan entitas anak melakukan evaluasi terhadap substansi perjanjian. Sewa diklasifikasikan sebagai sewa pembiayaan atau sewa operasi didasarkan pada substansi, bukan pada bentuk kontraknya. Aset sewa pembiayaan diakui hanya jika sewa tersebut mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset.

Sewa pembiayaan diakui sebagai aset dan liabilitas pada laporan posisi keuangan konsolidasian sebesar nilai wajar aset sewa atau jika lebih rendah, nilai kini pembayaran sewa minimum. Biaya langsung awal yang dikeluarkan Perusahaan dan entitas anak ditambahkan ke dalam jumlah yang diakui sebagai aset.

Pembayaran sewa minimum dipisahkan antara bagian yang merupakan beban keuangan dan bagian yang merupakan pelunasan liabilitas. Beban keuangan dialokasikan ke setiap tahun selama masa sewa sedemikian rupa sehingga menghasilkan suatu tingkat suku bunga yearik yang konstan atas saldo liabilitas. Sewa kontingen dibebankan pada tahun terjadinya.

Aset sewa pembiayaan disusutkan dengan metode yang sama dan berdasarkan masa manfaat sebagaimana diestimasi untuk aset tetap perolehan langsung. Akan tetapi, jika tidak terdapat kepastian yang memadai bahwa Perusahaan dan entitas anak akan memperoleh kepemilikan pada akhir masa sewa, aset sewa pembiayaan disusutkan penuh selama jangka waktu yang lebih pendek antara masa sewa dan umur manfaatnya.

Perjanjian sewa yang tidak memenuhi kriteria di atas, dicatat sebagai sewa operasi dimana pembayarannya diakui sebagai beban dengan dasar garis lurus selama masa sewa.

p. Perpajakan

Beban pajak penghasilan

Beban pajak terdiri dari pajak kini dan pajak tangguhan. Pajak diakui dalam laporan laba rugi, kecuali jika berkaitan dengan item yang diakui dalam penghasilan komprehensif lain atau secara langsung dalam ekuitas. Dalam kasus ini, pajak diakui dalam penghasilan komprehensif lain atau langsung dalam ekuitas.

Exhibit E/37

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

o. Leases

In determining whether an arrangement is, or contains a lease, the Company and subsidiaries performs an evaluation over the substance of the arrangement. A lease is classified as a finance lease or operating lease based on the substance, not the form of the contract. Finance lease assets is recognized if the lease transfers substantially all the risks and rewards incidental to the ownership of the leased asset.

Assets and liabilities under a finance lease are recognized in the consolidated statement of financial position at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Any initial direct costs of the Company and subsidiaries are added to the amount recognized as assets.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each year during the lease term so as to produce a constant yearic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the year in which they are incurred.

Leased assets are depreciated using the same method and based on the useful lives as estimated for directly acquired property and equipment. However, if there is no reasonable certainty that the Company and subsidiaries will obtain ownership by the end of the lease term, the leased assets are fully depreciated over the shorter of the lease terms and their economic useful lives.

Lease arrangements that do not meet the above criteria are accounted for as operating leases for which payments are charged as an expense on the straight-line basis over the lease year.

p. Taxation

Income tax expense

The tax expense comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Ekshibit E/38

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

p. Perpajakan (Lanjutan)

Beban pajak penghasilan (Lanjutan)

i. Pajak kini

Beban pajak penghasilan kini di hitung dengan dasar hukum pajak yang berlaku pada tanggal pelaporan. Aset atau liabilitas pajak penghasilan kini terdiri dari kewajiban kepada atau klaim dari otoritas pajak yang berhubungan dengan tahun pelaporan kini atau sebelumnya, yang belum di bayar pada akhir tahun tanggal pelaporan. Pajak penghasilan diperhitungkan berdasarkan tarif pajak dan hukum pajak yang berlaku pada tahun fiskal terkait, berdasarkan laba kena pajak untuk tahun tersebut. Seluruh perubahan pada aset atau liabilitas pajak kini diakui sebagai komponen biaya pajak penghasilan dalam laporan laba rugi.

ii. Pajak tangguhan

Aset dan liabilitas pajak tangguhan diakui ketika jumlah tercatat dari aset atau liabilitas dalam laporan posisi keuangan konsolidasian berbeda dari dasar perpajakannya, kecuali jika perbedaan itu terjadi karena:

- Pengakuan awal *goodwill*
- Pengakuan awal aset atau liabilitas pada saat transaksi yang bukan merupakan kombinasi bisnis dan pada saat transaksi terjadi tidak mempengaruhi akuntansi atau laba kena pajak, dan
- Investasi pada entitas anak dan pengendalian bersama entitas dimana Perusahaan dan entitas anak mampu mengendalikan waktu pembalikan perbedaan dan kemungkinan besar bahwa perbedaan tersebut tidak akan dibalik pada masa yang akan datang.

Pengakuan dari aset pajak tangguhan terbatas pada saat dimana terdapat kemungkinan besar bahwa laba kena pajak akan tersedia terhadap perbedaan yang dapat digunakan.

Jumlah aset atau liabilitas ditentukan dengan menggunakan tarif pajak pada saat tanggal pelaporan dan di harapkan akan digunakan ketika liabilitas pajak tangguhan/(aset) telah diselesaikan/(dipulihkan).

Aset dan liabilitas pajak tangguhan di saling hapus ketika Perusahaan dan entitas anak memiliki hak hukum untuk saling hapus aset dan liabilitas pajak kini yang berhubungan dengan pungutan oleh otoritas pajak yang sama atas:

Exhibit E/38

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

p. Taxation (Continued)

Income tax expense (Continued)

i. Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current income tax assets and/or liabilities comprise those obligations to, or claims from, tax authorities relating to the current or prior reporting year, that are unpaid at the end of each reporting year date. They are calculated according to the tax rates and tax laws applicable to the fiscal years to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of income tax expense in profit or loss.

ii. Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- The initial recognition of goodwill
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and
- Investments in subsidiaries and jointly controlled entities where the Company and subsidiaries is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset when the Company and subsidiaries has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

Ekshibit E/39

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

p. Perpajakan (Lanjutan)

Beban pajak penghasilan (Lanjutan)

ii. Pajak tangguhan (Lanjutan)

- Perusahaan dan entitas anak yang dikenakan pajak adalah sama, atau
- Kelompok entitas yang berbeda yang bertujuan untuk menyelesaikan aset pajak kini secara neto atau untuk merealisasikan aset dan menyelesaikan liabilitas, pada tahun masa depan dimana jumlah aset atau liabilitas pajak tangguhan signifikan diharapkan untuk di selesaikan atau di pulihkan.

iii. Pajak penghasilan final

Pada 6 September 2017, Pemerintah Indonesia menerbitkan Peraturan Pemerintah (PP) No. 34 (PP34) tentang Pajak Penghasilan atas Penghasilan dari Persewaan Tanah dan/atau Bangunan. Menurut PP34 ini, untuk sewa menara telekomunikasi yang tahun sewanya dimulai sejak berlakunya PP34 ini pada 2 Januari 2018, maka penghasilan atas sewa menara telekomunikasi tersebut akan dikenakan pajak penghasilan dengan tarif final 10%. Sedangkan penghasilan atas sewa menara telekomunikasi yang tahun sewanya dimulai sebelum berlakunya PP34 tersebut, tetap dikenakan pajak penghasilan dengan tarif non-final.

Pajak Pertambahan Nilai

Pendapatan, beban dan aset diakui bersih dari jumlah PPN, kecuali apabila PPN timbul pada saat pembelian aset atau jasa yang tidak dapat dipulihkan dari otoritas perpajakan, dalam hal ini PPN diakui sebagai bagian dari biaya perolehan aset atau sebagai bagian dari pos biaya, sebagaimana yang berlaku.

Pengampunan pajak

Aset pengampunan pajak diakui sebesar biaya perolehan surat keterangan pengampunan pajak. Liabilitas pengampunan pajak diakui sebesar kewajiban kontraktual untuk menyerahkan kas atau setara kas untuk menyelesaikan kewajiban yang berkaitan langsung dengan perolehan aset pengampunan pajak.

Perusahaan mengakui selisih antara aset pengampunan pajak dan liabilitas pengampunan pajak sebagai bagian dari tambahan modal disetor di ekuitas.

Exhibit E/39

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

p. Taxation (Continued)

Income tax expense (Continued)

ii. Deferred tax (Continued)

- The same taxable of the Company and subsidiaries, or
- Different group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

iii. Final tax income

On 6 September 2017, the Government of Indonesia issued the Government Regulation (GR) No. 34 (GR34) regarding Income Tax on Income from Land and/or Building Rental. According to the PP34, for lease of telecommunication towers whose lease year commences from the inception of this PP34 on 2 January 2018, the rental telecommunication tower's income shall be subject to the final income tax at rate of 10%. While the rental telecommunication tower income, which is the rental year commencing prior to the enactment of GR34, remains subject to the nonfinal income tax, which is the rental year commencing prior to the enactment of PP34, remains subject to the nonfinal income tax.

Value-Added Tax

Revenue, expenses and assets are recognized net of the amount of VAT, except where the VAT incurred on a purchase of assets or services are not recoverable from the taxation authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Tax amnesty

Tax amnesty assets are measured at acquisition cost based on tax amnesty letter. Tax amnesty liabilities are measured at contractual obligation to deliver cash or cash equivalents to settle the obligations directly related to the acquisition of tax amnesty assets.

The Company recognise the difference between assets and liabilities of tax amnesty as part of additional paid in capital in equity.

Ekshibit E/40

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

p. Perpajakan (Lanjutan)

Pengampunan pajak (Lanjutan)

Aset dan liabilitas pengampunan pajak disajikan secara terpisah dari aset dan liabilitas lainnya dalam laporan posisi keuangan kecuali jika item tersebut tidak material.

Perusahaan mereklasifikasi aset dan liabilitas pengampunan pajak, yang sebelumnya disajikan secara terpisah, ke dalam item aset dan liabilitas serupa, ketika Perusahaan mengukur kembali aset dan liabilitas pengampunan pajak berdasarkan nilai wajar.

Hal-hal perpajakan lainnya

Penyesuaian atas liabilitas pajak dicatat pada saat Surat Ketetapan Pajak diterima atau pada saat keberatan yang diajukan ditetapkan.

q. Cadangan imbalan pasca-kerja

Program manfaat pasti

Perusahaan dan entitas anak mendanai program imbalan pasca-kerja sesuai dengan Undang-Undang Ketenagakerjaan No. 13/2003 tanggal 25 Maret 2003 ("Undang-Undang").

Liabilitas atau aset imbalan kerja bersih adalah agregat dari nilai kini liabilitas imbalan pasti pada akhir tahun pelaporan dikurangi dengan nilai wajar aset program (jika ada), disesuaikan dengan dampak yang membatasi aset imbalan pasti bersih terhadap batas atas aset. Batas atas aset adalah nilai sekarang dari manfaat ekonomis yang tersedia dalam bentuk pengembalian dana dari program atau pengurangan iuran masa mendatang tersebut.

Beban tersebut berdasarkan perhitungan aktuarial independen dengan menggunakan metode "Projected Unit Credit".

Biaya imbalan pasti terdiri dari:

- Biaya jasa
- Bunga neto atas liabilitas atau aset imbalan pasti neto
- Pengukuran kembali liabilitas atau aset imbalan pasti neto

Exhibit E/40

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

p. Taxation (Continued)

Tax amnesty (Continued)

Assets and liabilities of tax amnesty are presented separately from other assets and liabilities in the statement of financial position unless the items is not material.

The Company reclassified assets and liabilities of tax amnesty, as previously presented separately, when the Company remeasure its assets and liabilities of tax amnesty to fair value.

Other taxation matters

Amendments to taxation obligations are recorded when a Tax Assessment Letter is received or, if appealed against, when the results of the appeal are determined.

q. Provision for post-employment benefits

Defined benefit plan

The Company and subsidiaries set up fund for post-employment benefit program in accordance with Labor Law No. 13/2003 dated 25 March 2003 (the "Law").

The net pension liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting year reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The provision is estimated based on actuarial calculations prepared by an independent firm of actuaries using the "Projected Unit of Credit" method.

Net pension cost comprises the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Ekshibit E/41

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

q. Cadangan imbalan pasca-kerja (Lanjutan)

Program manfaat pasti (Lanjutan)

Biaya jasa meliputi biaya jasa kini, biaya jasa lalu dan keuntungan atau kerugian dari dan pembayaran yang tidak rutin diakui sebagai beban dalam laba rugi. Biaya jasa lalu diakui pada tanggal yang lebih awal antara ketika amandemen atau kuartailmen program terjadi, dan ketika Perusahaan dan entitas anak mengakui biaya restrukturisasi terkait atau biaya pesangon.

Bunga bersih atas liabilitas atau aset imbalan pasti adalah perubahan selama tahun berjalan pada bunga bersih atas liabilitas atau aset imbalan pasti yang muncul dari waktu ke waktu yang ditentukan dengan mengalikan tingkat diskonto berdasarkan obligasi pemerintah dengan liabilitas atau aset imbalan pasti bersih. Bunga bersih atas liabilitas atau aset imbalan pasti diakui sebagai beban atau pendapatan dalam laba rugi.

Pengukuran kembali terdiri dari keuntungan dan kerugian aktuarial, imbal hasil aset program dan setiap perubahan dampak batas atas aset, tidak termasuk jumlah yang dimasukkan dalam bunga neto atas liabilitas atau aset imbalan pasti. Pengukuran kembali atas liabilitas (aset) imbalan pasti neto diakui dalam penghasilan komprehensif lain pada tahun terjadinya. Pengukuran kembali tidak direklasifikasi ke laba rugi pada tahun berikutnya.

Imbalan jangka panjang lainnya

Perusahaan dan entitas anak juga memberikan manfaat penghargaan jangka panjang lainnya dalam bentuk cuti panjang dan tunjangan cuti panjang.

Beban tersebut berdasarkan perhitungan aktuarial independen dengan menggunakan metode "Projected-Unit-Credit". Beban jasa masa kini termasuk beban jasa lalu dan keuntungan atau kerugian aktuarial dibebankan langsung ke laporan laba rugi tahun berjalan.

Exhibit E/41

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

q. Provision for post-employment benefits (Continued)

Defined benefit plan (Continued)

Service costs which include current service costs, past service costs and gains or losses on nonroutine settlements are recognized as expense in profit or loss. Past service costs are recognized at the earlier of the date when the plan amendment or curtailment occurs and when the Company and subsidiaries recognises related restructuring cost or termination benefits.

Net interest on the net defined benefit liability or asset is the change during the year in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling excluding net interest on defined benefit liability are recognized in other comprehensive income in the year in which they arise. Remeasurements are not reclassified to profit or loss in subsequent years.

Other long-term benefits

The Company and subsidiaries also provides other long-term rewards in the form of long leave and long leave allowances.

The provision is estimated based on actuarial calculations prepared by an independent firm of actuaries using the "Projected Unit of Credit" method. Current service costs including past service cost and actuarial gain or loss are charged directly to statement of profit or loss of the current year.

Ekshibit E/42

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

r. Modal saham

Modal saham diukur pada nilai nominal untuk seluruh saham yang ditempatkan. Pada saat Perusahaan menempatkan lebih dari satu jenis saham, akun terpisah dikelola untuk tiap jenis saham dan jumlah saham yang ditempatkan.

s. Transaksi restrukturisasi entitas sepengendali

Transaksi restrukturisasi entitas sepengendali berupa pengalihan aset, liabilitas, saham atau instrumen kepemilikan lainnya yang dilakukan dalam rangka reorganisasi entitas-entitas yang berada dalam suatu Perusahaan dan entitas anak yang sama, bukan merupakan perubahan pemilikan dalam arti substansi ekonomi, sehingga transaksi demikian tidak dapat menimbulkan laba atau rugi bagi seluruh kelompok perusahaan ataupun bagi entitas individual dalam kelompok perusahaan tersebut.

Karena transaksi restrukturisasi antara entitas sepengendali tidak mengakibatkan perubahan substansi ekonomi pemilikan atas aset, liabilitas, saham, atau instrumen kepemilikan lainnya yang dipertukarkan, maka aset maupun liabilitas yang pemilikannya dialihkan (dalam bentuk hukumnya) harus dicatat sesuai dengan nilai tercatat seperti penggabungan usaha berdasarkan metode penyatuan kepemilikan (*pooling-of-interest*).

Unsur-unsur laporan keuangan dari perusahaan yang direstrukturisasi untuk tahun terjadinya restrukturisasi tersebut dan untuk tahun perbandingan yang disajikan, harus disajikan sedemikian rupa seolah-olah Perusahaan tersebut telah bergabung sejak permulaan tahun yang disajikan tersebut.

Sebelum 1 Januari 2013, selisih antara harga pengalihan dengan nilai tercatat setiap transaksi restrukturisasi antara entitas sepengendali dibukukan dalam akun "Selisih nilai transaksi restrukturisasi entitas sepengendali". Saldo akun tersebut selanjutnya disajikan sebagai unsur ekuitas.

Exhibit E/42

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

r. Share capital

Share capital is measured at par value for all shares issued. When the Company issues more than one class of shares, a separate account is maintained for each class of shares and the number of shares issued.

s. Restructuring transactions of entities under common control

Restructuring transactions of entities under common control represent transfer of assets, liabilities, shares or other ownership instruments to reorganize entities within the same Company and subsidiaries, therefore resulting in no changes of ownership in terms of economic substance, and should not result in any gains or losses for the whole Company and subsidiaries companies or for the individual entity in the Company and subsidiaries.

Since restructuring transactions of entities under common control do not result in changes in economic substance of ownership in transferred assets, shares, liabilities or other ownership instruments, the transferred assets or liabilities (in legal form) should be recorded at book value in a manner similar to business combination transactions using the pooling-of-interest method.

The financial statements items of the restructured companies for the year in which the restructuring occurs and for any comparative years should be presented as if the Companies had been combined from the beginning of the earliest year presented.

Before 1 January 2013, the difference between transfer price and book value for each restructuring transaction of entities under common control is recorded in an account entitled "Differences arising from restructuring transactions of entities under common control". The account balance is presented as a component of the equity.

Ekshibit E/43

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

**s. Transaksi restrukturisasi entitas sepengendali
(Lanjutan)**

Efektif 1 Januari 2013, selisih antara harga pengalihan dengan nilai tercatat setiap transaksi restrukturisasi antara entitas sepengendali dibukukan dalam akun "Tambahan modal disetor".

t. Selisih transaksi perubahan ekuitas entitas anak

Apabila nilai ekuitas entitas anak yang menjadi bagian Perusahaan sesudah transaksi perubahan ekuitas entitas anak berbeda dengan nilai ekuitas entitas anak yang menjadi bagian Perusahaan sebelum transaksi perubahan ekuitas entitas anak, maka perbedaan tersebut oleh Perusahaan diakui sebagai selisih transaksi perubahan ekuitas entitas anak yang dicatat dalam akun "Penghasilan Komprehensif Lain".

Pada saat pelepasan investasi yang bersangkutan, jumlah selisih transaksi perubahan ekuitas entitas anak yang terkait diakui sebagai pendapatan atau beban dalam tahun yang sama pada waktu keuntungan atau kerugian pelepasan diakui.

u. Tambahan modal disetor - bersih

Tambahan modal disetor - bersih merupakan selisih antara harga penawaran dari hasil penawaran umum perdana saham Perusahaan dengan nilai nominal saham, setelah dikurangi dengan biaya-biaya yang terjadi sehubungan dengan penawaran umum perdana saham tersebut.

v. Saham treasuri

Ketika Perusahaan membeli modal saham ekuitas (saham treasuri), imbalan yang dibayar, termasuk biaya tambahan yang secara langsung dapat diatribusikan (dikurangi pajak penghasilan) dikurangkan dari ekuitas yang diatribusikan kepada pemilik ekuitas sampai saham tersebut ditarik atau diterbitkan kembali. Apabila saham treasuri ditarik kembali, selisih antara harga perolehan dengan nilai nominal dialokasikan antara tambahan modal disetor dan saldo laba.

w. Dividen

Dividen diakui pada saat dividen secara legal menjadi terutang. Dalam dividen terhadap pemegang saham ekuitas, dividen menjadi terutang pada saat diumumkan oleh Direksi. Dalam dividen final, dividen menjadi terutang pada saat dividen diumumkan oleh para pemegang saham pada saat Rapat Umum Pemegang Saham.

Exhibit E/43

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

s. Restructuring transactions of entities under common control (Continued)

Effective 1 January 2013, the difference between transfer price and book value for each restructuring transaction of entities under common control is recorded in an account entitled "Additional paid-in capital".

t. Differences arising from changes in subsidiaries equity

If the equity value of a subsidiary which becomes part of the Company following transactions concerning equity change in a subsidiary is different to the equity value of a subsidiary which formed part of the Company prior to transactions concerning equity change in a subsidiary, then that difference is acknowledged by the Company as differences arising from changes in the subsidiaries equity and recorded in account "Other Comprehensive Income".

At the time when related investment is ceased, the difference in change of equity of subsidiaries concerned is recognized as income or expenses in the same year at the same time as when gains and losses from the release are recognized.

u. Additional paid-in capital - net

Additional paid-in capital - net represents the difference between the offering price of the shares of the Company at the initial public offering with the par value of such shares, net of shares issuance costs.

v. Treasury stocks

Where the Company purchases its share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the equity holders until the shares are retired or reissued. When the treasury stock is retired, the excess of acquisition cost over par value shall be allocated between the related additional paid-in capital and retained earnings.

w. Dividends

Dividends are recognised when they become legally payable. In the case of dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the General Meeting of Shareholders.

Ekshibit E/44

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

x. Pengakuan pendapatan dan beban

Pendapatan diakui ketika kemungkinan besar manfaat ekonomi masa depan akan mengalir ke Perusahaan dan entitas anak dan manfaat ini dapat diukur secara handal. Pendapatan diukur dengan nilai wajar imbalan yang diterima, dikurangi diskon dan Pajak Pertambahan Nilai (PPN).

Pendapatan sewa menara diakui selama masa sewa. Pendapatan sewa menara diterima di muka disajikan sebagai akun "Pendapatan yang diterima di muka". Pendapatan sewa menara yang belum ditagih disajikan sebagai akun "Pendapatan yang masih harus diterima" di laporan posisi keuangan konsolidasian. Beban diakui berdasarkan metode akrual (*accrual method*).

y. Laba (rugi) per saham dasar yang dapat diatribusikan kepada pemegang saham biasa entitas induk

Laba (rugi) per saham dasar dihitung dengan membagi laba (rugi) bersih pada tahun berjalan yang dapat diatribusikan kepada pemegang saham biasa Perusahaan dengan jumlah rata-rata tertimbang saham beredar dalam tahun berjalan dan telah dikurangi dengan saham treasury.

z. Pelaporan segmen

Suatu segmen adalah suatu unsur yang dapat dibedakan dari Perusahaan yang beroperasi baik di dalam menghasilkan produk atau jasa tertentu (segmen bisnis), atau di dalam menghasilkan produk dan jasa di antara lingkungan ekonomi tertentu (segmen geografis), yang merupakan subjek manfaat dan risiko yang berbeda dari segmen-segmen lainnya. Segmen operasi dilaporkan secara konsisten dengan pelaporan intern yang diberikan kepada pengambil keputusan pimpinan operasi. Pengambil keputusan pimpinan operasi, yang bertanggungjawab di dalam mengalokasikan sumber daya dan menilai kinerja segmen operasi, telah diidentifikasi sebagai komite pengendali yang membuat keputusan strategis.

Pendapatan, beban, aset, hasil, dan liabilitas segmen mencakup unsur-unsur yang dapat diatribusikan secara langsung pada segmen yang dapat dialokasikan menurut dasar yang memadai kepada segmen. Unsur-unsur tersebut ditetapkan sebelum saldo dan transaksi Perusahaan dieliminasi sebagai bagian dari proses konsolidasi.

Segmen Perusahaan dibagi menjadi dua segmen operasi. Segmen primer ditentukan berdasarkan sifat produk. Segmen sekunder ditentukan berdasarkan penyebaran aset.

Exhibit E/44

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

x. Revenue and expenses recognition

Revenue is recognized when it is likely that future economic benefits will flow to the Company and subsidiaries and these benefits can be measured reliably. Revenue is measured at the fair value of the consideration received, net of discounts and Value Added Tax (VAT).

Tower rental revenue is recognized over the lease year. Tower rental revenue received in advance is presented as "Unearned income". Tower rental revenue that has not been billed yet is presented as "Accrued revenue" in the consolidated statements of financial position. Expenses are recognized based on accrual method.

y. Basic earnings (loss) per share attributable to the common equity holders of the parent company

Basic earnings (loss) per share are calculated by dividing net profit (loss) for the current year attributable to the common equity holders of the Company by the weighted average number of outstanding shares during the current year and has been reduced by treasury stock.

z. Segment reporting

A segment is a distinguishable component from the Company that is engaged either in providing certain products and service (business segment), or in providing products and service within a particular economic environment (geographical segment), which is subjected to risks and rewards that are different from those of other segments. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

Segment revenue, expenses, assets, results and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. They are determined before the intra-Group's balances and the Group's transactions are eliminated as part of the consolidation process.

The Company's segment organized into two operating segments. The primary segment determined based on nature of the product. The secondary segment determined based on deployment of assets.

Ekshibit E/45

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

aa. Provisi dan kontinjensi

Provisi diakui ketika Perusahaan dan entitas anak memiliki kewajiban (legal maupun konstruktif) sebagai hasil peristiwa lalu; yaitu kemungkinan besar arus keluar sumber daya ekonomi diperlukan untuk menyelesaikan kewajiban dan suatu estimasi terhadap jumlah dapat dilakukan. Apabila dampak nilai waktu uang adalah material, maka provisi didiskontokan dengan menggunakan tarif sebelum pajak, untuk mencerminkan risiko spesifik liabilitas. Ketika pendiskontoan digunakan, kenaikan provisi terkait dengan berlalunya waktu diakui sebagai beban keuangan.

Kewajiban kontinjensi tidak diakui dalam Laporan keuangan konsolidasian. Kewajiban tersebut telah diungkapkan dalam catatan atas laporan keuangan konsolidasian kecuali kemungkinan arus keluar sumber daya ekonomi sangat kecil.

Aset kontinjensi tidak diakui dalam Laporan keuangan konsolidasian tetapi diungkapkan dalam catatan atas Laporan keuangan konsolidasian ketika arus masuk manfaat ekonomi cukup besar.

ab. Peristiwa setelah tahun pelaporan

Peristiwa setelah tahun pelaporan yang memberikan bukti kondisi yang ada pada akhir tahun pelaporan (*adjusting events*) tercermin dalam Laporan keuangan konsolidasian. Peristiwa setelah tahun pelaporan yang tidak berdampak pada laporan keuangan diungkapkan dalam catatan atas Laporan keuangan konsolidasian apabila jumlahnya material.

3. PERTIMBANGAN, ESTIMASI DAN ASUMSI AKUNTANSI SIGNIFIKAN

Penyusunan Laporan keuangan konsolidasian Perusahaan dan entitas anak mengharuskan manajemen untuk membuat pertimbangan, estimasi dan asumsi yang mempengaruhi jumlah yang dilaporkan dari pendapatan, beban, aset dan liabilitas, dan pengungkapan atas liabilitas kontinjensi, pada akhir tahun pelaporan. Ketidakpastian mengenai asumsi dan estimasi tersebut dapat mengakibatkan penyesuaian material terhadap nilai tercatat aset dan liabilitas dalam tahun pelaporan berikutnya.

Exhibit E/45

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

aa. Provision and contingencies

Provisions are recognized when the Company and subsidiaries has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate, that reflects current market assessment of the time value of money and where appropriate, the risks specific to the liability. Where discounting is used, the increased due to the passage of time is recognized as interest expense.

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed in the notes to consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the consolidated financial statements but are disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

ab. Events after the reporting year

Events after the reporting year that provide evidence of conditions that existed at the end of the reporting year (adjusting events) are reflected in the consolidated financial statements. Events after the reporting year that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements of the Company and subsidiaries requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting year. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset and liability affected in future years.

Ekshibit E/46

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

3. PERTIMBANGAN, ESTIMASI DAN ASUMSI AKUNTANSI
SIGNIFIKAN (Lanjutan)

Pertimbangan

Klasifikasi Aset dan Liabilitas Keuangan

Perusahaan dan entitas anak menetapkan klasifikasi atas aset dan liabilitas tertentu sebagai aset keuangan dan liabilitas keuangan dengan pertimbangan bila definisi yang ditetapkan PSAK 55 (Revisi 2014) terpenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Perusahaan dan entitas anak seperti yang dijelaskan pada Catatan 2f.

Estimasi dan Asumsi

Penyisihan atas Kerugian Penurunan Nilai Piutang Usaha

Perusahaan dan entitas anak mengevaluasi akun tertentu jika terdapat informasi bahwa pelanggan yang bersangkutan tidak dapat memenuhi liabilitas keuangannya.

Dalam hal tersebut, Perusahaan dan entitas anak mempertimbangkan, berdasarkan fakta dan situasi yang tersedia, termasuk namun tidak terbatas pada, jangka waktu hubungan dengan pelanggan dan status kredit dari pelanggan berdasarkan catatan kredit dari pihak ketiga dan faktor pasar yang telah diketahui, untuk mencatat provisi spesifik atas jumlah piutang pelanggan guna mengurangi jumlah piutang yang diharapkan dapat diterima oleh Perusahaan dan entitas anak. Provisi spesifik ini dievaluasi kembali dan disesuaikan jika tambahan informasi yang diterima mempengaruhi jumlah penyisihan untuk piutang usaha.

Penyusutan aset tetap

Aset tetap, kecuali menara telekomunikasi, dicatat dengan menggunakan model biaya yaitu biaya perolehan dikurangi akumulasi penyusutan dan akumulasi penurunan nilai aset, jika ada.

Biaya perolehan aset tetap disusutkan dengan menggunakan metode garis lurus berdasarkan taksiran masa manfaat ekonomisnya. Manajemen mengestimasi masa manfaat ekonomis aset tetap antara 4-30 tahun. Ini adalah umur yang secara umum diharapkan dalam industri di mana Perusahaan dan entitas anak menjalankan bisnisnya. Perubahan tingkat pemakaian dan perkembangan teknologi dapat mempengaruhi masa manfaat ekonomis dan nilai sisa aset, dan karenanya beban penyusutan masa depan mungkin direvisi.

Penurunan nilai goodwill

Perusahaan dan entitas anak disyaratkan untuk melakukan pengujian, secara tahunan, apakah nilai goodwill telah mengalami penurunan nilai. Jumlah terpulihkan ditentukan berdasarkan pada perhitungan nilai yang dapat digunakan. Penggunaan metode ini mensyaratkan estimasi atas arus kas masa depan dan penentuan tingkat diskonto untuk menghitung nilai kini arus kas. Informasi lebih lanjut termasuk nilai tercatat terdapat dalam Catatan 36.

Exhibit E/46

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND
ASSUMPTIONS (Continued)

Judgments

Classification of Financial assets and Financial Liabilities

The Company and subsidiaries determine the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definitions set forth in PSAK 55 (Revised 2014). Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Company and subsidiaries accounting policies described in Note 2f.

Estimates and Assumptions

Allowance for Impairment of Trade Receivables

The Company and subsidiaries evaluate specific accounts where they have information that certain customers are unable to meet their financial obligations.

In these cases, the Company and subsidiaries use judgment, based on the best available facts and circumstances, including but not limited to, the length of their relationship with the customer and the customer's current credit status based on third party credit reports and known market factors, to record specific provisions for customers against amounts due to reduce the receivable amounts that the Company and subsidiaries expect to collect. These specific provisions are re-evaluated and adjusted as additional information received affects the amounts of allowance for impairment of trade receivables.

Depreciation of Property and Equipment

Property and equipment, unless telecommunication tower are stated at cost net of accumulated depreciation and accumulated of asset impairment value, if any.

The costs of property and equipment are depreciated on a straight-line method over their estimated useful lives. Management estimates the useful lives of these property and equipment to be within 4-30 years. These are common life expectancies applied in the industries where the Company and subsidiaries conduct their businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised.

Impairment of goodwill

The Company and subsidiaries is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows. More information including carrying values is included in Note 36.

Ekshibit E/47

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

3. PERTIMBANGAN, ESTIMASI DAN ASUMSI AKUNTANSI
SIGNIFIKAN (Lanjutan)

Estimasi dan Asumsi (Lanjutan)

Imbalan pasca-kerja

Biaya, aset dan liabilitas skema imbalan pasti yang dilakukan oleh Perusahaan dan entitas anak ditentukan dengan menggunakan metode yang bergantung pada estimasi dan asumsi aktuarial. Rincian dari asumsi utama terdapat dalam Catatan 34. Perusahaan dan entitas anak menjalankan masukan dari aktuaris independen terkait dengan kesesuaian asumsi. Perubahan pada asumsi yang digunakan mungkin memiliki efek yang signifikan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian dan laporan posisi keuangan konsolidasian.

Pajak Penghasilan

Pertimbangan signifikan dilakukan dalam menentukan provisi atas pajak penghasilan badan. Terdapat transaksi dan perhitungan tertentu yang penentuan pajak akhirnya adalah tidak pasti dalam kegiatan usaha normal. Perusahaan dan entitas anak mengakui liabilitas atas pajak penghasilan badan berdasarkan estimasi apakah akan terdapat tambahan pajak penghasilan badan.

Proses hukum

Perusahaan dan entitas anak meninjau perkembangan kasus hukum yang masih berjalan dalam proses hukum dan pada setiap tanggal pelaporan, guna untuk menilai kebutuhan provisi dan pengungkapan dalam laporan keuangannya. Di antara faktor-faktor yang dipertimbangkan dalam membuat keputusan provisi litigasi adalah sifat litigasi, klaim atau penilaian, proses hukum dan tingkat potensi kerusakan dijurisdiksi di mana litigasi, klaim atau penilaian tersebut berada, perkembangan dari kasus (termasuk perkembangan setelah tanggal pelaporan keuangan namun sebelum laporan tersebut dikeluarkan), pendapat atau pandangan penasihat hukum, pengalaman dalam kasus serupa dan keputusan dari manajemen Perusahaan dan entitas anak tentang bagaimana Perusahaan dan entitas anak akan merespon terhadap litigasi, klaim atau penilaian.

Pengukuran nilai wajar

Sehubungan dengan penerapan PSAK 16 (Revisi 2014) "Aset Tetap", Perusahaan dan entitas anak telah memilih model revaluasi untuk pengukuran setelah pengakuan awal menara telekomunikasi. Hirarki nilai wajar aset tetap pada akhir tahun pelaporan merupakan kategori dalam level 3 pengukuran berulang nilai wajar. Untuk menentukan nilai wajar, penilai independen menggunakan kombinasi dua pendekatan sebagai metode penilaian: pendekatan pendapatan, yang mendiskontokan arus kas masa depan, dan pendekatan biaya, yang didasarkan pada biaya penggantian saat ini. Untuk penjelasan lebih detail lihat Catatan 13 atas laporan keuangan konsolidasian.

Exhibit E/47

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND
ASSUMPTIONS (Continued)

Estimates and Assumptions (Continued)

Post-employment benefits

The costs, assets and liabilities of the defined benefit schemes operating by the Company and subsidiaries are determined using methods relying on actuarial estimates and assumptions. Details of the key assumptions are set out in Note 34. The Company and subsidiaries takes advice from independent actuaries relating to the appropriateness of the assumptions. Changes in the assumptions used may have a significant effect on the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of financial position.

Income Taxes

Significant judgment is involved in determining the provision for corporate income tax. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Company and subsidiaries recognizes liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due.

Legal proceeding

The Company and subsidiaries reviews outstanding legal cases following developments in the legal proceedings and at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the management of the Company and subsidiaries as to how it will respond to the litigation, claim or assessment.

Fair value measurement

Regarding the implementation of PSAK No. 16 (Revised 2014) "Property and Equipment", the Company and subsidiaries has chosen the revaluation model for the measurement after initial recognition of telecommunication towers. The fair value hierarchy of property and equipment at the end of reporting year is categorised as a level 3 recurring fair value measurement. To determine the fair value, the independent appraiser utilizes a combination of two approaches as the appraisal method: the income approach, which discounts future cash flows, and the cost approach, which is based on current replacement cost. For more details, see Note 13 to our consolidated financial statements.

Ekshibit E/48

Exhibit E/48

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

4. KAS DAN SETARA KAS		4. CASH AND CASH EQUIVALENTS		
	2018	2017	2016	
Kas	<u>746</u>	<u>597</u>	<u>663</u>	Cash on hand
Bank				Cash in banks
Rupiah				Rupiah
PT Bank UOB Indonesia	17.647	232.200	132.871	PT Bank UOB Indonesia
PT Bank Mandiri (Persero) Tbk	5.199	14	17	PT Bank Mandiri (Persero) Tbk
PT Bank BNP Paribas Indonesia	5.004	14	15	PT Bank BNP Paribas Indonesia
PT Bank DBS Indonesia	1.192	61.022	468	PT Bank DBS Indonesia
PT Bank Central Asia Tbk	737	3.526	48.758	PT Bank Central Asia Tbk
PT Bank Permata Tbk	218	719	3.668	PT Bank Permata Tbk
PT Bank INA Perdana Tbk	193	-	-	PT Bank INA Perdana Tbk
PT Bank Danamon Indonesia Tbk	80	1.165	384	PT Bank Danamon Indonesia Tbk
Deutsche Bank AG	79	1.884	3.141	Deutsche Bank AG
PT Bank OCBC NISP Tbk	16	1.100	13	PT Bank OCBC NISP Tbk
The Hongkong and Shanghai Banking Corporation Ltd	8	4	6	The Hongkong and Shanghai Banking Corporation Ltd
PT Bank CIMB Niaga Tbk	6	13	13	PT Bank CIMB Niaga Tbk
PT Bank ANZ Indonesia	5	10	10	PT Bank ANZ Indonesia
MUFG Bank Ltd.	4	12	11	MUFG Bank Ltd.
JP Morgan Chase Bank, N.A	-	-	13	JP Morgan Chase Bank, N.A
	<u>30.388</u>	<u>301.683</u>	<u>189.388</u>	
US Dolar				US Dollar
PT Bank UOB Indonesia	149.977	92.968	28.594	PT Bank UOB Indonesia
PT Bank Central Asia Tbk	35.153	6.236	141.045	PT Bank Central Asia Tbk
PT Bank Danamon Indonesia Tbk	1.320	1.454	1.314	PT Bank Danamon Indonesia Tbk
PT Bank OCBC NISP Tbk	905	2.542	1.050	PT Bank OCBC NISP Tbk
The Hongkong and Shanghai Banking Corporation Ltd	820	6	11	The Hongkong and Shanghai Banking Corporation Ltd
PT Bank Permata Tbk	419	437	147	PT Bank Permata Tbk
PT Bank Mandiri (Persero) Tbk	413	1.386	2.889	PT Bank Mandiri (Persero) Tbk
PT Bank ANZ Indonesia	49	42	42	PT Bank ANZ Indonesia
PT Bank DBS Indonesia	36	34	35	PT Bank DBS Indonesia
PT Bank CIMB Niaga Tbk	30	30	28	PT Bank CIMB Niaga Tbk
MUFG Bank Ltd.	30	29	30	MUFG Bank Ltd.
JP Morgan Chase Bank, N.A	-	-	106	JP Morgan Chase Bank, N.A
	<u>189.152</u>	<u>105.164</u>	<u>175.291</u>	
Sub-jumlah bank	<u>219.540</u>	<u>406.847</u>	<u>364.679</u>	Sub-total cash in banks
Deposito berjangka				Time deposit
PT Bank Mandiri (Persero) Tbk	<u>300</u>	-	-	PT Bank Mandiri (Persero) Tbk
Jumlah	<u>220.586</u>	<u>407.444</u>	<u>365.342</u>	Total

Seluruh saldo kas dan setara kas adalah kepada pihak ketiga.

All cash and cash equivalents are to third parties.

Kisaran suku bunga kontraktual dari setara kas selama tahun pelaporan.

Rupiah
1% - 5%

US Dollar
0.65%
The range of contractual interest rates of cash equivalents during the year of reporting.

Pada tanggal 31 Desember 2018, bunga deposito adalah 5,50% per tahun.

As of 31 December 2018, time deposits earn an annual interest of 5.50%.

Ekshibit E/49

Exhibit E/49

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

5. PIUTANG USAHA - PIHAK KETIGA

Rincian piutang usaha berdasarkan mata uang adalah sebagai berikut:

	2018	2017	2016
Pihak ketiga			
Rupiah	362.890	266.127	409.092
Dolar AS	20.413	-	-
Jumlah	<u>383.303</u>	<u>266.127</u>	<u>409.092</u>

Rincian piutang usaha berdasarkan nama pelanggan adalah sebagai berikut:

	2018	2017	2016
Pihak ketiga			
PT Hutchison 3 Indonesia	144.087	489	5.074
PT XL Axiata Tbk	96.411	13.931	182.857
PT Smartfren Telecom Tbk	59.722	53.203	53.485
PT Indosat Tbk	50.155	16.255	11.752
PT Internux	16.007	104.477	124.876
PT Telekomunikasi Selular	6.235	71.969	23.130
Lainnya (masing-masing di bawah Rp 1 miliar)	6.629	1.252	226
	<u>379.246</u>	<u>261.576</u>	<u>401.400</u>
Sewa bangunan	4.057	4.551	7.692
Jumlah	<u>383.303</u>	<u>266.127</u>	<u>409.092</u>

Mutasi cadangan penurunan nilai adalah sebagai berikut:

	2018	2017	2016
Saldo awal	-	-	(63.163)
Penghapusan	-	-	8.372
Reklasifikasi ke aset tidak lancar lainnya (Catatan 18)	-	-	54.791
Saldo akhir	<u>-</u>	<u>-</u>	<u>-</u>

5. TRADE RECEIVABLES - THIRD PARTIES

The details of trade receivables per currency are as follows:

Third parties
Rupiah
US Dollar
Total

The details of trade receivables per customer are as follows:

Third parties
PT Hutchison 3 Indonesia
PT XL Axiata Tbk
PT Smartfren Telecom Tbk
PT Indosat Tbk
PT Internux
PT Telekomunikasi Selular
Others (each below Rp 1 billion)

Building rental
Total

Changes in the allowance for impairment are as follows:

Beginning balance
Write-off
Reclassification to other non-current assets
(Note 18)
Ending balance

Ekshibit E/50

Exhibit E/50

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

5. PIUTANG USAHA (Lanjutan)

Umur piutang usaha sejak tanggal faktur adalah sebagai berikut:

	2018	2017	2016
Belum jatuh tempo	254.136	176.408	321.975
Jatuh tempo			
1 - 30 hari	47.997	26.022	70.265
31 - 60 hari	56.966	12.424	8.557
61 - 90 hari	3.544	19.236	3.954
Lebih dari 90 hari	20.660	32.037	4.341
	129.167	89.719	87.117
Jumlah - bersih	383.303	266.127	409.092

Berdasarkan penelaahan atas saldo piutang usaha secara individu pada akhir tahun, manajemen berpendapat bahwa seluruh piutang usaha pada tanggal 31 Desember 2018, 2017 dan 2016 dapat tertagih seluruhnya dalam waktu dekat, sehingga tidak perlu membentuk cadangan penurunan nilai.

Pada bulan Desember 2018, hampir seluruh saldo piutang usaha PT Internux telah diubah menjadi piutang Surat Sanggup Bayar (lihat Catatan 8).

5. TRADE RECEIVABLES (Continued)

Aging of trade receivables from the date of invoice is as follows:

	2018	2017	2016	
Belum jatuh tempo	254.136	176.408	321.975	Current
Jatuh tempo				Overdue
1 - 30 hari	47.997	26.022	70.265	1 - 30 days
31 - 60 hari	56.966	12.424	8.557	31 - 60 days
61 - 90 hari	3.544	19.236	3.954	61 - 90 days
Lebih dari 90 hari	20.660	32.037	4.341	Over 90 days
	129.167	89.719	87.117	
Jumlah - bersih	383.303	266.127	409.092	Total - net

Based on the review of the status of the individual receivable accounts at the end of the year, the management believes that the trade receivables at 31 December 2018, 2017 and 2016 are fully collectible in the near future, hence the allowance for impairment are not necessarily provided.

In December 2018, the most of PT Internux's trade receivables have been converted into the Promissory Notes (see Note 8).

6. PIUTANG LAIN-LAIN

	2018	2017	2016
Pihak ketiga			
Operator selular - Tagihan listrik	24.379	19.943	52.806
Karyawan	20.665	23.280	15.579
Penjualan			
menara telekomunikasi (Catatan 13)	10.360	29.006	-
Asuransi	945	2.766	1.838
Lainnya	20.098	16.584	7.819
	76.447	91.579	78.042
Pihak berelasi (Catatan 39)	1.213	-	-
Jumlah	77.660	91.579	78.042

6. OTHER RECEIVABLES

	2018	2017	2016	
Operator selular - Tagihan listrik	24.379	19.943	52.806	Third parties
Karyawan	20.665	23.280	15.579	Cellular operator - Electricity bills
Penjualan				Employees
menara telekomunikasi (Catatan 13)	10.360	29.006	-	Sale of
Asuransi	945	2.766	1.838	telecommunication tower (Note 13)
Lainnya	20.098	16.584	7.819	Insurance
	76.447	91.579	78.042	Others
Pihak berelasi (Catatan 39)	1.213	-	-	Related parties (Note 39)
Jumlah	77.660	91.579	78.042	Total

Ekshibit E/51

Exhibit E/51

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

6. PIUTANG LAIN-LAIN (Lanjutan)

Umur piutang lain-lain sejak tanggal faktur adalah sebagai berikut:

	2018	2017	2016
Belum jatuh tempo	21.179	51.949	19.401
Jatuh tempo			
1 - 30 hari	28.231	4.729	17.023
31 - 60 hari	12.166	2.868	32.686
61 - 90 hari	15.567	4.410	8.932
Lebih dari 90 hari	517	27.623	-
Jumlah	77.660	91.579	78.042

Berdasarkan penelaahan atas saldo piutang lain-lain secara individu pada akhir tahun, manajemen berpendapat bahwa piutang lain-lain dapat ditagih seluruhnya, sehingga tidak perlu membentuk penyisihan kerugian penurunan nilai pada tanggal 31 Desember 2018, 2017 dan 2016.

6. OTHER RECEIVABLES (Continued)

Aging of other receivables from the date of invoice is as follows:

	2018	2017	2016	
Belum jatuh tempo	21.179	51.949	19.401	Current
Jatuh tempo				Overdue
1 - 30 hari	28.231	4.729	17.023	1 - 30 days
31 - 60 hari	12.166	2.868	32.686	31 - 60 days
61 - 90 hari	15.567	4.410	8.932	61 - 90 days
Lebih dari 90 hari	517	27.623	-	Over 90 days
Jumlah	77.660	91.579	78.042	Total

Based on the review of the status of the individual other receivable accounts at the end of the year, the management believes that all of the other receivables can be fully collected, hence the management determines that no allowance for impairment losses is necessary provided as of 31 December 2018, 2017 and 2016.

7. UANG MUKA PEMBELIAN KEMBALI SAHAM

Akun ini merupakan uang muka pembelian kembali saham PT Solu Sindo Kreasi Pratama (SKP), dari pihak berelasi (Catatan 39). Rincian pembelian kembali saham yang sudah dilakukan selama tahun yang berakhir 31 Desember 2018, 2017 dan 2016 adalah sebagai berikut:

- Pada tanggal 5 Nopember 2014, berdasarkan Perjanjian Pengikatan Jual beli Kembali Saham SKP, pemegang saham non-pengendali SKP menyetujui untuk mengalihkan 89.873 saham miliknya kepada SKP.

Jumlah saham tersebut merepresentasikan 5,47% seluruh saham beredar SKP dan nilai pembelian kembali saham tersebut adalah sebesar Rp 349.977. Dengan demikian, SKP menjadi memiliki sahamnya sendiri sebanyak 89.873 saham atau 5,47% dari seluruh saham yang beredar. Setelah transaksi pembelian saham, selanjutnya menghentikan saham beredar yang dibeli oleh SKP tersebut.

7. ADVANCE FOR SHARES REPURCHASE

This account represents advance for shares repurchase of PT Solu Sindo Kreasi Pratama (SKP), from related party (Note 39). Details of shares repurchase during the year ended 31 December 2018, 2017 and 2016 are as follows:

- Based on SKP Shares Purchase Agreement dated 5 November 2014, the non-controlling shareholders of SKP agreed to sell their 89,873 shares to SKP.

The number of shares represents 5.47% of total shares outstanding of SKP, and value of shares repurchased amounted to Rp 349,977. Accordingly, SKP now has as many as 89,873 shares of its own or 5.47% of the total shares outstanding. After the transaction of share repurchase, SKP terminated outstanding shares that have been purchased by SKP.

Ekshibit E/52

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

7. UANG MUKA PEMBELIAN KEMBALI SAHAM (Lanjutan)

Selanjutnya sesuai akta Notaris No. 7 tanggal 5 Nopember 2014 yang dibuat dihadapan Notaris yang sama, SKP telah melaporkan perubahan susunan pemegang saham kepada Menteri Hukum dan Hak Asasi Manusia terkait pembelian kembali saham. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-0000371.AH.01.02.Tahun 2015 tanggal 12 Januari 2015.

- Pada tanggal 20 April 2015, berdasarkan Perjanjian Pengikatan Jual beli Kembali Saham SKP, pemegang saham non-pengendali SKP menyetujui untuk mengalihkan 29.417 saham miliknya kepada SKP.

Jumlah saham tersebut merepresentasikan 1,89% seluruh saham beredar SKP dan nilai pembelian kembali saham tersebut adalah sebesar Rp 141.452. Dengan demikian, SKP menjadi memiliki sahamnya sendiri sebanyak 29.417 saham atau 1,89% dari seluruh saham yang beredar. Setelah transaksi pembelian saham, selanjutnya menghentikan saham beredar yang dibeli oleh SKP tersebut.

Selanjutnya sesuai akta Notaris No. 75 tanggal 20 April 2015 yang dibuat dihadapan Notaris yang sama, SKP telah melaporkan perubahan susunan pemegang saham kepada Menteri Hukum dan Hak Asasi Manusia terkait pembelian kembali saham. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-0938197.AH.01.02.Tahun 2015 tanggal 26 Juni 2015.

- Pada tanggal 8 Desember 2015, berdasarkan Perjanjian Pengikatan Jual beli Kembali Saham SKP, pemegang saham non-pengendali SKP menyetujui untuk mengalihkan 95.303 saham miliknya kepada SKP.

Jumlah saham tersebut merepresentasikan 2,10% seluruh saham beredar SKP dan nilai pembelian kembali saham tersebut adalah sebesar Rp 513.568. Dengan demikian, SKP menjadi memiliki sahamnya sendiri sebanyak 95.303 saham atau 2,10% dari seluruh saham yang beredar. Setelah transaksi pembelian saham, selanjutnya menghentikan saham beredar yang dibeli oleh SKP tersebut.

Selanjutnya sesuai akta Notaris No. 27 tanggal 8 Desember 2015 yang dibuat dihadapan Notaris yang sama, SKP telah melaporkan perubahan susunan pemegang saham kepada Menteri Hukum dan Hak Asasi Manusia terkait pembelian kembali saham. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-0949402.AH.01.02.Tahun 2015 tanggal 15 Februari 2016.

Exhibit E/52

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

7. ADVANCE FOR SHARES REPURCHASE (Continued)

Subsequently, pursuant to the Notarial deed No. 7 dated 5 November 2014 that was made before the same Notary, SKP has reported changes in its shareholding structure to the Ministry of Law and Human Rights related to the share repurchases. Changes to articles of association have been approved by the Minister of Law and Human Rights through its Decree Letter No. AHU-0000371.AH.01.02.Tahun 2015 dated 12 January 2015.

- *Based on SKP Shares Purchase Agreement dated 20 April 2015, the non-controlling shareholders of SKP agreed to sell their 29,417 shares to SKP.*

The number of shares represents 1.89% of total shares outstanding of SKP, and value of shares repurchased amounted to Rp 141,452. Accordingly, SKP now has as many as 29,417 shares of its own or 1.89% of the total shares outstanding. After the transaction of share repurchase, SKP terminated outstanding shares that have been purchased by SKP.

Subsequently, pursuant to the Notarial deed No. 75 dated 20 April 2015 that was made before the same Notary, SKP has reported changes in its shareholding structure to the Ministry of Law and Human Rights related to the share repurchases. Changes to articles of association have been approved by the Minister of Law and Human Rights through its Decree Letter No. AHU-0938197.AH.01.02.Tahun 2015 dated 26 June 2015.

- *Based on SKP Shares Purchase Agreement dated 8 December 2015, the non-controlling shareholders of SKP agreed to sell their 95,303 shares to SKP.*

The number of shares represents 2.10% of total shares outstanding of SKP, and value of shares repurchased amounted to Rp 513,568. Accordingly, SKP now has as many as 95,303 shares of its own or 2.10% of the total shares outstanding. After the transaction of share repurchase, SKP terminated outstanding shares that have been purchased by SKP.

Subsequently, pursuant to the Notarial deed No. 27 dated 8 December 2015 that was made before the same Notary, SKP has reported changes in its shareholding structure to the Ministry of Law and Human Rights related to the share repurchases. Changes to articles of association have been approved by the Minister of Law and Human Rights through its Decree Letter No. AHU-0949402.AH.01.02.Tahun 2015 dated 15 February 2016.

Ekshibit E/53

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

7. UANG MUKA PEMBELIAN KEMBALI SAHAM (Lanjutan)

- Pada tanggal 9 Agustus 2018, berdasarkan Perjanjian Pengikatan Jual beli Kembali Saham SKP, pemegang saham non-pengendali SKP menyetujui untuk mengalihkan 15.677 saham miliknya kepada SKP.

Jumlah saham tersebut merepresentasikan 0,35% seluruh saham beredar SKP dan nilai pembelian kembali saham tersebut adalah sebesar Rp 51.520. Dengan demikian, SKP menjadi memiliki sahamnya sendiri sebanyak 15.677 saham atau 0,35% dari seluruh saham yang beredar. Setelah transaksi pembelian saham, selanjutnya menghentikan saham beredar yang dibeli oleh SKP tersebut.

Selanjutnya, sesuai akta Notaris No. 24 tanggal 9 Agustus 2018 yang dibuat dihadapan Notaris Darmawan Tjoa SH., SE., SKP telah melaporkan perubahan susunan pemegang saham kepada Menteri Hukum dan Hak Asasi Manusia terkait perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asas Manusia Republik Indonesia dalam Surat Keputusan No. AHU-0021798.AH.01.02.Tahun 2018 tanggal 14 Oktober 2018.

Jumlah pembayaran uang muka pembelian kembali saham selama tahun yang berakhir 31 Desember 2018, 2017 dan 2016 masing-masing sebesar Rp 4.995, nihil dan Rp 12.436.

Pada 31 Desember 2018, 2017 dan 2016, saldo uang muka pembelian kembali saham masing-masing adalah sebesar nihil, Rp 44.957 dan Rp 44.957.

8. SURAT SANGGUP BAYAR

Pada bulan Desember 2018, Perusahaan dan PT Internux telah menyepakati untuk mengubah piutang usaha PT Internux menjadi Surat Sanggup Bayar senilai Rp 221.425. Surat Sanggup Bayar tersebut tidak memiliki jangka waktu dan dapat dialihkan kepada pihak lain.

Surat Sanggup Bayar ini merupakan konversi piutang usaha dan pelaksanaannya terikat dengan Perjanjian Perdamaian tanggal 30 Oktober 2018. Dalam Perjanjian Perdamaian tersebut, jangka waktu pelunasan piutang kepada Perseroan maksimal adalah 360 bulan sejak tanggal Perjanjian Perdamaian, tidak terdapat bunga pinjaman dan jaminan.

Exhibit E/53

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

7. ADVANCE FOR SHARES REPURCHASE (Continued)

- Based on SKP Shares Purchase Agreement dated 9 August 2018, the non-controlling shareholders of SKP agreed to sell their 15,677 shares to SKP.

The number of shares represents 0.35% of total shares outstanding of SKP, and value of shares repurchased amounted to Rp 51,520. Accordingly, SKP now has as many as 15,677 shares of its own or 0.35% of the total shares outstanding. After the transaction of share repurchase, SKP terminated outstanding shares that have been purchased by SKP.

Subsequently, according to the Notarial deed No. 24 dated 9 August 2018 that was made in the Darmawan Tjoa SH., SE., Notary, SKP has reported changes in its shareholding structure to the Ministry of Law and Human Rights related to changes to articles of association have been approved by the Minister of Law and Human Rights through its Decree Letter No. AHU-0021798.AH.01.02.Tahun 2018 dated 14 October 2018.

Total payment of advance for share repurchase for the year ended 31 December 2018, 2017 and 2016 amounting to Rp 4,995, nil and Rp 12,436, respectively.

As of 31 December 2018, 2017 and 2016, the balances of advance for shares repurchase are amounting to nil, Rp 44,957 and Rp 44,957, respectively.

8. PROMISSORY NOTE

In December 2018, the Company and PT Internux have agreed to convert PT Internux's trade receivables into the Promissory Notes amounted to Rp 221,425. The Promissory Notes has no time year and can be transferred to another party.

This promissory note is the conversion of trade receivables and the implementation is bound by the Peace Agreement dated October 30, 2018. In the Peace Agreement, the maximum period of payment of receivables to the Company is 360 months from the date of the Peace Agreement, there are no loan and guarantee interest.

Ekshibit E/54

Exhibit E/54

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

9. INVESTASI

	2018	2017	2016
Surat berharga - tersedia untuk dijual			
Obligasi wajib konversi	1.508	1.508	1.508
Saham	-	16.710	16.710
Jumlah	1.508	18.218	18.218
Perubahan nilai wajar	-	(15.882)	(15.831)
Jumlah - bersih	1.508	2.336	2.387

Saham

Pada 31 Desember 2009, PT Solu Sindo Kreasi Pratama, entitas anak, memiliki 331.551.387 saham PT Smartfren Telecom Tbk (dahulu PT Mobile-8 Telecom Tbk) (FREN) dengan nilai perolehan per saham sebesar Rp 50,4 (nilai penuh). Pada 16 Februari 2012, FREN melakukan peningkatan harga per saham (*reverse stock*) dengan rasio 20:1. Dengan demikian, nilai per saham FREN yang semula Rp 50,4 (nilai penuh) meningkat menjadi Rp 1.000 (nilai penuh). Akibat hal tersebut, kepemilikan saham Perusahaan pada FREN berubah menjadi sebanyak 16.577.569 saham. Jumlah saham tersebut mencerminkan kepemilikan Perusahaan pada FREN sebesar kurang dari 1%. Pada 31 Desember 2018, seluruh saham FREN telah dijual.

Obligasi konversi

Pada tanggal 9 Desember 2014, Pengadilan Niaga pada Pengadilan Negeri Jakarta Pusat telah memutuskan PT Bakrie Telecom Tbk dalam Penundaan Kewajiban Pembayaran Utang ("PKPU") Sementara berdasarkan perkara PKPU No. 59/Pdt.Sus-PKPU/2014/PN.Niaga.Jkt.Pusat. Pada tanggal 9 Desember 2014, Pengadilan Niaga pada Pengadilan Negeri Jakarta Pusat telah memberikan putusan pengadilan untuk mengesahkan Perjanjian Perdamaian tanggal 9 Desember 2014 yang dibuat antara PT Bakrie Telecom Tbk dengan para kreditur terkait, termasuk dengan beberapa entitas anak (PT Solu Sindo Kreasi Pratama, PT Tower Bersama, PT Bali Telekom, PT Batavia Towerindo, PT Telenet Internusa, PT Prima Media Selaras, PT United Towerindo, PT Mitrayasa Sarana Informasi) ("Perjanjian Perdamaian"), dimana hutang sewa PT Bakrie Telecom Tbk kepada entitas anak tersebut akan diselesaikan melalui mekanisme tunai bertahap dan pelaksanaan obligasi wajib konversi.

Perubahan nilai wajar untuk tahun yang berakhir 31 Desember 2018, 2017 dan 2016 masing-masing sebesar nihil, Rp 15.882 dan Rp 15.831 dicatat pada akun penghasilan komprehensif lain sebagai bagian dari ekuitas. Manajemen berpendapat bahwa nilai penyertaan saham pada tanggal laporan posisi keuangan konsolidasian telah mencerminkan nilai wajar masing-masing surat berharga.

9. INVESTMENT

Securities - available for sale
Mandatory convertible bonds
Shares

Total

Change in fair value

Total - net

Shares

On 31 December 2009, PT Solu Sindo Kreasi Pratama, a subsidiary had 331,551,387 shares of Smartfren Telecom Tbk (formerly PT Mobile-8 Telecom Tbk) (FREN) with the cost of acquisition per share of Rp 50.4 (full amount). On 16 February 2012, FREN increased the price per share (*reverse stock*) with a ratio of 20:1. Accordingly, FREN value per share increased from originally Rp 50.4 (full amount) to Rp 1,000 (full amount). As a result, SKP's number of shares owned in FREN changed to 16,577,569 shares. The number of shares represents the Company's ownership at FREN less than 1%. At 31 December 2018, all FREN shares were already sold.

Convertible bonds

On 9 December 2014, the Commercial Court of the District Court of Central Jakarta had granted PT Bakrie Telecom Tbk a Temporary Suspension of Payment (the "SOP") based on SOP case No. 59/Pdt.Sus-PKPU/2014/PN.Niaga.Jkt.Pusat. On 9 December 2014, the Commercial Court of the District Court of Central Jakarta has given a court order to legalize the Settlement Agreement dated 9 December 2014, made by PT Bakrie Telecom Tbk and the respective creditors, including to some subsidiaries (PT Solu Sindo Kreasi Pratama, PT Tower Bersama, PT Bali Telekom, PT Batavia Towerindo, PT Telenet Internusa, PT Prima Media Selaras, PT United Towerindo, PT Mitrayasa Sarana Informasi) (the "Settlement Agreement"), which the lease debt of PT Bakrie Telecom Tbk to the respective subsidiaries will be settled through cash installments and the exercise of mandatory convertible bonds.

Change in fair value for the year ended 31 December 2018, 2017 and 2016 amounted to nil, Rp 15,882 and Rp 15,831, respectively, were recorded in other comprehensive income account as part of the equity. The management believes that the value of such investment on the consolidated statements of financial position has reflected the fair value of each securities.

Ekshibit E/55

Exhibit E/55

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

10. PENDAPATAN YANG MASIH HARUS DITERIMA

	2018	2017	2016
Pihak ketiga			
PT Telekomunikasi Selular	417.160	388.987	186.903
PT XL Axiata Tbk	82.405	38.685	35.864
PT Indosat Tbk	21.145	112.799	28.540
PT Smartfren Telecom Tbk	17.610	10.641	10.182
PT Internux	4.192	30.406	16.681
PT Hutchison 3 Indonesia	1.539	4.022	8.128
PT Smart Telecom	1.261	507	1.794
Lainnya (masing-masing di bawah Rp 1 miliar)	1.296	1.124	415
Jumlah	546.608	587.171	288.507

Akun ini merupakan pendapatan sewa menara yang belum ditagih, karena proses pengujian fisik menara dan verifikasi dokumen yang belum selesai pada tanggal laporan posisi keuangan konsolidasian.

10. ACCRUED REVENUE

Third parties
PT Telekomunikasi Selular
PT XL Axiata Tbk
PT Indosat Tbk
PT Smartfren Telecom Tbk
PT Internux
PT Hutchison 3 Indonesia
PT Smart Telecom
Others (each below Rp 1 billion)
Total

This account represents unbilled rental income of towers due to the customer's site visit and verification of documents not being completed as of the consolidated statements of financial position date.

11. PERSEDIAAN DAN PERLENGKAPAN

	2018	2017	2016
Material menara	18.603	13.267	198.148
Suku cadang	4.120	7.023	19.040
Peralatan	-	-	18
Jumlah	22.723	20.290	217.206

Pada tanggal 31 Desember 2018, 2017 dan 2016, tidak ada persediaan dan perlengkapan yang dijaminkan.

Berdasarkan hasil penelaahan pada setiap akhir tahun, manajemen berpendapat tidak perlu membentuk penyisihan penurunan nilai atas akun persediaan. Kecuali material menara, seluruh persediaan dan perlengkapan akan diakui sebagai beban pada saat penggunaan.

Persediaan yang diakui sebagai beban untuk tahun yang berakhir pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar Rp 5.042, Rp 3.977 dan Rp 2.564.

11. INVENTORIES AND SUPPLIES

Tower material
Spareparts
Peralatan
Total

As of 31 December 2018, 2017 and 2016, there are no inventories and supplies are pledged as collateral.

Based on a review at the end of the year, the management determines that no impairment provision is necessary provided. Except for tower material, all inventories and supplies will be recognized as expenses at the time of use.

Inventories which recognized as expenses for the years ended 31 December 2018, 2017 and 2016 amounted to Rp 5,042, Rp 3,977 and Rp 2,564, respectively.

12. UANG MUKA DAN BEBAN DIBAYAR DI MUKA

	2018	2017	2016
Uang muka operasional	58.693	98.991	98.228
Perijinan	28.602	29.158	23.083
Asuransi	14.443	14.632	12.678
Retribusi	10.427	10.488	5.455
Sewa kantor	3.586	4.508	4.781
Lainnya	39.052	27.977	18.965
Jumlah	154.803	185.754	163.190

12. ADVANCE PAYMENTS AND PREPAID EXPENSES

Operational advances
Licenses
Insurance
Retribution
Office rental
Others
Total

Ekshibit E/56

Exhibit E/56

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

13. ASET TETAP

13. PROPERTY AND EQUIPMENT

31 Desember 2018	Saldo awal/ Beginning balance	Kombinasi bisnis/ Business combination*)	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassification	Akumulasi penyusutan dan penyesuaian nilai wajar/ Accumulated depreciation and fair value adjustment	Surplus revaluasi/ Revaluation Surplus	Reklasifikasi ke properti investasi/ Reclassified to investment property	Saldo akhir/ Ending balance	31 December 2018
Model Revaluasi										Revaluation Model
Menara telekomunikasi	18.899.510	513.888	-	-	1.115.509 (	214.588)	83.074	-	20.397.393	Telecommunication towers
Akumulasi penyusutan										Accumulated depreciation
Menara telekomunikasi	-	-	214.588	-	- (	214.588)	-	-	-	Telecommunication towers
Model Biaya										Cost Model
Aset tetap dalam penyelesaian	468.670	34.401	16.10.043	-	(1.115.509)	-	-	(63)	997.542	Property and equipment in progress
Biaya Perolehan										Cost
Pemilikan langsung										Direct Ownership
Tanah	23.687	-	5.423	-	250	-	-	-	29.360	Land
Bangunan	334.587	-	16.218	-	(250)	-	-	-	350.555	Building
Peralatan, perlengkapan kantor dan perangkat elektronik	96.026	3.602	6.251	-	-	-	-	-	105.879	Tools, office equipment and electronic hardware
Perangkat lunak	3.688	-	-	-	-	-	-	-	3.688	Software
Kendaraan	16.862	100	11.570 (	1.200)	-	-	-	-	27.332	Vehicles
Genset	30.501	-	-	-	-	-	-	-	30.501	Genset
Menara bergerak	111.718	-	54.231	-	-	-	-	-	165.949	Transportable towers
Sewa pembiayaan										Finance lease
Kendaraan	15.301	-	6.710 (	1.268)	-	-	-	-	20.743	Vehicles
	632.370	3.702	100.403 (	2.468)	-	-	-	-	734.007	
Model Biaya										Cost Model
Akumulasi penyusutan										Accumulated Depreciation
Pemilikan langsung										Direct Ownership
Bangunan	35.059	-	17.382	-	-	-	-	-	52.441	Building
Peralatan, perlengkapan kantor dan perangkat elektronik	80.602	2.273	7.329	-	-	-	-	-	90.204	Tools, office equipment and electronic hardware
Perangkat lunak	1.879	-	124	-	-	-	-	-	2.003	Software
Kendaraan	13.987	100	3.931 (	1.200)	-	-	-	-	16.818	Vehicles
Genset	30.351	-	77	-	-	-	-	-	30.428	Genset
Menara bergerak	32.445	-	15.971	-	-	-	-	-	48.416	Transportable towers
Sewa pembiayaan										Finance lease
Kendaraan	7.494	-	3.798 (	1.268)	-	-	-	-	10.024	Vehicles
	201.817	2.373	48.612 (	2.468)	-	-	-	-	250.334	
Nilai tercatat	<u>19.330.063</u>								<u>20.881.066</u>	Carrying value
Jumlah	<u>19.798.733</u>								<u>21.878.608</u>	Total

*) Akuisisi PT Gihon Telekomunikasi Indonesia Tbk dan PT Visi Telekomunikasi Infrastruktur Tbk (Catatan 36).

*) Acquisition of PT Gihon Telekomunikasi Indonesia Tbk and PT Visi Telekomunikasi Infrastruktur Tbk (Note 36).

Ekshibit E/57

Exhibit E/57

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

13. ASET TETAP (Lanjutan)

13. PROPERTY AND EQUIPMENT (Continued)

	Saldo awal/ Beginning balance	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassification	Akumulasi penyusutan dan penyesuaian nilai wajar/ Accumulated depreciation and fair value adjustment	Surplus revaluasi/ Revaluation Surplus	Reklasifikasi ke properti investasi/ Reclassified to investment property	Saldo akhir/ Ending balance	
31 Desember 2017									31 December 2017
Model Revaluasi									Revaluation Model
Menara telekomunikasi	17.304.141	-	(80.572)	1.844.119	(197.490)	29.312	-	18.899.510	Telecommunication towers
Akumulasi penyusutan									Accumulated depreciation
Menara telekomunikasi	-	197.490	-	-	(197.490)	-	-	-	Telecommunication towers
Model Biaya									Cost Model
Aset tetap dalam penyelesaian	498.532	1.797.615	-	(1.844.615)	-	-	17.138	468.670	Property and equipment in progress
Biaya Perolehan									Cost
Pemilikan langsung									Direct Ownership
Tanah	23.687	-	-	-	-	-	-	23.687	Land
Bangunan	376.769	1.857	(44.039)	-	-	-	-	334.587	Building
Peralatan, perlengkapan kantor dan perangkat elektronik	90.147	5.879	-	-	-	-	-	96.026	Tools, office equipment and electronic hardware
Perangkat lunak	3.688	-	-	-	-	-	-	3.688	Software
Kendaraan	29.128	-	(12.762)	496	-	-	-	16.862	Vehicles
Genset	30.501	-	-	-	-	-	-	30.501	Genset
Menara bergerak	36.450	75.268	-	-	-	-	-	111.718	Transportable towers
Sewa pembiayaan									Finance lease
Kendaraan	19.969	7.281	(11.949)	-	-	-	-	15.301	Vehicles
	610.339	90.285	(68.750)	496	-	-	-	632.370	
Model Biaya									Cost Model
Akumulasi penyusutan									Accumulated Depreciation
Pemilikan langsung									Direct Ownership
Bangunan	18.554	18.611	(2.106)	-	-	-	-	35.059	Building
Peralatan, perlengkapan kantor dan perangkat elektronik	70.812	9.996	-	(206)	-	-	-	80.602	Tools, office equipment and electronic hardware
Perangkat lunak	1.585	88	-	206	-	-	-	1.879	Software
Kendaraan	21.817	4.179	(12.009)	-	-	-	-	13.987	Vehicles
Genset	30.327	24	-	-	-	-	-	30.351	Genset
Menara bergerak	22.389	10.056	-	-	-	-	-	32.445	Transportable towers
Sewa pembiayaan									Finance lease
Kendaraan	15.548	3.284	(11.338)	-	-	-	-	7.494	Vehicles
	181.032	46.238	(25.453)	-	-	-	-	201.817	
Nilai tercatat	17.733.448							19.330.063	Carrying value
Jumlah	18.231.980							19.798.733	Total

Ekshibit E/58

Exhibit E/58

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

13. ASET TETAP (Lanjutan)

13. PROPERTY AND EQUIPMENT (Continued)

	Saldo awal/ Beginning balance	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassification	Akumulasi penyusutan dan penyesuaian nilai wajar/ Accumulated depreciation and fair value adjustment	Surplus revaluasi/ Revaluation Surplus	Reklasifikasi ke properti investasi/ Reclassified to investment property	Saldo akhir/ Ending balance	
31 Desember 2016									31 December 2016
Model Revaluasi									Revaluation Model
Menara telekomunikasi	15.693.526	33.033	-	1.319.705	(320.303)	578.180	-	17.304.141	Telecommunication towers
Akumulasi penyusutan									Accumulated depreciation
Menara telekomunikasi	-	320.303	-	-	(320.303)	-	-	-	Telecommunication towers
Model Biaya									Cost Model
Aset tetap dalam penyelesaian	827.631	1.496.031	-	(1.672.913)	-	-	(152.217)	498.532	Property and equipment in progress
Biaya Perolehan									Cost
Pemilikan langsung									Direct Ownership
Tanah	23.687	-	-	-	-	-	-	23.687	Land
Bangunan	22.502	1.163	-	353.104	-	-	-	376.769	Building
Peralatan, perlengkapan kantor dan perangkat elektronik	84.958	5.085	-	104	-	-	-	90.147	Tools, office equipment and electronic hardware
Perangkat lunak	3.688	-	-	-	-	-	-	3.688	Software
Kendaraan	27.606	1.572	(50)	-	-	-	-	29.128	Vehicles
Genset	30.501	-	-	-	-	-	-	30.501	Genset
Menara bergerak	36.450	-	-	-	-	-	-	36.450	Transportable towers
Sewa pembiayaan									Finance lease
Kendaraan	18.514	1.455	-	-	-	-	-	19.969	Vehicles
	247.906	9.275	(50)	353.208	-	-	-	610.339	
Model Biaya									Cost Model
Akumulasi penyusutan									Accumulated Depreciation
Pemilikan langsung									Direct Ownership
Bangunan	7.765	10.789	-	-	-	-	-	18.554	Building
Peralatan, perlengkapan kantor dan perangkat elektronik	59.023	11.789	-	-	-	-	-	70.812	Tools, office equipment and electronic hardware
Perangkat lunak	1.576	9	-	-	-	-	-	1.585	Software
Kendaraan	16.264	5.603	(50)	-	-	-	-	21.817	Vehicles
Genset	30.303	24	-	-	-	-	-	30.327	Genset
Menara bergerak	18.744	3.645	-	-	-	-	-	22.389	Transportable towers
Sewa pembiayaan									Finance lease
Kendaraan	13.252	2.296	-	-	-	-	-	15.548	Vehicles
	146.927	34.155	(50)	-	-	-	-	181.032	
Nilai tercatat	15.794.505							17.733.448	Carrying value
Jumlah	16.622.136							18.231.980	Total

Ekshibit E/59

Exhibit E/59

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

13. **ASET TETAP (Lanjutan)**

Aset tetap dalam penyelesaian merupakan pembangunan infrastruktur telekomunikasi, dengan rincian sebagai berikut:

	2018	2017	2016
<u>Persentase penyelesaian > 50%</u>			
Menara telekomunikasi	594.612	263.903	303.840
<i>In building system</i>	13.659	54.553	264
<u>Persentase penyelesaian < 50%</u>			
Menara telekomunikasi	380.166	145.708	194.259
<i>In building system</i>	9.105	4.506	169
Jumlah	997.542	468.670	498.532

Estimasi penyelesaian aset tetap dalam penyelesaian adalah sekitar 1 bulan sampai 2 tahun sejak tanggal pelaporan. Tidak terdapat hambatan untuk menyelesaikan aset tetap dalam penyelesaian.

Tidak terdapat kapitalisasi biaya pinjaman untuk aset karena tidak memenuhi kriteria aset kualifikasi.

Untuk tahun yang berakhir 31 Desember 2018, 2017 dan 2016, beban penyusutan dialokasikan pada beban pokok pendapatan dan beban usaha masing-masing sebesar Rp 230.559 (2017: Rp 207.546, 2016: Rp 323.948) dan Rp 32.641 (2017: Rp 36.182, 2016: Rp 30.510) (Catatan 32 dan 33).

Kerugian pelepasan aset tetap pada tahun yang berakhir 31 Desember 2017 adalah sebagai berikut:

	2017
Nilai perolehan	125.974
Akumulasi penyusutan	(2.106)
Nilai tercatat	123.868
Harga jual	(102.294)
Kerugian pelepasan - sebelum biaya pelepasan	21.574
Biaya pelepasan	250
Jumlah kerugian pelepasan	21.824

Pada tanggal 31 Desember 2018, 2017 dan 2016, aset tetap-sewa pembiayaan berupa kendaraan telah dijadikan jaminan atas liabilitas sewa pembiayaan (Catatan 24).

13. **PROPERTY AND EQUIPMENT (Continued)**

Property and equipment in progress represent the telecommunication infrastructures development, detail as follows:

	2018	2017	2016
<u>Percentage of completion > 50%</u>			
Telecommunications towers	594.612	263.903	303.840
<i>In building system</i>	13.659	54.553	264
<u>Percentage of completion < 50%</u>			
Telecommunications towers	380.166	145.708	194.259
<i>In building system</i>	9.105	4.506	169
Total	997.542	468.670	498.532

The estimation date to complete the property and equipment in progress is between 1 month to 2 years since the reporting date. There are no obstacles to settling fixed assets in progress.

There is no capitalization of borrowing costs for assets because it does not meet the criteria for qualifying assets.

For the year ended 31 December 2018, 2017 and 2016, depreciation charged to cost of revenue and operating expenses amounted to Rp 230,559 (2017: Rp 207,546) (2016: Rp 323,948) and Rp 32,641 (2017: Rp 36,182) (2016: Rp 30,510 respectively (Notes 32 and 33).

Loss on disposal of property and equipments for the year ended 31 December 2017 are as follows:

	2017
Cost	125.974
Accumulated depreciation	(2.106)
Carrying value	123.868
Selling price	(102.294)
Loss on disposal - before disposal expense	21.574
Disposal expense	250
Total loss on disposal	21.824

As of 31 December 2018, 2017 and 2016, leased vehicles are collateralized for finance lease liabilities (Note 24).

Ekshibit E/60

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

13. ASET TETAP (Lanjutan)

Pada 31 Desember 2018, 2017 dan 2016, seluruh aset tetap telah diasuransikan terhadap kebakaran, pencurian dan risiko kerugian lainnya kepada pihak ketiga berdasarkan suatu paket polis tertentu dengan nilai pertanggungan masing-masing sebesar Rp 10.187.247, Rp 9.134.930 dan Rp 8.259.278. Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutupi kemungkinan kerugian atas risiko yang dipertanggungkan.

Perusahaan dan entitas anak tidak memiliki aset yang tidak digunakan sementara, dan tidak ada aset yang dihentikan dari penggunaan aktif dan diklarifikasi sebagai tersedia untuk dijual.

Aset yang sudah habis disusutkan dan masih digunakan adalah kendaraan dengan nilai perolehan sebelumnya sebesar Rp 2.932, Rp 1.939 dan Rp 969 pada 31 Desember 2018, 2017 dan 2016.

Berdasarkan evaluasi yang dilakukan manajemen, tidak terdapat kejadian atau perubahan atas keadaan yang menunjukkan adanya penurunan nilai aset tetap pada tanggal 31 Desember 2018, 2017 dan 2016.

Pengukuran nilai wajar

Sehubungan dengan penerapan PSAK 16 (Revisi 2014) "Aset Tetap", Perusahaan dan entitas anak telah memilih model revaluasi untuk pengukuran setelah pengakuan awal menara telekomunikasi. Nilai wajar pada tanggal 31 Desember 2018 ditentukan berdasarkan penilaian dari penilai independen KJPP Martokoesoemo Prasetyo & Rekan dalam laporannya pada tanggal 4 Maret 2019, dan telah sesuai dengan peraturan Bapepam-LK No. VIII.C.4 mengenai pedoman penilaian dan penyajian laporan penilaian aset di pasar modal.

Hirarki nilai wajar aset tetap pada akhir tahun pelaporan merupakan kategori dalam level 3 pengukuran berulang nilai wajar. Tidak terdapat transfer antara level selama tahun berjalan.

Dalam menentukan nilai wajar, Penilai Independen menggunakan metode penilaian dengan mengkombinasikan dua pendekatan, yaitu pendekatan pendapatan yang mendiskontokan penerimaan kas dimasa depan, dan pendekatan biaya yang menggunakan biaya penggantian pada saat ini.

Pada 31 Desember 2018, asumsi utama yang digunakan oleh penilai independen adalah sebagai berikut:

- Inflasi per tahun sebesar 3,51% (2017: 3,61%) (2016: 4,00%)
- Tingkat bunga diskonto per tahun sebesar 11,19% (2017: 11,27%) (2016: 11,28%)

Exhibit E/60

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

13. PROPERTY AND EQUIPMENT (Continued)

As of 31 December 2018, 2017 and 2016, all property and equipment have been insured against fire, theft and other losses to third parties under a blanket policy with sum insured of Rp 10,187,247, Rp 9,134,930 and Rp 8,259,278, respectively. Management believes that the sum insured is adequate to cover possible losses from such risks.

The Company and subsidiaries has no assets not in use temporarily, and no assets are discontinued from active use and clarified as available for sale.

Depreciated and still used assets are vehicles at cost of Rp 2,932, Rp 1,939 and Rp 969 as of 31 December 2018, 2017 and 2016, respectively.

Based on evaluation of Management, there were no events or changes in circumstances to indicate any impairment of property and equipment as of 31 December 2018, 2017 and 2016.

Fair value measurement

Regarding the implementation of PSAK 16 (Revised 2014) "Property and Equipment", the Company and subsidiaries has chosen the revaluation model for the measurement after initial recognition of telecommunication towers. The fair value as of 31 December 2018 is determined based on the appraisal of KJPP Martokoesoemo Prasetyo & Rekan in their report dated 4 March 2019, and incorporates the regulation of Bapepam-LK No. VIII.C.4 regarding the guidelines of appraisal and presentation of asset appraisal report to capitals market.

The fair value hierarchy of property and equipment at the end of reporting year is categorised as a level 3 recurring fair value measurement. There are no transfers between levels during the year.

To determine the fair value, the Independent Appraiser utilizes a combination of two approaches as the appraisal method: the income approach, which discounts future cash flows, and the cost approach, which is based on current replacement cost.

As of 31 December 2018, independent appraisal used the following key assumptions:

- Inflation per year of 3.51% (2017: 3.61%) (2016: 4.00%)
- Discount rate per year of 11.19% (2017: 11.27%) (2016: 11.28%)

Ekshibit E/61

Exhibit E/61

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

13. ASET TETAP (Lanjutan)

Pengukuran nilai wajar (Lanjutan)

Hubungan antara input tidak dapat diobservasi untuk nilai wajar aset tetap adalah lebih tinggi tingkat diskonto digunakan, semakin rendah nilai wajar dan semakin tinggi tingkat pertumbuhan sewa aset tetap digunakan, semakin tinggi nilai wajar.

Tidak terdapat perubahan teknik penilaian pengukuran nilai wajar level 3 pada tahun ini. Pengukuran nilai wajar didasarkan pada item di atas yang tertinggi dan penggunaan terbaik, yang tidak berbeda dari penggunaan yang sebenarnya.

Jika menara telekomunikasi diukur menggunakan model biaya, maka nilai tercatat menara telekomunikasi 31 Desember 2018, 2017 dan 2016 masing-masing sebesar Rp 17.007.809, Rp 15.959.982 dan Rp 14.094.367.

13. PROPERTY AND EQUIPMENT (Continued)

Fair value measurement (Continued)

Relationship between unobservable inputs to fair value of property and equipment is the higher the discount rate used, the lower the fair value and the higher the rental income of property and equipment growth rate used, the higher the fair value.

There were no changes to the valuation techniques of level 3 fair value measurements in the year. The fair value measurement is based on the above items highest and best use, which does not differ from their actual use.

Had the Company's telecommunication tower been measured on a cost model basis as of 31 December 2018, 2017 and 2016 are amounted Rp 17,007,809, Rp 15,959,982 and 14,094,367, respectively.

14. PROPERTI INVESTASI

Rincian properti investasi adalah sebagai berikut:

14. INVESTMENT PROPERTIES

The details of investment properties are as follows:

	Saldo awal/ Beginning balance	Penambahan/ Additions	Reklasifikasi dari aset tetap/ Reclassifications from property and equipment	Saldo akhir/ Ending balance	
31 Desember 2018					31 December 2018
Tanah	65.051	5.128	63	70.242	Land
Bangunan	140.500	-	-	140.500	Building
	205.551	5.128	63	210.742	
Akumulasi kenaikan (penurunan) nilai wajar	(36.862)	7.728	-	(29.134)	Accumulated increase (decrease) of fair value
Jumlah	168.689			181.608	Total

	Saldo awal/ Beginning balance	Penambahan/ Additions	Reklasifikasi ke aset tetap/ Reclassifications to property and equipment	Saldo akhir/ Ending balance	
31 Desember 2017					31 December 2017
Tanah	64.030	18.159	(17.138)	65.051	Land
Bangunan	140.500	-	-	140.500	Building
	204.530	18.159	(17.138)	205.551	
Akumulasi kenaikan (penurunan) nilai wajar	(44.072)	7.210	-	(36.862)	Accumulated increase (decrease) of fair value
Jumlah	160.458			168.689	Total

Ekshibit E/62

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/62

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

14. **PROPERTI INVESTASI (Lanjutan)**

14. **INVESTMENT PROPERTIES (Continued)**

31 Desember 2016	Saldo awal/ Beginning balance	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi dari aset tetap/ Reclassifications from property and equipment	Saldo akhir/ Ending balance	31 December 2016
Tanah	32.356	19.957	-	11.717	64.030	Land
Bangunan	-	-	-	140.500	140.500	Building
	32.356	19.957	-	152.217	204.530	
Akumulasi kenaikan (penurunan) nilai wajar	-	-	44.072	-	(44.072)	Accumulated increase (decrease) of fair value
Jumlah	32.356				160.458	Total

Sehubungan dengan penerapan PSAK 13 (Revisi 2014) "Properti Investasi", Perusahaan dan entitas anak telah memilih model nilai wajar untuk pengukuran setelah pengakuan awal. Nilai wajar properti investasi per 31 Desember 2018 ditentukan berdasarkan penilaian dari penilai independen KJPP Martokoesoemo Prasetyo & Rekan dalam laporannya pada tanggal 4 Maret 2019, dan telah sesuai dengan peraturan Bapepam-LK No. VIII.C.4 mengenai pedoman penilaian dan penyajian laporan penilaian properti di pasar modal.

Hirarki nilai wajar properti investasi pada akhir tahun pelaporan merupakan kategori dalam level 3 pengukuran berulang nilai wajar. Tidak terdapat transfer antara level selama tahun berjalan.

Dalam menentukan nilai wajar, Penilai Independen menggunakan metode penilaian dengan mengkombinasikan dua pendekatan, yaitu pendekatan pendapatan yang mendiskontokan penerimaan kas dimasa depan, dan pendekatan biaya yang menggunakan biaya penggantian pada saat ini.

Pengukuran nilai wajar

Input utama yang tidak dapat diobservasi adalah tingkat diskonto yang digunakan dan sewa properti investasi diharapkan per tahun.

Pada 31 Desember 2018, asumsi utama yang digunakan oleh penilai independen adalah sebagai berikut:

- Inflasi per tahun sebesar 3,51% (2017: 3,61%) (2016: 4,00%)
- Tingkat bunga diskonto per tahun sebesar 11,19% (2017: 11,27%) (2016: 11,28%)

Hubungan antara input tidak dapat diobservasi untuk nilai wajar properti investasi adalah lebih tinggi tingkat diskonto digunakan, semakin rendah nilai wajar dan semakin tinggi tingkat pertumbuhan sewa properti investasi digunakan, semakin tinggi nilai wajar.

Regarding the implementation of PSAK 13 (Revised 2014) "Investment Property", the Company and subsidiaries has chosen the fair value model for the measurement after initial recognition. The fair value of investment property as of 31 December 2018 is determined based on the appraisal of KJPP Martokoesoemo Prasetyo & Rekan in their report dated 4 March 2019, and incorporates the regulation of Bapepam-LK No. VIII.C.4 regarding the guidelines of appraisal and presentation of property appraisal report to capitals market.

The fair value hierarchy of investment properties at the end of reporting year is categorised as a level 3 recurring fair value measurement. There are no transfers between levels during the year.

To determine the fair value, the Independent Appraiser utilizes a combination of two approaches as the appraisal method: the income approach, which discounts future cash flows, and the cost approach, which is based on current replacement cost.

Fair value measurement

The key unobservable inputs are the discount rate used and the expected rental income of investment properties.

As of 31 December 2018, independent appraisal used the following key assumptions:

- Inflation per year of 3.51% (2017: 3.61%) (2016: 4.00%)
- Discount rate per year of 11.19% (2017: 11.27%) (2016: 11.28%)

Relationship between unobservable inputs to fair value of investment properties is the higher the discount rate used, the lower the fair value and the higher the rental income of investment properties growth rate used, the higher the fair value.

Ekshibit E/63

Exhibit E/63

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

14. PROPERTI INVESTASI (Lanjutan)

Tidak terdapat perubahan teknik penilaian pengukuran nilai wajar level 3 pada tahun ini. Pengukuran nilai wajar didasarkan pada item di atas yang tertinggi dan penggunaan terbaik, yang tidak berbeda dari penggunaan yang sebenarnya.

Jumlah pendapatan sewa atas properti investasi untuk tahun yang berakhir pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar Rp 2.797, Rp 5.594 dan Rp 4.895, diakui pada pendapatan (Catatan 31).

Tidak terdapat beban operasi langsung yang diakui dalam laporan keuangan. Penyewa membayar beban operasi langsung, seperti biaya listrik, pemeliharaan dan perawatan kepada pihak ketiga.

14. INVESTMENT PROPERTIES (Continued)

There were no changes to the valuation techniques of level 3 fair value measurements in the year. The fair value measurement is based on the above items highest and best use, which does not differ from their actual use.

Total rent revenue arising from investment properties for the year ended 31 December 2018, 2017 and 2016 amounting to Rp 2,797, Rp 5,594 and Rp 4,895, respectively, recognized in revenue (Note 31).

There are no direct operating expenses recognized in the financial statements. Tenants pay direct operating expenses, such as electricity, maintenance and maintenance costs to third parties.

15. SEWA LAHAN JANGKA PANJANG

Akun ini merupakan sewa lahan untuk menara telekomunikasi, dimana jangka waktu umumnya sesuai dengan masa kontrak sewa dengan pelanggan (sekitar 10-11 tahun), dengan rincian sebagai berikut:

	2018	2017	2016
Jumlah sewa lahan	1.858.516	1.676.929	1.619.554
Dikurangi:			
Bagian masa kontrak dalam satu tahun	279.643	244.282	215.088
Bagian masa kontrak lebih dari satu tahun	1.578.873	1.432.647	1.404.466

*Total land lease
Less:
Length of contracts' portion within one year
Length of contracts' portion more than one year*

15. LONG-TERM LANDLEASE

This account represents land leases for telecommunication towers, generally with a term equal to the length of the contract term with customers (mostly 10-11 years), with details as follows:

16. UANG JAMINAN

	2018	2017	2016
Sewa	614	575	421
Listrik	497	393	516
Telepon	-	-	49
Lainnya	956	758	611
Jumlah	2.067	1.726	1.597

*Rental
Electricity
Telephones
Others
Total*

16. REFUNDABLE DEPOSITS

Ekshibit E/64

Exhibit E/64

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

17. ASET KEUANGAN DERIVATIF

17. DERIVATIVE FINANCIAL ASSETS

	2018	2017	2016	
Aset keuangan derivatif				Derivative financial assets
Derivatif yang ditetapkan sebagai instrumen lindung nilai				Derivatives designated as hedging instruments
Swap valuta asing - lindung nilai arus kas	2.605.591	1.302.091	1.246.434	Cross currency swaps - cash flow hedges
Swap tingkat suku bunga - lindung nilai arus kas	-	-	1.976	Interest rate swaps - cash flow hedges
Jumlah	2.605.591	1.302.091	1.248.410	Total

Arus kas swap valuta asing

Cash flow currency swaps

Risiko nilai tukar valuta asing muncul ketika operasi individu Perusahaan dan entitas anak memasuki transaksi yang terbagi dalam mata uang selain mata uang fungsionalnya. Ketika risiko terhadap Perusahaan dan entitas anak di pertimbangkan menjadi signifikan, treasury Perusahaan dan entitas anak akan mencocokkan kontrak berjangka valuta asing dengan bank yang mempunyai nama baik.

Foreign exchange risk arises when individual operations of the Company and subsidiaries enter into transactions denominated in a currency other than their functional currency. Where the risk to the Company and subsidiaries is considered to be significant, treasury of the Company and subsidiaries will enter into a matching forward foreign exchange contract with a reputable bank.

Jumlah pokok nosional dari sisa kontrak berjalan berjangka valuta asing pada tanggal 31 Desember 2018, 2017 dan 2016 masing-masing sebesar US\$ 1.385.000.000, US\$ 1.365.000.000 dan Rp US\$ 1.375.000.000. Nilai wajar pada masing-masing tanggal diatas adalah sebesar Rp 2.605.591, Rp 1.302.091 dan Rp 1.246.434.

The notional principal amounts of outstanding forward foreign exchange contracts at 31 December 2018, 2017 and 2016 were US\$ 1,385,000,000, US\$ 1,365,000,000 and US\$ 1,375,000,000, respectively. Their fair value at these respective dates is Rp 2,605,591, Rp 1,302,091 and Rp 1,246,434, respectively.

Pada tanggal 31 Desember 2018, 2017 dan 2016 premi lindung nilai sehubungan dengan swap valuta asing berkisar Antara 2,1% sampai dengan 4,66%, (2017: 2,1% sampai dengan 4,66%), dan (2016: 2,1% sampai dengan 4,40%).

As of December 31, 2018, 2017 and 2016 hedge premiums related to foreign currency swaps ranged from 2.1% to 4.66%, (2017: 2.1% to 4.66%), and (2016: 2.1% to 4.40%).

Arus kas swap tingkat suku bunga

Cash flow interest rate swaps

Entitas anak mengelola risiko arus kas tingkat suku bunga menggunakan swap tingkat suku bunga mengambang menjadi swap tingkat suku bunga tetap. Dalam keadaan normal, entitas anak mendapatkan pinjaman jangka panjang dengan suku bunga mengambang dan melakukan swap menjadi suku bunga tetap.

The subsidiaries manage its cash-flow interest rate risk by using floating-to-fixed interest rate swaps. Normally the subsidiaries raise long-term borrowings at floating rates and swap them into fixed rates.

Jumlah pokok nosional dari kontrak berjalan swap suku bunga mengambang terhadap kontrak swap suku bunga tetap ditetapkan sebagai instrumen lindung nilai dalam lindung nilai arus kas suku bunga pada tanggal 31 Desember 2018, 2017 dan 2016 masing-masing sebesar nihil, nihil dan US\$ 72.390.000. Nilai wajar pada masing-masing tanggal diatas adalah sebesar nihil, nihil dan Rp 1.976.

The notional principal amounts of outstanding floating to fixed interest rate swap contracts designated as hedging instruments in cash flow interest rate hedges of variable rate debt at 31 December 2018, 2017 and 2016 were nil, nil and US\$ 72,390,000, respectively. Their fair value at these respective dates is nil, nil and Rp 1,976, respectively.

Ekshibit E/65

Exhibit E/65

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

17. ASET KEUANGAN DERIVATIF (Lanjutan)

17. DERIVATIVE FINANCIAL ASSETS (Continued)

Tahun/ Year	Jumlah kontrak lindung nilai/ Number of hedging contracts	Jumlah Nosional/ Notional amount (US\$ nilai penuh/ US\$ full amount)	Jatuh tempo/ Due date	Beban lindung nilai/ hedging cost (dalam jutaan Rupiah/ in million Rupiah)	Pihak yang memiliki nilai kontrak lindung nilai lebih dari 10%/ Parties who earn contracts more than 10% Pihak dalam kontrak / Counterparties	%
			1 Februari 2019 sampai dengan 30 Juni 2022/ 1 February		BNP Paribas, Morgan Stanley, Nomura International plc, Oversea-Chinese Banking Corporation Limited, The Hongkong And Shanghai Banking Corporation Limited	64,2%
2018	131	1.385.000.000	2019 to 30 June 2022	851.426		
			27 Juni 2017 sampai dengan 30 Juni 2022/ 27 June 2017 to 30 June 2022		BNP Paribas, Morgan Stanley, Nomura International plc, Oversea-Chinese Banking Corporation Limited	60,0%
2017	146	1.365.000.000	June 2022	952.646		
			27 Juni 2017 sampai dengan 22 Juni 2022/ 27 June 2017 to 22 June 2022		BNP Paribas, Morgan Stanley, Nomura International Plc, Oversea-Chinese Banking Corporation Limited	58,0%
2016	119	1.447.390.000	June 2022	932.248		

18. ASET TIDAK LANCAR LAINNYA

18. OTHER NON-CURRENT ASSETS

	2018	2017	2016	
Piutang usaha tidak lancar lainnya	54.791	54.791	54.791	Other non-current trade receivables
Lainnya	5.854	6.068	6.357	Others
Jumlah	60.645	60.859	61.148	Total
Cadangan penurunan nilai piutang usaha tidak lancar lainnya (Catatan 5)	(54.791)	(54.791)	(54.791)	Allowance for impairment loss of other non-current trade receivables (Note 5)
Jumlah - bersih	5.854	6.068	6.357	Total - net

Piutang usaha - tidak lancar lainnya merupakan piutang usaha yang berasal dari PT Bakrie Telecom Tbk sebesar Rp 54.791 dimana telah dibentuk cadangan penuh atas penurunan nilai. Manajemen memutuskan untuk memindahkan ini dari piutang usaha - pihak ketiga ke aset tidak lancar lainnya sebagai hasil dari penilaian penurunan nilai (Catatan 5).

Other non-current trade receivables represent noncurrent trade receivables involving PT Bakrie Telecom Tbk amounting to Rp 54,791 which full allowance for impairment has been provided. Management decided to reclassify this receivable from trade receivables - third party to other non-current asset as a result to impairment assessment (Note 5).

Ekshibit E/66

Exhibit E/66

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK**
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

19. UTANG USAHA - PIHAK KETIGA

19. TRADE PAYABLES - THIRD PARTIES

	2018	2017	2016	
Pihak ketiga				Third parties
Rupiah				Rupiah
PT Kustodian Sentral Efek Indonesia	12.920	-	-	PT Kustodian Sentral Efek Indonesia
PT Indo Premier Sekuritas	9.886	-	-	PT Indo Premier Sekuritas
PT Wahana Infrastruktur Nusantara	6.093	-	-	PT Wahana Infrastruktur Nusantara
PT Omadi Investindo	3.612	2.402	-	PT Omadi Investindo
CV Lintas Reka Cipta	3.377	3.377	3.377	CV Lintas Reka Cipta
PT Bach Multi Global	2.277	-	1.022	PT Bach Multi Global
PT Nayaka Pratama	1.983	1.379	1.576	PT Nayaka Pratama
PT Tower Capital Indonesia	1.561	1.561	1.561	PT Tower Capital Indonesia
PT Berkat Bersama Teknik	1.495	-	-	PT Berkat Bersama Teknik
PT Karya Lintas Sejahtera	1.337	1.810	1.093	PT Karya Lintas Sejahtera
PT Prasetya Dwidharma	1.247	1.438	1.179	PT Prasetya Dwidharma
PT Tunas Cahaya Mandiri Widyatama	1.092	-	-	PT Tunas Cahaya Mandiri Widyatama
PT B-Generasi Asia	-	7.000	-	PT B-Generasi Asia
PT Telehouse Engineering	-	2.129	-	PT Telehouse Engineering
PT Duta Hita Jaya	-	1.416	1.880	PT Duta Hita Jaya
PT Aulia Danardana	-	1.036	-	PT Aulia Danardana
PT Bukaka Teknik Utama	-	-	3.547	PT Bukaka Teknik Utama
PT Dwi Pilar Pratama	-	-	1.367	PT Dwi Pilar Pratama
Lainnya				Others
(masing-masing di bawah Rp 1 miliar)	21.815	25.663	29.004	(each below Rp 1 billion)
Sub-jumlah	68.695	49.211	45.606	Sub-total
US Dolar				US Dollar
Asia Pasific Intertrading Pte Ltd.				Asia Pasific Intertrading Pte Ltd.
(saldo pada tanggal 31 Desember 2018, 2017 dan 2016 masing-masing adalah sebesar US\$ 10.577.767, US\$ 4.674.618, and US\$ 3.348.200)	153.177	63.332	44.986	(as of 31 December 2018, 2017 and 2016 the outstanding balance are US\$ 10,577,767, US\$ 4,674,618 and US\$ 3,348,200, respectively)
Global Tradinglinks Ltd.				Global Tradinglinks Ltd.
(saldo pada tanggal 31 Desember 2018, 2017 dan 2016 masing-masing sebesar US\$ 679.451, US\$ 5.930.126, dan US\$ 7.020.420)	9.839	80.341	94.326	(as of 31 December 2018, 2017 and 2016 the outstanding balance are US\$ 679,451, US\$ 5,930,126, and US\$ 7,020,420, respectively)
Sub-jumlah	163.016	143.673	139.312	Sub-total
Jumlah	231.711	192.884	184.918	Total

Ekshibit E/67

Exhibit E/67

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

20. UTANG LAIN-LAIN

20. OTHER PAYABLES

	2018	2017	2016	
Pihak ketiga	40.552	20.145	18.532	Third party
Pihak berelasi (Catatan 39)	63.476	-	-	Related parties (Note 39)
Jumlah	104.028	20.145	18.532	Total

21. PERPAJAKAN

21. TAXATION

a. Pajak Dibayar di Muka

a. Prepaid Taxes

	2018	2017	2016	
Pajak Penghasilan Pasal 4 (2)	133	10.341	9.570	Income Tax Article 4 (2)
Pajak Penghasilan Pasal 23	11.649	15.112	12.452	Income Tax Article 23
Pajak Penghasilan Pasal 28	14.423	55.867	25.827	Income Tax Article 28
Pajak Pertambahan Nilai - Masukan	93.001	40.241	129.012	Value-Added Tax - Input
Jumlah	119.206	121.561	176.861	Total

b. Utang Pajak

b. Taxes Payable

	2018	2017	2016	
Pajak Penghasilan Pasal 4 (2)	5.191	13.016	12.592	Income Tax Article 4 (2)
Pajak Penghasilan Pasal 21	2.855	1.795	1.051	Income Tax Article 21
Pajak Penghasilan Pasal 23	10.162	11.246	14.513	Income Tax Article 23
Pajak Penghasilan Pasal 25	10.698	2.526	4.736	Income Tax Article 25
Pajak Penghasilan Pasal 26	1.176	899	122	Income Tax Article 26
Pajak Penghasilan Pasal 29	16.972	10.959	38.041	Income Tax Article 29
Pajak Pertambahan Nilai - Keluaran	13.011	10.911	66.237	Value-Added Tax - Output
Jumlah	60.065	51.352	137.292	Total

Ekshibit E/68

Exhibit E/68

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

21. **PERPAJAKAN** (Lanjutan)

21. **TAXATION** (Continued)

c. **Perhitungan Pajak Penghasilan**

Penghasilan kena pajak yang dihitung Perusahaan menjadi dasar Surat Pemberitahuan (SPT) yang disampaikan kepada otoritas perpajakan pada setiap tahun.

Rekonsiliasi antara laba sebelum pajak penghasilan menurut laporan laba rugi dan penghasilan komprehensif lain konsolidasian dengan taksiran laba kena pajak untuk tahun yang berakhir 31 Desember 2018, 2017 dan 2016, adalah sebagai berikut:

c. **Income Tax Calculation**

Taxable income which calculated by the Company uses as basis for Surat Pemberitahuan (SPT) that reported to Director General of Taxes yearly.

Reconciliation between profit before income tax as shown in the consolidated statements of profit or loss and other comprehensive income with estimated taxable profit for the years ended 31 December 2018, 2017 and 2016, are as follows:

	2018	2017	2016	
Pendapatan yang dikenakan pajak penghasilan yang bersifat final	173.102	-	-	Revenue subject to final income tax
Pendapatan yang dikenakan pajak penghasilan yang tidak bersifat final	4.145.035	4.023.085	3.711.174	Revenue subject to non final income tax
Pendapatan konsolidasi	4.318.137	4.023.085	3.711.174	Consolidated income
Pajak Penghasilan				Income Tax
Pendapatan yang dikenakan pajak penghasilan yang bersifat final	17.310	-	-	Revenue subject to final income tax
Pendapatan yang dikenakan pajak penghasilan yang tidak bersifat final	187.395	145.552	135.076	Revenue subject to non final income tax
	204.705	145.552	135.076	
Pajak Non Final				Non Final Tax
Laba sebelum pajak penghasilan, menurut laporan laba rugi komprehensif konsolidasian	1.034.285	907.639	785.771	Profit before income tax, as per consolidated statements of comprehensive income
Bagian laba entitas anak sebelum pajak penghasilan - bersih	(351.516)	1.382.672	(89.975)	Profit of subsidiaries before income taxes - net
Laba Perusahaan sebelum pajak penghasilan	682.769	2.290.311	695.796	The Company's profit before income tax
Koreksi fiskal:				Fiscal corrections:
Beda temporer	96	100	78	Temporary differences
Beda tetap:				Permanent differences:
Beban yang terkait dengan pendapatan yang dikenakan pajak final	14.358	-	-	Expenses related to income subject to final tax
Bagian laba dari entitas anak	(740.632)	(2.629.565)	(1.381.582)	Gain from subsidiaries
Lainnya - Bersih	52.250	235.012	24.204	Others - Net
Jumlah koreksi fiskal	(673.928)	(2.394.453)	(1.357.300)	Total fiscal correction
Taksiran laba kena pajak (rugi fiskal) - Perusahaan	8.841	(104.142)	(661.504)	Estimated taxable income (tax loss) - the Company

Ekshibit E/69

Exhibit E/69

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

21. PERPAJAKAN (Lanjutan)

21. TAXATION (Continued)

c. Perhitungan Pajak Penghasilan (Lanjutan)

c. Income Tax Calculation (Continued)

Taksiran beban pajak penghasilan dan utang pajak penghasilan untuk tahun yang berakhir 31 Desember 2018, 2017 dan 2016 adalah sebagai berikut:

Estimated income tax expenses and income tax payable for the years ended 31 December 2018, 2017 and 2016, are as follows:

	2018	2017	2016	
Taksiran laba kena pajak (rugi fiskal)				Estimated taxable income (tax loss)
Perusahaan	8.841	(104.142)	(661.504)	The Company
Entitas anak - Bersih	1.029.278	1.112.277	928.288	Subsidiaries - Net
Taksiran beban pajak penghasilan				Estimated income tax expenses
Perusahaan	2.210	-	-	The Company
Entitas anak	185.185	145.552	135.076	Subsidiaries
Taksiran beban pajak penghasilan menurut laporan laba rugi komprehensif konsolidasian	187.395	145.552	135.076	Estimated income tax expenses as per consolidated statements of comprehensive income
Dikurangi:				Less:
Pajak Penghasilan Pasal 23	(76.156)	(70.240)	(65.475)	Income Tax Article 23
Pajak Penghasilan Pasal 25	(97.099)	(36.941)	(58.975)	Income Tax Article 25
Jumlah	(173.255)	(107.181)	(124.450)	Total
Taksiran utang pajak penghasilan periode berjalan - bersih	14.140	38.371	10.626	Estimated income tax payable for the current period - net
Utang pajak penghasilan periode sebelumnya	2.832	-	-	Income tax payable prior period
Jumlah utang pajak - Pajak Penghasilan Pasal 29	16.972	38.371	10.626	Taxes payable - Income Tax Article 29

d. Pajak tangguhan

d. Deferred tax

Aset (liabilitas) pajak tangguhan yang timbul dari perbedaan temporer antara pendapatan dan beban, yang diakui secara komersial dan perpajakan, adalah sebagai berikut:

Deferred tax assets (liabilities) occurring from temporary differences of revenues and expenses recognition between the commercial and tax base are as follows:

Aset pajak tangguhan

Deferred tax assets

	Saldo awal/ Beginning balance	Dampak akuisisi / Effect of acquisition	Dikreditkan (dibebankan) ke laba rugi/ Credited (charged) to profit or loss	Dikreditkan ke penghasilan komprehensif lain/ Credited to other comprehensive income	Saldo akhir/ Ending balance	
2018						2018
Rugi fiskal	468.571	-	(127.738)	-	340.833	Tax loss
Cadangan imbalan pasca-kerja	2.046	925	3.789	(130)	6.630	Post-employment benefits
Penyusutan aset tetap	239	-	(2.999)	-	(2.760)	Depreciation of property and equipment
Jumlah - bersih	470.856	925	(126.948)	(130)	344.703	Total - net

Ekshibit E/70

Exhibit E/70

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

21. PERPAJAKAN (Lanjutan)

21. TAXATION (Continued)

d. Pajak tangguhan (Lanjutan)

d. Deferred tax (Continued)

Aset pajak tangguhan (Lanjutan)

Deferred tax assets (Continued)

	Saldo awal/ Beginning balance	Dikreditkan ke laba rugi/ Credited to profit or loss	Dikreditkan ke penghasilan komprehensif lain/ Credited to other comprehensive income	Saldo akhir/ Ending balance	
2017					2017
Rugi fiskal	58.911	409.639	21	468.571	Tax loss
Cadangan imbalan pasca-kerja	(1.466)	3.512	-	2.046	Post-employment benefits
					Depreciation of property and
Penyusutan aset tetap	(78)	317	-	239	equipment
Aset tetap	(6.273)	6.273	-	-	property and equipment
Jumlah - bersih	51.094	419.741	21	470.856	Total - net

	Saldo awal/ Beginning balance	Dikreditkan (dibebankan) ke laba rugi/ Credited charged) to profit or loss	Saldo akhir/ Ending balance	
2016				2016
Rugi fiskal	36.656	22.255	58.911	Tax loss
Cadangan imbalan pasca-kerja	48	(1.514)	(1.466)	Post-employment benefits
				Depreciation of property and
Penyusutan aset tetap	(78)	-	(78)	equipment
aset tetap	(6.114)	(159)	(6.273)	property and equipment
Jumlah - bersih	30.512	20.582	51.094	Total - net

Liabilitas pajak tangguhan

Deferred tax liabilities

	Saldo awal/ Beginning balance	Dikreditkan (dibebankan) ke laba rugi/ Credited to (charged to) profit or loss	Saldo akhir/ Ending balance	
2018				2018
Cadangan imbalan pasca-kerja	12.685	-	12.685	Post-employment benefits
Pencadangan kerugian penurunan nilai piutang	6.490	-	6.490	Allowance for impairment losses of trade receivables
Penyusutan aset tetap	(3.745)	-	(4.417)	Depreciation of property and equipment
Rugi fiskal	(27.267)	-	(27.267)	Tax loss
Jumlah	(11.837)	-	(12.509)	Total

Ekshibit E/71

Exhibit E/71

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

21. **PERPAJAKAN** (Lanjutan)

21. **TAXATION** (Continued)

d. **Pajak tangguhan** (Lanjutan)

d. **Deferred tax** (Continued)

Liabilitas pajak tangguhan (Lanjutan)

Deferred tax liabilities (Continued)

	Saldo awal/ Beginning balance	Dikreditkan (dibebankan) ke laba rugi/ Credited to (charged to) profit or loss	Saldo akhir/ Ending balance	
2017				2017
Cadangan imbalan pasca-kerja	12.685	-	12.685	Post-employment benefits
Pencadangan kerugian penurunan nilai piutang	6.490	-	6.490	Allowance for impairment losses of trade receivables
Aset tetap	(1.565.959)	1.565.959	-	Property and equipment
Penyusutan aset tetap	7.710	(11.455)	(3.745)	Depreciation of property and equipment
Rugi fiskal	370.036	(397.303)	(27.267)	Tax loss
Jumlah	(1.169.038)	1.157.201	(11.837)	Total
	Saldo awal/ Beginning balance	Dikreditkan (dibebankan) ke laba rugi/ Credited to (charged to) profit or loss	Saldo akhir/ Ending balance	
2016				2016
Cadangan imbalan pasca-kerja	7.988	4.697	12.685	Post-employment benefits
Pencadangan kerugian penurunan nilai piutang	6.490	-	6.490	Allowance for impairment losses of trade receivables
Aset tetap	(1.612.387)	46.428	(1.565.959)	Property and equipment
Penyusutan aset tetap	6.899	811	7.710	Depreciation of property and equipment
Rugi fiskal	370.036	-	370.036	Tax loss
Jumlah	(1.220.974)	51.936	(1.169.038)	Total

Pada 6 September 2017, Pemerintah Indonesia menerbitkan Peraturan Pemerintah (PP) No. 34 (PP34) tentang Pajak Penghasilan atas Penghasilan dari Persewaan Tanah dan/atau Bangunan. Menurut PP34 ini, untuk sewa menara telekomunikasi yang tahun sewanya dimulai sejak berlakunya PP34 ini pada 2 Januari 2018, maka penghasilan atas sewa menara telekomunikasi tersebut akan dikenakan pajak penghasilan dengan tarif final 10%. Sedangkan penghasilan atas sewa menara telekomunikasi yang tahun sewanya dimulai sebelum berlakunya PP34 tersebut, tetap dikenakan pajak penghasilan dengan tarif non-final.

On 6 September 2017, the Government of Indonesia issued the Government Regulation (GR) No. 34 (GR34) regarding Income Tax on Income from Land and/or Building Rental. According to the GR34, for lease of telecommunication towers whose lease year commences from the inception of this PP34 on 2 January 2018, the rental telecommunication tower's income shall be subject to the final income tax at rate of 10%. While the rental telecommunication tower income, which is the rental year commencing prior to the enactment of GR34, remains subject to the nonfinal income tax, which is the rental year commencing prior to the enactment of GR34, remains subject to the nonfinal income tax.

Ekshibit E/72

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

21. PERPAJAKAN (Lanjutan)

d. Pajak tangguhan (Lanjutan)

Pada 31 Desember 2017, seluruh penghasilan sewa menara Perusahaan belum dikenakan pajak penghasilan tarif final sebagaimana yang diatur oleh PP34. Namun demikian, sesuai PSAK 46 "Pajak Penghasilan", maka aset dan liabilitas pajak tangguhan harus diukur menggunakan tarif pajak yang diharapkan berlaku ketika aset dipulihkan atau liabilitas diselesaikan, berdasarkan tarif pajak dan peraturan pajak yang telah berlaku atau secara substansi telah berlaku pada akhir tahun pelaporan. Manajemen berkeyakinan bahwa PP34 ini akan tetap berlaku pada saat seluruh kontrak sewa yang dimiliki Perusahaan pada 31 Desember 2017 berakhir. Dengan demikian, pada saat berakhirnya kontrak sewa tersebut dan diperpanjang kembali, maka seluruh penghasilan Perusahaan atas sewa menara telekomunikasi akan dikenakan pajak penghasilan dengan tarif final. Selain itu, pajak penghasilan final sesuai ketentuan perpajakan di Indonesia dikenakan atas nilai bruto pendapatan. Pajak ini tetap dikenakan walaupun atas transaksi tersebut entitas mengalami kerugian. Oleh karena itu, pajak penghasilan final sesuai dengan ketentuan perpajakan di Indonesia tidak termasuk dalam lingkup PSAK 46.

Atas hal tersebut, manajemen telah menelaah dan memutuskan untuk tidak mengakui lagi seluruh pajak tangguhan tahun 2016 sebesar Rp 1.565.959 yang timbul dari aset menara telekomunikasi.

e. Taksiran klaim pajak penghasilan

Akun ini merupakan taksiran jumlah lebih bayar pajak penghasilan. Jumlah tersebut mungkin berbeda dari jumlah lebih bayar pajak penghasilan yang dilaporkan dalam Surat Pemberitahuan (SPT) Tahunan.

f. Pengampunan pajak

Pada bulan September dan Desember 2016, beberapa entitas anak telah mengikuti program pengampunan pajak sesuai Undang-undang No. 11 tahun 2016 yang diterbitkan pada tanggal 1 Juli 2016. Kantor Pajak telah menerbitkan Surat Keterangan Pengampunan Pajak (SKPP) pada berbagai tanggal di bulan September, Oktober dan Desember 2016. Jumlah aset pengampunan pajak yang diakui entitas anak dan dicatat pada tambahan modal disetor sebesar Rp 1.508.

Exhibit E/72

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

21. TAXATION (Continued)

d. Deferred tax (Continued)

On 31 December 2017, all the Company's tower lease income is not yet subject to the final income tax as stipulated in GR34. However, in accordance with PSAK 46 "Income Tax", deferred tax assets and liabilities should be measured using the tax rates that are expected to apply when the asset is recovered or the liability is settled, based on tax rates and tax regulations that have been enacted or substantively enacted at the end of the reporting year. The management believes that GR34 will remain in effect when all lease contracts at 31 December 2017 expired. Thus, upon expiry of the lease contract and renewed, all the Company's income from leased telecommunication towers will be subject to the final income tax. In addition, the final income tax in accordance with the provisions of taxation in Indonesia is imposed on the gross amount of income. This tax is still levied on the above transactions even if the entity incurred losses. Therefore, the final income tax in accordance with the provisions of taxation in Indonesia is not included in the scope of PSAK 46.

Due to those reasons, the management has reviewed and decided not to recognize any deferred tax from 2016 amounting to Rp 1,565,959 arising from the assets of telecommunication towers.

e. Estimated claims for income tax refund

This account represents estimated claims for income tax refund. Such amounts might be different with the amounts reported in the Annual Income Tax Return.

f. Tax amnesty

In September and December 2016, some subsidiaries have been following the tax amnesty program in accordance with Law No. 11 year 2016 issued on 1 July 2016. Tax Office has issued the Tax Amnesty Approval (SKPP) on various dates in September, October and December 2016. Total tax amnesty assets recognized by the subsidiaries and recorded at additional paid-in capital was amounted to Rp 1,508.

Ekshibit E/73

Exhibit E/73

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

22. PENDAPATAN YANG DITERIMA DI MUKA

22. UNEARNED INCOME

	2018	2017	2016	
Pihak ketiga				Third parties
PT XL Axiata Tbk	269.695	255.144	179.808	PT XL Axiata Tbk
PT Indosat Tbk	175.022	162.586	148.350	PT Indosat Tbk
PT Hutchison 3 Indonesia	171.020	72.439	69.714	PT Hutchison 3 Indonesia
PT Telekomunikasi Selular	29.846	16.907	59.171	PT Telekomunikasi Selular
PT Smartfren Telecom Tbk	18.799	13.652	10.444	PT Smartfren Telecom Tbk
PT Sampoerna Telecom	1.847	847	1.163	PT Sampoerna Telecom
PT Smart Telecom	749	9.034	7.883	PT Smart Telecom
PT Internux	-	7.194	232	PT Internux
Lain-lain	1.565	1.395	2.098	Others
Jumlah	668.543	539.198	478.863	Total

Sesuai perjanjian sewa, entitas anak telah menerima pembayaran di muka dari pelanggan untuk jangka waktu 1 (satu) bulan, 3 (tiga) bulan dan 1 (satu) tahun.

Based on the rental agreements, the subsidiaries have received payments in advance for year of 1 (one) month, 3 (three) months and 1 (one) year.

23. BEBAN MASIH HARUS DIBAYAR

23. ACCRUED EXPENSES

	2018	2017	2016	
Estimasi biaya pembangunan menara telekomunikasi	893.694	648.262	536.904	Estimated construction cost of telecommunication towers
Beban bunga :				Interest expenses :
Surat utang (Catatan 26)	199.286	183.250	271.188	Notes (Note 26)
Pinjaman jangka panjang (Catatan 25)	81.250	133.466	63.068	Long-term loans (Note 25)
Karyawan	77.086	82.143	81.748	Employees
Perbaikan dan pemeliharaan menara	42.669	33.419	36.818	Towers repair and maintenance
Listrik	7.730	6.841	5.742	Electricity
Keamanan	5.492	6.296	6.124	Security
Jasa konsultan	3.341	4.021	1.291	Consultant fees
Lainnya	155.480	83.327	61.557	Others
Jumlah	1.466.028	1.181.025	1.064.440	Total

Estimasi biaya pembangunan menara telekomunikasi merupakan estimasi beban masih harus dikeluarkan atas menara telekomunikasi yang telah selesai pembangunannya namun belum ditagihkan seluruh biayanya oleh kontraktor.

Estimated construction cost of telecommunication towers represents the estimated costs to be incurred by the Company in relation to work performed on the telecommunication towers which have been completed but not yet invoiced by contractors.

Ekshibit E/74

Exhibit E/74

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

24. PINJAMAN JANGKA PANJANG - SEWA PEMBIAYAAN

24. LONG-TERM LOANS - FINANCE LEASES

	2018	2017	2016
PT Mitra Pinasthika Mustika Finance	10.540	-	-
PT Toyota Astra Financial Services	3.954	4.648	-
PT BCA Finance	3.469	6.406	10.760
Jumlah	17.963	11.054	10.760
Saldo yang jatuh tempo dalam satu tahun	(5.095)	(3.518)	(3.545)
Saldo yang jatuh tempo lebih dari satu tahun	12.868	7.536	7.215

PT Mitra Pinasthika Mustika Finance	
PT Toyota Astra Financial Services	
PT BCA Finance	
Total	
Balance due less than one year	
Balance due more than one year	

Pembayaran sewa pembiayaan minimum di masa mendatang, serta nilai kini atas pembayaran minimum sewa pembiayaan pada tanggal 31 Desember 2018, 2017 dan 2016 adalah sebagai berikut:

Future minimum lease payments under finance leases together with the present value of the minimum lease payments as at 31 December 2018, 2017 and 2016 were as follows:

	2018	2017	2016
Jatuh tempo dalam satu tahun	7.385	4.897	4.680
Jatuh tempo lebih dari satu tahun	16.221	15.113	14.747
	23.606	20.010	19.427
Dikurangi:			
Beban bunga yang belum jatuh tempo	(5.643)	(8.956)	(8.667)
Nilai kini pembayaran minimum utang sewa pembiayaan	17.963	11.054	10.760
Jatuh tempo dalam satu tahun	5.095	3.518	3.545
Jatuh tempo lebih dari satu tahun	12.868	7.536	7.215
Nilai kini pembayaran minimum utang sewa pembiayaan	17.963	11.054	10.760

Due less than one year	
Due more than one year	
Less:	
Future financing charges	
Present value of minimum finance lease payable	
Due less than one year	
Due more than one year	
Present value of minimum finance lease payable	

Pada tanggal 31 Desember 2018, 2017 dan 2016, sewa pembiayaan dikenakan bunga sebesar 12,98% dan akan jatuh tempo antara tahun 2019 sampai dengan tahun 2023

As of 31 December 2018, 2017 and 2016, the finance lease bears interest 12.98% and will be due amongs 2019 and 2023.

Sewa pembiayaan ini dijamin dengan aset kendaraan yang menjadi obyek pembiayaan.

The finance lease is secured by the respective vehicle assets.

Ekshibit E/75

Exhibit E/75

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

25. PINJAMAN JANGKA PANJANG - PIHAK KETIGA

25. LONG-TERM LOANS - THIRD PARTIES

Akun ini merupakan pinjaman dari pihak ketiga sebagai berikut:

This account represents loans from third parties as follows:

	2018	2017	2016	
Pinjaman sindikasi				Syndicated loans
a. Fasilitas US\$1 miliar (saldo pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar US\$ 925,275 juta, US\$ 948,4 juta dan US\$ 755 juta)	13.398.907	12.848.923	10.144.180	a. US\$1 billion facility (balance as of 31 December 2018, 2017 and 2016 amounted to US\$ 925.275 million, US\$ 948.4 million and US\$ 755 million, respectively)
b. Fasilitas US\$ 200 juta (saldo pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar US\$ 109,725 juta, US\$ 99,725 juta dan nihil)	1.588.928	1.351.074	-	b. US\$ 200 million facility (balance as of 31 December 2018, 2017 and 2016 amounted to US\$ 109.725 million, US\$ 99.725 million and nil, respectively)
Pinjaman non-sindikasi				Non-syndicated loans
a. PT Bank Mandiri (Persero) Tbk	34.402	-	-	a. PT Bank Mandiri (Persero) Tbk
b. PT Bank UOB Indonesia	6.250	-	-	b. PT Bank UOB Indonesia
c. PT Bank Ina Perdana Tbk	41.024	-	-	c. PT Bank Ina Perdana Tbk
Jumlah	15.069.511	14.199.997	10.144.180	Total
Dikurangi: Biaya pinjaman (Catatan 2f)	(115.387)	(152.187)	(139.529)	Less : Unamortized borrowing cost (Note 2f)
Jumlah - bersih	14.954.124	14.047.810	10.004.651	Total - net
Saldo yang jatuh tempo dalam satu tahun	(3.265.184)	-	(1.012.362)	Balance due less than one year
Saldo yang jatuh tempo lebih dari satu tahun	<u>11.688.940</u>	<u>14.047.810</u>	<u>8.992.289</u>	Balance due more than one year

Pinjaman Sindikasi

Syndication Loans

a. Fasilitas Pinjaman US\$ 1 miliar

a. US\$ 1 billion Credit Facilities

Pada tanggal 21 Nopember 2014, entitas anak tertentu telah menandatangani perjanjian fasilitas pinjaman ("Perjanjian Fasilitas Pinjaman") sebesar US\$ 1.000.000.000 untuk melunasi program pinjaman US\$ 2.000.000.000 pada saat itu dan untuk menyediakan tambahan dana untuk modal kerja.

On 21 November 2014, certain subsidiaries of have entered into a US\$ 1,000,000,000 credit facility agreement (the "Credit Facilities Agreement") to refinance the existing US\$ 2,000,000,000 debt program and to provide additional funding for working capital.

Pada tanggal 6 Nopember 2015, Perusahaan dan entitas anak telah merevisi dan menyajikan kembali Perjanjian Fasilitas Pinjaman tersebut.

On 6 November 2015, the Company and subsidiaries has amended and restated the Credit Facilities Agreement.

Ekshibit E/76

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

25. **PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)**

Pinjaman Sindikasi (Lanjutan)

a. Fasilitas Pinjaman US\$ 1 miliar (Lanjutan)

Pinjaman ini tidak memiliki jaminan, dan entitas anak yang menjadi peserta fasilitas pinjaman ini memberikan jaminan bersama (*cross guarantee*) atas Perjanjian Fasilitas Pinjaman.

Dalam Perjanjian Fasilitas Pinjaman tersebut, entitas anak diharuskan untuk memenuhi beberapa kondisi, diantaranya:

- Net senior debt* dari entitas anak/ EBITDA yang disesuaikan dan dianualisasi maksimum sebesar 5 kali;
- Top tier revenue ratio* minimum sebesar 50,00%.

Kreditur yang berpartisipasi pada fasilitas ini adalah:

- Oversea-Chinese Banking Corporation Limited
- United Overseas Bank Limited
- DBS Bank Ltd
- The Hongkong and Shanghai Banking Corporation Limited
- Credit Agricole Corporate and Investment Bank
- CIMB Bank Berhad
- Sumitomo Mitsui Banking Corporation
- CTBC Bank Co, Ltd.
- MUFG Bank, Ltd.
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank UOB Indonesia
- PT Bank HSBC Indonesia

Fasilitas pinjaman ini terdiri dari 4 fasilitas yaitu:

1. Fasilitas A sebesar US\$ 400 juta

Fasilitas ini dikenakan marjin bunga sebesar 2,10% per tahun di atas LIBOR untuk kreditur dalam negeri, dan 2,00% per tahun untuk kreditur luar negeri.

Fasilitas ini akan jatuh tempo pada bulan Januari 2020.

Entitas anak telah menarik seluruh fasilitas pinjaman ini.

Saldo pada tanggal 31 Desember 2018, 2017 dan 2016 masing-masing sebesar US\$ 400 juta.

Exhibit E/76

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

25. **LONG-TERM LOANS - THIRD PARTIES (Continued)**

Syndication Loans (Continued)

a. US\$ 1 billion Credit Facilities (Continued)

These loans are unsecured, and the subsidiaries who participated in the Credit Facilities provide a cross guarantee to the Lenders under the Credit Facilities Agreement.

Under the Credit Facilities Agreement, the subsidiaries are required to adhere to the following conditions, among others, as follows:

- Net senior debt of subsidiaries/ annualized adjusted EBITDA ratio shall not exceed 5 times;*
- Minimum top tier revenue ratio of 50.00%.*

The lenders who participated in this facility are:

- Oversea-Chinese Banking Corporation Ltd
- United Overseas Bank Limited
- DBS Bank Ltd
- The Hongkong and Shanghai Banking Corporation Limited
- Credit Agricole Corporate and Investment Bank
- CIMB Bank Berhad
- Sumitomo Mitsui Banking Corporation
- CTBC Bank Co, Ltd.
- MUFG Bank, Ltd.
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank UOB Indonesia
- PT Bank HSBC Indonesia

There are 4 facilities under this credit facilities:

1. Facility A US\$ 400 million Term Loan Facility

This facility bears interest margin of 2.10% above LIBOR per annum for onshore lenders and 2.00% per annum for offshore lenders.

This Facility will mature in January 2020.

The subsidiaries had fully drawn this loan facility.

The outstanding balance as of 31 December 2018, 2017 and 2016 was amounted to US\$ 400 million, respectively.

Ekshibit E/77

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

25. PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)

Pinjaman Sindikasi (Lanjutan)

b. Fasilitas Pinjaman US\$ 1 miliar (Lanjutan)

2. Fasilitas Pinjaman Revolving Seri B sebesar US\$ 300 juta

Fasilitas ini dikenakan margin bunga sebesar 1,85% per tahun di atas LIBOR untuk kreditur dalam negeri, dan 1,75% per tahun untuk kreditur luar negeri.

Fasilitas ini akan jatuh tempo pada bulan Juni 2022.

Saldo pada tanggal 31 Desember 2018, 2017 dan 2016 masing-masing sebesar US\$ 250,275 juta, US\$ 273,4 juta dan US\$ 80 juta.

3. Fasilitas Pinjaman Revolving Seri C sebesar US\$ 300 juta

Fasilitas ini dikenakan margin bunga sebesar 1,60% per tahun di atas LIBOR untuk kreditur dalam negeri dan 1,50% untuk kreditur luar negeri.

Fasilitas ini jatuh tempo pada bulan November 2015 dan telah dilunasi seluruhnya pada tanggal 16 November 2015.

4. Fasilitas D sebesar US\$ 275 juta

Fasilitas ini dikenakan margin bunga sebesar 2,10% per tahun di atas LIBOR untuk kreditur dalam negeri dan 2,00% untuk kreditur luar negeri.

Fasilitas ini akan jatuh tempo pada bulan Juni 2021.

Entitas anak telah menarik seluruh fasilitas pinjaman ini.

Saldo pada tanggal 31 Desember 2018, 2017 dan 2016 masing-masing sebesar US\$ 275 juta.

b. Fasilitas Pinjaman Revolving sebesar US\$ 200 juta

Pada tanggal 30 Maret 2017, entitas anak tertentu telah menandatangani perjanjian fasilitas pinjaman revolving ("Perjanjian RLF") sebesar US\$ 200.000.000 untuk menyediakan tambahan dana untuk modal kerja.

Pinjaman ini tidak memiliki jaminan, dan entitas anak yang menjadi peserta RLF ini memberikan jaminan bersama (*cross guarantee*) atas Perjanjian RLF.

Exhibit E/77

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

25. LONG-TERM LOANS - THIRD PARTIES (Continued)

Syndication Loan (Continued)

b. US\$ 1 billion Credit Facilities (Continued)

2. Facility B of US\$ 300 million Revolving Loan Facility

This facility bears interest margin of 1.85% above LIBOR per annum for onshore lenders and 1.75% per annum for offshore lenders.

This Facility will mature in June 2022.

The outstanding balance as of 31 December 2018, 2017 and 2016 was amounted to US\$ 250.275 million, US\$ 273.4 million and US\$ 80 million, respectively.

3. Facility C of US\$ 300 million Revolving Loan Facility

This facility bears interest margin of 1.60% above LIBOR per annum for onshore lenders and 1.50% for offshore lenders.

This Facility matures in November 2015 and was fully repaid on 16 November 2015.

4. Facility D US\$ 275 million Term Loan Facility

This facility bears interest margin of 2.10% above LIBOR per annum for onshore lenders and 2.00% for offshore lenders.

This Facility will mature in June 2021.

The subsidiaries had fully drawn this loan facility.

The outstanding balance as of 31 December 2018, 2017 and 2016 was amounted to US\$ 275 million, respectively.

b. US\$ 200 million Revolving Loan Facility

On 30 March 2017, certain subsidiaries have entered into a US\$ 200,000,000 revolving loan facility agreement (the "RLF Agreement") to provide additional funding for working capital.

These loans are unsecured, and the subsidiaries who participated in the RLF provide a cross guarantee to the Lenders under the RLF Agreement.

Ekshibit E/78

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

25. PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)

Pinjaman Sindikasi (Lanjutan)

b. Fasilitas Pinjaman *Revolving* sebesar US\$ 200 juta (Lanjutan)

Dalam Perjanjian Fasilitas Pinjaman tersebut, entitas anak diharuskan untuk memenuhi beberapa kondisi, diantaranya:

- Net senior debt* dari entitas anak/ EBITDA yang disesuaikan dan dianualisasi maksimum sebesar 5 kali;
- Top tier revenue ratio* minimum sebesar 50,00%

Kreditor yang berpartisipasi pada fasilitas ini adalah:

- Oversea-Chinese Banking Corporation Limited
- PT Bank UOB Indonesia
- MUFG Bank, Ltd
- PT Bank CIMB Niaga Tbk
- DBS Bank Ltd.
- PT Bank HSBC Indonesia
- CIMB Bank Berhad
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank DBS Indonesia

Fasilitas ini dikenakan margin bunga sebesar 2,00% per tahun di atas LIBOR untuk kreditor dalam negeri, dan 1,75% per tahun untuk kreditor luar negeri.

Fasilitas ini akan jatuh tempo pada bulan Juni 2022.

Saldo pada tanggal 31 Desember 2018, 2017 dan 2016 masing-masing sebesar US\$ 109,725 juta, US\$ 99,725 juta dan nihil.

Pinjaman Non-Sindikasi

a. PT Bank Mandiri (Persero) Tbk

Pada tanggal 22 November 2017, berdasarkan akta Perjanjian Kredit Investasi No.CRO.JTH/0441/KI/2017 yang dibuat di hadapan Julius Purnawan, S.H., M.Si., Notaris di Jakarta, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, menandatangani perjanjian fasilitas pinjaman (Kredit Investasi) dengan PT Bank Mandiri (Persero) Tbk yang akan digunakan untuk tambahan dana modal kerja pembangunan menara telekomunikasi dengan rincian sebagai berikut:

Kredit Investasi IX

Fasilitas kredit	: Rp 57.000
Jatuh tempo	: November 2024
Bunga	: 11,25%
Provisi	: 0,25% dari jumlah fasilitas
<i>Commitment fee</i>	: 0,25% dari jumlah penarikan kredit

Exhibit E/78

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

25. LONG-TERM LOANS - THIRD PARTIES (Continued)

Syndication Loan (Continued)

b. US\$ 200 million Revolving Loan Facility (Continued)

Under the RLF Agreement, the subsidiaries are required to adhere to the following covenants, among others, as follows:

- Net senior debt* of subsidiaries/ annualized adjusted EBITDA ratio shall not exceed 5 times;
- Minimum top tier revenue ratio of 50.00%.

The lenders who participated in this facility are:

- Oversea-Chinese Banking Corporation Limited
- PT Bank UOB Indonesia
- MUFG Bank, Ltd
- PT Bank CIMB Niaga Tbk
- DBS Bank Ltd.
- PT Bank HSBC Indonesia
- CIMB Bank Berhad
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank DBS Indonesia

This facility bears interest margin of 2.00% above LIBOR per annum for onshore lenders, and 1.75% per annum for offshore lenders.

This Facility will mature in June 2022.

The outstanding balance as of 31 December 2018, 2017 and 2016 amounted to US\$ 109.725 million, US\$ 99.725 million and nil, respectively.

Non-Syndication Loans

a. PT Bank Mandiri (Persero) Tbk

At 22 November 2017, based on Investment Credit Agreement No. CRO.JTH/0441/KI/2017 made in the presence of Julius Purnawan, S.H., M.Si., Notary in Jakarta, PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary entered loan facility agreement (Investment Credit) with PT Bank Mandiri (Persero) Tbk which will be used for additional working capital of telecommunication towers construction with detail are as follows:

Investment Credit IX

Credit facility	: Rp 57,000
Due date	: November 2024
Interest	: 11.25%
Provision	: 0.25% of total facility
<i>Commitment fee</i>	: 0.25% of total loan drawdown

Ekshibit E/79

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

25. **PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)**

Pinjaman Non-Sindikasi (Lanjutan)

a. PT Bank Mandiri (Persero) Tbk (Lanjutan)

Kredit Investasi IX (Lanjutan)

Pinjaman ini dijamin dengan aset-aset sebagai berikut:

- Tagihan yang akan diterima dari hasil penerimaan sewa menara telekomunikasi yang dibiayai oleh Fasilitas KI baru (KI-XI);
- Tanah & bangunan rukan SHMASRS, No. 01032 atas nama Rudolf Parningotan Nainggolan telah diikat HT III dengan total pengikatan sebesar Rp 2.748 dan akan ditingkatkan dengan HT IV sebesar Rp 2.660;
- Tanah & bangunan gudang SHGB No. 01315-01317/ Setu atas nama PT Gihon Telekomunikasi Indonesia, entitas anak telah diikat HT III dengan total pengikatan sebesar Rp 4.375 dan akan ditingkatkan dengan HT IV sebesar Rp 1.990;
- Tanah dan bangunan SHGB No. 01333/ Setu, SHGB No. 01337/ Setu, SHGB No.01338/ Setu atas nama PT Gihon Telekomunikasi Indonesia, entitas anak telah diikat HT III dengan total pengikatan sebesar Rp 4.434 dan akan ditingkatkan dengan HT IV sebesar Rp 3.880;
- 1 unit rumah tinggal di Kemang Kolonie "The Residence" SHM No.5770/ Bangka atas nama Rudolf Parningotan Nainggolan telah diikat HT II dengan total pengikatan sebesar Rp 2.800 dan akan ditingkatkan dengan HT III sebesar Rp 2.350;
- 1 unit tanah bangunan di Perumahan Taman Proven Blok A9, No.12. Ds. Lekong Wetan, Serpong SHM No.00947 atas nama Hotma Linda Ebigail Sirait telah diikat HT I sebesar Rp 1.400 dan akan ditingkatkan dengan HT II sebesar Rp 1.000;
- Jaminan pribadi dari Rudolf Parningotan Nainggolan dan Hotma Linda Ebigail Sirait.

Berdasarkan Perjanjian tersebut PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, telah mendapatkan persetujuan dari PT Bank Mandiri (Persero) Tbk untuk melakukan hal-hal, antara lain untuk:

- Membagikan dividen,
- Mengubah porsi bagian saham publik,
- Merubah susunan pengurus, perubahan organisasi, merger dan akuisisi, apabila entitas anak telah melaksanakan Penawaran Umum Perdana Saham.

Atas fasilitas Kredit Investasi IX, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, dikenakan bunga fluktuatif sesuai dengan ketentuan PT Bank Mandiri (Persero) Tbk.

Pada 31 Desember 2018 jumlah fasilitas yang telah digunakan adalah sebesar Rp 34.402.

Exhibit E/79

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

25. **LONG-TERM LOANS - THIRD PARTIES (Continued)**

Non-Syndication Loans (Continued)

a. PT Bank Mandiri (Persero) Tbk (Continued)

Investment Credit IX (Continued)

These loans are secured with some assets are as follows:

- Claims to be received from the proceeds of telecommunication tower leases that financed by IC Facility (KI-V);
- Land & building of SHMASRS, No. 01032 on behalf of Rudolf Parningotan Nainggolan has been bound HT III with total binding of Rp 2,748 and will be increased with HT IV amounted to Rp 2,660;
- Land & building warehouse with SHGB No. 01315 01317/Setu on behalf of PT Gihon Telekomunikasi Indonesia, subsidiary has been bound HT III with total binding of Rp 4,375,000 and will be increased with HT IV amounted to Rp 1,990;
- Land & building with SHGB No. 01333/Setu, SHGB No. 01337/Setu, SHGB No. 01338/Setu on behalf of PT Gihon Telekomunikasi Indonesia, subsidiary has been bound HT III with total binding of Rp 4,434 and will be increased with HT IV amounted to Rp 3,880;
- 1 unit of residence in Kemang Kolonie "The Residence" with SHM No. 5770/Bangka on behalf of Rudolf Parningotan Nainggolan has been bound HT II with total binding of Rp 2,800 and will be increased with HT III amounted to Rp 2,350;
- 1 unit of land and building in Perumahan Taman Proven Blok A9, No.12. Ds. Lekong Wetan, Serpong with SHM No. 00947 on behalf of Mrs. Hotma Linda Ebigail Sirait has been bound HT I of Rp 1,400 and will be increased with HT II amounted to Rp 1,000;
- Personal Guarantee from Rudolf Parningotan Nainggolan and Hotma Linda Ebigail Sirait.

Based on this Agreement PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary has obtained approval from PT Bank Mandiri (Persero) Tbk to perform the following matters, among others:

- Distribute dividends,
- Changing the share of public portion,
- Changing the organizational structure, organizational change, merger and acquisition, if the Company has conducted the Initial Public Offering.

Regarding to Investment Credit facilities IX, PT Gihon Telekomunikasi Indonesia, the subsidiary is subject to fluctuating interest in accordance with the policy of PT Bank Mandiri (Persero) Tbk.

As of 31 December 2018 total have been utilized is amounted to Rp 34,402.

Ekshibit E/80

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

25. PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)

Pinjaman Non-Sindikasi (Lanjutan)

b. PT Bank UOB Indonesia

Pada tanggal 31 Oktober 2018, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, telah mendatangi perjanjian fasilitas *revolving* sebesar Rp 50.000 untuk menyediakan tambahan dana modal kerja.

Pinjaman ini tidak memiliki jaminan tetapi PT Gihon Telekomunikasi Indonesia Tbk, entitas anak harus menyerahkan perjanjian pemegang saham yang ditandatangani oleh perusahaan dan pemegang saham lainnya dan memastikan laporan keuangan entitas anak telah dikonsolidasi ke dalam laporan keuangan Perusahaan.

Dalam fasilitas pinjaman ini, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak diharuskan memenuhi beberapa kondisi, diantaranya:

- a) *Debt to EBITDA* rasio maksimum sebesar 3,75 kali.
- b) *Top tier revenue* rasio minimum sebesar 50,00%.

Fasilitas ini dikenakan margin bunga sebesar 1,75% diatas JIBOR jika *Debt to EBITDA* rasio kurang dari 3 kali dan 2,25% diatas JIBOR jika *Debt to EBITDA* rasio lebih dari 3 kali dan fasilitas ini akan jatuh tempo pada 31 Oktober 2019.

Pada 31 Desember 2018 jumlah fasilitas yang telah digunakan adalah sebesar Rp 6.250.

PT Gihon Telekomunikasi Indonesia Tbk, entitas anak telah memenuhi semua persyaratan yang ditetapkan oleh kreditor atas seluruh pinjaman Kredit Investasi yang diberikan.

c. PT Bank Ina Perdana Tbk

Pada tanggal 31 Agustus 2017, PT Visi Telekomunikasi Infrastruktur Tbk, entitas anak menandatangani perjanjian fasilitas pinjaman (Kredit Investasi) dengan PT Bank Ina Perdana Tbk dengan rincian sebagai berikut:

Fasilitas kredit : Rp 50.000
Jatuh tempo : 31 August 2022
Bunga : 13,00%

Pinjaman tersebut dijamin dengan piutang usaha sebesar Rp 1.711 dan 42 menara telekomunikasi yang dimiliki Entitas Anak.

Pada 31 Desember 2018 jumlah fasilitas yang telah digunakan adalah sebesar Rp 41.024.

Exhibit E/80

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

25. LONG-TERM LOANS - THIRD PARTIES (Continued)

Non-Syndication Loans (Continued)

b. PT Bank UOB Indonesia

As of 31 October 2018, PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary had signed the revolving facility agreement amounted to Rp 50,000 to provide additional funding for working capital.

This loan is unsecured but PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary had to submit shareholders agreement signed by the company and other shareholders and ensure that subsidiary's financial statements have been consolidated into the Company financial statements.

Under the credit facility agreement, PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary are required to adhere to the following conditions, among others, as follows:

- a) *Debt to EBITDA* ratio shall not exceed 3.75 times.
- b) *Top tier revenue* ratio minimum 50.00%.

This facility bears interest margin of 1.75% above JIBOR if *Debt to EBITDA* ratio less than 3 times and 2.25% above JIBOR if *Debt to EBITDA* ratio more than 3 times and this facility will due on 31 October 2019.

As of 31 December 2018 total facility have been utilized is amounted to Rp 6,250.

PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary has complied with all the requirements assigned by the creditors on all the Investment Credits given.

c. PT Bank Ina Perdana Tbk

At 31 August 2017, PT Visi Telekomunikasi Infrastruktur Tbk, the subsidiary entered loan facility agreement (Investment Credit) with PT Bank Ina Perdana Tbk with detail are as follows:

Credit facility : Rp 50,000
Maturity : 31 August 2022
Interest : 13.00%

The loan is collateralized by trade receivables amounting to Rp 1,711 and 42 telecommunication towers owned by subsidiary.

As of 31 December 2018 total facility have been utilized is amounted to Rp 41,024.

Ekshibit E/81

Exhibit E/81

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

25. PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)

25. LONG-TERM LOANS - THIRD PARTIES (Continued)

Jika bagian pinjaman dalam valuta asing yang telah dilindung nilai diukur dengan menggunakan kurs lindung nilainya, maka saldo pinjaman jangka panjang pada 31 Desember 2018, 2017 dan 2016 setelah dikurangi biaya pinjaman yang belum diamortisasi adalah sebagai berikut:

If the hedged portion of foreign currency loans are valued using their hedged rate, the outstanding balance of long-term loans as of 31 December 2018, 2017 and 2016 net of unamortized borrowing cost are as follows:

	2018		2017		2016		
	Saldo pinjaman / The balance of loans		Saldo pinjaman / The balance of loans		Saldo pinjaman / The balance of loans		
	Kurs laporan posisi keuangan / Rate of consolidated statements of financial position date		Kurs laporan posisi keuangan / Rate of consolidated statements of financial position date		Kurs laporan posisi keuangan / Rate of consolidated statements of financial position date		
	Kurs lindung nilai / Hedging rate		Kurs lindung nilai / Hedging rate		Kurs lindung nilai / Hedging rate		
Pinjaman sindikasi	14.987.835	13.181.570	14.199.997	12.407.038	10.144.180	9.451.540	Syndication loans
Pinjaman non-sindikasi	81.676	81.676	-	-	-	-	Non-syndication loans
Dikurangi:							Less:
Biaya pinjaman yang belum diamortisasi (Catatan 2f)	(115.387)	(115.387)	(152.187)	(152.187)	(139.529)	(139.529)	Unamortized borrowing costs (Note 2f)
Jumlah - Bersih	14.954.124	13.147.859	14.047.810	12.254.851	10.004.651	9.312.011	Total - Net

26. SURAT UTANG

26. NOTES

	2018	2017	2016	
Surat utang terdiri dari:				Notes consist of:
US Dolar				US Dollar
a. 5,25% Senior Unsecured Note				a. 5.25% Senior Unsecured Notes
(saldo pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar US\$ 350 juta)	5.068.350	4.741.800	4.702.600	(balance as of 31 December 2018, 2017 and 2016 amounted to US\$ 350 million, respectively)
b. 4,625% Senior Unsecured Notes				b. 4.625% Senior Unsecured Notes
(saldo pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar nihil, nihil dan US\$ 300 juta)	-	-	4.030.800	(balance as of 31 December 2018, 2017 and 2016 amounted to nil, nil and US\$ 300 million, respectively)
	5.068.350	4.741.800	8.733.400	

Ekshibit E/82

Exhibit E/82

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

26. SURAT UTANG (Lanjutan)

26. NOTES (Continued)

	2018	2017	2016		
Rupiah					Rupiah
a. Obligasi Berkelanjutan II Tahap I	230.000	230.000	230.000	a.	Continuous Bonds II Phase I
b. Obligasi Berkelanjutan II Tahap II	700.000	700.000	-	b.	Continuous Bonds II Phase II
c. Obligasi Berkelanjutan III Tahap I	700.000	700.000	-	c.	Continuous Bonds III Phase I
d. Obligasi Berkelanjutan III Tahap II	608.000	-	-	d.	Continuous Bonds III Phase II
e. Obligasi Berkelanjutan III Tahap III	628.000	-	-	e.	Continuous Bonds III Phase III
Jumlah	7.934.350	6.371.800	8.963.400		Total
Dikurangi:					Less:
Biaya pinjaman yang belum diamortisasi (Catatan 2f)	(45.325)	(50.798)	(70.880)		Unamortized borrowing cost (Note 2f)
Saldo yang jatuh tempo dalam satu tahun	(624.283)	-	-		Balance due less than one year
Saldo yang jatuh tempo lebih dari satu tahun	7.264.742	6.321.002	8.892.520		Balance due more than one year

a. Surat Utang dalam USD sebesar US\$ 350 juta

a. Notes in USD amounted to US\$ 350 million

Pada tanggal 10 Februari 2015, TBG Global Pte Ltd (TBGG), entitas anak, menerbitkan 5,25% *Senior Unsecured Notes* ("Surat Utang") dengan nilai agregat sebesar US\$ 350.000.000. Surat Utang ini dikenakan bunga sebesar 5,25% per tahun yang jatuh tempo pada tanggal 10 Februari dan 10 Agustus setiap tahun, dimulai pada tanggal 10 Agustus 2015. Surat Utang ini akan jatuh tempo pada tanggal 10 Februari 2022. Surat Utang ini dijamin oleh Perusahaan dan tidak dapat dibeli kembali sebelum 4 (empat) tahun.

On 10 February 2015, TBG Global Pte Ltd. (TBGG), a subsidiary, issued 5.25% Senior Unsecured Notes ("Notes") with an aggregate value of US\$ 350,000,000. These notes bear interest at 5.25% per annum and pay interest on 10 February and 10 August each year, commencing on 10 August 2015. The Notes will mature on 10 February 2022. The Notes are guaranteed by the Company and have a 4 (four) years non-call provision.

Dana dari penerbitan Surat Utang tersebut digunakan untuk membiayai kembali (a) pinjaman sebesar US\$ 300 juta berdasarkan Perjanjian Fasilitas Pinjaman *Revolving* (lihat Catatan 25), (b) sebagian pinjaman *revolving* seri C berdasarkan Perjanjian Fasilitas Pinjaman, dan (c) sisanya digunakan untuk mendukung kebutuhan lainnya.

The proceeds from the issuance of the Notes were used to refinance (a) all outstanding loan amounting to US\$ 300 million under Revolving Loan Facility Agreement (see Note 25), (b) part of outstanding loan facility C of revolving loan facility under the Credit Facility Agreement, and (c) the remaining amount to be used for general corporate purposes.

Sesuai pembatasan-pembatasan yang mengatur tentang Surat Utang, Perusahaan dan entitas anak yang dibatasi, memiliki keterbatasan untuk melakukan tindakan-tindakan, antara lain, sebagai berikut:

Under the covenants governing the Notes, the Company and its restricted subsidiaries are restricted from performing certain actions such as:

- Menambah pinjaman baru dan menerbitkan saham preferen, kecuali:
 - Rasio Utang/Arus Kas Teranualisasi tidak lebih dari 6,25 kali.

- Incurrence of indebtedness and issuance of preferred stock, unless:
 - Debt to Annualized Cash Flow Ratio would have been no greater than 6.25 times.

Ekshibit E/83

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/83

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

26. **SURAT UTANG** (Lanjutan)

a. **Surat Utang dalam USD sebesar US\$ 350 juta** (Lanjutan)

2. Melakukan pembayaran yang dibatasi, seperti:

- menyatakan atau membayar dividen atau melakukan suatu pembayaran atau pembagian untuk kepentingan Penjamin Induk Perusahaan atau setiap Hak Kepemilikan Atas Ekuitas Entitas Anak Yang Dibatasi atau kepada para pemilik langsung atau tidak langsung dari Penjamin Induk Perusahaan atau setiap Hak Kepemilikan Atas Ekuitas dari Entitas Anak Yang Dibatasi;
- membeli, menebus atau dengan cara lain mendapatkan atau membebaskan untuk nilai setiap Hak Kepemilikan Atas Ekuitas dari Penjamin Induk Perusahaan atau setiap induk langsung atau tidak langsung dari Penjamin Induk Perusahaan;
- melakukan pembayaran atas atau sehubungan dengan, melakukan penebusan dengan tidak dapat dicabut kembali, atau membeli, menebus, melakukan penjaminan efek atau dengan cara lain mendapatkan atau membebaskan untuk nilai dari setiap utang dari TBGG sebagai penerbit atau setiap Surat Utang Penjamin yang secara kontraktual disubordinasikan kepada Surat Utang atau setiap Jaminan Surat Utang (tidak termasuk pinjaman antar Perusahaan dan utang antar Perusahaan), kecuali suatu pembayaran bunga atau pokok pada tanggal jatuh tempo; dan
- membuat setiap investasi yang dibatasi

Perusahaan dapat melakukan Pembayaran Yang Dibatasi tersebut di atas, jika:

- Tidak ada wanprestasi atau peristiwa wanprestasi telah terjadi dan berlanjut atau akan terjadi; dan
- Rasio Arus Kas Terannualisasi tidak lebih dari 6,25 kali.

Transaksi ini telah memenuhi peraturan Bapepam-LK No. IX.E.2 tentang transaksi material, dan Perusahaan telah melaporkan penerbitan Surat Utang tersebut kepada Otoritas Jasa Keuangan (OJK) (dahulu Bapepam-LK) pada tanggal 12 Februari 2015. Surat Utang ini didaftarkan pada pasar modal Singapura.

26. **NOTES** (Continued)

a. **Notes in USD amounted to US\$ 350 million** (Continued)

2. Making restricted payments, such as:

- declare and pay dividend or make any other payment or distribution on account of Parent Guarantor or any of its Restricted Subsidiaries Equity Interests or to the direct or indirect holders of Parent Guarantor or any of its Restricted Subsidiaries Equity Interests;
- purchase, redeem or otherwise acquire or retire for value any Equity Interest of Parent Guarantor or any direct or indirect parent of Parent Guarantor;
- make any payment on or with respect to, irrevocably call for redemption, or purchase, redeem, defease or otherwise acquire or retire for value any indebtedness of the Issuer or any Note Guarantor that is contractually subordinated to the Notes or to any Note Guarantee (excluding intercompany loans and Indebtedness), except for payment of interest and principal at maturity; and
- make any restricted investment

The company can make Restricted Payments described above, if:

- No Default or Event of Default has occurred and is continuing or would occur; and
- Debt to Annualized Cash Flow Ratio would have been no greater than 6.25 times.

This transaction has fulfilled the regulation of Bapepam-LK No. IX.E.2 regarding material transactions, and the Company has reported the issuance of the Notes to the Indonesia Financial Service Authority (OJK) (formerly Bapepam-LK) on 12 February 2015. The Notes are listed on the Singapore Exchange.

Ekshibit E/84

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

26. **SURAT UTANG (Lanjutan)**

b. **Surat Utang dalam USD sebesar US\$ 300 juta**

Pada 3 April 2013, TBG Global Pte Ltd (TBGG), entitas anak, menerbitkan 4,625% *Unsecured Senior Notes* ("Surat Utang") dengan nilai agregat sebesar US\$ 300.000.000. Surat Utang ini dikenakan bunga sebesar 4,625% per tahun yang jatuh tempo pada tanggal 3 April dan 3 Oktober setiap tahun, dimulai pada tanggal 3 Oktober 2013. Surat Utang ini akan jatuh tempo pada tanggal 3 April 2018. Surat Utang ini dijamin oleh Perusahaan dan tidak dapat dibeli kembali sebelum 3 (tiga) tahun.

Surat utang ini telah dilunasi di bulan Mei 2017.

Dana dari penerbitan Surat Utang tersebut digunakan untuk membiayai kembali (a) pinjaman sindikasi seri 2 sebesar US\$ 50.000.000 yang termasuk dalam Perjanjian Program Pinjaman, (b) pinjaman non-sindikasi sebesar US\$ 50.500.000 berdasarkan Perjanjian Fasilitas Pinjaman Senior, (c) pinjaman non-sindikasi sebesar Rp 426.015 berdasarkan Perjanjian Fasilitas Pinjaman Rupiah, dan (d) sisanya digunakan untuk mendukung kebutuhan lainnya.

Sesuai pembatasan-pembatasan yang mengatur tentang Surat Utang, Perusahaan dan Entitas Anak Yang Dibatasi, memiliki keterbatasan untuk melakukan tindakan-tindakan, antara lain, sebagai berikut:

1. Menambah pinjaman baru dan menerbitkan saham preferen, kecuali :

Rasio Utang/Arus Kas Teranualisasi tidak lebih dari 6,25 kali.

2. Melakukan pembayaran yang dibatasi, seperti:

- a) menyatakan atau membayar dividen atau melakukan suatu pembayaran atau pembagian untuk kepentingan Penjamin Induk Perusahaan atau setiap Hak Kepemilikan Atas Ekuitas Entitas Anak Yang Dibatasi atau kepada para pemilik langsung atau tidak langsung dari Penjamin Induk Perusahaan atau setiap Hak Kepemilikan Atas Ekuitas dari Entitas Anak Yang Dibatasi;
- b) membeli, menebus atau dengan cara lain mendapatkan atau membebaskan untuk nilai setiap Hak Kepemilikan Atas Ekuitas dari Penjamin Induk Perusahaan atau setiap induk langsung atau tidak langsung dari Penjamin Induk Perusahaan;

Exhibit E/84

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

26. **NOTES (Continued)**

b. **Notes in USD amounted to US\$ 300 million**

On 3 April 2013, TBG Global Pte Ltd. (TBGG), a subsidiary, issued 4.625% *Senior Unsecured Notes* ("Notes") with an aggregate value of US\$ 300,000,000. These notes bear interest at 4.625% per annum and pay interest on 3 April and 3 October each year, commencing on 3 October 2013. The Notes had a maturity date of 3 April 2018. The Notes are guaranteed by the Company and have a 3-year non-call provision.

These notes have been repaid in May 2017.

The proceeds from the issuance of the Notes were used to refinance (a) all outstanding revolving credit indebtedness amounting to US\$ 50,000,000 under the *Second Series - the Debt Programme Agreement*, (b) all outstanding indebtedness amounting to US\$ 50,500,000 under the *Senior Loan Facility Agreement* (c) all outstanding indebtedness amounting to Rp 426,015 million under the *Loan Facility Agreement*, and (d) the remaining amount to be used for general corporate purposes.

Under the covenants governing the Notes, the Company and its Restricted Subsidiaries are restricted from performing certain actions such as:

1. *Incurrence of indebtedness and issuance of preferred stock, unless :*

Debt to Annualized Cash Flow Ratio would have been no greater than 6.25 times.

2. *Making restricted payments, such as:*

- a) *declare and pay dividend or make any other payment or distribution on account of Parent Guarantor or any of its Restricted Subsidiaries Equity Interests or to the direct or indirect holders of Parent Guarantor or any of its Restricted Subsidiaries Equity Interests;*
- b) *purchase, redeem or otherwise acquire or retire for value any Equity Interest of Parent Guarantor or any direct or indirect parent of Parent Guarantor;*

Ekshibit E/85

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

Exhibit E/85

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

26. SURAT UTANG (Lanjutan)

b. Surat Utang dalam USD sebesar US\$ 300 juta (Lanjutan)

- c) melakukan pembayaran atas atau sehubungan dengan, melakukan penebusan dengan tidak dapat dicabut kembali, atau membeli, menebus, melakukan penjaminan efek atau dengan cara lain mendapatkan atau membebaskan untuk nilai dari setiap utang dari TBGG sebagai penerbit atau setiap Surat Utang Penjamin yang secara kontraktual disubordinasikan kepada Surat Utang atau setiap Jaminan Surat Utang (tidak termasuk pinjaman antar Perusahaan dan utang antar Perusahaan), kecuali suatu pembayaran bunga atau pokok pada tanggal jatuh tempo; dan
- d) membuat setiap investasi yang dibatasi

Perusahaan dapat melakukan Pembayaran Yang Dibatasi tersebut di atas, jika:

1. Tidak ada wanprestasi atau peristiwa wanprestasi telah terjadi dan berlanjut atau akan terjadi; dan
2. Rasio Arus Kas Teranualisasi tidak lebih dari 6,25 kali.

Transaksi ini telah memenuhi peraturan Bapepam-LK No. IX.E.2 tentang transaksi material, dan Perusahaan telah melaporkan penerbitan Surat Utang tersebut kepada Otoritas Jasa Keuangan (OJK) (dahulu Bapepam-LK) pada tanggal 5 April 2013. *Notes* ini didaftarkan pada pasar modal Singapura.

Entitas anak telah memperoleh Persetujuan dari pemegang Surat Utang sebesar US\$ 300 juta untuk menyelaraskan ketentuan ketentuan yang terdapat pada Surat Utang sebesar US\$ 300 juta dengan ketentuan-ketentuan yang terdapat pada Surat Utang sebesar US\$ 350 juta, termasuk didalamnya penghapusan klausul mengenai ketentuan Rasio Kas Teranualisasi yang akan turun dari 6,25 kali menjadi 5,75 kali pada tanggal 31 Desember 2016 dan seterusnya.

26. *NOTES* (Continued)

b. *Notes in USD amounted to US\$ 300 million* (Continued)

- c) *make any payment on or with respect to, irrevocably call for redemption, or purchase, redeem, defease or otherwise acquire or retire for value any indebtedness of the Issuer or any Note Guarantor that is contractually subordinated to the Notes or to any Note Guarantee (excluding intercompany loans and Indebtedness), except for payment of interest and principal at maturity; and*

- d) *make any restricted investment*

The company can make Restricted Payments described above, if:

1. *No Default or Event of Default has occurred and is continuing or would occur; and*
2. *Debt to Annualized Cash Flow Ratio would have been no greater than 6.25 times.*

This transaction has fulfilled the regulation of Bapepam-LK No. IX.E.2 regarding material transactions, and the Company has reported the issuance of the Notes to the Indonesia Financial Service Authority (OJK) (formerly Bapepam-LK) on 5 April 2013. The Notes are listed on the Singapore Exchange.

The subsidiary has obtained Consent from Notes amounted to US\$ 300 million bondholders to bring the indenture in conformity with the Notes amounted to US\$ 350 million, including the removal of step down requirement of Debt to Annualized Cash Flow from 6.25 to 5.75 on 31 December 2016 onwards.

Ekshibit E/86

Exhibit E/86

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

26. **SURAT UTANG** (Lanjutan)

Jika bagian utang yang telah dilindung nilai diukur dengan menggunakan kurs lindung nilainya, maka saldo surat utang jangka panjang pada 31 Desember 2018, 2017 dan 2016 setelah dikurangi biaya pinjaman yang belum diamortisasi adalah sebagai berikut:

26. **NOTES** (Continued)

If the hedged portion of the long-term notes are valued using their hedge rate, the outstanding balance of the Long-term notes as of 31 December 2018, 2017 and 2016 net of unamortized borrowing costs are as follow:

	2018		2017		2016		
	Saldo pinjaman / The balance of loans		Saldo pinjaman / The balance of loans		Saldo pinjaman / The balance of loans		
	Kurs		Kurs		Kurs		
	laporan posisi		laporan posisi		laporan posisi		
	keuangan /		keuangan /		keuangan /		
	Rate of	Kurs	Rate of	Kurs	Rate of	Kurs	
	consolidated	lindung	consolidated	lindung	consolidated	lindung	
	statements of	nilai /	statements of	nilai /	statements of	nilai /	
	financial	Hedging	financial	Hedging	financial	Hedging	
	position date	rate	position date	rate	position date	rate	
Surat utang	7.934.350	7.171.000	6.371.800	5.935.000	8.963.400	7.646.500	Notes
Dikurangi:							Less:
Biaya pinjaman yang belum diamortisasi (Catatan 2f)	(45.325)	(45.325)	(50.798)	(50.798)	(70.880)	(70.880)	Unamortized borrowing costs (Note 2f)
Jumlah - Bersih	7.889.025	7.125.675	6.321.002	5.884.202	8.892.520	7.575.620	Total - Net

a. **Obligasi Berkelanjutan II Tahap I**

Pada tanggal 1 Juli 2016, Perusahaan menerbitkan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap I Tahun 2016 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan II Tahap I") sebesar 9,25% per tahun. Nominal Obligasi Berkelanjutan II Tahap I ini adalah sebesar Rp 230.000.

Hasil bersih yang diperoleh dari penerbitan Obligasi Berkelanjutan II Tahap I telah digunakan seluruhnya untuk pembayaran kewajiban keuangan entitas anak.

Bunga Obligasi Berkelanjutan II Tahap I akan dibayarkan setiap kuartal sesuai dengan tanggal pembayaran bunga. Pembayaran pertama dari bunga adalah pada tanggal 1 Oktober 2016. Tanggal pembayaran bunga terakhir, yang juga merupakan tanggal jatuh tempo Obligasi Berkelanjutan II Tahap I, adalah pada tanggal 1 Juli 2021.

a. **Continuous Bonds II Phase I**

On 1 July 2016, the Company issued Continuous Bonds II Tower Bersama Infrastructure Phase I Year 2016 with Fixed Interest Rate ("Continuous Bonds II Phase I") amounted to 9.25% per year. The Continuous Bonds II Phase I have a total principal amount of Rp 230,000.

The net proceeds from the issuance of the Continuous Bonds II Phase I were used entirely for payments of financial liabilities of subsidiaries.

Interest for the Continuous Bonds II Phase I are payable on a quarterly basis on the interest payment dates. The first interest payment of Bonds was on 1 October 2016. The last interest payment dates, which are also the respective maturity dates of the Continuous Bonds II Phase I, will be on 1 July 2021.

Ekshibit E/87

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

26. SURAT UTANG (Lanjutan)

a. Obligasi Berkelanjutan II Tahap I (Lanjutan)

Obligasi Berkelanjutan II Tahap I ini tidak dijamin oleh suatu jaminan tertentu, namun dijamin dengan seluruh kekayaan Perusahaan, baik barang bergerak maupun tidak bergerak, dan yang telah ada maupun yang akan ada di kemudian hari.

Penerbitan Obligasi Berkelanjutan II Tahap I ini dilakukan sesuai dengan Akta Adendum II dan Pernyataan Kembali Perjanjian Perwaliamanatan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap I Tahun 2016 No. 42 tanggal 17 Juni 2016 yang dibuat di hadapan Notaris Jose Dima Satria, S.H. M.Kn. Bertindak sebagai wali amanat adalah PT Bank Rakyat Indonesia (Persero) Tbk ("Wali Amanat").

Sesuai persyaratan yang disepakati dalam penerbitan Obligasi Berkelanjutan II Tahap I ini, maka Perusahaan tanpa persetujuan tertulis dari Wali Amanat tidak diperkenankan untuk melakukan tindakan-tindakan, antara lain: melakukan penggabungan atau pengambilalihan usaha, merubah bidang usaha utama, mengurangi modal dasar dan modal disetor, menjual, mengalihkan atau melepaskan seluruh atau sebagian aset, memberikan opsi, waran, dan memberikan pinjaman kepada pihak ketiga, kecuali kepada entitas anak Perusahaan, di luar kegiatan usaha Perusahaan dan entitas anak.

Perusahaan juga disyaratkan untuk mempertahankan perbandingan antara jumlah pinjaman konsolidasian proforma dengan EBITDA proforma dari kuartal terakhir dikalikan 4 (empat) tidak melebihi 6,25 kali.

Pada 31 Desember 2018, 2017 dan 2016, Perusahaan telah memenuhi semua kondisi yang disyaratkan dalam perjanjian perwaliamanatan tersebut.

Pada 17 April 2018, Fitch Indonesia, lembaga pemeringkat efek independen, telah memberikan peringkat "AA-" (Double A Minus) untuk Obligasi Berkelanjutan II Tahap I ini.

Exhibit E/87

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

26. NOTES (Continued)

a. Continuous Bonds II Phase I (Continued)

The Continuous Bonds II Phase I is not secured by specific collateral, however it is guaranteed by all assets of the Company, for existing and future fixed or moveable assets.

The issuance of Continuous Bonds II Phase I was covered in the Deed of Second Amendment and Restatement of Trusteeship Agreement of Continuous Bonds II Tower Bersama Infrastructure Phase I Year 2016 No. 42 dated 17 June 2016, of a Notary Jose Dima Satria, S.H., M.Kn. The bond trustee is PT Bank Rakyat Indonesia (Persero) Tbk (the "Trustee").

Under the covenants governing the Continuous Bonds II Phase I, the Company, without the written consent of the Trustee, shall not, among others: merge or acquire, change the scope of main activities, reduce the authorized and paid up capital, sale, transfer or dispose all or part of asset by the Company's subsidiaries, sale, transfer, or giving options, warrants, and grant loans to third parties, except to the Company's subsidiaries, outside the Company's and Subsidiaries business activities.

In addition, the Company is required to maintain the comparative of total proforma consolidation loans with proforma EBITDA from last quarter multiplied by 4 (four) of no more than 6.25 times.

As of 31 December 2018, 2017 and 2016, the Company has complied with the restrictions set out in these trusteeship agreements.

On 17 April 2018, Fitch Indonesia, an independent credit rating agency, rated the Continuous Bonds II Phase I "AA -" (Double A Minus).

Ekshibit E/88

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

26. SURAT UTANG (Lanjutan)

b. Obligasi Berkelanjutan II Tahap II

Pada tanggal 21 April 2017, Perusahaan menerbitkan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap II Tahun 2017 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan II Tahap II") sebesar 8,75% per tahun. Nominal Obligasi Berkelanjutan II Tahap II ini adalah sebesar Rp 700.000.

Hasil bersih yang diperoleh dari penerbitan Obligasi Berkelanjutan II Tahap II telah digunakan seluruhnya untuk pembayaran kewajiban keuangan entitas anak.

Bunga Obligasi Berkelanjutan II Tahap II akan dibayarkan setiap kuartal sesuai dengan tanggal pembayaran bunga. Pembayaran pertama dari bunga adalah pada tanggal 21 Juli 2017. Tanggal pembayaran bunga terakhir, yang juga merupakan tanggal jatuh tempo Obligasi Berkelanjutan II Tahap II, adalah pada tanggal 21 April 2020.

Obligasi Berkelanjutan II Tahap II ini tidak dijamin oleh suatu jaminan tertentu, namun dijamin dengan seluruh kekayaan Perusahaan, baik barang bergerak maupun tidak bergerak, dan yang telah ada maupun yang akan ada di kemudian hari.

Penerbitan Obligasi Berkelanjutan II Tahap II ini dilakukan sesuai Perjanjian Perwaliamanatan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap II Tahun 2017 No. 110 tanggal 30 Maret 2017 yang dibuat di hadapan Notaris Jose Dima Satria, S.H. M.Kn. Bertindak sebagai wali amanat adalah PT Bank Rakyat Indonesia (Persero) Tbk ("Wali Amanat").

Sesuai persyaratan yang disepakati dalam penerbitan Obligasi Berkelanjutan II Tahap II ini, maka Perusahaan tanpa persetujuan tertulis dari Wali Amanat tidak diperkenankan untuk melakukan tindakan-tindakan, antara lain: melakukan penggabungan atau pengambilalihan usaha, merubah bidang usaha utama, mengurangi modal dasar dan modal disetor, menjual, mengalihkan atau melepaskan seluruh atau sebagian aset, memberikan opsi, waran, dan memberikan pinjaman kepada pihak ketiga, kecuali kepada entitas anak Perusahaan, di luar kegiatan usaha Perusahaan dan entitas anak.

Perusahaan juga disyaratkan untuk mempertahankan perbandingan antara jumlah pinjaman konsolidasian proforma dengan EBITDA proforma dari kuartal terakhir dikalikan 4 (empat) tidak melebihi 6,25 kali.

Pada 31 Desember 2018, 2017 dan 2016, Perusahaan telah memenuhi semua kondisi yang disyaratkan dalam perjanjian perwaliamanatan tersebut.

Pada 17 April 2018, Fitch Indonesia, lembaga pemeringkat efek independen, telah memberikan peringkat "AA-" (Double A Minus) untuk Obligasi Berkelanjutan II Tahap II ini.

Exhibit E/88

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

26. NOTES (Continued)

b. Continuous Bonds II Phase II

On 21 April 2017, the Company issued Continuous Bonds II Tower Bersama Infrastructure Phase II Year 2017 with Fixed Interest Rate ("Continuous Bonds II Phase II") amounted to 8.75% per year. The Continuous Bonds II Phase II have a total principal amount of Rp 700,000.

The net proceeds from the issuance of the Continuous Bonds II Phase II were used entirely for payments of financial liabilities of subsidiaries.

Interest for the Continuous Bonds II Phase II are payable on a quarterly basis on the interest payment dates. The first interest payment of Bonds was on 21 July 2017. The last interest payment dates, which are also the respective maturity dates of the Continuous Bonds II Phase II, will be on 21 April 2020.

The Continuous Bonds II Phase II is not secured by specific collateral, however it is guaranteed by all assets of the Company, for existing and future fixed or moveable assets.

The issuance of Continuous Bonds II Phase II was covered Trusteeship Agreement of Continuous Bonds II Tower Bersama Infrastructure Phase II Year 2017 No. 110 dated 30 March 2017, of a Notary Jose Dima Satria, S.H., M.Kn. The bond trustee is PT Bank Rakyat Indonesia (Persero) Tbk (the "Trustee").

Under the covenants governing the Continuous Bonds II Phase II, the Company, without the written consent of the Trustee, shall not, among others: merge or acquire, change the scope of main activities, reduce the authorized and paid up capital, sale, transfer or dispose all or part of asset by the Company's subsidiaries, sale, transfer, or giving options, warrants, and grant loans to third parties, except to the Company's subsidiaries, outside the Company's and Subsidiaries business activities.

In addition, the Company is required to maintain the comparative of total proforma consolidation loans with proforma EBITDA from last quarter multiplied by 4 (four) of no more than 6.25 times.

As of 31 December 2018, 2017 and 2016, the Company has complied with the restrictions set out in these trusteeship agreements.

On 17 April 2018, Fitch Indonesia, an independent credit rating agency, rated the Continuous Bonds II Phase II "AA -" (Double A Minus).

Ekshibit E/89

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

26. SURAT UTANG (Lanjutan)

c. Obligasi Berkelanjutan II Tahap III

Pada tanggal 19 September 2017, Perusahaan menerbitkan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap III Tahun 2017 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan II Tahap III") sebesar 8,40% per tahun. Nominal Obligasi Berkelanjutan II Tahap III ini adalah sebesar Rp 700.000.

Hasil bersih yang diperoleh dari penerbitan Obligasi Berkelanjutan II Tahap III telah digunakan seluruhnya untuk pembayaran kewajiban keuangan entitas anak.

Bunga Obligasi Berkelanjutan II Tahap III akan dibayarkan setiap kuartal sesuai dengan tanggal pembayaran bunga. Pembayaran pertama dari bunga adalah pada tanggal 19 Desember 2017. Tanggal pembayaran bunga terakhir, yang juga merupakan tanggal jatuh tempo Obligasi Berkelanjutan II Tahap III, adalah pada tanggal 19 September 2020.

Obligasi Berkelanjutan II Tahap III ini tidak dijamin oleh suatu jaminan tertentu, namun dijamin dengan seluruh kekayaan Perusahaan, baik barang bergerak maupun tidak bergerak, dan yang telah ada maupun yang akan ada di kemudian hari.

Penerbitan Obligasi Berkelanjutan II Tahap III ini dilakukan sesuai Perjanjian Perwaliamanatan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap III Tahun 2017 No. 87 tanggal 29 Agustus 2017 yang dibuat di hadapan Notaris Jose Dima Satria, S.H. M.Kn. Bertindak sebagai wali amanat adalah PT Bank Rakyat Indonesia (Persero) Tbk ("Wali Amanat").

Sesuai persyaratan yang disepakati dalam penerbitan Obligasi Berkelanjutan II Tahap III ini, maka Perusahaan tanpa persetujuan tertulis dari Wali Amanat tidak diperkenankan untuk melakukan tindakan-tindakan, antara lain: melakukan penggabungan atau pengambilalihan usaha, merubah bidang usaha utama, mengurangi modal dasar dan modal disetor, menjual, mengalihkan atau melepaskan seluruh atau sebagian aset, memberikan opsi, waran, dan memberikan pinjaman kepada pihak ketiga, kecuali kepada entitas anak Perusahaan, di luar kegiatan usaha Perusahaan dan entitas anak.

Perusahaan juga disyaratkan untuk mempertahankan perbandingan antara jumlah pinjaman konsolidasian proforma dengan EBITDA proforma dari kuartal terakhir dikalikan 4 (empat) tidak melebihi 6,25 kali.

Pada 31 Desember 2018, 2017 dan 2016, Perusahaan telah memenuhi semua kondisi yang disyaratkan dalam perjanjian perwaliamanatan tersebut.

Exhibit E/89

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

26. NOTES (Continued)

c. Continuous Bonds II Phase III

On 19 September 2017, the Company issued Continuous Bonds II Tower Bersama Infrastructure Phase III Year 2017 with Fixed Interest Rate ("Continuous Bonds II Phase III") amounted to 8.40% per year. The Continuous Bonds II Phase III have a total principal amount of Rp 700,000.

The net proceeds from the issuance of the Continuous Bonds II Phase III were used entirely for payments of financial liabilities of subsidiaries.

Interest for the Continuous Bonds II Phase III are payable on a quarterly basis on the interest payment dates. The first interest payment of Bonds was on 19 December 2017. The last interest payment dates, which are also the respective maturity dates of the Continuous Bonds II Phase III, will be on 19 September 2020.

The Continuous Bonds II Phase III is not secured by specific collateral, however it is guaranteed by all assets of the Company, for existing and future fixed or moveable assets.

The issuance of Continuous Bonds II Phase III was covered Trusteeship Agreement of Continuous Bonds II Tower Bersama Infrastructure Phase III Year 2017 No. 87 dated 29 August 2017, of a Notary Jose Dima Satria, S.H., M.Kn. The bond trustee is PT Bank Rakyat Indonesia (Persero) Tbk (the "Trustee").

Under the covenants governing the Continuous Bonds II Phase III, the Company, without the written consent of the Trustee, shall not, among others: merge or acquire, change the scope of main activities, reduce the authorized and paid up capital, sale, transfer or dispose all or part of asset by the Company's subsidiaries, sale, transfer, or giving options, warrants, and grant loans to third parties, except to the Company's subsidiaries, outside the Company's and Subsidiaries business activities.

In addition, the Company is required to maintain the comparative of total proforma consolidation loans with proforma EBITDA from last quarter multiplied by 4 (four) of no more than 6.25 times.

As of 31 December 2018, 2017 and 2016, the Company has complied with the restrictions set out in these trusteeship agreements.

Ekshibit E/90

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

26. SURAT UTANG (Lanjutan)

c. Obligasi Berkelanjutan II Tahap III (Lanjutan)

Pada 17 April 2018, Fitch Indonesia, lembaga pemeringkat efek independen, telah memberikan peringkat "AA-" (Double A Minus) untuk Obligasi Berkelanjutan II Tahap III ini.

d. Obligasi Berkelanjutan III Tahap I

Pada tanggal 5 Juli 2018, Perusahaan menerbitkan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap I Tahun 2018 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan III Tahap I") sebesar 8,5% per tahun. Nominal Obligasi Berkelanjutan III Tahap I ini adalah sebesar Rp 608.000. Obligasi ini dicatatkan pada bursa efek Indonesia pada tanggal 6 Juli 2018.

Hasil bersih yang diperoleh dari penerbitan Obligasi Berkelanjutan III Tahap I telah digunakan seluruhnya untuk pembayaran kewajiban keuangan entitas anak.

Bunga Obligasi Berkelanjutan III Tahap I akan dibayarkan setiap kuartal sesuai dengan tanggal pembayaran bunga. Pembayaran pertama dari bunga adalah pada tanggal 5 Oktober 2018. Tanggal pembayaran bunga terakhir, yang juga merupakan tanggal jatuh tempo Obligasi Berkelanjutan III Tahap I, adalah pada tanggal 5 Juli 2021.

Penerbitan Obligasi Berkelanjutan III Tahap I ini dilakukan sesuai Akta Addendum III dan pernyataan kembali Perjanjian Perwaliamanatan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap I Tahun 2018 No. 27 tanggal 8 Juni 2018 yang dibuat di hadapan Notaris Jose Dima Satria, S.H., M.Kn. Bertindak sebagai wali amanat adalah PT Bank Rakyat Indonesia (Persero) Tbk ("Wali Amanat").

Sesuai persyaratan yang disepakati dalam penerbitan Obligasi Berkelanjutan III Tahap I ini, maka Perusahaan tanpa persetujuan tertulis dari Wali Amanat tidak diperkenankan untuk melakukan tindakantindakan, antara lain: melakukan penggabungan atau pengambilalihan usaha, merubah bidang usaha utama, mengurangi modal dasar dan modal disetor, menjual, mengalihkan atau melepaskan seluruh atau sebagian aset, memberikan opsi, waran, dan memberikan pinjaman kepada pihak ketiga, kecuali kepada entitas anak Perusahaan, di luar kegiatan usaha Perusahaan dan entitas anak.

Exhibit E/90

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

26. NOTES (Continued)

c. Continuous Bonds II Phase III (Continued)

On 17 April 2018, Fitch Indonesia, an independent credit rating agency, rated the Continuous Bonds II Phase III "AA-" (Double A Minus).

d. Continuous Bonds III Phase I

On 5 July 2018, the Company issued Continuous Bonds III Tower Bersama Infrastructure Phase I Year 2018 with Fixed Interest Rate ("Continuous Bonds III Phase I") amounted to 8.5% per year. The Continuous Bonds III Phase I have a total principal amount of Rp 608,000. These bonds are listed on the Indonesian stock exchange on 6 July 2018.

The net proceeds from the issuance of the Continuous Bonds III Phase I were used entirely for payments of financial liabilities of subsidiaries.

Interest for the Continuous Bonds III Phase I are payable on a quarterly basis on the interest payment dates. The first interest payment of Bonds was on 5 October 2018. The last interest payment dates, which are also the respective maturity dates of the Continuous Bonds III Phase I, will be on 5 July 2021.

The issuance of Continuous Bonds III Phase I was covered in the Deed of Third Amendment and Restatement of Trusteeship Agreement of Continuous Bonds III Tower Bersama Infrastructure Phase I Year 2018 No. 27 dated 8 June 2018, of a Notary Jose Dima Satria, S.H., M.Kn. The bond trustee is PT Bank Rakyat Indonesia (Persero) Tbk (the "Trustee").

Under the covenants governing the Continuous Bonds III Phase I, the Company, without the written consent of the Trustee, shall not, among others: merge or acquire, change the scope of main activities, reduce the authorized and paid up capital, sale, transfer or dispose all or part of asset by the Company's subsidiaries, sale, transfer, or giving options, warrants, and grant loans to third parties, except to the Company's subsidiaries, outside the Company's and Subsidiaries business activities.

Ekshibit E/91

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

26. **SURAT UTANG** (Lanjutan)

d. **Obligasi Berkelanjutan III Tahap I** (Lanjutan)

Perusahaan juga disyaratkan untuk mempertahankan perbandingan antara jumlah pinjaman konsolidasian proforma dengan EBITDA proforma dari kuartal terakhir dikalikan 4 (empat) tidak melebihi 6,25 kali.

Pada 31 Desember 2018, Perusahaan telah memenuhi semua kondisi yang disyaratkan dalam perjanjian perwalianan tersebut.

e. **Obligasi Berkelanjutan III Tahap II**

Pada tanggal 18 Oktober 2018, Perusahaan menerbitkan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap II Tahun 2018 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan III Tahap II") sebesar 8,5% per tahun. Nominal Obligasi Berkelanjutan III Tahap II ini adalah sebesar Rp 628.000. Obligasi ini dicatatkan pada bursa efek Indonesia pada tanggal 19 Oktober 2018.

Hasil bersih yang diperoleh dari penerbitan Obligasi Berkelanjutan III Tahap II telah digunakan seluruhnya untuk pembayaran kewajiban keuangan entitas anak.

Bunga Obligasi Berkelanjutan III Tahap II akan dibayarkan setiap kuartal sesuai dengan tanggal pembayaran bunga. Pembayaran pertama dari bunga adalah pada tanggal 18 Januari 2019. Tanggal pembayaran bunga terakhir, yang juga merupakan tanggal jatuh tempo Obligasi Berkelanjutan III Tahap II, adalah pada tanggal 28 Oktober 2019.

Penerbitan Obligasi Berkelanjutan III Tahap II ini dilakukan sesuai Akta Perjanjian Perwalianan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap II Tahun 2018 No. 27 tanggal 1 Oktober 2018 yang dibuat di hadapan Notaris Jose Dima Satria, S.H. M.Kn. Bertindak sebagai wali amanat adalah PT Bank Rakyat Indonesia (Persero) Tbk ("Wali Amanat").

Sesuai persyaratan yang disepakati dalam penerbitan Obligasi Berkelanjutan III Tahap II ini, maka Perusahaan tanpa persetujuan tertulis dari Wali Amanat tidak diperkenankan untuk melakukan tindakantindakan, antara lain: melakukan penggabungan atau pengambilalihan usaha, merubah bidang usaha utama, mengurangi modal dasar dan modal disetor, menjual, mengalihkan atau melepaskan seluruh atau sebagian aset, memberikan opsi, waran, dan memberikan pinjaman kepada pihak ketiga, kecuali kepada entitas anak Perusahaan, di luar kegiatan usaha Perusahaan dan entitas anak.

Exhibit E/91

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

26. **NOTES** (Continued)

d. **Continuous Bonds III Phase I** (Continued)

In addition, the Company is required to maintain the comparative of total proforma consolidation loans with proforma EBITDA from last quarter multiplied by 4 (four) of no more than 6.25 times.

As of 31 December 2018, the Company has complied with the restrictions set out in these trusteeship agreements.

e. **Continuous Bonds III Phase II**

On 18 October 2018, the Company issued Continuous Bonds III phase II Year 2018 with a Fixed Interest Rate ("Continuous Bonds III Phase II") of 8.5% per annum. The Continuous Bonds III Phase II has a total principal of Rp 628,000. These bonds are listed on the Indonesia stock exchange on 19 October 2018.

The net proceeds obtained from the issuance of Continuous Bonds III Phase II have been used entirely for the payment of financial liabilities of subsidiaries.

Interest for Continuous Bonds III Phase II will be paid on a quarterly basis on the interest payment date. The first payment of interest is on 18 January 2019. The date of the last interest payment, which is also the due date of the Continuous Bond III Phase II, is on 28 October 2019.

The issuance of Continuous Bonds III Phase II was covered in the Deed of Trusteeship Agreement of Continuous Bonds III Tower Bersama Infrastructure Phase II Year 2018 No. 27 dated 1 October 2018, of a Notary Jose Dima Satria, S.H., M.Kn. The bond trustee is PT Bank Rakyat Indonesia (Persero) Tbk (the "Trustee").

Under the covenants governing the Continuous Bonds III Phase II, the Company, without the written consent of the Trustee, shall not, among others: merge or acquire, change the scope of main activities, reduce the authorized and paid up capital, sale, transfer or dispose all or part of asset by the Company's subsidiaries, sale, transfer, or giving options, warrants, and grant loans to third parties, except to the Company's subsidiaries, outside the Company's and Subsidiaries business activities.

Ekshibit E/92

Exhibit E/92

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

26. **SURAT UTANG** (Lanjutan)

e. **Obligasi Berkelanjutan III Tahap II** (Lanjutan)

Perusahaan juga disyaratkan untuk mempertahankan perbandingan antara jumlah pinjaman konsolidasian proforma dengan EBITDA proforma dari kuartal terakhir dikalikan 4 (empat) tidak melebihi 6,25 kali.

Pada 31 Desember 2018, Perusahaan telah memenuhi semua kondisi yang disyaratkan dalam perjanjian perwaliamanatan tersebut.

Pada 2 Oktober 2018, Fitch Indonesia, lembaga pemeringkat efek independen, telah memberikan peringkat "AA-" (Double A Minus) untuk Obligasi Berkelanjutan III Tahap II ini.

Pada 31 Desember 2018, 2017 dan 2016, beban bunga masih harus dibayar untuk Surat Utang adalah sebesar Rp 199.286, Rp 183.250 dan Rp 271.188 dan disajikan sebagai bagian dari akun "Beban Masih Harus Dibayar" pada laporan posisi keuangan konsolidasian (Catatan 23). Beban bunga disajikan sebagai bagian dari akun "Beban Keuangan" pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

26. **NOTES** (Continued)

e. **Continuous Bonds III Phase II** (Continued)

In addition, the Company is required to maintain the comparative of total proforma consolidation loans with proforma EBITDA from last quarter multiplied by 4 (four) of no more than 6.25 times.

As of 31 December 2018, the Company has complied with the restrictions set out in these trusteeship agreements.

On 2 October 2018, Fitch Indonesia, an independent credit rating agency, rated the Continuous Bonds III Phase II "AA -" (Double A Minus).

As of 31 December 2018, 2017 and 2016, the accrued interest for Notes amounts to Rp 199,286, Rp 183,250 and Rp 271,188 and is presented as part of "Accrued Expenses" in the consolidated statement of financial position (Note 23). The related interest expense is presented as part of "Financial Expenses" in the consolidated statements of profit or loss and other comprehensive income.

27. **MODAL SAHAM**

Pada tanggal 31 Desember 2018, 2017 dan 2016, susunan pemegang saham dan kepemilikannya adalah sebagai berikut:

27. **SHARE CAPITAL**

As of 31 December 2018, 2017 and 2016, the structure of shareholders and their respective shareholdings are as follows:

Pemegang saham	2018			Shareholders
	% Hak suara/ % Voting rights	Lembar saham (nilai penuh)/ No. of shares (full amount)	Jumlah/ Amount (Rp)	
PT Wahana Anugerah Sejahtera	30,73	1.333.897.198	133.390	PT Wahana Anugerah Sejahtera
PT Provident Capital Indonesia	26,64	1.156.552.106	115.655	PT Provident Capital Indonesia
Winato Kartono	0,63	27.343.963	2.734	Winato Kartono
Edwin Soeryadjaya	0,33	14.296.366	1.430	Edwin Soeryadjaya
Hardi Wijaya Liong	0,31	13.671.981	1.367	Hardi Wijaya Liong
Budianto Purwahjo	0,02	1.005.000	101	Budianto Purwahjo
Herman Setya Budi	0,02	725.000	72	Herman Setya Budi
Helmy Yusman Santoso	0,01	625.000	62	Helmy Yusman Santoso
Gusandi Sjamsudin	0,01	390.000	39	Gusandi Sjamsudin
Masyarakat	41,30	1.792.434.875	179.244	Public
	100,00	4.340.941.489	434.094	
Saham treasuri		190.458.400	19.046	Treasury stock
Jumlah		4.531.399.889	453.140	Total

Ekshibit E/93

Exhibit E/93

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

27. MODAL SAHAM (Lanjutan)

27. SHARE CAPITAL (Continued)

2017				
Pemegang saham	% Hak suara/ % Voting rights	Lembar saham (nilai penuh)/ No. of shares (full amount)	Jumlah/ Amount (Rp)	Shareholders
PT Wahana Anugerah Sejahtera	29,96	1.331.959.398	133.196	PT Wahana Anugerah Sejahtera
PT Provident Capital Indonesia	26,02	1.156.552.106	115.655	PT Provident Capital Indonesia
JPMLLC-SPO PARTNERS II, LP	5,20	231.240.643	23.124	JPMLLC-SPO PARTNERS II, LP
Winato Kartono	0,61	27.343.963	2.734	Winato Kartono
Edwin Soeryadjaya	0,32	14.296.366	1.430	Edwin Soeryadjaya
Hardi Wijaya Liong	0,31	13.671.981	1.367	Hardi Wijaya Liong
Budianto Purwahjo	0,02	1.005.000	101	Budianto Purwahjo
Herman Setya Budi	0,02	725.000	72	Herman Setya Budi
Helmy Yusman Santoso	0,01	625.000	62	Helmy Yusman Santoso
Gusandi Sjamsudin	0,01	390.000	39	Gusandi Sjamsudin
Masyarakat	37,52	1.667.884.132	166.789	Public
	100,00	4.445.693.589	444.569	
Saham treasuri		85.706.300	8.571	Treasury stock
Jumlah		4.531.399.889	453.140	Total
2016				
Pemegang saham	% hak suara/ % voting rights	Lembar saham (nilai penuh)/ No. of shares (full amount)	Jumlah/ Amount (Rp)	Shareholders
PT Wahana Anugerah Sejahtera	29,62	1.319.871.198	131.987	PT Wahana Anugerah Sejahtera
PT Provident Capital Indonesia	26,92	1.199.640.806	119.964	PT Provident Capital Indonesia
JPMLLC-SPO PARTNERS II, LP	7,03	313.567.243	31.357	JPMLLC-SPO PARTNERS II, LP
Winato Kartono	0,61	27.343.963	2.734	Winato Kartono
Edwin Soeryadjaya	0,32	14.296.366	1.430	Edwin Soeryadjaya
Hardi Wijaya Liong	0,31	13.671.981	1.367	Hardi Wijaya Liong
Budianto Purwahjo	0,02	1.005.000	101	Budianto Purwahjo
Herman Setya Budi	0,02	725.000	72	Herman Setya Budi
Helmy Yusman Santoso	0,01	625.000	62	Helmy Yusman Santoso
Gusandi Sjamsudin	0,01	390.000	39	Gusandi Sjamsudin
Masyarakat	35,13	1.565.611.532	156.561	Public
	100,00	4.456.748.089	445.674	
Saham treasuri		74.651.800	7.466	Treasury stock
Jumlah		4.531.399.889	453.140	Total

Pada 31 Desember 2018, 2017 dan 2016, Komisaris dan Direksi Perusahaan yang memiliki langsung saham Perusahaan masing-masing adalah sebanyak 58.057.310 saham, jumlah tersebut masing-masing mencerminkan kepemilikan sebesar 1,33%, 1,30%, dan 1,28% dari jumlah saham beredar.

As of 31 December 2018, 2017 and 2016, there are Commissioners and Directors who directly owned 58,057,310 shares, of the Company, respectively. Those shares represent 1.33%, 1.30% and 1.28% ownership of total outstanding shares, respectively.

Ekshibit E/94

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/94

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

28. SAHAM TREASURI

- a. Pada tanggal 27 April 2018, Perusahaan mengadakan Rapat Umum Pemegang Saham Tahunan (RUPST). RUPST ini memberikan persetujuan kepada Perusahaan untuk membeli kembali sebesar maksimum 4,5% saham beredar atau sebanyak 204.000.000 saham melalui Bursa Efek Indonesia.

Sesuai peraturan OJK, pembelian kembali saham tersebut harus dilakukan melalui bursa saham dan persetujuan tersebut berlaku selama 18 (delapan belas) bulan. Maksimum dana yang akan digunakan untuk membeli kembali saham tersebut adalah sebesar Rp 1,2 triliun (nilai penuh) termasuk biaya transaksi, perantara pedagang efek dan biaya terkait lainnya.

Sejak tanggal RUPST sampai dengan 31 Desember 2018, Perusahaan telah membeli kembali saham beredar dari bursa saham sebanyak 96.213.500 saham dengan biaya perolehan sebesar Rp 460.386. Jumlah saham tersebut mencerminkan 2,12% dari seluruh saham beredar Perusahaan.

- b. Pada tanggal 24 Oktober 2016, Perusahaan mengadakan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB). RUPSLB ini memberikan persetujuan kepada Perusahaan untuk membeli kembali sebesar maksimum 5% saham beredar atau sebanyak 236.000.000 saham melalui Bursa Efek Indonesia.

Sesuai peraturan OJK, pembelian kembali saham tersebut harus dilakukan melalui bursa saham dan persetujuan tersebut berlaku selama 18 (delapan belas) bulan. Maksimum dana yang akan digunakan untuk membeli kembali saham tersebut adalah sebesar Rp 1,5 triliun (nilai penuh) termasuk biaya transaksi, perantara pedagang efek dan biaya terkait lainnya.

Sejak tanggal RUPSLB sampai dengan 25 April 2018, Perusahaan telah membeli kembali saham beredar dari bursa saham sebanyak 85.810.400 saham dengan biaya perolehan sebesar Rp 463.847. Jumlah saham tersebut mencerminkan 1,89% dari seluruh saham beredar Perusahaan.

- c. Pada tanggal 27 Mei 2015, Perusahaan mengadakan Rapat Umum Pemegang Saham Tahunan (RUPST). RUPST ini memberikan persetujuan kepada Perusahaan untuk membeli kembali sebesar maksimum 5% saham beredar atau sebanyak 236.000.000 saham melalui Bursa Efek Indonesia.

Sesuai peraturan OJK, pembelian kembali saham tersebut harus dilakukan melalui bursa saham dan persetujuan tersebut berlaku selama 18 (delapan belas) bulan. Maksimum dana yang akan digunakan untuk membeli kembali saham tersebut adalah sebesar Rp 2,2 triliun (nilai penuh) termasuk biaya transaksi, perantara pedagang efek dan biaya terkait lainnya.

28. TREASURY STOCK

- a. On 27 April 2018, the Company held the Annual General Meeting of Shareholders (AGMS). The AGMS approved plans to repurchase a maximum of 4.5% of the issued shares or 204,000,000 shares of the Company on the Indonesia Stock Exchange.

According to the OJK's regulation, these shares will be repurchased through the stock exchange and the approval is valid for 18 (eighteen) months. The maximum fund to be used for the shares repurchase is amounting to Rp 1.2 trillion (full amount), including transaction, brokerage and other costs to be incurred.

Since the AGMS up to 31 December 2018, the Company has repurchased 96,213,500 of its outstanding shares from the stock exchange at a cost of Rp 460,386. These numbers of shares represent 2.12% of the Company's outstanding shares.

- b. On 24 October 2016, the Company held the Extraordinary General Meeting of Shareholders (EGMS). The EGMS approved plans to repurchase a maximum of 5% of the issued shares or 236,000,000 shares of the Company on the Indonesia Stock Exchange.

According to the OJK's regulation, these shares will be repurchased through the stock exchange and the approval is valid for 18 (eighteen) months. The maximum fund to be used for the shares repurchase is amounting to Rp 1.5 trillion (full amount), including transaction, brokerage and other costs to be incurred.

Since the EGMS up to 25 April 2018, the Company had repurchased 85,810,400 of its outstanding shares from the stock exchange at a cost of Rp 463,847. These numbers of shares represent 1.89% of the Company's outstanding shares.

- c. On 27 May 2015, the Company held the Annual General Meeting of Shareholders (AGMS). The AGMS approved plans to repurchase a maximum of 5% of the issued shares or 236,000,000 shares of the Company on the Indonesia Stock Exchange.

According to the OJK's regulation, these shares will be repurchased through the stock exchange and the approval is valid for 18 (eighteen) months. The maximum fund to be used for the shares repurchase is amounting to Rp 2.2 trillion (full amount), including transaction, brokerage and other costs to be incurred.

Ekshibit E/95

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

28. SAHAM TREASURI (Lanjutan)

Sejak tanggal RUPST sampai dengan tanggal 24 Oktober 2016, Perusahaan telah membeli kembali saham beredarnya dari bursa saham sebanyak 194.855.500 saham dengan biaya perolehan sebesar Rp 1.195.828. Jumlah saham tersebut mencerminkan 4,06% dari seluruh saham beredar Perusahaan.

- d. Pada tanggal 24 Juli 2013, Perusahaan mengadakan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB). RUPSLB ini memberikan persetujuan kepada Perusahaan untuk membeli kembali sebesar maksimum 5% saham beredarnya atau sebanyak 239.800.000 saham melalui Bursa Efek Indonesia.

Sesuai peraturan OJK, pembelian kembali saham tersebut harus dilakukan melalui bursa saham dan persetujuan tersebut berlaku selama 18 (delapan belas) bulan. Maksimum dana yang akan digunakan untuk membeli kembali saham tersebut adalah sebesar Rp 1,44 triliun (nilai penuh) termasuk biaya transaksi, perantara pedagang efek dan biaya terkait lainnya.

Sejak tanggal RUPSLB sampai dengan bulan Maret 2014, Perusahaan telah membeli kembali saham beredarnya dari bursa saham sebanyak 78.705.310 saham dengan biaya perolehan sebesar Rp 459.254. Jumlah saham tersebut mencerminkan 1,64% dari seluruh saham beredar Perusahaan.

Sesuai surat Perusahaan No. 0478/TBG-TBI-001/FAL/05/IV/2014 tanggal 28 April 2014, Perusahaan telah menyampaikan kepada OJK untuk menghentikan pelaksanaan pembelian kembali saham.

Dengan demikian, pelaksanaan pembelian kembali saham tersebut dinyatakan telah selesai dan selanjutnya pengalihan saham hasil pembelian kembali tersebut akan dilakukan sesuai peraturan yang berlaku, khususnya peraturan OJK No. XI.B2 lampiran keputusan Ketua Bapepam-LK No. Kep-105/BL/2010 tanggal 13 April 2010.

Berdasarkan pengesahan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam surat keputusan No. AHU-0022051.AH.01.02. Tahun 2016 tanggal 22 Nopember 2016 tentang Persetujuan Perubahan Anggaran Dasar Perseroan Terbatas, Perusahaan memutuskan untuk melakukan pengurangan modal dengan cara menghentikan peredaran 265.126.310 saham treasury dan merubah Pasal 4 Anggaran Dasar Perusahaan terkait dengan modal ditempatkan dan disetor sehingga menjadi sebanyak 4.531.399.889 saham dengan nilai nominal saham Rp 100 (nilai penuh) per saham. Setelah perubahan modal tersebut, maka jumlah modal disetor Perusahaan menjadi sebesar Rp 453.140.

Dengan demikian, jumlah saham beredar yang telah dibeli kembali oleh Perusahaan pada tanggal 31 Desember 2018, 2017 dan 2016 masing-masing sebanyak 190.458.400 saham, 85.706.300 saham dan 74.651.800 saham atau 4,20%, 1,89% dan 1,65% dari seluruh jumlah saham beredar dengan biaya perolehan masing-masing sebesar Rp 985.379, Rp 467.618 dan Rp 411.328.

Exhibit E/95

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

28. TREASURY STOCK (Continued)

Since the AGMS up to 24 October 2016, the Company had repurchased 194,855,500 of its outstanding shares from the stock exchange at a cost of Rp 1,195,828. These numbers of shares represent 4.06% of the Company's outstanding shares.

- d. On 24 July 2013, the Company held the Extraordinary General Meeting of Shareholders (EGMS). The EGMS approved plans to repurchase a maximum of 5% of the issued shares or 239,800,000 shares of the Company on the Indonesia Stock Exchange.

According to the OJK's regulation, these shares will be repurchased through the stock exchange and the approval is valid for 18 (eighteen) months. The maximum fund to be used for the shares repurchase is amounting to Rp 1.44 trillion (full amount), including transaction, brokerage and other costs to be incurred.

Since the EGMS up to March 2014, the Company had repurchased its 78,705,310 outstanding shares from the stock exchange at cost of Rp 459,254. Those number of shares represents 1.64% of the Company's outstanding shares.

According to the Company's letter No. 0478/TBG-TBI-001/FAL/05/IV/2014 dated 28 April 2014, the Company has advised to OJK to suspend the execution of repurchase of its outstanding shares.

Accordingly, the shares repurchase has been completed, and those shares will be transferred in accordance with the applicable regulations, particularly to OJK's regulation No. XI.B2 attachment to the decision of the Chairman of Bapepam-LK No. Kep-105/BL/2010 dated 13 April 2010.

Based on approval from the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-0022051.AH.01.02. Tahun 2016 dated 22 November 2016 regarding Approval of Changing in the Company's Article of Association, the Company has decided to reduce its capital by retiring the circulation of 265,126,310 treasury stocks, and to amend Article 4 of the Company's Articles of Association related to the issued and paid for becoming of 4,531,399,889 shares at a nominal value of Rp 100 (full amount) per share. Subsequently, the Company's fully paid in capital is now becoming to Rp 453,140.

Accordingly, the numbers of outstanding shares that have been repurchased by the Company as of 31 December 2018, 2017 and 2016 amounted to 190,458,400 shares, 85,706,300 shares and 74,651,800 shares or 4.20%, 1.89% and 1.65% of the total number of shares outstanding at a cost of Rp 985,379, Rp 467,618, and Rp 411,328, respectively.

Ekshibit E/96

Exhibit E/96

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

29. TAMBAHAN MODAL DISETOR - BERSIH

Akun ini terdiri dari:

	2018	2017	2016
Agio saham:			
Penawaran Umum Perdana	1.060.888	1.060.888	1.060.888
PT Indosat Tbk	733.101	733.101	733.101
PT Saratoga Infrastruktur	185.244	185.244	185.244
Biaya emisi efek ekuitas:			
Penawaran Umum Perdana	(62.275)	(62.275)	(62.275)
Selisih transaksi dengan pihak non-pengendali	(1.850.931)	(1.799.045)	(1.799.045)
Selisih nilai transaksi restrukturisasi entitas sepengendali (Catatan 2s)	(140.620)	(2.394)	(2.394)
Penarikan kembali saham dari saham treasuri (Catatan 28)	(426.552)	(426.552)	(426.552)
Selisih aset pengampunan pajak	1.485	1.485	1.485
Jumlah - Bersih	(499.660)	(309.548)	(309.548)

Selisih transaksi dengan pihak non-pengendali

Akun ini merupakan bagian Perusahaan atas perubahan ekuitas PT Metric Solusi Integrasi (MSI), entitas anak (Catatan 1c) karena pembelian kembali saham beredar oleh PT Solu Sindo Kreasi Pratama (SKP) (Catatan 7).

Setelah pelaksanaan pembelian kembali saham, kepemilikan efektif MSI atas SKP pada 31 Desember 2018, 2017 dan 2016 berubah menjadi 99,71%, 99,36% dan 99,36%.

Rincian dari perhitungan akun tersebut adalah sebagai berikut :

	2018	2017	2016
Nilai tercatat investasi MSI pada SKP pada saat pelaksanaan pembelian kembali saham	2.542.871	1.779.829	1.779.829
Nilai tercatat investasi MSI pada SKP setelah pelaksanaan pembelian kembali saham dengan kepemilikan efektif 99,71%, 99,36% dan 99,36% masing-masing pada 31 Desember 2018, 2017, dan 2016	691.940	(19.216)	(19.216)
Penurunan bagian investasi yang dicatat MSI sebagai selisih perubahan ekuitas entitas anak	(1.850.931)	(1.799.045)	(1.799.045)
Kepemilikan Perusahaan di MSI	100,00%	100,00%	100,00%
Selisih transaksi dengan pihak non-pengendali yang dicatat Perusahaan	(1.850.931)	(1.799.045)	(1.799.045)

29. ADDITIONAL PAID-IN CAPITAL - NET

This account consists of:

Premium of paid-in capital:
Initial Public Offering
PT Indosat Tbk
PT Saratoga Infrastruktur
Share issuance costs:
Initial Public Offering
Difference arising from transaction with non-controlling interest
Difference arising from restructuring transaction of entities under common control (Note 2s)
Shares retired from treasury stock (Note 28)
Difference of tax amnesty assets
Total - Net

Difference in arising from transactions with non-controlling parties

This account represents the Company's portion upon the change in the equity of the PT Metric Solusi Integrasi (MSI), a subsidiary (Note 1c) due to the repurchase of outstanding shares of PT Solu Sindo Kreasi Pratama (SKP) (Note 7).

Subsequent to the share repurchase execution, the effective ownership of MSI over SKP as of 31 December 2018, 2017 and 2016 has changed to 99.71%, 99.36% and 99.36%, respectively.

Details of the calculation of these accounts are as follows:

MSI investment at SKP on the date of treasury stock executed
MSI investment at SKP after the date treasury stock executed with ownership effective 99.71%, 99.36% and 99.36% as of 31 December 2018, 2017, and 2016, respectively
Decrease of investment obtained by MSI and recorded as the change of the shareholders' equity in subsidiary
The ownership of the Company in MSI
Difference arising from transactions with non-controlling parties as recorded by the Company

Ekshibit E/97

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

29. TAMBAHAN MODAL DISETOR - BERSIH (Lanjutan)

Pada bulan September 2018, PT Tower Bersama (TB) entitas anak, melakukan pembelian saham PT Jaringan Pintar Indonesia (JPI) sebanyak 374 saham dari PT Moga Capital, pihak hubungan berelasi. Setelah pelaksanaan pembelian kembali saham, kepemilikan efektif TB atas JPI pada 30 September 2018 berubah menjadi 100%.

Pada bulan November 2018, PT Tower Bersama (TB) entitas anak, melakukan penjualan saham PT Jaringan Pintar Indonesia (JPI) sebanyak 169 saham dan 38 saham atas nama Kristiono dan atas nama Bagas Dwi Bawono. Setelah pelaksanaan penjualan kembali saham, kepemilikan efektif TB atas JPI pada 30 November 2018 berubah menjadi 83,36%.

Tidak terdapat selisih transaksi dengan pihak non-pengendali yang direalisasi ke laba rugi atas pelepasan investasi untuk tahun yang berakhir pada 31 Desember 2018, 2017 dan 2016.

Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali

Pada tanggal 7 Januari 2009, PT Tower Bersama (TB), entitas anak, melakukan pembelian saham PT Prima Media Selaras sebanyak 15.000 saham dari PT Prime Asia Capital, pihak hubungan berelasi. Selisih Antara nilai perolehan dan nilai wajar aset bersih yang diperoleh sebesar Rp 2.008 disajikan sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" sebagai bagian dari ekuitas (Catatan 25).

Pada bulan Januari 2013, TBG Global Pte Ltd (TBGG), entitas anak, memperoleh 100% kepemilikan saham Tower Bersama Singapore Pte Ltd, dari Perusahaan. Selisih antara nilai perolehan dan nilai wajar aset bersih yang diperoleh sebesar Rp 386 disajikan sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" sebagai bagian dari ekuitas (Catatan 2s).

Pada tanggal 21 Desember 2018, Perusahaan melakukan pembelian saham PT Gihon Telekomunikasi Indonesia Tbk ("GHON") sebanyak 166.760.000 saham dari pemegang saham GHON lainnya. Selisih antara nilai perolehan dan nilai wajar aset bersih yang diperoleh sebesar Rp 138.226 disajikan sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" sebagai bagian dari ekuitas (Catatan 2s).

Exhibit E/97

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

29. ADDITIONAL PAID-IN CAPITAL - NET (Continued)

In September 2018, PT Tower Bersama (TB) subsidiary, purchased 374 shares of PT Jaringan Pintar Indonesia (JPI) from PT Moga Capital, a related party. After the stock repurchase, effective ownership of TB on JPI at 30 September 2018 changed to 100%.

In November 2018, PT Tower Bersama (TB) a subsidiary, sold 169 shares and 38 shares of PT Jaringan Pintar Indonesia (JPI) on behalf of Mr. Kristiono and Mr. Bagas Dwi Bawono. After the resale of shares, effective ownership of TB on JPI on November 30, 2018 changed to 83.36%.

There are no difference arising from transactions with non-controlling parties derived from disposal of investment which realized to profit or loss for the year and year ended 31 December 2018, 2017 and 2016.

Difference Arising from Restructuring Transaction of Entities Under Common Control

On 7 January 2009, PT Tower Bersama (TB), a subsidiary, acquired 15,000 shares of PT Prima Media Selaras from PT Prime Asia Capital, a related party. The difference between the cost and the fair value of net assets acquired amounting to Rp 2,008 is presented as "Differences Arising From Restructuring Transactions of Entities Under Common Control" as part of equity (Note 25).

In January 2013, TBG Global Pte Ltd (TBGG), a subsidiary, acquired 100% ownership Tower Bersama Singapore Pte Ltd., from the Company. The difference between the acquisition cost and the fair value of net assets acquired amounted to Rp 386 is presented as the "Restructuring Transactions of Entities under Common Control" as part of the equity (Note 2s).

On 21 December 2018, the Company acquired 166,760,000 shares from other GHON shareholder of PT Gihon Telekomunikasi Indonesia Tbk ("GHON"). The difference between the cost and the fair value of net assets acquired amounting to Rp 138,226 is presented as "Differences Arising From Restructuring Transactions of Entities Under Common Control" as part of equity (Note 2s).

Ekshibit E/98

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/98

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

30. PENGHASILAN KOMPREHENSIF LAIN

Akun ini merupakan selisih transaksi perubahan ekuitas entitas anak dan penghasilan komprehensif lain dengan rincian sebagai berikut:

	2018	2017	2016
Surplus revaluasi	3.089.803	3.102.433	3.176.761
Cadangan lindung nilai arus kas	33.907	(920.198)	(844.704)
Perubahan nilai wajar investasi - tersedia untuk dijual	-	(15.780)	(15.730)
Keuntungan aktuarial yang diakui dalam penghasilan komprehensif lain	(1.001)	(8.946)	2.425
Selisih translasi atas mata uang asing	(61.777)	(62.126)	(67.341)
Jumlah	3.060.932	2.095.383	2.251.411

a. Cadangan lindung nilai arus kas

Perusahaan dan entitas anak melakukan kontrak lindung nilai dalam rangka mengantisipasi risiko fluktuasi tingkat bunga dan nilai tukar mata uang asing atas pinjaman bank dalam mata uang asing. Nilai wajar aset keuangan derivatif pada tanggal 31 Desember 2018, 2017 dan 2016 masing-masing adalah sebesar Rp 2.605.591, Rp 1.302.091 dan Rp 1.248.410.

Instrumen derivatif ini telah memenuhi kriteria akuntansi lindung nilai berdasarkan PSAK 55 (Revisi 2014). Oleh karena itu, nilai wajar bersih dari aset keuangan derivatif pada tanggal 31 Desember 2018, 2017 dan 2016 sesudah memperhitungkan perubahan kurs pinjaman yang dilindungi nilai sebesar Rp 35.976, (Rp 927.670) dan (Rp 847.830) diakui sebagai bagian efektif atas laba (rugi) instrumen lindung nilai pada entitas anak dan dicatat pada akun "Cadangan Lindung Nilai Arus Kas" dan "Selisih Transaksi Perubahan Ekuitas Entitas Anak" pada Ekuitas Perusahaan masing-masing sebesar Rp 33.907, (Rp 920.198) dan (Rp 844.704).

30. OTHER COMPREHENSIVE INCOME

This account represents differences arising from change in subsidiaries equity and other comprehensive income with details as follows:

Revaluation surplus
Cash flows hedging reserves
Change in fair value of investment -
available-for-sale
Actuarial gain recognized in
other comprehensive income
Difference translation of foreign currency

Total

a. Cash flows hedging reserves

The Company and subsidiaries entered into hedging contracts in order to mitigate the fluctuations in interest rates and exchange rates from bank loans in foreign currency. Fair value of derivatives financial assets as of 31 December 2018, 2017 and 2016 amounted to Rp 2,605,591, Rp 1,302,091 and Rp 1,248,410, respectively.

These derivative instruments qualified the criteria of hedge accounting based on PSAK 55 (Revised 2014). Therefore, the net fair value of derivative financial assets as of 31 December 2018, 2017 and 2016 after considering the foreign exchange translation of related hedged loans of Rp 35,976, (Rp 927,670) and (Rp 847,830), are recognized as effective portion of gains (losses) on hedging instruments at the subsidiaries level and presented as "Cash Flows Hedging Reserves" and "Difference Arising from Changes in Subsidiaries Equity" in the Company shareholders' equity section of Rp 33,907, (Rp 920,198) and (Rp 844,704), respectively.

Ekshibit E/99

Exhibit E/99

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

30. PENGHASILAN KOMPREHENSIF LAIN (Lanjutan)

a. Cadangan lindung nilai arus kas (Lanjutan)

Rincian dari masing-masing komponen tersebut diatas
adalah sebagai berikut:

30. OTHER COMPREHENSIVE INCOME (Continued)

a. Cash flows hedging reserves (Continued)

Details of each component above are as follows:

	Cadangan lindung nilai arus kas / Cash flows hedging reserves	Persentase kepemilikan / Percentage of ownership	Cadangan lindung nilai arus kas dicatat Perusahaan / Cash flows hedging reserves recorded by the Company
2018			
Perusahaan / The Company	(188.329)		(188.329)
Entitas anak / Subsidiaries :			
PT Tower Bersama	100.027	98,00%	98.026
PT Solusi Menara Indonesia	42.861	70,03%	30.016
Entitas yang berada dibawah pengendalian bersama antara Perusahaan dan entitas anak sebagai berikut / Entity controlled directly or indirectly between the Company and the following subsidiaries :			
PT Metric Solusi Integrasi	110.812	100,00%	110.812
PT Tower Bersama	(12.297)	98,00%	(12.051)
PT Tower One	(4.572)	99,90%	(4.567)
Jumlah / Total	48.502		33.907
	Cadangan lindung nilai arus kas / Cash flows hedging reserves	Persentase kepemilikan / Percentage of ownership	Cadangan lindung nilai arus kas dicatat Perusahaan / Cash flows hedging reserves recorded by the Company
2017			
Perusahaan / The Company	(299.594)		(299.594)
Entitas anak / Subsidiaries :			
PT Tower Bersama	(244.427)	98,00%	(239.538)
PT Solusi Menara Indonesia	(38.750)	70,03%	(27.137)
Entitas yang berada dibawah pengendalian bersama antara Perusahaan dan entitas anak sebagai berikut / Entity controlled directly or indirectly between the Company and the following subsidiaries :			
PT Metric Solusi Integrasi	(326.304)	100,00%	(326.304)
PT Tower Bersama	(23.888)	98,00%	(23.410)
PT Tower One	(4.219)	99,90%	(4.215)
Jumlah / Total	(937.182)		(920.198)

Ekshibit E/100

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/100

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

30. PENGHASILAN KOMPREHENSIF LAIN (Lanjutan)

a. Cadangan lindung nilai arus kas (Lanjutan)

Rincian dari masing-masing komponen tersebut diatas adalah sebagai berikut (Lanjutan):

	Cadangan lindung nilai arus kas / Cash flows hedging reserves	Persentase kepemilikan / Percentage of ownership	Cadangan lindung nilai arus kas dicatat Perusahaan / Cash flows hedging reserves recorded by the Company
2016			
Perusahaan / The Company	(564.639)		(564.639)
Entitas anak / Subsidiaries :			
PT Tower Bersama	(65.732)	98,00%	(64.417)
PT Solusi Menara Indonesia	1.976	70,03%	1.384
Entitas yang berada dibawah pengendalian bersama antara Perusahaan dan entitas anak sebagai berikut / Entity controlled directly or indirectly between the Company and the following subsidiaries :			
PT Metric Solusi Integrasi	(178.715)	100,00%	(178.715)
PT Tower Bersama	(32.715)	98,00%	(32.061)
PT Tower One	(6.262)	99,90%	(6.256)
Jumlah / Total	(846.087)		(844.704)

b. Perubahan nilai wajar investasi - tersedia untuk dijual

Transaksi ini merupakan perubahan nilai wajar investasi penyertaan saham PT Smartfren Telecom Tbk, (lihat Catatan 2f dan 9). Pada 31 Desember 2018, seluruh saham FREN sudah dijual.

c. Selisih translasi atas mata uang asing

Transaksi ini merupakan selisih translasi atas mata uang asing TBG Global Pte Ltd., entitas anak (lihat Catatan 1c dan 2e).

30. OTHER COMPREHENSIVE INCOME (Continued)

a. Cash flows hedging reserves (Continued)

Details of each component above are as follows (Continued):

	Cadangan lindung nilai arus kas / Cash flows hedging reserves	Persentase kepemilikan / Percentage of ownership	Cadangan lindung nilai arus kas dicatat Perusahaan / Cash flows hedging reserves recorded by the Company
2016			
Perusahaan / The Company	(564.639)		(564.639)
Entitas anak / Subsidiaries :			
PT Tower Bersama	(65.732)	98,00%	(64.417)
PT Solusi Menara Indonesia	1.976	70,03%	1.384
Entitas yang berada dibawah pengendalian bersama antara Perusahaan dan entitas anak sebagai berikut / Entity controlled directly or indirectly between the Company and the following subsidiaries :			
PT Metric Solusi Integrasi	(178.715)	100,00%	(178.715)
PT Tower Bersama	(32.715)	98,00%	(32.061)
PT Tower One	(6.262)	99,90%	(6.256)
Jumlah / Total	(846.087)		(844.704)

b. Change in fair value of investment - available for sale

This transaction represents the change in fair value of investment in shares of PT Smartfren Telecom Tbk, (see Notes 2f and 9). As of 31 December 2018, all FREN shares already sold.

c. Difference translation of foreign currency

This transaction represents difference translation of foreign currency of TBG Global Pte Ltd., a subsidiary (see Notes 1c and 2e).

Ekshibit E/101

Exhibit E/101

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

31. PENDAPATAN

Rincian pelanggan pihak ketiga untuk tahun yang berakhir 2018, 2017 dan 2016 adalah sebagai berikut:

	Pendapatan/ Revenue			Persentase dari pendapatan / Percentage of total revenue			
	2018	2017	2016	2018	2017	2016	
PT Telekomunikasi Selular	1.928.225	1.821.636	1.502.299	44,65%	45,28%	40,48%	PT Telekomunikasi Selular
PT Indosat Tbk	960.851	930.739	895.644	22,25%	23,13%	24,13%	PT Indosat Tbk
PT XL Axiata Tbk	679.808	581.992	523.509	15,74%	14,47%	14,11%	PT XL Axiata Tbk
PT Hutchison 3 Indonesia	387.916	378.399	376.610	8,98%	9,41%	10,15%	PT Hutchison 3 Indonesia
PT Smartfren Telecom Tbk	226.140	178.143	147.976	5,24%	4,43%	3,99%	PT Smartfren Telecom Tbk
PT Internux	99.311	101.076	91.211	2,30%	2,51%	2,46%	PT Internux
PT Telekomunikasi Indonesia Tbk	-	-	152.956	0,00%	0,00%	4,12%	PT Telekomunikasi Indonesia Tbk
Lainnya	35.886	31.100	20.969	0,84%	0,77%	0,56%	Others
Jumlah	4.318.137	4.023.085	3.711.174	100,00%	100,00%	100,00%	Total

Seluruh penghasilan merupakan penghasilan sewa dari menara telekomunikasi dan properti investasi.

Details of third party customers for the year ended 2018, 2017 and 2016 are as follows:

The revenues are earned from rental of telecommunication towers and investment properties.

32. BEBAN POKOK PENDAPATAN

	2018	2017	2016	
Amortisasi sewa lahan dan perijinan	304.108	238.873	208.031	Land lease and licences cost - amortization
Penyusutan menara (Catatan 13)	214.588	197.490	320.303	Depreciation of tower (Note 13)
Perbaikan dan pemeliharaan	154.240	134.843	120.778	Repairs and maintenance
Keamanan	41.292	39.063	38.566	Security
Asuransi	25.073	24.821	23.257	Insurance
Penyusutan menara bergerak (Catatan 13)	15.971	10.056	3.645	Depreciation of transportable towers (Note 13)
Listrik	14.784	11.027	13.604	Electricity
Lainnya	14.026	11.588	9.784	Others
Jumlah	784.082	667.761	737.968	Total

Seluruh beban pokok pendapatan merupakan beban dari menara telekomunikasi.

Tidak terdapat pihak penjual/ pemasok yang memiliki nilai transaksi atau nilai pembelian yang melebihi 10% dari pendapatan.

32. COST OF REVENUE

The cost of revenue are expenses for telecommunication towers.

There is no subcontractor/ supplier that has a transaction value exceeding 10% of the revenue.

Ekshibit E/102

Exhibit E/102

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

33. BEBAN USAHA

	2018	2017	2016
Gaji dan tunjangan	220.922	192.164	174.641
Penyusutan (Catatan 13)	32.641	36.182	30.510
Sponsor dan representasi	28.372	25.236	23.779
Beban kantor	20.312	16.359	14.412
Jasa profesional	19.201	20.224	18.509
Beban manfaat karyawan (Catatan 34)	15.158	14.044	12.730
Sewa kantor	10.627	10.757	16.238
Perjalanan dinas	10.046	8.491	7.255
Sewa kendaraan bermotor	6.759	5.647	5.730
Telekomunikasi	927	1.308	1.727
Lainnya	16.498	12.766	10.070
Jumlah	381.463	343.178	315.601

33. OPERATING EXPENSES

Salaries, wages and allowance
Depreciation (Note 13)
Sponsorship and representation
Office expenses
Professional fees
Employee benefits expense (Note 34)
Office rent
Travel duty
Rental vehicles
Telecommunication
Others
Total

34. CADANGAN IMBALAN PASCA-KERJA

Perusahaan dan entitas anak menyiapkan pencadangan imbalan untuk karyawannya sesuai dengan Undang-Undang Ketenagakerjaan No. 13/2003.

Perhitungan cadangan imbalan pasca-kerja pada 31 Desember 2018, 2017 dan 2016 adalah berdasarkan perhitungan yang dilakukan oleh PT Padma Radya Aktuaria, PT Konsul Penata Manfaat Sejahtera, dan PT Sigma Prima Solusindo, (2017 dan 2016: PT Padma Raya Aktuaria), aktuaris independen, sesuai laporannya tanggal 4 Februari 2019, 4 Februari 2019, 11 Februari 2019, (2017 : 12 Januari 2018) dan (2016: 25 Januari 2017).

Asumsi signifikan yang digunakan:

Tingkat diskonto per tahun	:	8,50% (2017: 7,50%) (2016: 8,50%)	:
Tingkat kenaikan gaji per tahun	:	10%	:
Tingkat kematian	:	100% TMI3	:
Tingkat cacat	:	5% TMI3	:
Tingkat pengunduran diri	:	8% per tahun sampai dengan usia 30 tahun, kemudian menurun secara linear hingga 0% pada usia 55 tahun/ 8% p.a. until age 30, then decrease linearly into 0% at age 55	:
Usia pensiun normal	:	56 tahun/ years	:
Metode	:	Projected Unit Credit	:

34. PROVISION FOR POST-EMPLOYMENT BENEFITS

The Company and subsidiaries provide benefits for its employees in accordance with Labor Law No. 13/2003. The Company and subsidiaries sets up fund for this program.

The calculation of provision for post-employment benefits as of 31 December 2018, 2017 and 2016 are based on calculations performed independent actuary, PT Padma Radya Aktuaria, PT Konsul Penata Manfaat Sejahtera, and PT Sigma Prima Solusindo, (2017 and 2016 : PT Padma Raya Aktuaria), according to its report dated 4 February 2019, 4 February 2019, 11 February 2019, (2017 : 12 January 2018) and (2016 : 25 January 2017), respectively.

Major assumptions are used as follows:

Discount rate per annum
Wages and salaries increase per annum
Mortality rate
Morbidity rate
Resignation rate
Normal retirement age
Method

Ekshibit E/103

Exhibit E/103

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

34. **CADANGAN IMBALAN PASCA-KERJA (Lanjutan)**

Rekonsiliasi untuk mutasi cadangan imbalan pasca-kerja adalah sebagai berikut:

34. **PROVISION FOR POST-EMPLOYMENT BENEFITS (Continued)**

Reconciliation of mutation of provision for post-employment benefits is as follows:

	2018	2017	2016	
Saldo awal tahun	34.398	35.112	32.160	Balance at the beginning of the year
Biaya jasa kini	15.960	13.174	10.843	Current service cost
Kerugian atas penyelesaian	-	-	626	Loss on settlement
Beban bunga bersih	1.769	1.424	1.959	Net interest expense
Keuntungan aktuarial	(2.571)	(554)	(698)	Actuarial gain
Diakui pada laba rugi (Catatan 33)	15.158	14.044	12.730	Charged to profit or loss (Note 33)
Pengukuran kembali atas imbal hasil atas aset program	(547)	6.750	1.851	Remeasurements on return on plan asset
(Keuntungan) kerugian aktuarial	(5.212)	(168)	449	Actuarial (gain) loss
Diakui pada penghasilan komprehensif lain	(5.759)	6.582	2.300	Charged to other comprehensive income
Penyesuaian atas mutasi karyawan	522	-	5.698	Adjustment due to transfer of employee
Luran perusahaan ke aset program	(15.008)	(19.998)	(15.715)	Employer contribution to plan assets
Pembayaran imbalan (di luar aset program)	(210)	(1.635)	(2.267)	Benefits paid (not plan assets)
Dicatat sebagai aset	1.085	293	206	Recognized as asset
Saldo akhir tahun	30.186	34.398	35.112	Balance at the end of the year

Program imbalan pasca-kerja

Perusahaan dan entitas anak tertentu juga melakukan pendanaan untuk program ini. Dana tersebut dikelola dalam kontrak asuransi dengan PT Asuransi Allianz Life Indonesia.

Pembayaran berikut merupakan kontribusi yang diharapkan atas nilai kini dari kewajiban imbalan di tahun-tahun mendatang:

Post-employment benefit program

The Company and certain subsidiaries sets up fund for this program. The fund is managed in insurance contract with PT Asuransi Allianz Life Indonesia.

The following payments are expected contributions to present value of benefit obligation in future years:

	2018	2017	2016	
Kurang dari 1 tahun	2.545	965	1.374	Less than 1 year
Antara tahun ke-1 sampai tahun ke-2	9.454	11.745	965	Between Year 1 - Year 2
Antara tahun ke-2 sampai tahun ke-5	25.992	7.751	17.774	Between Year 2 - Year 5
Antara tahun ke-5 sampai tahun ke-10	98.938	77.085	55.253	Between Year 5 - Year 10
Setelah tahun ke-10	621.008	627.760	571.105	Over Year 10

Ekshibit E/104

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/104

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

34. CADANGAN IMBALAN PASCA-KERJA (Lanjutan)

Analisis sensitivitas pada asumsi-asumsi aktuarial utama

Asumsi aktuarial/ Actuarial assumption
Tingkat diskonto / Discount rate
Tingkat kenaikan gaji / Salary increase rate

Program imbalan jangka panjang lainnya

Perusahaan dan entitas anak tertentu memberikan imbalan jangka panjang lainnya dalam bentuk cuti besar selama 22 hari kerja dan tunjangan cuti besar sejumlah satu bulan gaji pokok kepada karyawan staf permanen yang mempunyai masa kerja 5 tahun dan kelipatannya.

34. PROVISION FOR POST-EMPLOYMENT BENEFITS (Continued)

Sensitivity analysis on significant actuarial assumptions

Perubahan/ Change	Saldo akhir PVDBO/ PVDBO ending	
	Kenaikan/ Increase	Penurunan/ Decrease
(+/- 1%)	78.995	95.674
(+/- 1%)	95.849	78.709

Other long-term employee benefit program

The Company and certain subsidiaries provides other long-term employee benefit in form of long leave amounting to 22 workdays and long leaves allowance amounting to 1 month basic salary for permanent staff employee with 5 years of service and its multiplication.

35. DISTRIBUSI SALDO LABA

Tahun buku 2017

Pada tanggal 27 April 2018, Perusahaan menyelenggarakan Rapat Umum Pemegang Saham Tahunan (RUPST) yang hasilnya antara lain menyetujui dan mengesahkan laporan keuangan Perusahaan untuk Tahun Buku 2017 dengan pencapaian laba bersih yang dapat diatribusikan kepada pemegang saham biasa entitas induk (laba bersih) sebesar Rp 2.316.368.

Dari laba bersih tersebut, sebesar Rp 750.000 atau 32,4% dari laba bersih tahun 2017 ditetapkan sebagai dividen tunai tahun buku 2017, pembayaran dividen final tersebut dilaksanakan dengan memperhitungkan saham treasuri pada tanggal pengumuman penerimaan dividen (recording date) 11 Mei 2018 sehingga pembayaran dividen per saham adalah sebesar Rp 169,107958 (seratus enam puluh sembilan Rupiah koma satu nol tujuh sembilan lima delapan). Perusahaan telah membayar dividen tersebut pada tanggal 24 Mei 2018.

Kemudian sebesar Rp 1.000 dari laba bersih tahun 2017 dijadikan sebagai cadangan wajib untuk memenuhi ketentuan Pasal 70 Undang-Undang Perseroan Terbatas No. 40 Tahun 2007.

35. DISTRIBUTION OF RETAINED EARNINGS

Year 2017

On 27 April 2018, the Company held the Annual General Shareholders Meeting (AGMS). The result of the AGMS, among others, was to approve and endorse the financial statements for the year 2017 with achievement of net income attributable to common shareholders of the Parent Company (net income) amounting to Rp 2,316,368.

From the net income, amounting to Rp 750,000 or 32.4% of the net income in 2017 is determined as cash dividend for the financial year 2017, the final dividend payment is carried out by calculating treasury shares on the date of announcement of dividend receipt (recording date) 11 May 2018 so that dividend payments per share is Rp 169,107958 (one hundred sixty nine Rupiah comma one zero seven nine five eight). The company has paid the dividend on 24 May 2018.

In addition, Rp 1,000 of net income of year 2017 was provided for statutory reserves to fulfill the article 70 of the Limited Liability Company Law No. 40 of 2007.

Ekshibit E/105

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

35. **DISTRIBUSI SALDO LABA (Lanjutan)**

Tahun buku 2016

Pada tanggal 17 Mei 2017, Perusahaan menyelenggarakan Rapat Umum Pemegang Saham Tahunan (RUPST) yang hasilnya antara lain menyetujui dan mengesahkan laporan keuangan Perusahaan untuk Tahun Buku 2016 dengan pencapaian laba bersih yang dapat diatribusikan kepada pemegang saham biasa entitas induk (laba bersih) sebesar Rp 1.290.357.

Dari laba bersih tersebut, sebesar Rp 995.000 atau 77,1% dari laba bersih tahun 2016 ditetapkan sebagai dividen tunai tahun buku 2016, yang akan diperhitungkan dengan dividen interim tunai sebesar Rp 330.000 (Dividen Interim). Besarnya dividen interim per saham ditetapkan setelah memperhitungkan saham treasury pada tanggal pengumuman penerima dividen (*recording date*) 29 Agustus 2016 sehingga pembayaran dividen per saham adalah sebesar Rp 72,298757 (tujuh puluh dua Rupiah koma dua sembilan delapan tujuh lima tujuh). Perusahaan telah membayar dividen tersebut pada tanggal 16 September 2016. Sedangkan sisanya sebesar Rp 665.000 ditetapkan sebagai dividen tunai setelah memperhitungkan saham treasury pada tanggal pengumuman penerimaan dividen (*recording date*) 30 Mei 2017 sehingga pembayaran dividen per saham adalah sebesar Rp 149,533181 (seratus empat puluh sembilan Rupiah koma lima tiga tiga satu delapan satu). Perusahaan telah membayar dividen tersebut pada tanggal 13 Juni 2017.

Kemudian sebesar Rp 5.000 dari laba bersih tahun 2016 dijadikan sebagai cadangan wajib untuk memenuhi ketentuan Pasal 70 Undang-Undang Perseroan Terbatas No. 40 Tahun 2007.

Tahun buku 2015

Pada tanggal 11 Mei 2016, Perusahaan menyelenggarakan Rapat Umum Pemegang Saham Tahunan (RUPST) yang hasilnya antara lain menyetujui dan mengesahkan laporan keuangan Perusahaan untuk Tahun Buku 2015 dengan pencapaian laba bersih yang dapat diatribusikan kepada pemegang saham biasa entitas induk (laba bersih) sebesar Rp 1.429.903.

Dari laba bersih tersebut, sebesar Rp 262.000 atau 18,3% dari laba bersih tahun 2015 ditetapkan sebagai dividen final tahun buku 2015. Pembayaran dividen final tersebut dilaksanakan dengan memperhitungkan jumlah saham treasury per tanggal *recording date* 23 Mei 2016 sehingga pembayaran dividen per saham adalah sebesar Rp 57,073954 (lima puluh tujuh Rupiah koma nol tujuh tiga sembilan lima empat). Perusahaan telah membayar dividen tersebut pada tanggal 9 Juni 2016.

Kemudian sebesar Rp 5.000 dari laba bersih tahun 2015 dijadikan sebagai cadangan wajib untuk memenuhi ketentuan Pasal 70 Undang-Undang Perseroan Terbatas No. 40 Tahun 2007.

Exhibit E/105

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

35. **DISTRIBUTION OF RETAINED EARNINGS (Continued)**

Year 2016

On 17 May 2017, the Company held the Annual General Shareholders Meeting (AGMS). The result of the AGMS, among others, was to approve and endorse the financial statements for the year 2016 with achievement of net income attributable to common shareholders of the Parent Company (net income) amounting to Rp 1,290,357.

From the net income, Rp 995,000 or 77.1% of net income for the year 2016 was assigned as cash dividend for the fiscal year 2016, by taking into account the number of an interim dividend for the financial year 2016 in the amount of Rp 330,000 (Interim Dividend). The amount of interim dividend per share determined after taking into account the treasury shares as of the recording date of 29 August 2016 so the dividend payment of Rp 72.298757 (seventy two point two nine eight seven five seven Rupiah) per share. The Company has paid dividend on 16 September 2016. Balance of Rp 665,000 was assigned as cash dividend by taking into account the number of treasury shares at recording date as of 30 May 2017 so the dividend payment of Rp 149.533181 (One hundred forty nine point five three three one eight one Rupiah) per share. The Company has paid dividend on 13 June 2017.

In addition, Rp 5,000 of net income of year 2016 was provided for statutory reserves to fulfill the article 70 of the Limited Liability Company Law No. 40 of 2007.

Year 2015

On 11 May 2016, the Company held the Annual General Shareholders Meeting (AGMS). The result of the AGMS, among others, was to approve and endorse the financial statements for the year 2015 with achievement of net income attributable to common shareholders of the Parent Company (net income) amounting to Rp 1,429,903.

From the net income, Rp 262,000 or 18.3% of net income for the year 2015 was assigned as final dividend for the fiscal year 2015. The payment of final dividend would be realized by taking into account the number of treasury shares at recording date as of 23 May 2016 so the dividend payment of Rp 57.073954 (fifty seven point zero seven three nine five four Rupiah) per share. The Company has paid dividend on 9 June 2016.

In addition, Rp 5,000 of net income of year 2015 was provided for statutory reserves to fulfill the article 70 of the Limited Liability Company Law No. 40 of 2007.

Ekshibit E/106

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

Exhibit E/106

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

36. **GOODWILL DAN PEMBELIAN DENGAN DISKON**

a. *Goodwill*

Sehubungan dengan penerapan PSAK 48 (Revisi 2009) "Penurunan Nilai Aset", Perusahaan dan entitas anak melakukan uji penurunan nilai wajar atas *goodwill*.

Nilai wajar *goodwill* pada 31 Desember 2018 ditentukan berdasarkan penilaian dari penilai independen KJPP Yufrizal, Deny Kamal dan Rekan dalam laporannya pada tanggal 15 Maret 2019, dan telah sesuai dengan peraturan Bapepam-LK No. VIII.C.5 mengenai pedoman penilaian dan penyajian laporan penilaian aset tak berwujud.

Dalam menentukan nilai wajar, Penilai Independen menggunakan metode penilaian dengan mengkombinasikan dua pendekatan, yaitu pendekatan pendapatan yang mendiskontokan penerimaan kas dimasa depan dan pendekatan aset.

Asumsi utama yang digunakan oleh Penilai Independen adalah sebagai berikut:

- Sewa menara yang akan jatuh tempo akan diperpanjang kembali selama tahun sewa yang sama;
- Kenaikan harga sewa menara pada saat jatuh tempo adalah sebesar 10,00%;
- Tingkat inflasi sebesar 3,50% per tahun;
- Tingkat diskonto sebesar 11,74%.

Hal ini telah sesuai dengan Bapepam-LK No. VIII.C.5 mengenai pedoman penilaian dan penyajian laporan penilaian aset tak berwujud di pasar modal.

Pada bulan September 2018, Perusahaan memperoleh 19,80% kepemilikan saham di PT Gihon Telekomunikasi Indonesia Tbk (GHON). *Goodwill* yang timbul atas transaksi ini adalah sebesar Rp 31.444.

Pada bulan Oktober 2016, PT Tower Bersama memperoleh 70% kepemilikan saham di PT Jaringan Pintar Indonesia. *Goodwill* yang timbul atas transaksi ini adalah sebesar Rp 607. Untuk tahun yang berakhir pada 31 Desember 2016, berdasarkan perhitungan penilai independen, terdapat penurunan nilai *goodwill* sebesar Rp 607. Nilai tercatat *goodwill* pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar nihil.

Pada bulan Agustus 2011, Perusahaan melalui entitas anak memperoleh 100% kepemilikan saham di PT Mitrayasa Sarana Informasi.

36. **GOODWILL AND GAIN FROM BARGAIN PURCHASE**

a. *Goodwill*

Regarding the implementation of PSAK 48 (Revised 2009) "Impairment of Assets", the Company and subsidiaries have done an impairment test of goodwill.

The fair value of goodwill as of 31 December 2018 was determined based on a valuation from KJPP Yufrizal, Deny Kamal and Partners in their report dated 15 March 2019, respectively, and was in accordance with Bapepam-LK. No. VIII.C.5 guidelines regarding assessment and presentation of intangible asset valuation.

To determine the fair value, the Independent Appraiser utilizes a combination of two approaches as the appraisal method, the income approach which discounts future cash flows, and the assets approach.

The Independent Appraiser uses the following key assumptions:

- Rent of towers will be renewed for the same rental year;
- Price of renewed rent of towers increases by 10.00%;
- Inflation is 3.50% per year;
- Discount rate is amounted to 11,74%.

It incorporates the regulation of Bapepam-LK No. VIII.C.5 regarding the guidelines of appraisal and presentation of intangible assets valuation report to capitals market.

In September 2018, The Company acquired 19,80% shares ownership in PT Gihon Telekomunikasi Indonesia Tbk (GHON). Goodwill arising from the transaction was Rp 31,444.

In October 2016, PT Tower Bersama acquired 70% shares ownership in PT Jaringan Pintar Indonesia. Goodwill arising from this transaction was Rp 607. For the year ended 31 December 2016, based on the calculation from an independent appraiser, there are impairment of goodwill amounted to Rp 607. The carrying value of goodwill as of 31 December 2018, 2017 and 2016 amounted to nill, respectively.

In August 2011, the Company through its subsidiaries acquired 100% shares ownership in PT Mitrayasa Sarana Informasi.

Ekshibit E/107

Exhibit E/107

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

36. **GOODWILL DAN PEMBELIAN DENGAN DISKON** (Lanjutan)

a. *Goodwill* (Lanjutan)

Dampak dari akuisisi tersebut adalah sebagai berikut:

Posisi Keuangan	Nilai wajar/ <i>Fair value</i>	Nilai tercatat/ <i>Carrying value</i>
ASET LANCAR	351.152	351.152
ASET TIDAK LANCAR	353.940	353.940
JUMLAH ASET	705.092	705.092
LIABILITAS JANGKA PENDEK	395.712	395.712
LIABILITAS JANGKA PANJANG	333.474	333.474
JUMLAH LIABILITAS	729.186	729.186
NILAI WAJAR DARI ASET BERSIH YANG DAPAT DIIDENTIFIKASI HARGA PEMBELIAN SAHAM	24.094	24.094
JUMLAH		200.000
ASET TIDAK BERWUJUD YANG DICATAT SEBAGAI ASET LAINNYA		224.094
GOODWILL		5.474
		218.620

Untuk tahun yang berakhir pada 31 Desember 2018, 2017 dan 2016 berdasarkan perhitungan penilai independen, terdapat penurunan nilai *goodwill* sebesar nihil, Rp 8.500 dan nihil. Nilai tercatat *goodwill* pada 31 Desember 2018, 2017 dan 2016, masing-masing sebesar Rp 210.120, Rp 210.120 dan Rp 218.620.

Pada bulan April 2010, PT Metric Solusi Integrasi memperoleh 70% kepemilikan saham di PT Solu Sindo Kreasi Pratama. *Goodwill* yang timbul atas transaksi ini adalah sebesar Rp 133.840. Untuk tahun yang berakhir pada 31 Desember 2018, 2017 and 2016, berdasarkan perhitungan penilai independen, tidak terdapat penurunan nilai *goodwill*. Nilai tercatat *goodwill* pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar Rp 126.347.

36. **GOODWILL AND GAIN FROM BARGAIN PURCHASE**
(Continued)

a. *Goodwill* (Continued)

Effects from that acquisition are as follows:

Financial Position	
CURRENT ASSETS	
NON-CURRENT ASSETS	
TOTAL ASSETS	
CURRENT LIABILITIES	
NON-CURRENT LIABILITIES	
TOTAL LIABILITIES	
FAIR VALUE OF IDENTIFIABLE NET ASSETS	
SHARES PURCHASE PRICE	
TOTAL	
INTANGIBLE ASSETS THAT RECORDED AS OTHER ASSETS	
GOODWILL	

For the year ended 31 December 2018, 2017 and 2016 based on the calculation from an independent appraiser, there are impairment of goodwill amounted to nil, Rp 8,500, and nil, respectively. The carrying value of goodwill as of 31 December 2018, 2017 and 2016 are amounted to Rp 210,120, Rp 210,120 and Rp 218,620, respectively.

In April 2010, PT Metric Solusi Integrasi acquired 70% shares ownership in PT Solu Sindo Kreasi Pratama. Goodwill arising from the transaction was Rp 133,840. For the year ended 31 December 2018, 2017 and 2016, based on the calculation from an independent appraiser, there is no impairment of goodwill. The carrying value of goodwill as of 31 December 2018, 2017 and 2016 amounted to Rp 126,347, respectively.

Ekshibit E/108

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

36. **GOODWILL DAN PEMBELIAN DENGAN DISKON** (Lanjutan)

a. **Goodwill** (Lanjutan)

Pada bulan Juni 2008, PT Prima Media Selaras (PMS) menerbitkan hak memesan efek terlebih dahulu (*subscription rights* (SR)) kepada pemegang saham pendiri. SR tersebut memberikan hak kepada pemiliknya untuk dapat memesan terlebih dahulu saham-saham baru yang akan diterbitkan PMS sebanyak 60.000 (nilai penuh) saham.

Jika SR tersebut dilaksanakan, maka kepemilikan PT Tower Bersama (TB) pada PMS akan terdilusi hingga hanya menjadi sebesar 20%. Untuk mempertahankan kepemilikannya tersebut pada bulan Agustus 2009, TB telah membeli SR tersebut dari HKDN Investment Ltd. sebagai pemilik akhir, sebesar US\$ 25.900.000. Nilai akuisisi dari pembelian SR tersebut serta biaya transaksi lainnya adalah sebesar Rp 255.391 dicatat sebagai *goodwill*.

Untuk tahun yang berakhir pada 31 Desember 2018, 2017 dan 2016, berdasarkan perhitungan penilai independen, terdapat penurunan nilai *goodwill* sebesar Rp 4.468, Rp 61.706 dan Rp 5.699. Nilai tercatat *goodwill* pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar Rp 60.699, Rp 65.167 dan Rp 126.873.

Pada bulan November 2008, PT Tower One (TO), entitas anak, memperoleh 99,99% kepemilikan saham di PT Bali Telekom (Balikom). *Goodwill* yang timbul atas transaksi ini adalah sebesar Rp 103.318. Untuk tahun yang berakhir pada 31 Desember 2018, 2017 dan 2016, berdasarkan perhitungan penilai independen, terdapat penurunan nilai *goodwill* sebesar Rp 11.254, Rp 51.261 dan Rp 28.808. Nilai tercatat *goodwill* pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar nihil, Rp 11.254 dan Rp 62.515.

Pada bulan Mei 2008, Perusahaan memperoleh tambahan kepemilikan saham di PT Telenet Internusa (TI), entitas anak, sebesar 19,5%. Setelah transaksi tersebut, kepemilikan Perusahaan di TI meningkat menjadi 99,5%. *Goodwill* yang muncul dari transaksi tersebut adalah sebesar Rp 10.018. Untuk tahun yang berakhir pada 31 Desember 2018, 2017 dan 2016, berdasarkan perhitungan penilai independen, terdapat penurunan nilai *goodwill* sebesar nihil, nihil dan Rp 4.943. Nilai tercatat *goodwill* pada 31 Desember 2018, 2017 dan 2016 masing-masing sebesar nihil.

Exhibit E/108

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

36. **GOODWILL AND GAIN FROM BARGAIN PURCHASE**
(Continued)

a. **Goodwill** (Continued)

In June 2008, PT Prima Media Selaras (PMS) issued subscription rights (SR) to its former shareholders, providing rights to subscribe 60,000 (full amount) new PMS shares.

If SR is implemented, then the ownership PT Tower Bersama (TB) in the PMS will be diluted to only 20%. To maintain the ownership in August 2009, TB has purchased the SR of HKDN Investment Ltd. as the final owner, for US\$ 25,900,000. Acquisition value of the SR purchase and other transaction costs are Rp 255,391 was recorded as goodwill.

For the years ended 31 December 2018, 2017 and 2016, based on the calculation from an independent appraiser, there are impairment of goodwill amounted to Rp 4,468, Rp 61,706 and 5,699, respectively. The carrying value of goodwill as of 31 December 2018, 2017 and 2016 are amounted to Rp 60,699, Rp 65,167 and Rp 126,873, respectively.

In November 2008, PT Tower One (TO), a subsidiary of the Company, acquired 99.99% share ownership of PT Bali Telekom (Balikom). The goodwill arising from this transaction amounted to Rp 103,318. For the year ended 31 December 2018, 2017 and 2016, based on the calculation from an independent appraiser, there are impairment of goodwill amounted to Rp 11,254, Rp 51,261 and Rp 28,808, respectively. The carrying value of goodwill as of 31 December 2018, 2017 and 2016 are amounted to Rp nil, Rp 11,254 and Rp 62,515, respectively.

In May 2008, the Company acquired an additional 19.5% share ownership in PT Telenet Internusa (TI), a subsidiary. Upon the transaction, the ownership of the Company increased to become 99.5%. Goodwill arise from this transaction was amounted to Rp 10,018. For the year ended 31 December 2018, 2017 and 2016, based on the calculation from an independent appraiser, there are impairment of goodwill amounted to nil, nil and Rp 4,943. The carrying value of goodwill as of 31 December 2018, 2017 and 2016 are amounted to nil, respectively.

Ekshibit E/109

Exhibit E/109

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

36. **GOODWILL DAN PEMBELIAN DENGAN DISKON** (Lanjutan)

36. **GOODWILL AND GAIN FROM BARGAIN PURCHASE**
(Continued)

a. **Goodwill** (Lanjutan)

Penurunan nilai atas *goodwill* tersebut dicatat pada kerugian atas penurunan nilai *goodwill* pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

a. **Goodwill** (Continued)

Impairment of goodwill is recorded in loss on impairment of goodwill in the consolidated statements of profit or loss and other comprehensive income.

	Saldo awal/ <i>Beginning balance</i>	Penambahan/ <i>Additional</i>	Penurunan/ <i>Impairment</i>	Saldo akhir/ <i>Ending balance</i>	
2018					2018
PT Metric Solusi Integrasi	189.382	-	-	189.382	PT Metric Solusi Integrasi
PT Tower Bersama	212.252	- (	4.468)	207.784	PT Tower Bersama
PT Tower One	11.254	- (	11.254)	-	PT Tower One
PT Tower Bersama Infrastructure Tbk	-	31.444	-	31.444	PT Tower Bersama Infrastructure Tbk
Jumlah	412.888	31.444	(15.722)	428.610	Total
2017	Saldo awal/ <i>Beginning balance</i>	Penambahan/ <i>Additional</i>	Penurunan/ <i>Impairment</i>	Saldo akhir/ <i>Ending balance</i>	2017
PT Metric Solusi Integrasi	191.932	- (	2.550)	189.382	PT Metric Solusi Integrasi
PT Tower Bersama	279.908	- (	67.656)	212.252	PT Tower Bersama
PT Tower One	62.515	- (	51.261)	11.254	PT Tower One
Jumlah	534.355	- (	121.467)	412.888	Total
2016	Saldo awal/ <i>Beginning balance</i>	Penambahan/ <i>Additional</i>	Penurunan/ <i>Impairment</i>	Saldo akhir/ <i>Ending balance</i>	2016
PT Metric Solusi Integrasi	191.932	-	-	191.932	PT Metric Solusi Integrasi
PT Tower Bersama	285.607	607 (	6.306)	279.908	PT Tower Bersama
PT Tower One	91.323	- (	28.808)	62.515	PT Tower One
PT Telenet Internusa	4.943	- (	4.943)	-	PT Telenet Internusa
Jumlah	573.805	607 (	40.057)	534.355	Total

b. **Pembelian dengan diskon**

Pada bulan Desember 2018, Perusahaan memperoleh 51.00% kepemilikan saham di PT Visi Telekomunikasi Infrastruktur Tbk (GOLD). Perusahaan memperoleh kepemilikan saham tersebut dengan diskon sebesar Rp 12.748. Keuntungan pembelian dengan diskon tersebut telah diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

b. **Gain from bargain purchase**

In December 2018, The Company acquired 51,00% shares ownership in PT Visi Telekomunikasi Infrastruktur Tbk (GOLD). The Company acquired the shares ownership at discount amounted to Rp 12,748. Gain resulted from such bargain purchase has been recognized in the consolidated statement of profit or loss and other comprehensive income.

Ekshibit E/110

Exhibit E/110

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

37. KEPENTINGAN NON-PENGENDALI

37. NON-CONTROLLING INTEREST

2018

Entitas anak / Subsidiaries	Saldo awal / Beginning balance	Porsi non- pengendali atas laba entitas anak / Non- controlling portion on net profit of subsidiaries		Porsi non- pengendali dari instrumen derivatif / Non- controlling portion from derivative instrument		Porsi non- pengendali dari perubahan nilai wajar investasi - tersedia untuk dijual / Non- controlling portion from change in fair value available- for-sale		Porsi non- pengendali dari pembagian dividen tunai entitas anak / Non- controlling portion from cash dividends subsidiaries		Penyesuaian perubahan kepemilikan efektif pada entitas anak / Adjustment for effect on ownership changes in subsidiaries		Saldo akhir / Ending balance
		Surplus revaluasi / Revaluation surplus										
PT United Towerindo	24.623	1.601 (	1.008)	-	-	-	-	-	4	-	-	25.220
PT Tower Bersama	92.187	6.923 (	1.751)	6.889	-	(	9.000)	54	-	-	-	95.302
PT Tower One	(76) (	8) (	7)	-	-	(	16)	-	-	-	(	107)
PT Metric Solusi Integrasi	(121.371)	319 (	5.806) (	21.803) (	943) (	1.525)	30	-	-	-	(	151.099)
PT Telenet Internusa	1.269	112 (	24)	-	-	(	427)	-	-	-	-	930
PT Triaka Bersama	1.334	-	-	-	-	-	-	-	-	-	-	1.334
PT Solusi Menara Indonesia	99.084	-	-	24.459	-	-	-	-	-	-	-	123.543
PT Visi Telekomunikasi Infrastruktur Tbk	-	13.104	9.908	-	-	-	-	-	-	46.085	-	69.097
PT Gihon Telekomunikasi Indonesia Tbk	-	-	-	-	-	-	-	-	-	144.666	-	144.666
Jumlah / Total	97.050	22.051	1.312	9.545	(943) (	10.968)	88	190.751	308.886			

2017

Entitas anak / Subsidiaries	Saldo awal / Beginning balance	Porsi non- pengendali atas laba entitas anak / Non- controlling portion on net profit of subsidiaries		Porsi non- pengendali dari instrumen derivatif / Non- controlling portion from derivative instrument		Porsi non- pengendali dari perubahan nilai wajar investasi - tersedia untuk dijual / Non- controlling portion from change in fair value available- for-sale		Porsi non- pengendali dari selisih aset pengampunan pajak / Non- controlling portion from tax amnesty asset and liabilities		Penyesuaian perubahan kepemilikan efektif pada entitas anak / Adjustment for effect on ownership changes in subsidiaries		Saldo akhir / Ending balance
		Surplus revaluasi / Revaluation surplus										
PT United Towerindo	21.707	3.879 (	953)	-	-	-	-	(	10)	-	-	24.623
PT Tower Bersama	90.446	13.829 (	8.631) (	3.373)	-	-	-	(	84)	-	-	92.187
PT Tower One	(36)	20 (	62)	2	-	-	-	-	-	-	(	76)
PT Metric Solusi Integrasi	(128.405)	1.626	6.352 (	896) (	6)	-	(	42)	-	-	(	121.371)
PT Telenet Internusa	957	275	37	-	-	-	-	-	-	-	-	1.269
PT Triaka Bersama	1.334	-	-	-	-	-	-	-	-	-	-	1.334
PT Solusi Menara Indonesia	82.426	3.032	13.630 (	4)	-	-	-	-	-	-	-	99.084
Jumlah / Total	68.429	22.661	10.373	(4.271) (	6)	-	(	136)	-	97.050		

Ekshibit E/111

Exhibit E/111

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

37. KEPENTINGAN NON-PENGENDALI (Lanjutan)

37. NON-CONTROLLING INTEREST (Continued)

Entitas anak / Subsidiaries	Saldo awal / Beginning balance	Porsi non- pengendali atas laba entitas anak / Non- controlling portion on net profit of subsidiaries	Surplus revaluasi / Revaluation surplus	Porsi non- pengendali dari instrumen derivatif / Non- controlling portion from derivative instrument	Porsi non- pengendali dari perubahan nilai wajar investasi - tersedia untuk dijual / Non- controlling portion from change in fair value available- for-sale	Porsi non-pengendali dari selisih aset pengampunan pajak/ Non-controlling portion from tax amnesty asset and liabilities	Penyesuaian perubahan kepemilikan efektif pada entitas anak / Adjustment for effect on ownership changes in subsidiaries	Saldo akhir / Ending balance
PT United Towerindo	19.470	1.949	279	-	-	6	3	21.707
PT Tower Bersama	85.421	5.486	2.086	(2.596)	-	13	36	90.446
PT Tower One	(51)	19	2	(6)	-	-	-	(36)
PT Metric Solusi Integrasi	(109.015)	1.272	(19.841)	(862)	1	4	1	(128.405)
PT Telenet Internusa	789	158	10	-	-	-	-	957
PT Triaka Bersama	1.334	-	-	-	-	-	-	1.334
PT Solusi Menara Indonesia	62.816	522	19.094	(6)	-	-	-	82.426
Jumlah / Total	60.764	9.406	1.630	(3.470)	1	23	40	68.429

38. LABA BERSIH PER SAHAM DASAR YANG DAPAT
DIATRIBUSIKAN KEPADA PEMEGANG SAHAM BIASA ENTITAS
INDUK

Untuk tahun yang berakhir 31 Desember 2018, 2017 dan 2016, laba bersih yang dapat diatribusikan kepada pemegang saham biasa entitas induk yang digunakan untuk perhitungan laba per saham dasar masing-masing adalah Rp 680.581, Rp 2.316.368 dan Rp 713.807. Jumlah rata-rata tertimbang saham (dalam nilai penuh) untuk tahun yang berakhir 31 Desember 2018, 2017 dan 2016, masing-masing sebanyak 4.354.018.916 saham, 4.447.717.522 saham dan 4.519.190.007 saham setelah dikurangi dengan saham treasury (Catatan 28).

38. BASIC EARNINGS PER SHARE ATTRIBUTABLE TO COMMON
SHAREHOLDERS OF THE PARENT COMPANY

For the year ended 31 December 2018, 2017 and 2016, net income attributable to common shareholders of Parent Company which are used to calculate the basic earnings per share were Rp 680,581, Rp 2,316,368, and Rp 713,807, respectively. Total weighted average shares issued for the year ended 31 December 2018, 2017 and 2016, are 4,354,018,916 shares, 4,447,717,522 shares, and 4,519,190,007 shares, respectively, after deducted by the treasury stock (Note 28).

Ekshibit E/112

Exhibit E/112

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

39. SALDO DAN TRANSAKSI DENGAN PIHAK BERELASI

Saldo transaksi dengan pihak berelasi pada tanggal 31 Desember 2018, 2017 dan 2016 adalah sebagai berikut:

Akun	2018	2017	2016
a. Piutang lain-lain (Catatan 6)			
PT Sukses Prima Sakti	1.200	-	-
PT Gihon Nusantara Tujuh	13	-	-
Jumlah	1.213	-	-
b. Uang muka pembelian kembali saham (Catatan 7)	-	44.957	44.957
c. Utang lain-lain (Catatan 20)			
PT Amanda Cipta Persada	33.620	-	-
PT Mulia Sukses Mandiri	17.980	-	-
Scavino Ventures Ltd	7.025	-	-
PT Lancar Distrindo	2.599	-	-
PT Sukses Prima Sakti	2.252	-	-
Jumlah	63.476	-	-

Berdasarkan akta No. AHU-00095.AH.02.02 tanggal 8 Juli 2019, seluruh utang lain-lain pihak berelasi, telah dikonversi menjadi modal dengan nilai sebesar Rp 63.476. Persentase utang lain-lain pihak berelasi terhadap total liabilitas sebesar 0,26% pada tanggal 31 Desember 2018.

Uang muka pembelian kembali saham merupakan transaksi kepada Bapak Sakti Wahyu Trenggono dan Bapak Abdul Satar. Persentase uang muka pembelian kembali saham terhadap total aset masing-masing sebesar 0,18% dan 0,19% pada tanggal 31 Desember 2017 dan 2016.

Transaksi pihak berelasi dilakukan dengan ketentuan yang setara dengan yang berlaku dalam transaksi yang wajar dan dapat dibuktikan.

Keterangan mengenai pihak berelasi adalah sebagai berikut:

Nama pihak berelasi/ Name of related parties	Sifat relasi/ Nature of relationships	Transaksi/ Transaction
PT Gihon Nusantara Tujuh	Pemegang saham entitas anak/ Shareholder of subsidiary	Piutang lain-lain/Other receivables
PT Sukses Prima Sakti	Pemegang saham entitas anak/ Shareholder of subsidiary	Piutang lain-lain dan utang lain-lain/ Other receivables and other payables
PT Amanda Cipta Persada	Pemegang saham entitas anak/ Shareholder of subsidiary	Utang lain-lain/ Other payables
PT Mulia Sukses Mandiri	Pemegang saham entitas anak/ Shareholder of subsidiary	Utang lain-lain/ Other payables
PT Lancar Distrindo	Pemegang saham entitas anak/ Shareholder of subsidiary	Utang lain-lain/ Other payables
Scavino Ventures Ltd	Pemegang saham entitas anak/ Shareholder of subsidiary	Utang lain-lain/ Other payables
Sakti Wahyu Trenggono	Pemegang saham entitas anak/ Shareholder of subsidiary	Pembelian kembali saham/ share repurchase
Abdul Satar	Pemegang saham entitas anak/ Shareholder of subsidiary	Pembelian kembali saham/ share repurchase

39. BALANCE AND TRANSACTIONS WITH RELATED PARTIES

Balance of transaction with related parties as of 31 December 2018, 2017 and 2016 are as follows:

	Account
a.	Other receivables (Note 6)
	PT Sukses Prima Sakti
	PT Gihon Nusantara Tujuh
	Total
b.	Advance for shares repurchase (Note 7)
c.	Other payables (Note 20)
	PT Amanda Cipta Persada
	PT Mulia Sukses Mandiri
	Scavino Ventures Ltd
	PT Lancar Distrindo
	PT Sukses Prima Sakti
	Total

Based on deed No. AHU-00095.AH.02.02 dated 8 July 2019, all of other payables to related parties, has been converted into capital amounted to Rp 63,476. Percentage of other payables to related parties to total liabilities amounted to 0.26% as of 31 December 2018.

Advance for shares repurchase represents transactions with Mr. Sakti Wahyu Trenggono and Mr. Abdul Satar. Percentage of advance for shares repurchase to total assets amounted to 0.18% and 0.19% as of 31 December 2017 and 2016, respectively.

Related parties transactions are carried out with conditions equivalent to those that apply in reasonable and verifiable transactions.

Description about related parties are as follows:

Ekshibit E/113

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/113

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

40. PERJANJIAN PENTING

**PERJANJIAN SEWA MENARA BASE TRANSCEIVER STATION
(BTS) DAN SISTEM TELEKOMUNIKASI DALAM GEDUNG**

Entitas anak (PT Tower Bersama, PT Telenet Internusa, PT Gihon Telekomunikasi Indonesia Tbk, PT Perdana Karya Persada, PT United Towerindo, PT Batavia Towerindo, PT Bali Telekom, PT Prima Media Selaras, PT Solusi Menara Indonesia, PT Solu Sindo Kreasi Pratama, PT Mitrayasa Sarana Informasi, PT Towerindo Konvergensi, dan PT Triaka Bersama) memiliki perjanjian sewa dengan para operator sebagai berikut:

1. PT Hutchison 3 Indonesia

Pada berbagai tanggal antara tahun 2007 sampai dengan 31 Desember 2018, entitas anak dan Hutchison menandatangani Perjanjian Sewa Induk ("MLA"), mengenai sewa pemanfaatan lokasi yang diperlukan untuk pengoperasian peralatan komunikasi. Jangka waktu perjanjian ini adalah 12 tahun, dan dapat diperpanjang untuk jangka waktu 6 tahun.

2. PT XL Axiata Tbk (XL)

Pada berbagai tanggal antara tahun 2007 sampai dengan 31 Desember 2018, entitas anak dan XL menandatangani Perjanjian Sewa Induk ("MLA"), sebagaimana telah diubah beberapa kali dalam bentuk amandemen, mengenai sewa pemanfaatan infrastruktur menara untuk penempatan peralatan telekomunikasi. Jangka waktu perjanjian ini adalah 10 tahun, dan dapat diperpanjang dengan menginformasikan secara tertulis kepada entitas anak. Jangka waktu sewa dimulai sejak tanggal sertifikat siap instalasi ("RFI") di masing-masing lokasi.

3. PT Axis Telekom Indonesia (AXIS)

Pada berbagai tanggal antara tahun 2005 sampai dengan 31 Desember 2018, entitas anak dan AXIS telah menandatangani beberapa Perjanjian Sewa Induk ("MLA"), mengenai pemanfaatan menara untuk penempatan peralatan telekomunikasi mengenai sewa pemanfaatan lokasi yang diperlukan untuk pengoperasian peralatan komunikasi. Jangka waktu perjanjian ini adalah 10 tahun, dan dapat diperpanjang untuk jangka waktu 10 tahun, kecuali apabila AXIS tidak ingin memperpanjang masa sewa dan menginformasikan secara tertulis kepada entitas anak.

40. SIGNIFICANT AGREEMENTS

**RENTAL AGREEMENT TOWER BASE TRANSCEIVER STATION
(BTS) AND TELECOMMUNICATIONS SYSTEMS IN BUILDINGS**

Subsidiaries (PT Tower Bersama, PT Telenet Internusa, PT Gihon Telekomunikasi Indonesia Tbk, PT Perdana Karya Persada, PT United Towerindo, PT Batavia Towerindo, PT Bali Telekom, PT Prima Media Selaras, PT Solusi Menara Indonesia, PT Solu Sindo Kreasi Pratama, PT Mitrayasa Sarana Informasi, PT Towerindo Konvergensi, and PT Triaka Bersama) have lease agreements with operators as follows:

1. PT Hutchison 3 Indonesia

On a number of dates in and between 2007 and 31 December 2018, the subsidiaries and Hutchison signed Master Lease Agreements ("MLA") to lease telecommunication infrastructure space for installation of telecommunication equipment. The agreements are for lease years of 12 years and can be extended for 6 years.

2. PT XL Axiata Tbk (XL)

On a number of dates in and between 2007 and 31 December 2018, the subsidiaries and XL signed the Master Lease Agreement ("MLA"), as amended several times, regarding lease of telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 10 years and can be extended by agreement. The lease years start from the date of installation ("RFI") on each location.

3. PT Axis Telekom Indonesia (AXIS)

On a number of dates in and between 2005 and 31 December 2018, the subsidiaries and AXIS signed few Master Lease Agreements ("MLA") regarding lease of telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 10 years and can be extended for another 10 years, unless AXIS does not intend to extend by informing the subsidiaries in writing.

Ekshibit E/114

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

40. **PERJANJIAN PENTING (Lanjutan)**

**PERJANJIAN SEWA MENARA BASE TRANSCEIVER STATION
(BTS) DAN SISTEM TELEKOMUNIKASI DALAM GEDUNG
(Lanjutan)**

4. **PT Indosat Tbk (Indosat)**

Pada berbagai tanggal antara tahun 2008 sampai dengan 31 Desember 2018, entitas anak dan Indosat telah menandatangani beberapa Perjanjian Sewa Induk ("MLA"), mengenai sewa pemanfaatan lokasi yang diperlukan untuk pengoperasian peralatan telekomunikasi. Jangka waktu perjanjian ini adalah 10 tahun, dan dapat diperpanjang untuk jangka waktu 10 tahun, kecuali apabila Indosat tidak ingin memperpanjang masa sewa dan menginformasikan secara tertulis kepada entitas anak. Jangka waktu sewa dimulai sejak tanggal sertifikat siap instalasi ("RFI") di masing-masing lokasi.

5. **PT Telekomunikasi Selular (Telkomsel)**

Pada berbagai tanggal di tahun 2004 sampai dengan 31 Desember 2018, entitas anak telah menandatangani sejumlah Perjanjian Sewa Induk ("MLA") dengan Telkomsel mengenai pemanfaatan infrastruktur menara untuk penempatan peralatan telekomunikasi. Jangka waktu perjanjian adalah 10 tahun sejak tanggal penandatanganan Berita Acara Penggunaan Site (BAPS) untuk masing-masing lokasi menara.

6. **PT Smartfren Telecom Tbk (Smartfren)**

Pada berbagai tanggal di tahun 2005 sampai dengan 31 Desember 2018, entitas anak dan Smartfren, telah menandatangani beberapa Perjanjian Sewa Induk ("MLA"), sebagaimana telah beberapa kali diubah dalam bentuk amandemen, mengenai pemanfaatan infrastruktur menara untuk penempatan peralatan telekomunikasi. Jangka waktu awal sewa adalah 10 tahun dan dapat diperpanjang berdasarkan kesepakatan tertulis dari masing-masing pihak.

7. **PT Internux**

Pada berbagai tanggal di tahun 2013, entitas anak telah menandatangani Perjanjian Sewa Induk ("MLA") dengan PT Internux tentang sewa pemanfaatan infrastruktur menara untuk penempatan peralatan telekomunikasi. Jangka waktu perjanjian adalah 5 atau 10 tahun sejak tanggal sertifikat siap instalasi ("RFI") di masing-masing lokasi dan dapat diperpanjang

Selain itu, berdasarkan perjanjian novasi yang dilakukan pada berbagai tanggal di tahun 2013, PT First Media Tbk mengalihkan seluruh hak, kewajiban dan kepentingannya berdasarkan Perjanjian Sewa Induk ("MLA") dengan entitas anak sehubungan dengan penyewaan site telekomunikasi milik entitas anak kepada PT Internux.

Exhibit E/114

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

40. **SIGNIFICANT AGREEMENTS (Continued)**

**RENTAL AGREEMENT TOWER BASE TRANSCEIVER STATION
(BTS) AND TELECOMMUNICATIONS SYSTEMS IN BUILDINGS
(Continued)**

4. **PT Indosat Tbk (Indosat)**

On a number of dates in and between 2008 and 31 December 2018, the subsidiaries and Indosat signed a number of Master Lease Agreements ("MLA") regarding lease of telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 10 years and can be extended for another 10 years, unless Indosat does not intend to extend by informing the subsidiaries in writing. The lease year starts from the date of installation ("RFI") on each location.

5. **PT Telekomunikasi Selular (Telkomsel)**

On a number of dates in and between 2004 and 31 December 2018, the subsidiaries and Telkomsel signed a number of Master Lease Agreement ("MLA") regarding lease telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 10 years, starting from when the Minutes of Site Utilisation (BAPS) has been signed.

6. **PT Smartfren Telecom Tbk (Smartfren)**

On a number of dates in and between 2005 and 31 December 2018, the subsidiaries and Smartfren signed a number of Master Lease Agreements ("MLA"), as amended several times, regarding lease of telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 10 years and can be extended by agreement.

7. **PT Internux**

On a number of dates in 2013, the subsidiaries and PT Internux signed a number of Master Lease Agreements ("MLA") regarding lease of telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 5 or 10 years, starting from the date of installation ("RFI") for each location, and can be extended by agreement.

In addition, under the assignment agreement on various dates in 2013, PT First Media Tbk assigned all of its rights, obligations and interests under MLA among the subsidiaries regarding the lease of telecommunication sites owned by the subsidiaries to PT Internux.

Ekshibit E/115

Exhibit E/115

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK**
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

40. PERJANJIAN PENTING (Lanjutan)

40. SIGNIFICANT AGREEMENTS (Continued)

**PERJANJIAN SEWA MENARA BASE TRANSCEIVER STATION
(BTS) DAN SISTEM TELEKOMUNIKASI DALAM GEDUNG**
(Lanjutan)

**RENTAL AGREEMENT TOWER BASE TRANSCEIVER STATION
(BTS) AND TELECOMMUNICATIONS SYSTEMS IN BUILDINGS**
(Continued)

Jumlah estimasi pembayaran sewa minimum di masa depan
untuk perjanjian-perjanjian sewa induk di atas adalah sebagai
berikut:

Total estimated future minimum lease payments for the
above master lease agreements are as follows:

	2018	2017	2016	
Kurang dari satu tahun	4.446.482	4.057.487	3.689.705	Less than one year
Dari satu tahun sampai dengan lima tahun	13.906.913	14.225.006	13.462.675	From one year to five years
Lebih dari lima tahun	4.978.828	5.138.353	5.415.961	More than five years
Jumlah	23.332.223	23.420.846	22.568.341	Total

41. ASET DAN LIABILITAS MONETER DALAM MATA UANG ASING

41. MONETARY ASSETS AND LIABILITIES DENOMINATED IN
FOREIGN CURRENCIES

Pada tanggal 31 Desember 2018, 2017 dan 2016, Perusahaan
dan entitas anak memiliki aset dan liabilitas moneter dalam
mata uang asing sebagai berikut:

As of 31 December 2018, 2017 and 2016, the Company and
subsidiaries have assets and liabilities dominated in foreign
currency as follows:

	2018		2017		2016		
	US\$ (nilai penuh)/ (full amount)	Ekuivalen rupiah/ Rupiah equivalent	US\$ (nilai penuh)/ (full amount)	Ekuivalen rupiah/ Rupiah equivalent	US\$ (nilai penuh)/ (full amount)	Ekuivalen rupiah/ Rupiah equivalent	
Aset							Assets
Kas dan setara kas	13.062.221	189.152	7.762.327	105.164	13.046.368	175.291	Cash and cash equivalent
Piutang usaha	1.409.640	20.413	-	-	-	-	Account receivables
Aset keuangan derivatif	179.931.704	2.605.591	96.106.426	1.302.050	92.915.302	1.248.410	Derivative financial assets
Jumlah aset	194.403.565	2.815.156	103.868.753	1.407.214	105.961.670	1.423.701	Total assets
Liabilitas							Liabilities
Pinjaman sindikasi	1.035.000.000	14.987.835	1.048.125.000	14.199.997	755.000.000	10.144.180	Syndication loan
Surat utang	350.000.000	5.068.350	350.000.000	4.741.800	650.000.000	8.733.400	Notes
Utang usaha	11.257.216	163.016	10.604.744	143.673	10.368.562	139.312	Trade payables
Utang bunga :							Interest payables
Surat utang	11.692.246	169.315	12.059.737	163.385	19.725.352	265.030	Notes
Pinjaman sindikasi	5.602.077	81.124	9.851.332	133.466	4.693.946	63.068	Syndication loan
Jumlah liabilitas	1.413.551.539	20.469.640	1.430.640.813	19.382.321	1.439.787.860	19.344.990	Total liabilities
Liabilitas - Bersih	1.219.147.974	17.654.484	1.326.772.060	17.975.107	1.333.826.190	17.921.289	Liabilities - Net

Ekshibit E/116

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**41. ASET DAN LIABILITAS MONETER DALAM MATA UANG ASING
(Lanjutan)**

Pada tanggal 31 Desember 2018, 2017 dan 2016, Perusahaan dan entitas anak telah melakukan lindung nilai untuk pinjaman jangka panjang dan surat utang atas risiko perubahan nilai mata uang asing dan suku bunga pinjaman masing-masing sebesar US\$ 1.385.000.000, US\$ 1.365.000.000 dan US\$ 1.447.390.000.

42. MANAJEMEN RISIKO KEUANGAN

Aktivitas Perusahaan dan entitas anak mengandung berbagai macam risiko-risiko keuangan: risiko pasar, risiko kredit, risiko likuiditas dan risiko operasional. Secara keseluruhan, program manajemen risiko keuangan Perusahaan dan entitas anak terfokus untuk menghadapi ketidakpastian pasar uang dan meminimalisasi potensi kerugian yang berdampak pada kinerja keuangan Perusahaan dan entitas anak.

a. Risiko pasar

Perusahaan dan entitas anak menyadari adanya risiko pasar yang terjadi akibat fluktuasi mata uang Rupiah terhadap US Dolar, serta fluktuasi suku bunga pinjaman, sehingga entitas anak melakukan kontrak lindung nilai dengan tujuan melakukan aktivitas lindung nilai atas ketidakpastian fluktuasi suku bunga dan fluktuasi mata uang asing yang timbul dari arus kas pokok dan bunga pinjaman dari entitas anak.

Risiko Nilai Tukar Mata Uang Asing

Perubahan nilai tukar telah, dan diperkirakan akan terus, memberikan pengaruh terhadap hasil usaha dan arus kas Perusahaan dan entitas anak. Beberapa pinjaman dan belanja modal Perusahaan adalah, dan diperkirakan akan terus, didenominasi dengan mata uang US Dolar. Sebagian besar pendapatan Perusahaan dan entitas anak adalah dalam mata uang Rupiah.

Pada saat ini, Perusahaan dan entitas anak melakukan aktivitas lindung nilai terhadap sebagian besar dari eksposur atas mata uang asing dikarenakan penerimaan dari pendapatan usaha tahunan dalam mata uang Dolar Amerika Serikat lebih sedikit dibandingkan dengan jumlah pembayaran belanja modal, pinjaman dan bunga dalam mata uang Dolar Amerika Serikat.

Sebagai bagian dari usaha Perusahaan dan entitas anak untuk mengelola eksposur atas mata uang asing, Perusahaan melakukan kontrak berjangka dan kontrak *swap* valuta asing dengan lembaga-lembaga keuangan internasional. Untuk kontrak berjangka, pada umumnya Perusahaan dan entitas anak membayar sejumlah premi dengan jumlah yang tetap.

Exhibit E/116

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

**41. MONETARY ASSETS AND LIABILITIES DENOMINATED IN
FOREIGN CURRENCIES (Continued)**

As of 31 December 2018, 2017 and 2016, the Company and subsidiaries have hedged their loan facility and notes of US\$ 1,385,000,000, US\$ 1,365,000,000 and US\$ 1,447,390,000, respectively, over the risks from the volatility of foreign exchange and interest rate.

42. FINANCIAL RISK MANAGEMENT

The Company and subsidiaries activities are exposed to few financial risks: market risk, credit risk, liquidity risk and operational risk. The Company and subsidiaries overall risk management program focuses to mitigate the volatility of financial markets and to minimize potential adverse effects on the Company and subsidiaries financial performance.

a. Market risk

The Company and subsidiaries are aware of market risk due to foreign exchange fluctuation of Rupiah against US Dollar and interest rate fluctuation, hence, the subsidiaries have entered into hedging contracts to hedge the uncertainty of interest rate and foreign exchange fluctuations arising from the loan principal and interest payments from each subsidiaries.

Foreign Exchange Rate

Changes in exchange rates have affected and may continue to affect the Company's and subsidiaries results of operations and cash flows. Some of the Company's debts and capital expenditures are, and expected will continue to be, denominated in US Dollars. Most of the Company's and subsidiaries revenues are denominated in Rupiah.

Currently, the Company and subsidiaries hedges a large portion of its foreign currency exposure principally because the receipts of annual USD-denominated operating revenue are less than the sum of payments of USD-denominated capital expenditures.

In an effort to manage foreign currency exposure, the Company and subsidiaries enters into forward foreign currency contracts with international financial institutions. For the forward foreign currency contracts, the Company and subsidiaries typically pays a fixed rate premium.

Ekshibit E/117

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/117

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

42. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

a. Risiko pasar (Lanjutan)

Risiko Nilai Tukar Mata Uang Asing (Lanjutan)

Sebagai hasil dari kontrak tersebut, Perusahaan dan entitas anak yakin bahwa Perusahaan dan entitas anak telah mengurangi beberapa risiko nilai tukar mata uang asing, meskipun aktivitas lindung nilai yang dilakukan oleh Perusahaan dan entitas anak tidak mencakup seluruh eksposur mata uang asing dan terdapat kemungkinan bahwa perjanjian pengganti atas aktivitas lindung nilai tersebut tidak tersedia pada saat kontrak lindung nilai tersebut telah selesai.

Pada tanggal 31 Desember 2018, jika Rupiah menguat 1% terhadap Dolar Amerika Serikat namun seluruh variabel lainnya tetap, maka laba tahun berjalan lebih tinggi sebesar Rp 30.463, (2017: Rp 5.236), (2016: Rp 6.204) terutama yang timbul sebagai akibat keuntungan selisih kurs atas penjabaran aset dan liabilitas moneter dalam mata uang asing.

Jika bagian utang berbunga dalam valuta asing (Catatan 24, 25 dan 26) yang telah dilindung nilai diukur dengan menggunakan kurs lindung nilainya, maka saldo utang berbunga pada 31 Desember 2018, 2017 dan 2016 setelah dikurangi biaya pinjaman yang belum diamortisasi masing-masing adalah sebagai berikut:

	Saldo pinjaman / The balance of loans		Saldo pinjaman / The balance of loans		Saldo pinjaman / The balance of loans		
	Kurs		Kurs		Kurs		
	laporan posisi		laporan posisi		laporan posisi		
	keuangan /		keuangan /		keuangan /		
	Rate of	Kurs	Rate of	Kurs	Rate of	Kurs	
	consolidated	lindung	consolidated	lindung	consolidated	lindung	
	statements of	nilai /	statements of	nilai /	statements of	nilai /	
	financial	Hedging	financial	Hedging	financial	Hedging	
	position date	rate	position date	rate	position date	rate	
Pinjaman sindikasi	14.987.835	13.181.570	14.199.997	12.407.038	10.144.180	9.451.540	Syndication loans
Pinjaman non-sindikasi	81.676	81.676	-	-	-	-	Non-syndication loans
Surat utang	7.934.350	7.171.000	6.371.800	5.935.000	8.963.400	7.646.500	Notes
Sewa pembiayaan	17.963	17.963	11.054	11.054	10.760	10.760	Finance lease
Dikurangi :							Less:
Biaya pinjaman yang belum diamortisasi (Catatan 2f)	(160.712)	(160.712)	(202.985)	(202.985)	(210.409)	(210.409)	Unamortized borrowing costs (Note 2f)
Jumlah - Bersih	22.861.112	20.291.497	20.379.866	18.150.107	18.907.931	16.898.391	Total - Net

42. FINANCIAL RISK MANAGEMENT (Continued)

a. Market risk (Continued)

Foreign Exchange Rate (Continued)

As a result of these contracts, the Company and subsidiaries believe that the Company and subsidiaries have reduced some of the risk of foreign currency exchange rates, although hedging activity undertaken by the Company and subsidiaries do not include all foreign currency exposure and there is the possibility that a replacement agreement over the hedges are not available at the time of the hedge contract has been completed.

On 31 December 2018, if the Rupiah had strengthened by 1% against the US Dollar with all other variables held constant, profit for the year would have been Rp 30,463, (2017: Rp 5,236), (2016: Rp 6,204) higher, mainly as a result of foreign exchange gains on translation of monetary assets and liabilities denominated in foreign currency.

If the hedged portion of foreign-currency interest-bearing-debt (Notes 24, 25 and 26) is valued using its hedge rate, the balance of interest-bearing debt on 31 December 2018, 2017 and 2016, net of unamortized borrowing costs are as follow:

Ekshibit E/118

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/118

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

42. **MANAJEMEN RISIKO KEUANGAN (Lanjutan)**

a. **Risiko pasar (Lanjutan)**

Risiko Tingkat Suku Bunga

Perusahaan dan entitas anak menghadapi risiko tingkat suku bunga yang disebabkan oleh perubahan tingkat suku bunga pinjaman yang dikenakan bunga. Suku bunga atas pinjaman jangka pendek dan jangka panjang dapat berfluktuasi sepanjang tahun pinjaman. Kebijakan keuangan memberikan panduan bahwa eksposur tingkat bunga harus diidentifikasi dan diminimalisasi/ dinetralisasi secara tepat waktu.

Untuk mengukur risiko pasar atas pergerakan suku bunga, Perusahaan dan entitas anak melakukan analisa marjin dan pergerakan suku bunga, dan melakukan transaksi kontrak swap tingkat bunga untuk melindungi suku bunga pinjaman dalam mata uang asing terhadap risiko ketidakpastian tingkat suku bunga.

Profil liabilitas jangka panjang Perusahaan dan entitas anak setelah memperhitungkan transaksi lindung nilai adalah sebagai berikut:

	2018	2017	2016
Pinjaman jangka panjang - setelah dikurangi bagian yang jatuh tempo dalam satu tahun			
Pihak ketiga	<u>11.688.940</u>	<u>14.047.810</u>	<u>8.992.289</u>

b. **Risiko kredit**

Perusahaan memiliki risiko kredit yang terutama berasal dari simpanan di bank, piutang usaha, piutang lain-lain, piutang derivatif dan aset lain-lain-investasi bersih dalam sewa pembiayaan.

Entitas anak menghadapi risiko kredit, yaitu ketidakmampuan pelanggan untuk membayar sewa dari menara ataupun pemancar milik entitas anak.

Kualitas Kredit Aset Keuangan

Perusahaan dan entitas anak mengelola risiko kredit yang terkait dengan simpanan di bank dan piutang derivatif dengan memonitor reputasi, peringkat kredit, dan membatasi risiko agregat dari masing-masing pihak dalam kontrak.

Terkait dengan kredit yang diberikan kepada pelanggan, Perusahaan dan entitas anak menetapkan syarat dan ketentuan fasilitas kredit kepada pelanggan selular dan pelanggan lainnya, seperti dealer, distributor, operator lainnya terkait interkoneksi dan jelajah internasional. Jaminan tambahan juga disyaratkan dalam kondisi tertentu. Umumnya jaminan yang digunakan adalah bank garansi.

42. **FINANCIAL RISK MANAGEMENT (Continued)**

a. **Market risk (Continued)**

Interest Rate Risk

The Company and subsidiaries are exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities. Interest rate for short and long-term borrowing can fluctuate over the borrowing year. The treasury policy sets the guideline that the interest rate exposure shall be identified and minimised/ neutralised promptly.

To measure market risk of interest rate fluctuation, the Company and subsidiaries primarily uses interest margin and spread analysis, and enters into interest rate swap contracts to hedge the foreign currency interest loans from interest rate uncertainty.

The Company and subsidiaries long-term liabilities profile after taking into account hedging transactions are as follows:

	2018	2017	2016
Long-term loans - net of current portion			
Third parties	<u>11.688.940</u>	<u>14.047.810</u>	<u>8.992.289</u>

b. **Credit risk**

The Company is exposed to credit risk primarily from deposits with banks, trade receivables, other receivables, derivatives receivables and other assets-net investment in finance lease.

The subsidiaries are exposed to credit risk from the customer's inability to pay the tower or in building system rental fees owed to the Company's subsidiaries.

Credit Quality of Financial assets

The Company and subsidiaries manages credit risk exposed from its deposits with banks and derivatives receivables by monitoring reputation, credit ratings and limiting the aggregate risk to any individual counterparty.

In respect of credit exposures given to customers, the Company and subsidiaries established general terms and conditions of credit facility to subscribers and non-subscribers such as dealers, distributors, interconnection and roaming partners. On a case by case basis, additional security is required. Common type used is bank guarantee.

Ekshibit E/119

Exhibit E/119

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

42. **MANAJEMEN RISIKO KEUANGAN (Lanjutan)**

b. **Risiko kredit (Lanjutan)**

Kualitas Kredit Aset Keuangan (Lanjutan)

Penyewaan jasa menara telekomunikasi kepada operator selular dilakukan secara tunai. Kelayakan kredit dan prosedur penagihan ditelaah secara baik dan tepat waktu. Tidak terdapat konsentrasi risiko kredit yang signifikan terkait dengan piutang usaha, hal ini disebabkan keragaman pelanggan.

Manajemen yakin terhadap kemampuan untuk mengendalikan dan menjaga eksposur risiko kredit pada tingkat yang minimal. Eksposur maksimum risiko kredit pada tanggal pelaporan adalah sebagai berikut:

	2018	2017	2016
Kas dan setara kas	220.586	407.444	365.342
Piutang usaha - pihak ketiga	383.303	266.127	409.092
Piutang lain-lain	77.660	91.579	78.042
Pendapatan yang masih harus diterima	546.608	587.171	288.507
Uang jaminan	2.067	1.726	1.597
Jumlah	1.230.224	1.354.047	1.142.580

c. **Risiko likuiditas**

Risiko likuiditas timbul apabila Perusahaan dan entitas anak mengalami kesulitan dalam mendapatkan sumber pendanaan untuk membiayai modal kerja dan belanja modal. Risiko likuiditas juga dapat timbul akibat ketidaksesuaian atas sumber dana yang dimiliki dengan pembayaran liabilitas yang telah jatuh tempo.

Perusahaan dan entitas anak melakukan mitigasi risiko likuiditas dengan cara menganalisa ketersediaan arus kas dan struktur pendanaan sesuai dengan Pedoman Pengendalian Intern Perusahaan.

Risiko likuiditas timbul dalam keadaan di mana Perusahaan dan entitas anak mengalami kesulitan dalam mendapatkan sumber pendanaan. Manajemen risiko likuiditas berarti menjaga kecukupan saldo kas dan setara kas. Perusahaan dan entitas anak mengelola risiko likuiditas dengan mengawasi arus kas aktual dan proyeksi secara terus menerus dan mengawasi profil tanggal jatuh tempo aset dan liabilitas keuangan.

Perusahaan dan entitas anak memonitor proyeksi persyaratan likuiditas untuk memastikan bahwa Perusahaan dan entitas anak memiliki saldo kecukupan kas untuk memenuhi keperluan operasi serta menjaga kecukupan dalam fasilitas pinjaman yang belum ditarik sepanjang waktu sehingga Perusahaan dan entitas anak memenuhi semua batas atau persyaratan fasilitas pinjaman.

42. **FINANCIAL RISK MANAGEMENT (Continued)**

b. **Credit risk (Continued)**

Credit Quality of Financial assets (Continued)

Rental of telecommunication tower to the operators is required to be settled in cash. Credit worthiness and collection procedures are reviewed properly and promptly. There are no significant concentrations of credit risk with respect to trade receivables due to its diverse customer base.

Management is confident in its ability to control and sustain minimal exposure of credit risk. The maximum credit risk exposure at the reporting date is as follows:

Cash and cash equivalent
Trade receivables - third parties
Other receivables
Accrued revenue
Refundable deposits
Total

c. **Liquidity risk**

Liquidity risk arises in situations where the Company and subsidiaries have difficulties in obtaining funding sources to fund their working capital and capital expenditure. Liquidity risk also arises in situations where there is a mismatch between the funding sources and any obligations that have matured.

The Company and subsidiaries mitigate liquidity risk by analyzing the cashflow availability as well as their funding structure in accordance with the Company's Internal Control Manual.

Liquidity risk arises in situations where the Company and subsidiaries has difficulties in obtaining funding. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. The Company and subsidiaries manages liquidity risk by continuously monitoring forecast and actual cash flows and monitor the maturity profiles of financial assets and liabilities.

The Company and subsidiaries monitors forecasts of the liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company and subsidiaries does not breach the borrowing limits or covenants on any of its borrowing facilities.

Ekshibit E/120

Exhibit E/120

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

42. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

42. FINANCIAL RISK MANAGEMENT (Continued)

c. Risiko likuiditas (Lanjutan)

c. Liquidity risk (Continued)

Proyeksi tersebut mempertimbangkan rencana pembiayaan utang Perusahaan dan kepatuhan persyaratan pinjaman. Manajemen percaya bahwa strategi melakukan *cash sweeping* dan *pooling of funds* dari sejumlah rekening bank ke dalam rekening bank operasional utama dapat memastikan pendanaan yang terkonsentrasi dan optimalisasi likuiditas yang lebih baik.

Such forecasting takes into consideration the Company's debt financing plans and covenant compliance. Management believes that the strategy to manage cash sweeping and pooling of funds across accounts in main operating banks can ensure the better concentration of funds and optimisation of liquidity.

Tabel berikut ini menunjukkan analisis jatuh tempo liabilitas keuangan Perusahaan dan entitas anak dalam rentang waktu yang menunjukkan jatuh tempo kontraktual untuk semua liabilitas keuangan non-derivatif dan derivatif di mana jatuh tempo kontraktual sangat penting untuk pemahaman terhadap arus kas. Jumlah yang diungkapkan dalam tabel adalah arus kas kontraktual yang tidak terdiskonto (termasuk pembayaran pokok dan bunga).

The following table analyse the Company and subsidiaries financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows (including principal and interest payment).

2018					
	Jumlah tercatat/ Carrying amount	Arus kas kontraktual/ Contractual cash flow	Kurang dari setahun/Less than one year	Antara satu dan tiga tahun/ Between one and three years	Lebih dari tiga tahun/More than three years
Utang usaha - pihak ketiga dan utang lain-lain	335.739	335.739	335.739	-	-
Beban masih harus dibayar	1.466.028	1.466.028	1.466.028	-	-
Pinjaman jangka panjang	14.972.087	15.087.474	3.284.699	6.558.889	5.243.886
Surat utang	7.889.025	7.934.350	628.000	2.238.000	5.068.350
Jumlah	24.662.879	24.823.591	5.714.466	8.796.889	10.312.236
2017					
	Jumlah tercatat/ Carrying amount	Arus kas kontraktual/ Contractual cash flow	Kurang dari setahun/Less than one year	Antara satu dan tiga tahun/ Between one and three years	Lebih dari tiga tahun/More than three years
Utang usaha - pihak ketiga dan utang lain-lain	213.029	213.029	213.029	-	-
Beban masih harus dibayar	1.181.025	1.181.025	1.181.025	-	-
Pinjaman jangka panjang	14.058.864	14.211.051	3.518	5.423.693	8.783.840
Surat utang	6.321.002	6.371.800	-	1.400.000	4.971.800
Jumlah	21.773.920	21.976.905	1.397.572	6.823.693	13.755.640

Trade payables - third parties
and other payable
Accrued expenses
Long-term loans
Notes payable

Total

Trade payables - third parties
and other payable
Accrued expenses
Long-term loans
Notes payable

Total

Ekshibit E/121

Exhibit E/121

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK**
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

42. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

42. FINANCIAL RISK MANAGEMENT (Continued)

c. Risiko likuiditas (Lanjutan)

c. Liquidity risk (Continued)

2016					
Jumlah tercatat/ Carrying amount	Arus kas kontraktual/ Contractual cash flow	Kurang dari setahun/Less than one year	Antara satu dan tiga tahun/ Between one and three years	Lebih dari tiga tahun/More than three years	
Utang usaha - pihak ketiga dan utang lain-lain	203.450	203.450	-	-	Trade payables - third parties and other payable
Beban masih harus dibayar	1.064.440	1.064.440	-	-	Accrued expenses
Pinjaman jangka panjang	10.015.411	10.154.940	1.078.425	5.828	Long-term loans
Surat utang	8.892.520	8.963.400	-	4.030.800	Notes payable
Jumlah	20.175.821	20.386.230	2.346.315	4.036.628	14.003.287
					Total

Berikut rincian pinjaman jangka panjang dan surat utang
jangka panjang sesuai dengan jadwal jatuh tempo:

Details of the long-term loans and long-term notes
according to the maturity schedule are as follow:

	2018		2017		2016		
	Jumlah tercatat/ Carrying amount	Arus kas kontraktual Contractual cash flows	Jumlah tercatat/ Carrying amount	Arus kas kontraktual Contractual cash flows	Jumlah tercatat/ Carrying amount	Arus kas kontraktual Contractual cash flows	
Kurang dari setahun	3.894.562	3.912.699	3.518	3.518	1.015.907	1.078.425	Less than one year
Antara satu dan tiga tahun	8.765.048	8.796.889	6.785.059	6.823.693	4.020.819	4.036.628	Between one and three years
Lebih dari tiga tahun	10.201.502	10.312.236	13.591.289	13.755.640	13.871.205	14.003.287	More than three years
Jumlah	22.861.112	23.021.824	20.379.866	20.582.851	22.861.112	23.021.824	Total

d. Estimasi nilai wajar

d. Fair value estimation

Nilai wajar aset dan liabilitas keuangan di estimasi untuk
keperluan pengakuan dan pengukuran atau untuk
keperluan pengungkapan.

The fair value of financial assets and financial liabilities
must be estimated for recognition and measurement or
for disclosure purposes.

PSAK 68 "Pengukuran Nilai Wajar" mensyaratkan
pengungkapan atas pengukuran nilai wajar dengan tingkat
hirarki nilai wajar sebagai berikut:

PSAK 68 "Fair Value Measurements" requires disclosure of
fair value measurements by level of the following fair
value measurement hierarchy:

- harga kuotasi (tidak disesuaikan) dalam pasar aktif
untuk aset atau liabilitas yang identik
(tingkat 1);
- input selain harga kuotasi yang termasuk dalam
tingkat 1 yang dapat diobservasi untuk aset atau
liabilitas, baik secara langsung (misalnya harga) atau
secara tidak langsung (misalnya derivasi dari harga)
(tingkat 2); dan

- quoted prices (unadjusted) in active markets for
identical assets or liabilities (level 1);
- inputs other than quoted prices included within level
1 that are observable for the asset or liability, either
directly (as prices) or indirectly (derived from prices)
(level 2); and

Ekshibit E/122

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

42. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

d. Estimasi nilai wajar (Lanjutan)

- c) input untuk aset atau liabilitas yang bukan berdasarkan data pasar yang dapat diobservasi (input yang tidak dapat diobservasi) (tingkat 3).

Aset dan liabilitas keuangan Perusahaan yang diukur dan diakui pada nilai wajar (tingkat 2) adalah piutang dan utang derivatif.

Nilai wajar untuk instrumen keuangan yang diperdagangkan di pasar aktif ditentukan berdasarkan kuotasi nilai pasar pada tanggal pelaporan. Kuotasi nilai pasar yang digunakan Perusahaan dan entitas anak untuk aset keuangan adalah harga penawaran (*bid price*), sedangkan untuk liabilitas keuangan menggunakan harga jual (*ask price*). Instrumen keuangan ini termasuk dalam tingkat 1.

Nilai wajar instrumen keuangan yang tidak diperdagangkan di pasar aktif ditentukan dengan menggunakan teknik penilaian tertentu. Teknik tersebut menggunakan data pasar yang dapat diobservasi sepanjang tersedia, dan seminimal mungkin mengacu pada estimasi. Apabila seluruh input signifikan atas nilai wajar dapat diobservasi, instrumen keuangan ini termasuk dalam tingkat 2.

Jika satu atau lebih input yang signifikan tidak berdasarkan data pasar yang dapat diobservasi, maka instrumen tersebut masuk ke dalam tingkat 3.

Teknik penilaian tertentu digunakan untuk menentukan nilai instrumen keuangan mencakup:

- penggunaan harga yang diperoleh dari bursa atau pedagang efek untuk instrumen sejenis dan;
- teknik lain seperti analisis arus kas yang didiskonto digunakan untuk menentukan nilai instrumen keuangan lainnya.

Exhibit E/122

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

42. FINANCIAL RISK MANAGEMENT (Continued)

d. Fair value estimation (Continued)

- c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The Company's financial assets and liabilities that are measured and recognized at fair value (level 2) are derivative receivables and payables.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company and subsidiaries is the current bid price, while financial liabilities use ask price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments and;
- other techniques, such as discounted cash flows analysis, are used to determine fair value for the remaining financial instruments.

Ekshibit E/123

Exhibit E/123

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK**
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

42. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

42. FINANCIAL RISK MANAGEMENT (Continued)

d. Estimasi nilai wajar (Lanjutan)

d. Fair value estimation (Continued)

Tabel di bawah ini menggambarkan nilai tercatat dan nilai wajar dari aset dan liabilitas keuangan:

The following table shows the fair values of financial assets and liabilities, together with the carrying amounts, are as follow:

	2018		2017		2016		
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair Value	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair Value	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair Value	
Aset keuangan							Financial assets
Kas dan setara kas	220.586	220.586	407.444	407.444	365.342	365.342	Cash and cash equivalents
Piutang usaha - pihak ketiga	383.303	383.303	266.127	266.127	409.092	409.092	Trade receivables - third parties
Piutang lain-lain	77.660	77.660	91.579	91.579	78.042	78.042	Other receivables
Pendapatan yang masih harus diterima	546.608	546.608	587.171	587.171	288.507	288.507	Accrued revenue
Investasi	1.508	1.508	2.336	2.336	2.387	2.387	Investment
Uang jaminan	2.067	2.067	1.726	1.726	1.597	1.597	Refundable deposits
Jumlah	1.231.732	1.231.732	1.356.383	1.356.383	1.144.967	1.144.967	Total
	2018		2017		2016		
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair Value	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair Value	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair Value	
Liabilitas keuangan							Financial liabilities
Utang usaha - pihak ketiga	231.711	231.711	192.884	192.884	184.918	184.918	Trade payables - third parties
Utang lain-lain	104.028	104.028	20.145	20.145	18.532	18.532	Other payables
Beban masih harus dibayar	1.466.028	1.466.028	1.181.025	1.181.025	1.064.440	1.064.440	Accrued expenses
Pinjaman jangka panjang :							Long - term loan :
utang sewa pembiayaan	17.963	17.963	11.054	11.054	10.760	10.760	Finance lease
pihak ketiga	14.954.124	14.954.124	14.047.810	14.047.810	10.004.651	10.004.651	third parties
Surat utang	7.889.025	7.889.025	6.321.002	6.321.002	8.892.520	8.892.520	Notes
Jumlah	24.662.879	24.662.879	21.773.920	21.773.920	20.175.821	20.175.821	Total

Nilai wajar atas sebagian besar aset dan liabilitas keuangan mendekati nilai tercatat karena dampak pendiskontoan yang tidak signifikan.

The fair value of most of the financial assets and liabilities approximates their carrying amount, as the impact of discounting is not significant.

Nilai wajar dari pinjaman jangka panjang dinilai menggunakan *discounted cash flows* berdasarkan tingkat suku bunga efektif terakhir yang berlaku untuk masing-masing pinjaman yang diutilisasi.

The fair value of long-term loans are estimated by using *discounted cash flows* applying the effective interest rate charged by the lenders for the last utilisation in each currency borrowings.

Ekshibit E/124

Exhibit E/124

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

42. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

e. Risiko operasional

Risiko operasional adalah risiko kerugian yang diakibatkan oleh kurang memadainya atau kegagalan dari proses internal, faktor manusia dan sistem atau dari kejadian-kejadian eksternal. Risiko ini melekat dalam semua proses bisnis, kegiatan operasional, sistem dan layanan Perusahaan dan entitas anak.

f. Manajemen risiko permodalan

Tujuan Perusahaan dan entitas anak dalam mengelola permodalan adalah untuk melindungi kemampuan Perusahaan dan entitas anak dalam mempertahankan kelangsungan usaha, sehingga entitas dapat tetap memberikan imbal hasil bagi pemegang saham dan manfaat bagi pemangku kepentingan lainnya dan untuk mengelola struktur modal yang optimal untuk meminimalisasi biaya modal yang efektif. Dalam rangka mengelola struktur modal, Perusahaan dan entitas anak mungkin menyesuaikan jumlah dividen, menerbitkan saham baru atau menambah/mengurangi jumlah utang.

Strategi Perusahaan selama tahun 2018, 2017 dan 2016 adalah mempertahankan rasio utang senior bersih terhadap EBITDA yang disesuaikan dan disetahunkan kurang dari 5 kali (Catatan 25).

42. FINANCIAL RISK MANAGEMENT (Continued)

e. Operational risk

Operational risk is the risk of losses resulting from inadequate internal processes or a failure of such processes, human factors and systems or from external events. This risk is inherent in all business processes, operations and services of the Company and subsidiaries.

f. Capital risk management

The objectives of the Company and subsidiaries when managing capital are to safeguard the ability of the Company and subsidiaries to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to minimize the effective cost of capital. In order to maintain the capital structure, the Company and subsidiaries may from time to time adjust the amount of dividends, issue new shares or increase/reduce debt levels.

The Company's strategy for 2018, 2017 and 2016 was to maintain the ratio of net senior debt to annualized adjusted EBITDA to be less than 5 times (Note 25).

43. BEBAN PAJAK ATAS PENILAIAN KEMBALI ASET

Pada bulan Desember 2015, PT Tower Bersama, PT Solu Sindo Kreasi Pratama dan PT Towerindo Konvergensi, entitas anak, melakukan pendaftaran penilaian kembali aset untuk tujuan perpajakan sesuai Peraturan Menteri Keuangan Republik Indonesia No. 191/PMK.010/2015 tanggal 15 Oktober 2015. Penilaian kembali aset tersebut dilakukan oleh penilai independen untuk properti investasi per 31 Desember 2015. Pada bulan April dan Mei 2016, Direktur Jenderal Pajak telah menyetujui hasil penilaian kembali aset tersebut. Pajak penghasilan final terkait penilaian kembali aset ini adalah sebesar Rp 80.303.

43. TAX ARISING FROM ASSETS REVALUATION

In December 2015, PT Tower Bersama, PT Solu Sindo Kreasi Pratama and PT Towerindo Konvergensi, the subsidiaries, have registered the revaluation of their assets for tax purposes according to the Minister of Finance of Republic of Indonesia Regulation No. 191/PMK.010/2015 dated 15 October 2015. An independent appraiser has been appointed to perform the revaluation for the investment property at 31 December 2015. In April and May 2016, the Director General of Taxes has approved the results of the revaluation of the asset. Final income tax related to the revaluation of these assets was amounted to Rp 80,303.

44. TRANSAKSI NON-KAS

Transaksi non-kas Perusahaan dan entitas anaknya adalah sebagai berikut:

	2018	2017	2016
Surplus revaluasi	83.074	29.312	578.180
Kapitalisasi kenaikan nilai revaluasi properti investasi	7.728	7.210	-
Kendaraan - sewa pembiayaan	-	-	1.455
Jumlah	90.802	36.522	579.635

44. NON-CASH TRANSACTIONS

Non-cash transactions of the Company and its subsidiaries are as follows:

Revaluation surplus
Capitalization increase in revaluation value of investment properties
Vehicle - leasing
Total

Ekshibit E/125

Exhibit E/125

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

45. SEGMENT OPERASI

45. OPERATING SEGMENT

a. Segmen Primer

a. Primary Segment

<u>2018</u>	<u>Menara/ Tower</u>	<u>In building system</u>	<u>Gedung/ Building</u>	<u>Konsolidasian/ Consolidation</u>	<u>2018</u>
Pendapatan					Revenue
Pihak ketiga	4.294.741	17.870	5.526	4.318.137	Third parties
Hasil					Result
Beban pokok pendapatan	<u>767.222</u>	<u>16.860</u>	<u>-</u>	<u>784.082</u>	Cost of revenue
Hasil segmen				3.534.055	Segments result
Beban usaha yang tidak dapat dialokasi				<u>381.463</u>	Operating expenses which can not be allocated
Laba dari operasi				3.152.592	Profit from operation
Beban keuangan			(	2.063.166)	Financial expenses
Pendapatan lainnya			7.728	7.728	Other income
Beban lainnya yang tidak dapat dialokasi			(	<u>62.869</u>)	Other charge which can not be allocated
Laba sebelum pajak					Profit before
Penghasilan				1.034.285	income tax
Beban pajak penghasilan			(	<u>331.653</u>)	Income tax expense
Laba bersih				702.632	Net profit
Aset segmen	21.126.749	268.184	98.726	21.493.659	Segment assets
Aset tidak dapat dialokasi				<u>7.620.088</u>	Unallocated assets
Jumlah aset				29.113.747	Total assets
Liabilitas segmen				-	Segment liabilities
Liabilitas tidak dapat dialokasi				<u>25.434.181</u>	Unallocated liabilities
Jumlah liabilitas				25.434.181	Total liabilities

Ekshibit E/126

Exhibit E/126

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

45. SEGMENT OPERASI (Lanjutan)

45. OPERATING SEGMENT (Continued)

a. Segmen Primer (Lanjutan)

a. Primary Segment (Continued)

<u>2017</u>	<u>Menara/ Tower</u>	<u>In building system</u>	<u>Gedung/ Building</u>	<u>Konsolidasian/ Consolidation</u>	<u>2017</u>
Pendapatan					Revenue
Pihak ketiga	3.988.808	28.683	5.594	4.023.085	Third parties
Hasil					Result
Beban pokok pendapatan	656.732	11.029	-	667.761	Cost of revenue
Hasil segmen				3.355.324	Segments result
Beban usaha yang tidak dapat dialokasi				343.178	Operating expenses which can not be allocated
Laba dari operasi				3.012.146	Profit from operation
Beban keuangan				(1.957.321)	Financial expenses
Pendapatan lainnya				5.585	Other income
Beban lainnya yang tidak dapat dialokasi				(152.771)	Other charge which can not be allocated
Laba sebelum pajak					Profit before income tax
Penghasilan				907.639	
Manfaat pajak penghasilan				1.431.390	Income tax benefit
Laba bersih				2.339.029	Net profit
Aset segmen	19.140.375	227.805	98.178	19.466.358	Segment assets
Aset tidak dapat dialokasi				6.129.427	Unallocated assets
Jumlah aset				25.595.785	Total assets
Liabilitas segmen				-	Segment liabilities
Liabilitas tidak dapat dialokasi				22.140.705	Unallocated liabilities
Jumlah liabilitas				22.410.705	Total liabilities

Ekshibit E/127

Exhibit E/127

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

45. **SEGMENT OPERASI** (Lanjutan)

45. **OPERATING SEGMENT** (Continued)

a. **Segmen Primer** (Lanjutan)

a. **Primary Segment** (Continued)

<u>2016</u>	<u>Menara/ Tower</u>	<u>In building system</u>	<u>Gedung/ Building</u>	<u>Konsolidasian/ Consolidation</u>	<u>2016</u>
Pendapatan					Revenue
Pihak ketiga	3.677.729	28.549	4.896	3.711.174	Third parties
Hasil					Result
Beban pokok pendapatan	<u>726.620</u>	<u>11.348</u>	<u>-</u>	<u>737.968</u>	Cost of revenue
Hasil segmen				2.973.206	Segments result
Beban usaha yang tidak dapat dialokasi				<u>315.601</u>	Operating expenses which can not be allocated
Laba dari operasi				2.657.605	Profit from operation
Beban keuangan			(	1.957.321)	Financial expenses
Beban lainnya			(44.072)	(44.072)	Other charge
Pendapatan lainnya yang tidak dapat dialokasi				<u>129.559</u>	Other income which can not be allocated
Laba sebelum pajak					Profit before
Penghasilan				785.771	income tax
Beban pajak penghasilan				(62.558)	Income tax expense
Laba bersih				<u>723.213</u>	Net profit
Aset segmen	17.674.009	128.664	96.427	17.899.100	Segment assets
Aset tidak dapat dialokasi				<u>5.721.168</u>	Unallocated assets
Jumlah aset				23.620.268	Total assets
Liabilitas segmen				-	Segment liabilities
Liabilitas tidak dapat Dialokasi				<u>21.996.126</u>	Unallocated liabilities
Jumlah liabilitas				21.996.126	Total liabilities

b. **Segmen Sekunder**

b. **Secondary Segment**

<u>2018</u>	<u>Jawa dan Bali/ Java and Bali</u>	<u>Sumatera/ Sumatra</u>	<u>Kalimantan/ Borneo</u>	<u>Sulawesi/ Sulawesi</u>	<u>Konsolidasian/ Consolidated</u>	<u>2018</u>
Pendapatan						Revenue
Beban	2.515.040	1.143.303	297.950	361.844	4.318.137	Expense
	465.533	199.203	52.941	66.405	784.082	
Aset segmen yang dapat dialokasi	11.558.291	6.097.145	1.726.947	2.111.276	21.493.659	Segment assets which can be allocated
Aset segmen yang tidak dapat dialokasi					7.620.088	Segment assets which can not be allocated
					29.113.747	
Liabilitas segmen yang tidak dapat dialokasi					25.434.181	Segment liabilities which can not be allocated

Ekshibit E/128

Exhibit E/128

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

45. **SEGMENT OPERASI (Lanjutan)**

45. **OPERATING SEGMENT (Continued)**

b. **Segmen Sekunder (Lanjutan)**

b. **Secondary Segment (Continued)**

<u>2017</u>	<u>Jawa dan Bali/ Java and Bali</u>	<u>Sumatera/ Sumatra</u>	<u>Kalimantan/ Borneo</u>	<u>Sulawesi/ Sulawesi</u>	<u>Konsolidasian/ Consolidated</u>	<u>2017</u>
Pendapatan	2.375.095	1.040.313	280.501	327.176	4.023.085	Revenue
Beban	377.195	184.901	48.929	56.736	667.761	Expense
Aset segmen yang dapat dialokasi	10.669.057	5.585.830	1.356.203	1.855.268	19.466.358	Segment assets which can be allocated
					25.595.785	
Liabilitas segmen yang tidak dapat dialokasi					22.410.705	Segment liabilities which can be allocated
<u>2016</u>	<u>Jawa dan Bali/ Java and Bali</u>	<u>Sumatera/ Sumatra</u>	<u>Kalimantan/ Borneo</u>	<u>Sulawesi/ Sulawesi</u>	<u>Konsolidasian/ Consolidated</u>	<u>2016</u>
Pendapatan	2.246.669	956.844	244.576	263.085	3.711.174	Revenue
Beban	424.692	208.737	45.909	58.630	737.968	Expense
Aset segmen yang dapat dialokasi	10.030.947	5.304.413	1.085.610	1.478.129	17.899.100	Segment assets which can be allocated
Aset segmen yang tidak dapat dialokasi					5.721.168	Segment assets which can not be allocated
					23.620.268	
Liabilitas segmen yang tidak dapat dialokasi					21.996.126	Segment liabilities which can not be allocated

46. **PENYAJIAN KEMBALI LAPORAN KEUANGAN**

46. **RESTATEMENT OF FINANCIAL STATEMENTS**

Sebagaimana dijelaskan dalam Catatan 2, Dewan Standar Akuntansi Keuangan (DSAK) pada tahun 2015 menerbitkan ISAK No. 31: Interpretasi atas Ruang Lingkup PSAK No. 13: Properti Investasi. ISAK ini memberikan interpretasi atas karakteristik bangunan yang digunakan sebagai bagian dari definisi properti investasi dalam PSAK No. 13: Properti Investasi. Suatu aset dikatakan sebagai bangunan jika memiliki karakteristik fisik yang umumnya diasosiasikan dengan suatu bangunan yang mengacu pada adanya dinding, lantai, dan atap yang melekat pada aset. Interpretasi ini berlaku efektif 1 Januari 2017.

As discussed in Note 2, The Financial Accounting Standard Board (DSAK) in 2015 issued the ISAK No. 31: Interpretation on the Scope of PSAK No. 13: Investment Property. The ISAK provides an interpretation of the characteristics of the building used as part of the definition of investment property in PSAK No. 13: Investment Property. An asset qualifies as a building if possesses the physical characteristics generally associated as a building with the walls, floors, and roofs are attached to the assets. This interpretation comes to effective on 1 January 2017.

Kemudian Otoritas Jasa Keuangan (OJK) pada tahun 2016 menerbitkan SE OJK No.36/SEOJK.04/2016: Pencabutan Surat Edaran Otoritas Jasa Keuangan No.27/SEOJK.04/2015 tentang perlakuan akuntansi atas aset menara telekomunikasi yang disewakan. Dengan pencabutan surat edaran tersebut, maka ISAK 31 akan berlaku untuk penyusunan laporan keuangan yang disampaikan kepada OJK mulai tahun 2018.

After that, OJK issued SE OJK No.36/SEOJK.04/2016: Revocation Circular Letter of Indonesian Financial Service Authority (OJK) No.27/SEOJK.04/2015 concerning the accounting treatment for the leasing of telecommunication tower assets. Subject to the revocation of the circular letter, ISAK 31 will be applied to the financial statements submitted to the Indonesian Financial Service Authority starting in 2018.

Ekshibit E/129

Exhibit E/129

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

46. PENYAJIAN KEMBALI LAPORAN KEUANGAN (Lanjutan)

Dampak dari penerapan SE OJK No.36/SEOJK.04/2016 terhadap laporan keuangan konsolidasian yang akan menjadi laporan keuangan periode komparatif untuk tahun yang berakhir pada 31 Desember 2017, adalah sebagai berikut:

46. RESTATEMENT OF FINANCIAL STATEMENTS (Continued)

The impact of the implementation of SE OJK No. 36/SEOJK.04/2016 to the consolidated financial statements which will be the comparative period financial statements for the year ended at 31 December 2017 are as follows:

	<u>31 Desember 2016/31 December 2016</u>			
	<u>Dilaporkan sebelumnya/ As previously reported</u>	<u>Penerapan ISAK 31/ Application of ISAK 31</u>	<u>Disajikan kembali/ As restated</u>	
LAPORAN POSISI KEUANGAN KONSOLIDASIAN				CONSOLIDATED STATEMENT OF FINANCIAL POSITION
ASET				ASSETS
Aset tetap	429.307	17.802.673	18.231.980	Property and equipment
Properti investasi	17.963.132 (	17.802.674)	160.458	Investment properties
EKUITAS				EQUITY
Penghasilan (rugi) komprehensif lain	(925.350)	3.176.761	2.251.411	Other comprehensive income (loss)
Saldo laba				Retained earnings
Belum ditentukan penggunaannya	2.693.699 (	3.176.761) (	483.062)	Unappropriated
LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN KONSOLIDASIAN				CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Beban pokok pendapatan				Cost of revenue
Penyusutan				Depreciation of
menara telekomunikasi	-	320.303	320.303	telecommunication towers
Pendapatan (Beban) Lain-Lain				Other Income (Charges)
Kenaikan (penurunan) nilai wajar atas				Increase (decrease) in fair value of
properti investasi	213.805 (	257.877) (	44.072)	investment properties
LABA BERSIH TAHUN BERJALAN	1.301.393 (	578.180)	723.213	NET PROFIT FOR THE YEAR
LABA BERSIH PER SAHAM YANG DAPAT DIATRIBUSIKAN KEPADA PEMEGANG SAHAM BIASA ENTITAS INDUK (nilai penuh)				EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDER OF PARENT COMPANY (full amount)
Dasar	285,53	-	157,95	Basic
Dilusi	-	-	-	Diluted

Ekshibit E/130

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/130

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

47. PERISTIWA SETELAH TAHUN PELAPORAN

a. Pencairan pinjaman

Fasilitas pinjaman *Revolving* Seri B

- Pada tanggal 3 Januari 2019 entitas anak telah menarik fasilitas pinjaman *Revolving* Seri B sebesar US\$ 10.000.000 (lihat catatan 25.a.2).
- Pada tanggal 2 April 2019, 24 April 2019, dan 17 Mei 2019 entitas anak telah menarik fasilitas pinjaman *Revolving* Seri B sebesar US\$ 20.000.000, US\$ 21.500.000, dan US\$ 15.000.000 (lihat catatan 25.a.2).
- Pada tanggal 2 Agustus 2019, Entitas anak telah menarik fasilitas pinjaman *Revolving* Seri B sebesar US\$ 25.000.000 (lihat catatan 25.a.2).
- Pada tanggal 2 dan 22 Oktober 2019, Entitas anak telah menarik fasilitas pinjaman *Revolving* Seri B sebesar US\$ 65.000.000 (lihat catatan 25.a.2).

Kreditur yang berpartisipasi pada fasilitas ini adalah:

- Oversea-Chinese Banking Corporation Limited
- DBS Bank Ltd
- CIMB Bank Berhad, Singapore Branch
- PT Bank HSBC Indonesia
- PT Bank UOB Indonesia
- MUFG Bank Ltd
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- The Hongkong and Shanghai Banking Corporation, Singapore Branch
- Credit Agricole Corporate and Investment Bank
- Sumitomo Mitsui Banking Corporation, Singapore Branch
- United Overseas Bank Limited

Fasilitas pinjaman *Revolving* US\$ 200 juta

- Pada tanggal 11 Januari dan 4 Februari 2019 entitas anak telah menarik fasilitas pinjaman *Revolving* US\$ 200 juta sebesar US\$ 5.000.000 dan US\$ 20.000.000 (lihat catatan 25.b).
- Pada tanggal 5 Juli 2019, Entitas anak telah menarik fasilitas pinjaman *Revolving* US\$ 200 juta sebesar US\$ 15.000.000 (lihat catatan 25.b).

47. EVENTS AFTER THE REPORTING YEAR

a. Loan withdrawal

Revolving B Series loan facility

- On 3 January 2019 the subsidiaries had drawdown the *Revolving Series B* loan facility amounting to US\$ 10,000,000 (see note 25.a.2).
- On 2 April 2019, 24 April 2019, and 17 May 2019 the subsidiaries had drawdown *Revolving B Series* loan facility amounting to a US\$ 20,000,000, US\$ 21,500,000, and US\$ 15,000,000 (see note 25.a.2).
- On 2 August 2019, the Subsidiary had drawdown *Revolving B Series* loan facility amounting to US\$ 25,000,000 (see note 25.a.2).
- On 2 and 22 October 2019, the Subsidiary had drawdown *Revolving B Series* loan facility amounting to US\$ 65,000,000 (see note 25.a.2).

The lenders who participated in this facility are:

- Oversea-Chinese Banking Corporation Limited
- DBS Bank Ltd
- CIMB Bank Berhad, Singapore Branch
- PT Bank HSBC Indonesia
- PT Bank UOB Indonesia
- MUFG Bank Ltd
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- The Hongkong and Shanghai Banking Corporation, Singapore Branch
- Credit Agricole Corporate and Investment Bank
- Sumitomo Mitsui Banking Corporation, Singapore Branch
- United Overseas Bank Limited

Revolving US 200 million loan facility

- On 11 January and 4 February 2019 the subsidiaries had drawdown a *Revolving US\$ 200 million* loan facility amounting to US\$ 5,000,000 and US\$ 20,000,000 (see note 25.b).
- On 5 July 2019, the Subsidiary had drawdown a *Revolving US\$ 200 million* loan facility amounting to US\$ 15,000,000 (see note 25.b).

Ekshibit E/131

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

47. PERISTIWA SETELAH TAHUN PELAPORAN (Lanjutan)

a. Pencairan pinjaman (Lanjutan)

Fasilitas pinjaman *Revolving* US\$ 200 juta (Lanjutan)

- Pada tanggal 15 Oktober 2019, Entitas anak telah menarik Fasilitas Pinjaman *Revolving* US\$ 200 juta (lihat catatan 25.b) sebesar US\$ 19.600.000.

Kreditur yang berpartisipasi pada fasilitas ini adalah:

- Oversea-Chinese Banking Corporation Limited
- DBS Bank Ltd
- CIMB Bank Berhad, Singapore Branch
- PT Bank HSBC Indonesia.
- PT Bank UOB Indonesia
- MUFG Bank Ltd
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank CIMB Niaga Tbk
- PT Bank HSBC Indonesia
- PT Bank DBS Indonesia

Fasilitas pinjaman *Revolving* US\$ 375 juta

- Pada tanggal 12 Juli 2019, Entitas anak telah menggunakan fasilitas pinjaman *Revolving* US\$ 375 juta sebesar US\$ 375.000.000.

Kreditur yang berpartisipasi pada fasilitas ini adalah:

- Oversea-Chinese Banking Corporation Limited
- United Overseas Bank Limited
- DBS Bank Ltd
- Mizuho Bank, Ltd., Singapore Branch
- Credite Agricole Corporate and Investment Bank
- Australia and New Zealand Banking Group Limited, Singapore Branch
- CIMB Bank Berhad, Singapore Branch
- The Hongkong and Shanghai Banking Corporation, Singapore Branch
- PT Bank HSBC Indonesia
- PT Bank CIMB Niaga Tbk
- PT Bank OCBC NISP Tbk
- PT Bank BNP Paribas Indonesia
- PT Bank DBS Indonesia

Exhibit E/131

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)

47. EVENTS AFTER THE REPORTING YEAR (Continued)

a. Loan withdrawal (Continued)

Revolving US 200 million loan facility (Continued)

- On 15 October 2019, the Subsidiary had drawdown a *Revolving* US\$ 200 million Loan Facility (see note 25.b) amounting to US\$ 19,600,000.

The lenders who participated in this facility are:

- Oversea-Chinese Banking Corporation Limited
- DBS Bank Ltd
- CIMB Bank Berhad, Singapore Branch
- PT Bank HSBC Indonesia.
- PT Bank UOB Indonesia
- MUFG Bank Ltd
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank CIMB Niaga Tbk
- PT Bank HSBC Indonesia
- PT Bank DBS Indonesia

Revolving US 375 million loan facility

- On 12 July 2019, the Subsidiary had drawdown *Revolving* US\$ 375 million loan facility amounting to US\$ 375,000,000.

The lenders who participated in this facility are:

- Oversea-Chinese Banking Corporation Limited
- United Overseas Bank Limited
- DBS Bank Ltd
- Mizuho Bank, Ltd., Singapore Branch
- Credite Agricole Corporate and Investment Bank
- Australia and New Zealand Banking Group Limited, Singapore Branch
- CIMB Bank Berhad, Singapore Branch
- The Hongkong and Shanghai Banking Corporation, Singapore Branch
- PT Bank HSBC Indonesia
- PT Bank CIMB Niaga Tbk
- PT Bank OCBC NISP Tbk
- PT Bank BNP Paribas Indonesia
- PT Bank DBS Indonesia

Ekshibit E/132

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/132

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

47. PERISTIWA SETELAH TAHUN PELAPORAN (Lanjutan)

a. Pencairan pinjaman (Lanjutan)

PT Bank UOB Indonesia *Revolving Credit Facility*

- Pada tanggal 4 Januari 2019, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak telah menandatangani amandemen perjanjian fasilitas *Revolving Credit Facility* yang bersifat *committed* sebesar Rp 100.000 dengan PT Bank UOB Indonesia yang jatuh tempo 2 tahun sejak tanggal perjanjian untuk menyediakan tambahan dana belanja modal PT Gihon Telekomunikasi Indonesia Tbk, entitas anak. Sampai dengan tanggal laporan keuangan konsolidasian ini, jumlah fasilitas yang telah digunakan oleh PT Gihon Telekomunikasi Indonesia Tbk, entitas anak adalah sebesar Rp 29.000.
- Pada tanggal 15 April 2019 PT Gihon Telekomunikasi Indonesia Tbk, entitas anak telah menarik fasilitas a *Revolving* fasilitas kredit yang bersifat *committed* Rp 100.000 dengan PT Bank UOB Indonesia sebesar Rp 10.000.
- Pada berbagai tanggal dibulan Juli dan Agustus 2019 PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, telah menarik fasilitas pinjaman *Revolving* PT Bank UOB Indonesia sebesar Rp 7.200.
- Pada berbagai tanggal dibulan Oktober dan November 2019, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, telah menarik pinjaman kepada PT Bank UOB Indonesia sebesar Rp 21.600.

b. Pembayaran Pinjaman

PT Bank Mandiri (Persero)

- Pada tanggal 18 Januari 2019, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak telah melakukan percepatan pelunasan atas pinjaman jangka panjang kepada PT Bank Mandiri (Persero) Tbk sebesar Rp 34.402 dengan menggunakan fasilitas pinjaman dari PT Bank UOB Indonesia.

Fasilitas pinjaman *Revolving* Seri B

- Pada tanggal 21 Februari dan 28 Februari 2019, entitas anak telah melunasi sebagian fasilitas pinjaman *Revolving* seri B sebesar US\$ 10.000.000 dan US\$ 65.000.000.

47. EVENTS AFTER THE REPORTING YEAR (Continued)

a. Loan withdrawal (Continued)

PT Bank UOB Indonesia *Revolving Credit Facility*

- On 4 January 2019, PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary has signed amendment for committed *Revolving Credit Facility* agreement amounted to Rp 100,000 with PT Bank UOB Indonesia that due in 2 years from the date of the agreement to provide additional funding for PT Gihon Telekomunikasi Indonesia Tbk's, the subsidiary capital expenditure. Up to this consolidated financial statements date, the total facility used by PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary amounted to Rp 29,000.
- On 15 April, 2019 PT Gihon Telekomunikasi Indonesia Tbk, a subsidiary, has withdrawn a Rp 100,000 committed *Revolving credit facility* with PT Bank UOB Indonesia amounting to Rp 10,000.
- On various dates in July and August 2019, PT Gihon Telekomunikasi Indonesia Tbk, a subsidiary, had drawdown *Revolving loan facility* with PT Bank UOB Indonesia amounting to Rp 7,200.
- On various dates in October and November 2019, PT Gihon Telekomunikasi Indonesia Tbk, a subsidiary, had drawdown with PT Bank UOB Indonesia amounting Rp 21,600.

b. Loan Repayment

PT Bank Mandiri (Perser)

- On 18 January 2019, PT Gihon Telekomunikasi Indonesia, the subsidiary had early repayment of long-term loan with PT Bank Mandiri (Persero) Tbk amounted to Rp 34,402 by using credit facility from PT Bank UOB Indonesia.

Revolving B Series loan facility

- On 21 February and 28 February 2019, the subsidiary has repaid a portion of B series *Revolving loan facility* amounting to US\$ 10,000,000 and US\$ 65,000,000.

Ekshibit E/133

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/133

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

47. PERISTIWA SETELAH TAHUN PELAPORAN (Lanjutan)

b. Pembayaran Pinjaman (Lanjutan)

Fasilitas pinjaman *Revolving* Seri B (Lanjutan)

Kreditur yang berpartisipasi pada fasilitas ini adalah:

- Oversea-Chinese Banking Corporation Limited
- DBS Bank Ltd
- CIMB Bank Berhad
- PT Bank HSBC Indonesia
- PT Bank UOB Indonesia
- MUFG Bank Ltd
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- The Hongkong and Shanghai Banking Corporation
- Credit Agricole Corporate and Investment Bank
- Sumitomo Mitsui Banking Corporation
- United Overseas Bank Limited

Fasilitas pinjaman Seri A

- Pada tanggal 12 Juli 2019, entitas anak telah melunasi seluruh fasilitas pinjaman Seri A (lihat catatan 24.a.1) sebesar US\$ 375.000.000.

Kreditur yang berpartisipasi pada fasilitas ini adalah:

- Oversea-Chinese Banking Corporation Limited
- United Overseas Bank Limited
- DBS Bank, Ltd
- The Hongkong and Shanghai Banking Corporation, Singapore Branch
- Credite Agricole Corporate and Investment Bank
- CIMB Bank Berhad, Singapore Branch
- Sumitomo Mitsui Banking Corporation, Singapore Branch
- CTBC Bank Co Ltd
- MUFG Bank, Ltd, Jakarta Branch
- PT Bank HSBC Indonesia
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank UOB Indonesia

PT Bank Ina Perdana Tbk

- Berdasarkan Surat Pelunasan Utang Bank dengan No. UM/ADM/337/0719 pada tanggal 23 Juli 2019, PT Visi Telekomunikasi Infrastruktur Tbk, entitas anak melakukan pembayaran pelunasan atas utang bank dari PT Bank Ina Perdana Tbk dengan Nomor Perjanjian Kredit 193/BIP-ABM/KI-B/VIII/2017. Dengan demikian segala sesuatu yang berkaitan dengan Perjanjian Kredit tersebut telah dinyatakan berakhir.

47. EVENTS AFTER THE REPORTING YEAR (Continued)

b. Loan Repayment (Continued)

Revolving B Series loan facility (Continued)

The lenders who participated in this facility are:

- Oversea-Chinese Banking Corporation Limited
- DBS Bank Ltd
- CIMB Bank Berhad
- PT Bank HSBC Indonesia
- PT Bank UOB Indonesia
- MUFG Bank Ltd
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- The Hongkong and Shanghai Banking Corporation
- Credit Agricole Corporate and Investment Bank
- Sumitomo Mitsui Banking Corporation
- United Overseas Bank Limited

Series A term loan facility

- On 12 July 2019, the Subsidiary has repaid all Series A term loan facility (see note 24.a.1) amounting to US\$ 375,000,000.

The lenders who participated in this facility are:

- Oversea-Chinese Banking Corporation Limited
- United Overseas Bank Limited
- DBS Bank, Ltd
- The Hongkong and Shanghai Banking Corporation, Singapore Branch
- Credite Agricole Corporate and Investment Bank
- CIMB Bank Berhad, Singapore Branch
- Sumitomo Mitsui Banking Corporation, Singapore Branch
- CTBC Bank Co Ltd
- MUFG Bank, Ltd, Jakarta Branch
- PT Bank HSBC Indonesia
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank UOB Indonesia

PT Bank Ina Perdana Tbk

- Based on the Bank Loan Repayment Letter No. UM/ADM / 337/0719 on 23 July 2019, PT Visi Telekomunikasi Infrastruktur Tbk, subsidiaries has made payment of bank loans from PT Bank Ina Perdana Tbk with Credit Agreement No. 193/BIPABM/KI-B/VIII/2017. Thus everything related to the Credit Agreement is declared over.

Ekshibit E/134

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

47. PERISTIWA SETELAH TAHUN PELAPORAN (Lanjutan)

c. Laporan hasil Penawaran Tender Wajib

Pada tanggal 7 Februari 2019, Perusahaan telah melakukan pelaporan hasil penawaran Tender Wajib ke Otoritas Jasa Keuangan ("OJK") sehubungan dengan pengambilalihan PT Gihon Telekomunikasi Indonesia Tbk melalui surat No.052/TBG-TBI-00/FIN/05/II/2019, sehingga jumlah kepemilikan saham Perusahaan di PT Gihon Telekomunikasi Indonesia Tbk menjadi sebesar 277.337.700 saham yang mewakili 50,43% kepemilikan.

d. Keterbukaan Informasi Dalam Rangka Penawaran Tender Wajib

Berdasarkan Keterbukaan Informasi dalam rangka Penawaran Tender Wajib tanggal 7 Februari 2019 yang diumumkan oleh Perusahaan, Perusahaan sedang dalam proses penawaran tender wajib atas saham PT Visi Telekomunikasi Infrastruktur Tbk dengan tahun yang berlangsung sejak tanggal 8 Februari sampai dengan 11 Maret 2019. Pembayaran pelaksanaan Penawaran Tender Wajib ini akan dilaksanakan pada tanggal 22 Maret 2019.

e. Pendaftaran Penawaran Umum Berkelanjutan Obligasi Berkelanjutan III Tahap III 2019

Pada tanggal 9 Mei 2019, Perusahaan telah menyampaikan pernyataan Pendaftaran Penawaran Umum Berkelanjutan Obligasi Berkelanjutan III Tahap III kepada Otoritas Jasa Keuangan (OJK) melalui surat No. 263/TBG-TBI-00/FIN/05/V/2019.

f. Peningkatan Modal Saham

PT Visi Telekomunikasi Infrastruktur Tbk (GOLD), entitas anak, melakukan penambahan modal dengan memberikan hak memesan efek terlebih dahulu (HMETD) kepada para pemegang saham, melalui mekanisme penawaran umum terbatas dengan HMETD sebanyak 962.676.000 saham dengan nilai nominal sebesar Rp 100 (nilai penuh) per saham dengan harga penawaran Rp 221 (nilai penuh) per saham. HMETD ini telah memperoleh pernyataan efektif dari Otoritas Jasa Keuangan (OJK) berdasarkan Surat Nomor: S-82/D.04/2019 tanggal 21 Juni 2019. GOLD telah menerima seluruh dana dari HMETD ini sebesar Rp 212.751 pada tanggal 17 Juli 2019.

Exhibit E/134

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

47. EVENTS AFTER THE REPORTING YEAR (Continued)

c. Report on the results of Mandatory Tender offer

On 7 February 2019, the Company has reported the results of the Mandatory Tender Offer to the Financial Services Authority ("OJK") in connection with the takeover of PT Gihon Telekomunikasi Indonesia Tbk through letter No. 052/TBG-TBI-00 /FIN/05/II /2019, therefore the Company's shareholding in PT Gihon Telekomunikasi Indonesia Tbk became 277,337,700 shares representing 50.43% ownership.

d. Information Disclosure in Relation to Mandatory Tender Offer

According to the Information Disclosure in relation to Mandatory Tender Offer dated 7 February 2019 published by the Company, the Company is in the process of mandatory tender offer on PT Visi Telekomunikasi Infrastruktur Tbk's shares with the year from 8 February until 11 March 2019. The payment on this Mandatory Tender Offer will be completed on 22 March 2019.

e. Registration of Continuous Public Offering of Continuous Bonds III Phase III Year 2019

On 9 May 2019, the Company has filed a registration statement of Continuous Public Offering of Continuous Bonds III Phase III to the Financial Service Authority (OJK) through letter No. 263/TBG-TBI-00/FIN/05/V/2019.

f. Share Capital Increase

PT Visi Telekomunikasi Infrastruktur Tbk (GOLD), a subsidiary, increased its share capital through a limited public offering with a pre-emptive rights issuance to its former shareholders of 962,676,000 shares with a nominal value of Rp 100 (full amount) per share at an offering price of Rp 221 (full amount) per share. This pre-emptive rights has obtained an effective statement from the Financial Services Authority (OJK) based on Letter Number: S-82 / D.04 / 2019 dated 21 June 2019. GOLD has received all funds from this pre-emptive rights of Rp 212,751 on 17 July 2019.

Ekshibit E/135

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

47. PERISTIWA SETELAH TAHUN PELAPORAN (Lanjutan)

g. Rapat Umum Pemegang Saham Luar Biasa ("RUPSLB")

Pada tanggal 8 Oktober 2019, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, mengadakan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB). RUPSLB ini memberikan persetujuan untuk perubahan anggaran dasar perusahaan dan perubahan susunan direksi dan/atau dewan komisasaris.

Pada tanggal 30 Oktober 2019, Perusahaan mengadakan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB). RUPSLB ini memberikan persetujuan sebagai berikut:

- Persetujuan Pemecahan Nilai Nominal Saham dari Rp 100 (nilai penuh) per saham menjadi Rp 20 (nilai penuh) per saham dengan demikian merubah Pasal 4 Anggaran Dasar Perusahaan.
- Persetujuan atas rencana penerbitan surat utang berdenominasi mata uang asing yang akan diterbitkan oleh Perusahaan, melalui penawaran kepada investor diluar wilayah Negara Republik Indonesia, yang merupakan transaksi material berdasarkan Peraturan Otoritas Jasa Keuangan (d/h Bapepam) No. IX.E.2 Lampiran Keputusan Ketua Bapepam & LK No. KEP 614/BL/2011 tanggal 28 November 2011 tentang Transaksi Material dan Perubahan Kegiatan Usaha Utama.
- Persetujuan atas rencana perubahan Pasal 3 Anggaran Dasar Perusahaan mengenai Maksud dan Tujuan serta Kegiatan Usaha Perusahaan berdasarkan Klasifikasi Baku Lapangan Usaha Indonesia Tahun 2017 (KBLI 2017). Berdasarkan Peraturan Pemerintah No. 24 Tahun 2018 tentang Layanan Perizinan Bisnis Terpadu Online.
- Persetujuan atas rencana perubahan Pasal 16 Anggaran Dasar Perusahaan mengenai Tugas dan Wewenang Direksi.
- Laporan Hasil Pembelian Kembali Saham berdasarkan persetujuan RUPS tanggal 27 April 2018.

Perusahaan telah memperoleh persetujuan atas perubahan Pasal 4 ayat 1 dan ayat 2 Anggaran Dasar Perusahaan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan surat keputusan No. AHU-0089482.AH.01.02. TAHUN 2019 tanggal 31 Oktober 2019. Sehubungan dengan ini, pelaksanaan *Stock Split* akan memiliki rasio setiap 1 (satu) saham lama dengan nilai nominal Rp 100 (nilai penuh) per saham akan mendapat 5 (lima) baru saham dengan nilai nominal Rp 20 (nilai penuh) per saham.

Exhibit E/135

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

47. EVENTS AFTER THE REPORTING YEAR (Continued)

g. The Extraordinary General Meeting of Shareholders ("EGMS")

On 8 October 2019, PT Gihon Telekomunikasi Indonesia Tbk, a subsidiary, held the Extraordinary General Meeting of Shareholders (EGMS). The EGMS approved plans for changes in the company's articles of association and changes in the composition of the directors and/or commissioners.

On 30 October 2019, the Company held the Extraordinary General Meeting of Shareholders (EGMS). The EGMS approved plans as follows:

- Approval of stock split from nominal Rp 100 (full amount) per share to nominal Rp 20 (full amount) per share, which amend the Article 4 of the Company's Articles of Association.
- Approval for the plan of the issuance foreign currency denominated bonds or notes to be issued by the Company that will be offered to investors outside of Indonesia that constitutes as a material transaction on the basis of Regulation No. IX.E.2 Annex of the Bapepam & LK Chairman's Decision No. Kep 614/BL/2011 dated 28 November 2011 regarding Material Transactions and Main Business Activity Changes.
- Approval of the amendment of Article 3 of the Company's Article of Association related to Company's purpose and objective to the Indonesian Standard Classification of Business Fields (KBLI) 2017. Based on the Government Regulation No. 24 Year 2018 regarding Online Integrated Business Licensing Services.
- Approval of the amendment of Article 16 of the Company's Articles of Association related to the Duty and Authority of Board of Directors.
- Report on Results of Shares Buyback based on GMS approval dated 27 April 2018.

The Company has obtained approval for the amendment to Article 4 paragraph 1 and paragraph 2 of the Company's Articles of Association from the Minister of Law and Human Rights of the Republic of Indonesia with its decision No. AHU-0089482.AH.01.02. YEAR 2019 dated October 31, 2019. In relation to this, the implementation of the Stock Split will be at a ratio of every 1 (one) old share with a nominal value of Rp 100 (full amount) per share will get 5 (five) new shares with a nominal value of Rp 20 (full amount) per share.

Ekshibit E/136

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2018, 2017 DAN 2016
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

47. PERISTIWA SETELAH TAHUN PELAPORAN (Lanjutan)

**g. Rapat Umum Pemegang Saham Luar Biasa ("RUPSLB")
(Lanjutan)**

Berdasarkan surat PT Kustodian Sentral Efek Indonesia ("KSEI") No. KSEI-23431/JKU/1119 tanggal 18 November 2019, KSEI telah melakukan penyesuaian saham tersebut melalui sistem C-BEST pada tanggal 18 November 2019 (awal hari).

h. Pelunasan Harga Beli Kontinjensi Menara Telekomunikasi

Sesuai dengan Asset Purchase Agreement ("APA") tanggal 7 Februari 2012 yang ditandatangani oleh Perusahaan, PT Solusi Menara Indonesia (SMI), entitas anak dan PT Indosat Tbk (Indosat), SMI telah melunasi harga beli kontinjensi menara telekomunikasi milik Indosat sebesar US\$ 18.750.000 pada tanggal 11 Oktober 2019.

i. Pengalihan Surat Sanggup Bayar

Pada 31 Oktober 2019, Perusahaan dan entitas anak telah mengalihkan Surat Sanggup Bayar sebesar Rp 221.425 kepada pihak ketiga (Catatan 8).

48. PENERBITAN KEMBALI LAPORAN KEUANGAN KONSOLIDASIAN

Dalam rangka penerbitan surat utang berdenominasi mata uang asing, Perusahaan telah menerbitkan kembali laporan keuangan konsolidasian untuk tahun yang berakhir 31 Desember 2018, 2017 dan 2016 dengan beberapa perubahan penyajian dan pengungkapan pada laporan arus kas, Catatan 1b, 8, 13, 14, 17, 24, 39, 45 dan 46 atas laporan keuangan konsolidasian terdahulu.

49. OTORISASI LAPORAN KEUANGAN

Manajemen Perusahaan telah mengotorisasi Laporan keuangan konsolidasian untuk diterbitkan pada tanggal 25 November 2019.

Exhibit E/136

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018, 2017 AND 2016
(Expressed in million Rupiah, unless otherwise stated)**

47. EVENTS AFTER THE REPORTING YEAR (Continued)

**g. The Extraordinary General Meeting of Shareholders
("EGMS") (Continued)**

Based on the letter from PT Kustodian Sentral Efek Indonesia ("KSEI") No. KSEI-23431/JKU/1119 on 18 November 2019, KSEI has adjusted the shares through the C-BEST system on 18 November 2019 (beginning of the day).

h. Settlement of Contingent Purchase Price

In accordance with the Asset Purchase Agreement ("APA") dated 7 February 2012 signed by the Company, PT Solusi Menara Indonesia (SMI), the Company's subsidiary and PT Indosat Tbk (Indosat), SMI paid the contingent purchase price of Indosat's telecommunications towers of US\$ 18,750,000 at 11 October 2019.

i. Transfer of the Promissory Notes

As of 31 October 2019, the Company and its subsidiaries have transferred the Promissory Notes amounting to Rp 221,425 to a third party (Note 8).

48. REISSUANCE OF CONSOLIDATED FINANCIAL STATEMENTS

For the issuance of the notes denominated in foreign currency, The company has reissued the consolidated financial statements for the years ended 31 December 2018, 2017 and 2016 with several changes in the presentation and disclosures in Cashflow, Notes 1b, 28, 13, 14, 17, 24, 39, 45 and 46 of the prior consolidated financial statements.

49. AUTHORIZATION OF FINANCIAL STATEMENTS

The Company's management has authorized to issue these consolidated financial statements on 25 November 2019.

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK / *AND SUBSIDIARIES***

**LAPORAN KEUANGAN KONSOLIDASIAN INTERIM/
*INTERIM CONSOLIDATED FINANCIAL STATEMENTS***

**UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR 30 SEPTEMBER 2019/
*FOR THE PERIOD OF 9 (NINE) MONTHS ENDED 30 SEPTEMBER 2019***

DAN / *AND*

**LAPORAN ATAS REVIU INFORMASI KEUANGAN KONSOLIDASIAN INTERIM/
*REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION***

*These Interim Consolidated Financial Statements are Originally Issued
in Indonesian Language*

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019**

DAFTAR ISI

C O N T E N T S

Pernyataan Direksi

Directors' Statement

	Ekshibit/ Exhibit	
Laporan Posisi Keuangan Konsolidasian Interim	A	<i>Interim Consolidated Statement of Financial Position</i>
Laporan Laba Rugi dan Penghasilan Komprehensif Lain Konsolidasian Interim	B	<i>Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income</i>
Laporan Perubahan Ekuitas Konsolidasian Interim	C	<i>Interim Consolidated Statement of Changes in Equity</i>
Laporan Arus Kas Konsolidasian Interim	D	<i>Interim Consolidated Statement of Cash Flows</i>
Catatan atas Laporan Keuangan Konsolidasian Interim	E	<i>Notes to Interim Consolidated Financial Statements</i>
Laporan atas Reviu Informasi Keuangan Konsolidasian Interim		<i>Report on Review of Interim Consolidated Financial Information</i>

**SURAT PERNYATAAN DIREKSI
TENTANG TANGGUNG JAWAB ATAS
LAPORAN KEUANGAN KONSOLIDASIAN
PADA TANGGAL 30 SEPTEMBER 2019 (REVIU)
DAN UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019 (REVIU)
PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK**

**DIRECTORS' STATEMENT LETTER
ABOUT RESPONSIBILITY TO
THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2019 (REVIEWED)
AND FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019 (REVIEWED)
PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES**

Kami yang bertandatangan di bawah ini :

We, the undersigned :

1. Nama : Herman Setya Budi
Alamat kantor : The Convergence Indonesia Lt. 11,
Kawasan Rasuna Epicentrum,
Jl. HR Rasuna Said,
Jakarta Selatan 12940

Alamat Domisili : Mega Kebon Jeruk F/26
sesuai KTP atau RT. 005, RW. 001
kartu identitas Joglo, Kembangan
lain Jakarta Barat

Nomor Telepon : +62 21 2924 8900

Jabatan : Presiden Direktur
2. Nama : Helmy Yusman Santoso
Alamat kantor : The Convergence Indonesia Lt. 11,
Kawasan Rasuna Epicentrum,
Jl. HR Rasuna Said,
Jakarta Selatan 12940

Alamat Domisili : Jl. Gedong Sawah IV/2
sesuai KTP atau RT. 002, RW. 001, Pabaton
kartu identitas Bogor Tengah
lain Bogor

Nomor Telepon : +62 21 2924 8900

Jabatan : Direktur

1. Name : Herman Setya Budi
Office address : The Convergence Indonesia Lt. 11,
Kawasan Rasuna Epicentrum,
Jl. HR Rasuna Said,
Jakarta Selatan 12940

Domicile as : Mega Kebon Jeruk F/26
stated in ID RT. 005, RW. 001
Card or other Joglo, Kembangan
identity Jakarta Barat

Phone Number : +62 21 2924 8900

Position : President Director
2. Name : Helmy Yusman Santoso
Office address : The Convergence Indonesia Lt. 11,
Kawasan Rasuna Epicentrum,
Jl. HR Rasuna Said,
Jakarta Selatan 12940

Domicile as : Jl. Gedong Sawah IV/2
stated in ID RT. 002, RW. 001, Pabaton
Card or other Bogor Tengah
identity Bogor

Phone Number : +62 21 2924 8900

Position : Director

Menyatakan bahwa :

State that :

1. Bertanggung jawab atas penyusunan dan penyajian Laporan Keuangan Perusahaan.
2. Laporan Keuangan Perusahaan telah disusun dan disajikan sesuai dengan prinsip akuntansi yang berlaku umum/standar akuntansi keuangan yang berlaku di Indonesia.
3. a. Semua informasi dalam laporan keuangan perusahaan telah dimuat secara lengkap dan benar; dan
b. Laporan keuangan perusahaan tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material.
4. Bertanggung jawab atas sistem pengendalian intern dalam Perusahaan.

1. We are responsible for the preparation and presentation of the Company's Financial Statements.
2. The Company's Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in Indonesia.
3. a. All information has been fully and correctly disclosed in the Company's Financial Statements.
b. The Company's Financial Statements do not contain false material information or facts, nor do they omit material information or facts, and
4. We are responsible for the Company's internal control systems.

Demikian pernyataan ini dibuat dengan sebenarnya.

This statement has been prepared base on the facts.

Jakarta, 20 Desember 2019

Jakarta, 20 December 2019

Presiden Direktur / President Director

Direktur / Director



 (Herman Setya Budi) (Helmy Yusman Santoso)

PT. Tower Bersama Infrastructure, Tbk

Gedung The Convergence Indonesia (TCI), Lantai 11
Kawasan Rasuna Epicentrum
Jl. H.R. Rasuna Said, Jakarta Selatan 12940
Telp : +62 21 2924 8900
Fak : +62 21 2157 2015



This Interim consolidated report is originally issued in Indonesian language

No. : 292/4.T053/ISW.2/09.19/R
Hal : Informasi Keuangan Konsolidasian
Interim 30 September 2019

No. : 292/4.T053/ISW.2/09.19/R
Re : *Interim Consolidated Financial
Information 30 September 2019*

**Laporan atas Reviu Informasi Keuangan
Konsolidasian Interim**

**Report on Review of Interim Consolidated
Financial Information**

Direksi
PT Tower Bersama Infrastructure Tbk
dan entitas anak
Jakarta

Director
PT Tower Bersama Infrastructure Tbk
and subsidiaries
Jakarta

Pendahuluan

Kami telah mereviu informasi keuangan konsolidasian interim PT Tower Bersama Infrastructure Tbk dan entitas anak, yang terdiri dari laporan posisi keuangan konsolidasian interim tanggal 30 September 2019, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas dan laporan arus kas konsolidasian interim untuk periode sembilan bulan yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan catatan penjelasan lainnya. Manajemen bertanggung jawab atas penyusunan dan penyajian wajar informasi keuangan konsolidasian interim ini sesuai dengan Standar Akuntansi Keuangan di Indonesia. Tanggung jawab kami adalah untuk menyatakan suatu kesimpulan atas informasi keuangan konsolidasian interim ini berdasarkan reviu kami.

Introduction

We have reviewed the interim consolidated financial information of PT Tower Bersama Infrastructure Tbk and subsidiaries, which comprise the interim consolidated statement of financial position as of 30 September 2019, and the interim consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the nine-months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim consolidated financial information in accordance with Indonesian Financial Accounting Standards. Our responsibility is to express a conclusion on these interim consolidated financial information based on our review.

Ruang Lingkup Reviu

Kami melaksanakan reviu kami berdasarkan Standar Perikatan Reviu 2410, "Reviu atas Informasi Keuangan interim yang Dilaksanakan oleh Auditor Independen Entitas" ("SPR 2410"), yang ditetapkan oleh Institut Akuntan Publik Indonesia ("IAPI"). Suatu reviu atas informasi keuangan interim terdiri dari pengajuan pertanyaan, terutama kepada pihak yang bertanggung jawab atas bidang keuangan dan akuntansi, serta penerapan prosedur analitis dan prosedur reviu lainnya. Suatu reviu memiliki ruang lingkup yang secara substansial kurang daripada suatu audit yang dilaksanakan berdasarkan Standar Audit yang ditetapkan oleh IAPI dan sebagai konsekuensinya, tidak memungkinkan kami untuk memperoleh keyakinan bahwa kami akan mengetahui seluruh hal signifikan yang mungkin teridentifikasi dalam suatu audit. Oleh karena itu, kami tidak menyatakan suatu opini audit.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements 2410, "Review of interim Financial Information Performed by the Independent Auditor of the Entity" ("SPR 2410"), established by the Indonesian Institute of Certified Public Accountants ("IAPI"). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing established by IAPI and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

TANUBRATA SUTANTO FAHMI BAMBANG & REKAN

Tanubrata Sutanto Fahmi Bambang & Rekan (Certified Public Accountant), an Indonesian partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Kesimpulan

Berdasarkan revidi kami, tidak ada hal-hal yang menjadi perhatian kami yang menyebabkan kami percaya bahwa informasi keuangan konsolidasian interim yang terlampir tidak menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian dan arus kas PT Tower Bersama Infrastructure Tbk dan entitas anak untuk periode sembilan bulan yang berakhir pada tanggal 30 September 2019, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Hal lainnya

Sebelum laporan ini, kami telah menerbitkan laporan atas revidi informasi keuangan konsolidasian interim No. 278/4.T053/ISW.2/09.19 tanggal 6 November 2019 atas laporan keuangan konsolidasian interim PT Tower Bersama Infrastructure Tbk dan entitas anak untuk periode 9 (sembilan) bulan yang berakhir 30 September 2019. Sehubungan dengan penambahan pengungkapan informasi mengenai laporan keuangan konsolidasian interim Perusahaan berkaitan dengan rencana Perusahaan untuk melakukan penawaran sekuritas seperti yang dijelaskan dalam Catatan 44 atas laporan keuangan konsolidasian interim, manajemen Perusahaan menerbitkan kembali laporan keuangan konsolidasian interim untuk periode 9 (sembilan) bulan yang berakhir 30 September 2019.

Laporan ini diterbitkan dengan tujuan untuk dicantumkan dalam offering memorandum sehubungan dengan rencana penerbitan surat utang berdenominasi mata uang asing PT Tower Bersama Infrastructure Tbk dan entitas anak, serta tidak ditujukan dan tidak diperkenankan untuk digunakan untuk tujuan lain.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial information does not present fairly, in all material respects, the consolidated financial position and cash flows of PT Tower Bersama Infrastructure Tbk and subsidiaries for the nine-months period ended 30 September 2019, in accordance with Indonesia Financial Accounting Standards.

Other matters

Prior to this report, we have issued a report on review of interim consolidated financial information No. 278/4.T053/ISW.2/09.19 dated 6 November 2019 on the interim consolidated financial statement of PT Tower Bersama Infrastructure Tbk and subsidiaries for the 9 (nine) months period ended 30 September 2019. In connection with additional disclosures information related to the Company's interim consolidated financial statements regarding with the plan for security offering as disclosed Note 44 on the interim consolidated financial statements for the 9 (nine) months period ended 30 September 2019.

This report is issued with purpose to be included in the offering memorandum in connection with the plan for issuance of the notes denominated in foreign currency of PT Tower Bersama Infrastructure Tbk and subsidiaries, and are not intended and shall not be used for any other purpose.

Kantor Akuntan Publik
TANUBRATA SUTANTO FAHMI BAMBANG & Rekan



Indra Sri Widodo, SE, Ak, M.Ak, CPA, CA
NIAP AP.0115/
License No. AP.0115

20 Desember 2019 / 20 December 2019

MF/yn

Ekshibit A

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN KONSOLIDASIAN INTERIM
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit A

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

	30 September/ 30 September 2019	Catatan/ Notes	31 Desember/ 31 December 2018	
ASET				ASSETS
ASET LANCAR				CURRENT ASSETS
Kas dan setara kas	333.362	4	220.586	Cash and cash equivalents
Piutang usaha - pihak ketiga	536.500	5	383.303	Trade receivables - third parties
Piutang lain-lain	118.386	6	77.660	Other receivables
Surat sanggup bayar	221.425	7	221.425	Promissory notes
Pendapatan yang masih harus diterima	545.251	9	546.608	Accrued revenue
Persediaan dan perlengkapan	38.578	10	22.723	Inventories and supplies
Investasi	1.508	8	1.508	Investment
Uang muka dan beban dibayar di muka	139.345	11	154.803	Advance payments and prepaid expenses
Sewa lahan jangka panjang - bagian lancar	305.245	14	279.643	Long-term landlease - current portion
Pajak dibayar di muka	51.177	20a	119.206	Prepaid taxes
Jumlah Aset Lancar	2.290.777		2.027.465	Total Current Assets
ASET TIDAK LANCAR				NON-CURRENT ASSETS
Aset pajak tangguhan - bersih	290.438	20d	344.703	Deferred tax assets - net
Aset tetap (setelah dikurangi akumulasi penyusutan sebesar Rp 285.901 dan Rp 250.334 masing-masing pada 30 September 2019 dan 31 Desember 2018)	22.693.074	12	21.878.608	Property and equipment (net of accumulated depreciation of Rp 285,901 and Rp 250,334 as of 30 September 2019 and 31 December 2018, respectively)
Properti investasi - nilai wajar	186.027	13	181.608	Investment properties - fair value
Goodwill - nilai wajar	428.610	35	428.610	Goodwill - fair value
Sewa lahan jangka panjang	1.579.789	14	1.578.873	Long-term landlease
Uang jaminan	2.321	15	2.067	Refundable deposits
Aset keuangan derivatif	1.934.603	16	2.605.591	Derivative financial assets
Taksiran klaim pajak penghasilan	25.606	20e	60.368	Estimated claims for income tax refund
Aset tidak lancar lainnya	6.506	17	5.854	Other non-current assets
Jumlah Aset Tidak Lancar	27.146.974		27.086.282	Total Non-Current Assets
JUMLAH ASET	29.437.751		29.113.747	TOTAL ASSETS

Lihat Catatan atas Laporan Keuangan Konsolidasian Interim pada Ekshibit E terlampir yang merupakan bagian tidak terpisahkan dari Laporan Keuangan Konsolidasian Interim secara keseluruhan

See accompanying Notes to Interim Consolidated Financial Statements on Exhibit E which are an integral part of the Interim Consolidated Financial Statements taken as a whole

Ekshibit A/2

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN KONSOLIDASIAN INTERIM
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit A/2

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

	30 September/ 30 September 2019	Catatan/ Notes	31 Desember/ 31 December 2018	
LIABILITAS DAN EKUITAS				LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK				CURRENT LIABILITIES
Utang usaha - pihak ketiga	279.833	18	231.711	Trade payables - third parties
Utang lain-lain	58.875	19	104.028	Other payables
Utang pajak	75.591	20b	60.065	Taxes payable
Pendapatan yang diterima di muka	1.315.435	21	668.543	Unearned income
Beban masih harus dibayar	989.237	22	1.466.028	Accrued expenses
Surat utang jangka pendek	2.772.914	25	624.283	Short-term notes
Pinjaman jangka panjang - bagian yang jatuh tempo dalam waktu satu tahun				Long-term loans - current portion
Sewa pembiayaan	3.946	23	5.095	Finance leases
Pihak ketiga	-	24	3.265.184	Third parties
Jumlah Liabilitas Jangka Pendek	5.495.831		6.424.937	Total Current Liabilities
LIABILITAS JANGKA PANJANG				NON-CURRENT LIABILITIES
Liabilitas pajak tangguhan - bersih	12.205	20d	12.509	Deferred tax liabilities - net
Cadangan imbalan pasca-kerja	32.018	33	30.186	Provision for post-employment benefits
Surat utang jangka panjang	5.770.684	25	7.264.742	Long-term notes
Pinjaman jangka panjang - setelah dikurangi bagian yang jatuh tempo dalam satu tahun				Long-term loans - net of current portion
Sewa pembiayaan	11.466	23	12.868	Finance leases
Pihak ketiga	14.104.092	24	11.688.940	Third parties
Jumlah Liabilitas Jangka Panjang	19.930.465		19.009.245	Total Non-Current Liabilities
Jumlah Liabilitas	25.426.296		25.434.182	Total Liabilities

Lihat Catatan atas Laporan Keuangan Konsolidasian Interim pada
Ekshibit E terlampir yang merupakan bagian tidak terpisahkan
dari Laporan Keuangan Konsolidasian Interim secara keseluruhan

See accompanying Notes to Interim Consolidated Financial
Statements on Exhibit E which are an integral part of
the Interim Consolidated Financial Statements taken as a whole

Ekshibit A/3

Exhibit A/3

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN KONSOLIDASIAN INTERIM
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

	30 September/ 30 September 2019	Catatan/ Notes	31 Desember/ 31 December 2018	
EKUITAS				EQUITY
Modal saham				Share capital
Pada 30 September 2019 dan				As of 30 September 2019 and
31 Desember 2018 nilai nominal				31 December 2018 par value
Rp 100 (nilai penuh) per saham.				Rp 100 (full amount) per shares.
Modal dasar sebanyak 14.420.120.000 saham				Authorized capital of 14,420,120,000 shares
Modal ditempatkan dan disetor penuh:				Issued and fully paid-in capital:
30 September 2019 dan				30 September 2019 and
31 Desember 2018 masing-masing				31 December 2018 are
sebanyak 4.531.399.889 saham	453.140	26	453.140	4,531,399,889 shares, respectively
Saham treasuri	(1.028.268)	27	(985.379)	Treasury stock
Tambahan modal disetor - bersih	(518.150)	28	(499.660)	Additional paid-in capital - net
Penghasilan komprehensif lain	3.213.023	29	3.060.932	Other comprehensive income
Saldo laba				Retained earnings
Cadangan wajib	61.600	34	61.100	Statutory reserves
Belum ditentukan penggunaannya	1.369.423		1.280.546	Unappropriated
Jumlah ekuitas yang diatribusikan kepada pemilik entitas induk	3.550.768		3.370.679	Total equity attributable to equity holder of the parent company
Kepentingan non-pengendali	460.687	36	308.886	Non-controlling interest
Jumlah Ekuitas	4.011.455		3.679.565	Total Equity
JUMLAH LIABILITAS DAN EKUITAS	29.437.751		29.113.747	TOTAL LIABILITIES AND EQUITY

Lihat Catatan atas Laporan Keuangan Konsolidasian Interim pada
Ekshibit E terlampir yang merupakan bagian tidak terpisahkan
dari Laporan Keuangan Konsolidasian Interim secara keseluruhan

See accompanying Notes to Interim Consolidated Financial
Statements on Exhibit E which are an integral part of
the Interim Consolidated Financial Statements taken as a whole

Ekshibit B

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN
KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit B

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

	30 September/ 30 September 2019	Catatan/ Notes	30 September/ 30 September 2018	
PENDAPATAN	3.469.357	30	3.167.813	REVENUE
BEBAN POKOK PENDAPATAN	653.811	31	579.210	COST OF REVENUE
LABA KOTOR	2.815.546		2.588.603	GROSS PROFIT
BEBAN USAHA	321.850	32	276.553	OPERATING EXPENSES
LABA DARI OPERASI	2.493.696		2.312.050	INCOME FROM OPERATIONS
PENDAPATAN (BEBAN) LAIN-LAIN				OTHER INCOME (CHARGES)
Laba (rugi) selisih kurs - Bersih	9.285		(6.131)	Gain (loss) on foreign exchange - Net
Pendapatan bunga	8.199		6.929	Interest income
Kenaikan nilai wajar atas properti investasi	-	13	888	Increase of fair value of investment properties
Lainnya - Bersih	(54.486)		(62.795)	Others - Net
Beban keuangan - Lainnya	(57.673)	23,24,25	(52.078)	Financial expenses - Others
Pajak penghasilan final	(60.662)	20c	-	Income tax final
Beban keuangan - Bunga	(1.448.354)	24,25	(1.464.381)	Financial expenses - Interest
Beban Lain-lain - Bersih	(1.603.691)		(1.577.568)	Other Charges - Net
LABA SEBELUM PAJAK PENGHASILAN	890.005		734.482	PROFIT BEFORE INCOME TAX
MANFAAT (BEBAN) PAJAK PENGHASILAN		20c,d		INCOME TAX BENEFITS (EXPENSES)
Kini	(191.152)		(107.050)	Current
Tangguhan	(54.162)		3.119	Deferred
Beban Pajak Penghasilan - Bersih	(245.314)		(103.931)	Tax Income Expenses - Net
LABA BERSIH PERIODE BERJALAN	644.691		630.551	NET PROFIT FOR THE CURRENT PERIOD

Lihat Catatan atas Laporan Keuangan Konsolidasian Interim pada Ekshibit E terlampir yang merupakan bagian tidak terpisahkan dari Laporan Keuangan Konsolidasian Interim secara keseluruhan

See accompanying Notes to Interim Consolidated Financial Statements on Exhibit E which are an integral part of the Interim Consolidated Financial Statements taken as a whole

Ekshibit B/2

Exhibit B/2

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN
KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

	30 September/ 30 September 2019	Catatan/ Notes	30 September/ 30 September 2018	
LABA BERSIH PERIODE BERJALAN	644.691		630.551	NET PROFIT FOR THE CURRENT PERIOD
PENGHASILAN KOMPREHENSIF LAIN		29		OTHER COMPREHENSIVE INCOME
Pos-pos yang tidak akan direklasifikasi ke laba rugi				Items that will not be reclassified to profit or loss
Surplus revaluasi	93.464		64.149	Revaluation surplus
Keuntungan aktuarial	(395)		6.863	Actuarial gain
Pos-pos yang akan direklasifikasi ke laba rugi				Items that may be reclassified to profit or loss
Selisih translasi mata uang asing	35		(126)	Difference translation of foreign currency
Perubahan nilai wajar investasi - tersedia untuk dijual	-		12.616	Changes in fair value investment - available-for-sale
Cadangan lindung nilai arus kas	157.638		774.751	Cash flows hedging reserves
JUMLAH PENGHASILAN KOMPREHENSIF PERIODE BERJALAN	895.433		1.488.804	TOTAL COMPREHENSIVE INCOME FOR THE CURRENT PERIOD
Laba bersih yang diatribusikan kepada :				Net profit attributable to :
Pemilik entitas induk	611.962		623.454	Equity holder of the parent company
Kepentingan non-pengendali	32.729	36	7.097	Non-controlling interest
Jumlah	644.691		630.551	Total
Jumlah laba komprehensif yang dapat diatribusikan kepada:				Total comprehensive income attributable to :
Pemilik entitas induk	841.468		1.478.563	Equity holder of the parent company
Kepentingan non-pengendali	53.965		10.241	Non-controlling interest
Jumlah	895.433		1.488.804	Total
LABA BERSIH PER SAHAM DASAR YANG DAPAT DIATRIBUSIKAN KEPADA PEMEGANG SAHAM BIASA				BASIC EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDER OF
ENTITAS INDUK (nilai penuh)	146,54	37	141,49	PARENT COMPANY (full amount)

Lihat Catatan atas Laporan Keuangan Konsolidasian Interim pada
Ekshibit E terlampir yang merupakan bagian tidak terpisahkan
dari Laporan Keuangan Konsolidasian Interim secara keseluruhan

See accompanying Notes to Interim Consolidated Financial
Statements on Exhibit E which are an integral part of
the Interim Consolidated Financial Statements taken as a whole

Ekshibit C

Exhibit C

PT TOWER BERSAMA INFRASTRUCTURE Tbk DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR 30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED 30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

	Penghasilan komprehensif lain/ Other comprehensive income				Saldo laba/ Retained earnings						
	Tambahan modal disetor - Bersih/ Additional paid-in capital - Net	Saham treasury/ Treasury stock	Surplus revaluasi/ Revaluation surplus	Cadangan arus kas/ Cash flows hedging reserves	Perubahan nilai wajar investasi - tersedia untuk dijual/ Change in fair value - available for sale	Selisih translasi atas mata uang asing/ Difference translation of foreign currency	Kerugian aktuarial/ Actuarial loss	Cadangan wajib/ Statutory reserves	Jumlah ekuitas yang diatribusikan kepada pemilik entitas induk/ Total equity attribute to parent company	Kepentingan non-pengendali/ Non-controlling interest	Jumlah ekuitas konsolidasian/ Total consolidated equity
Saldo per 1 Januari 2019	453.440 (	499.660) (	985.379)	33.907	- (	61.777) (	1.001)	61.100	1.280.546	3.370.679	3.679.565
Laba periode berjalan	-	-	-	-	-	-	-	-	611.962	611.962	644.691
Surplus revaluasi (Catatan 12)	-	-	71.567	-	-	-	-	-	-	71.567	93.464
Selisih penyusutan nilai wajar dengan biaya pembelian	-	-	(77.415)	-	-	-	-	-	77.415	-	-
Cadangan lindung nilai arus kas (Catatan 29a)	-	-	-	158.299	-	-	-	-	-	158.299 (	157.638
Penyesuaian perubahan kepemilikan efektif pada entitas anak	-	-	-	-	-	-	-	-	-	-	107.033
Selisih translasi atas mata uang asing (Catatan 29b)	-	-	-	-	-	35	-	-	-	35	35
Keuntungan aktuarial (Catatan 33)	-	-	-	-	-	- (	395)	-	-	395)	395)
Saham treasury (Catatan 27)	-	(42.889)	-	-	-	-	-	-	-	42.889)	42.889)
Cadangan wajib (Catatan 34)	-	-	-	-	-	-	-	500 (	500)	-	-
Pembagian dividen tunai - entitas anak (Catatan 34)	-	-	-	-	-	-	-	-	-	9.197) (	9.197)
Pembagian dividen tunai (Catatan 34)	-	-	-	-	-	-	-	-	600.000) (	600.000)	600.000)
Selisih transaksi dengan pihak non-pengendali (Catatan 28)	- (	18.490)	-	-	-	-	-	-	-	18.490)	18.490)
Saldo per 30 September 2019	453.440 (	518.150) (	3.083.955	492.206	- (	61.742) (	1.396)	61.600	1.369.423	3.350.768	4.011.455
	Catatan 26/ Note 26	Catatan 28/ Note 28	Catatan 29/ Note 29	Catatan 29a / Note 29a	Catatan 29b/ Note 29b	Catatan 34/ Note 34	Catatan 33/ Note 33	Catatan 36/ Note 36	Catatan 33/ Note 33	Catatan 36/ Note 36	

Lihat Catatan atas Laporan Keuangan Konsolidasian Interim pada Ekshibit E terlampir
yang merupakan bagian tidak terpisahkan
dari Laporan Keuangan Konsolidasian Interim secara keseluruhan

See accompanying Notes to Interim Consolidated Financial Statements on Exhibit E
which are an integral part of
the Interim Consolidated Financial Statements taken as a whole

Ekshibit C/2

Exhibit C/2

PT TOWER BERSAMA INFRASTRUCTURE Tbk DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR 30 SEPTEMBER 2018
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED 30 SEPTEMBER 2018
(Expressed in million Rupiah, unless otherwise stated)

	Penghasilan komprehensif lain/ Other comprehensive income					Saldo laba/ Retained earnings							
	Tambahan modal disor - Bersih/ Additional/ paid-in capital - Net	Saham treasury stock	Surplus revaluasi/ Revaluation surplus	Cadangan lindung nilai arus kas/ Cash flows hedging reserves	Perubahan nilai wajar investasi - tersedia untuk dijual/ Change in fair value - available for sale	Selisih translasi atas mata uang asing/ Difference translation of foreign currency	Kerugian aktuarial/ Actuarial loss	Cadangan wajib/ Statutory reserves	Belum ditentukan penggunaan/ Unappropriated parent company equity holder of	Jumlah ekuitas yang diatribusikan kepada pemilik entitas induk/ Total equity attribute to consolidated equity	Kepentingan non-pengendali/ Non-controlling interest	Jumlah ekuitas konsolidasi/ Total consolidated equity	
Saldo per 1 Januari 2018	453.140 (	309.548) (	467.618)	3.102.433 (	920.889) (	15.780) (	62.126) (	8.946)	60.100	1.256.573	3.088.030	97.050	3.185.080
Laba periode berjalan	-	-	-	-	-	-	-	-	-	623.454	623.454	7.087	630.551
Surplus revaluasi (Catatan 12)	-	-	-	70.665	-	-	-	-	-	-	70.665 (	6.516)	64.149
Selisih penyusutan nilai wajar dengan biaya perolehan	-	-	- (	77.010)	-	-	-	-	-	77.010	-	-	-
Cadangan lindung nilai anskas (Catatan 29a)	-	-	-	-	765.273	-	-	-	-	-	765.273	9.478	774.751
Perubahan nilai wajar investasi - tersedia untuk dijual (Catatan 29b)	-	-	-	-	-	12.514	-	-	-	-	12.514	102	12.616
Selisih transaksi atas mata uang asing (Catatan 29b)	-	-	-	-	-	-	(	126)	-	-	(	126)	-
Keuntungan aktuarial (Catatan 33)	-	-	-	-	-	-	-	6.783	-	-	6.783	80	6.863
Saham treasury (Catatan 27)	-	- (	450.872)	-	-	-	-	-	-	(	450.872)	-	450.872)
Cadangan wajib (Catatan 34)	-	-	-	-	-	-	-	-	1.000 (	1.000)	-	-	-
Pembagian dividen tunai - entitas anak (Catatan 34)	-	-	-	-	-	-	-	-	-	-	-	(	10.377)
Pembagian dividen tunai (Catatan 34)	-	-	-	-	-	-	-	-	-	750.000)	750.000)	-	750.000)
Selisih transaksi dengan pihak non-pengendali (Catatan 28)	- (	49.754)	-	-	-	-	-	-	-	-	49.754)	30.298)	80.052)
Saldo per 30 September 2018	453.140 (	359.302) (	918.490)	3.096.088	154.925) (	3.268) (	62.252) (	2.163)	61.100	1.206.037	3.315.987	66.616	3.382.583

Ekshibit D

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit D

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

	Catatan/ Notes	30 September/ 30 September 2019	30 September/ 30 September 2018	
ARUS KAS DARI AKTIVITAS OPERASI				CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan kas dari pelanggan		3.954.052	3.405.836	Cash received from customers
Penerimaan jasa giro		8.199	6.929	Interest received from current accounts
Pembayaran kas ke karyawan		(187.778)	(198.413)	Cash paid to employees
Pembayaran pajak penghasilan		(199.554)	(139.822)	Payments of income tax
Pembayaran kas ke pemasok		(325.303)	(461.024)	Cash paid to supplier
Kas bersih				Net cash flows
diperoleh dari aktivitas operasi		<u>3.249.616</u>	<u>2.613.506</u>	provided by operating activities
ARUS KAS DARI AKTIVITAS INVESTASI				CASH FLOWS FROM INVESTING ACTIVITIES
Penjualan aset tetap	12	-	18.647	Sale proceeds of property and equipment
Pelepasan investasi saham		-	1.817	Sale of shares investment
Pembelian obligasi wajib tukar		- (	64.350)	Purchases of mandatory exchangeable bonds
Pembelian saham	28	- (	157.492)	Purchase shares
Penambahan properti investasi	13	(4.419)	(3.401)	Acquisition of property investment
Pembayaran sewa lahan				Payments for land lease
Sewa baru	14	(90.181)	(146.836)	New lease
Sewa perpanjangan	14	(155.446)	(151.208)	Renewal lease
Penambahan aset tetap	12	(1.314.054)	(1.163.180)	Acquisition of property and equipment
Kas bersih				Net cash flows
yang digunakan untuk aktivitas investasi		<u>(1.564.100)</u>	<u>(1.666.003)</u>	used in investing activities
ARUS KAS DARI AKTIVITAS PENDANAAN				CASH FLOWS FROM FINANCING ACTIVITIES
Pencairan pinjaman bank	24	8.828.618	3.000.980	Withdrawals of bank loans
Penerbitan surat utang	25	750.000	608.000	Issuance of notes
Penerimaan derivatif	16	452.727	1.014.857	Derivative settlement receive
Penerimaan dari				Proceeds from
penerbitan saham baru - entitas anak		32.580	-	the issuance of new shares - subsidiaries
Penerimaan dari pihak berelasi	6	1.200	-	Receipt from related party
Pembelian kembali saham	34	- (	4.995)	Share repurchase
Pembayaran biaya terkait				Payment of fees related to
penerbitan saham baru - entitas anak	34	(1.625)	-	the issuance of new shares - subsidiaries
Pembayaran sewa pembiayaan	23	(5.136)	(3.577)	Payments of finance lease
Pembayaran dividen - entitas anak	34	(9.197)	-	Dividend payment - subsidiaries
Saham treasuri	27	(42.889)	(450.872)	Treasury stock
Pembayaran dividen	34	(600.000)	(760.377)	Dividend payment
Pembayaran bunga dan biaya pinjaman jangka panjang dan surat utang	24,25	(1.668.860)	(1.609.292)	Payments of interest and cost of borrowing for long-term loan and notes
Pembayaran pinjaman bank dan surat utang jangka panjang	24,25	(9.306.781)	(2.866.979)	Payments of bank loans and long-term notes
Kas bersih				Net cash flows
yang digunakan untuk aktivitas pendanaan		<u>(1.569.363)</u>	<u>(1.072.255)</u>	used in financing activities

Lihat Catatan atas Laporan Keuangan Konsolidasian Interim pada Ekshibit E terlampir yang merupakan bagian tidak terpisahkan dari Laporan Keuangan Konsolidasian Interim secara keseluruhan *See accompanying Notes to Interim Consolidated Financial Statements on Exhibit E which are an integral part of the Interim Consolidated Financial Statements taken as a whole*

Ekshibit D/2

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

Exhibit D/2

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

	Catatan/ Notes	30 September/ 30 September 2019	30 September/ 30 September 2018	
Pengaruh perubahan kurs mata uang asing pada kas dan setara kas		(3.377)	10.720	Effect from changes in foreign exchange rates on cash and cash equivalents
KENAIKAN (PENURUNAN) BERSIH KAS DAN SETARA KAS		112.776	(114.032)	NET INCREASE (DECREASE) ON CASH AND CASH EQUIVALENTS
KAS DAN SETARA KAS PADA AWAL TAHUN		220.586	407.444	CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR
KAS DAN SETARA KAS PADA AKHIR PERIODE	4	333.362	293.412	CASH AND CASH EQUIVALENTS AT THE END OF PERIOD

Lihat Catatan atas Laporan Keuangan Konsolidasian Interim pada
Ekshibit E terlampir yang merupakan bagian tidak terpisahkan
dari Laporan Keuangan Konsolidasian Interim secara keseluruhan

See accompanying Notes to Interim Consolidated Financial
Statements on Exhibit E which are an integral part of
the Interim Consolidated Financial Statements taken as a whole

Ekshibit E

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

1. UMUM

a. Pendirian Perusahaan

PT Tower Bersama Infrastructure Tbk ("Perusahaan"), berdomisili di Jakarta Selatan, didirikan berdasarkan akta Notaris No. 14 tanggal 8 November 2004 yang dibuat di hadapan Notaris Dewi Himijati Tandika, S.H., Notaris di Jakarta, dan telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. C-28415HT.01.01.TH.2004 tanggal 12 November 2004. Anggaran dasar Perusahaan telah mengalami beberapa kali perubahan, terakhir berdasarkan akta Notaris No. 211 tanggal 24 Oktober 2016, dibuat di hadapan Jose Dima Satria, S.H., M.Kn., Notaris di Jakarta, mengenai penarikan kembali saham Perusahaan dengan cara pengurangan modal yang berasal dari saham treasury dan mengubah ketentuan Pasal 4 ayat (2) Anggaran Dasar Perusahaan tentang modal ditempatkan dan disetor. Perubahan anggaran dasar tersebut telah diterima dan dicatat di dalam *database* sistem Administrasi Badan Hukum Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia sebagaimana tercantum dalam Surat Keputusan No. AHU-0022051.AH.01.02. Tahun 2016 tanggal 22 November 2016. Dan tambahan terakhir, Surat Keputusan Penerimaan Pemberitahuan Perubahan Data Perusahaan Akta No. 38 AHU-AH.01.03-0142983 tanggal 17 Mei 2017.

Berdasarkan Pasal 3 dari anggaran dasar Perusahaan, kegiatan usaha Perusahaan antara lain menjalankan usaha dalam bidang jasa penunjang telekomunikasi meliputi jasa persewaan dan pengelolaan menara *Base Transceiver Station* (BTS), jasa konsultasi bidang instalasi telekomunikasi, serta melakukan investasi atau penyertaan pada perusahaan lain. Perusahaan, melalui entitas anak, telah memulai kegiatan komersialnya pada tahun 2004. Pada saat ini, kegiatan utama Perusahaan adalah melakukan investasi atau penyertaan pada entitas anak. Pada tahun laporan yang disajikan, Perusahaan tidak melakukan ekspansi atau perampingan usaha yang signifikan.

Perusahaan merupakan entitas induk grup terakhir.

Perusahaan beralamat di Gedung The Convergence Indonesia lantai 11, Kawasan Rasuna Epicentrum, Jl HR Rasuna Said, Jakarta Selatan 12940.

Exhibit E

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

1. GENERAL

a. The Company's Establishment

PT Tower Bersama Infrastructure Tbk (the "Company"), domiciled in South Jakarta, was established based on the Notarial deed No. 14 dated 8 November 2004 drawn up in the presence of Dewi Himijati Tandika, S.H., a Notary in Jakarta, and was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. C-28415.HT.01.01.TH.2004 dated 12 November 2004. The Company's articles of association have been amended several times, most recently by the Notary deed No. 211 dated 24 October 2016, drawn up in the presence of Jose Dima Satria, S.H., M.Kn., a Notary in Jakarta, regarding the Company's cancellation shares through reducing its shares capital from treasury shares and changing the Company's provision of Article 4 paragraph (2) of Article of association regarding issued and fully paid-in capital. These amendments have been accepted and registered into the database of Administrative System for Legal Entities of the Ministry of Law and Human Rights of the Republic of Indonesia as stated in his Decision Letter No. AHU-0022051.AH.01.02. Tahun 2016 dated 22 November 2016. And the last addition, Decree Receiving Notification of Amendments to Company Data Deed No. 38 AHU-AH.01.03-0142983 dated 17 May 2017.

Based on Article 3 of the Company's articles of association, the business activities of the Company, among others are to carry on the business of telecommunications support services including lease and maintenance of Base Transceiver Station (BTS), consultation service and conducting investment or participation to other companies. The Company, through its subsidiaries, commenced its commercial operations in 2004. Currently, the Company's main activity is investing in subsidiaries. In the reporting year, the Company did not conduct significant expansion or downsizing.

The Company is the ultimate parent of the group.

The Company's address is at The Convergence Indonesia, 11th floor, Kawasan Rasuna Epicentrum, Jl HR Rasuna Said, Jakarta Selatan 12940.

Ekshibit E/2

Exhibit E/2

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

1. UMUM (Lanjutan)

1. GENERAL (Continued)

b. Dewan Komisaris, Direksi, Komite Audit dan Karyawan

b. Boards of Commissioners, Directors, Audit Committee and Employees

30 September 2019 dan 31 Desember 2018

30 September 2019 and 31 December 2018

Presiden Komisaris	:	Edwin Soeryadjaya	:	President Commissioner
Komisaris	:	Winato Kartono	:	Commissioner
Komisaris Independen	:	Herry Tjahjana	:	Independent Commissioners
		Wahyuni Bahar		

Presiden Direktur & <i>Chief Operating Officer</i>	:	Herman Setya Budi	:	President Director & Chief Operating Officer
Wakil Presiden Direktur & <i>Chief Executive Officer</i>	:	Hardi Wijaya Liong	:	Vice President Director & Chief Executive Officer
Direktur & <i>Chief of Business Development</i>	:	Budianto Purwahjo	:	Director & Chief of Business Development
Direktur & <i>Chief Financial Officer</i>	:	Helmy Yusman Santoso	:	Director & Chief Financial Officer
Direktur Independen & <i>Chief of Product & Innovation</i>	:	Gusandi Sjamsudin	:	Independent Director & Chief of Product & Innovation

Susunan Komite Audit Perusahaan pada tanggal 30 September 2019 dan 31 Desember 2018 adalah sebagai berikut:

The Audit Committee of the Company as of 30 September 2019 and 31 December 2018 are as follows:

Ketua :	Wahyuni Bahar	:	Chairman
Anggota :	Aria Kanaka	:	Members
	Ignatius Andy		

Cakupan manajemen kunci Perusahaan adalah para komisaris dan direksi.

The scope of the Company's key management is the commissioners and directors.

Pada tanggal 9 Juli 2010, Perusahaan menunjuk Bapak Helmy Yusman Santoso sebagai Sekretaris Perusahaan.

On 9 July 2010, the Company appointed Mr. Helmy Yusman Santoso as the Corporate Secretary.

Sesuai dengan Peraturan No. IX.I.7, Lampiran Keputusan Ketua Bapepam-LK No. Kep-496/BL/2008 tanggal 28 November 2008 tentang Pembentukan dan Pedoman Penyusunan Piagam Unit Audit Internal yang telah diubah dengan peraturan Otoritas Jasa Keuangan (OJK) Nomor 56/POJK.04/2015 tentang Pembentukan dan Pedoman Penyusunan Piagam Unit Audit Internal, Perusahaan telah memiliki Piagam Audit Internal tanggal 10 Januari 2011. Perusahaan telah menunjuk Bapak Supriatno Arham sebagai kepala unit Audit Internal berdasarkan Surat Keputusan Direksi No. 954/TBG-SKP-00/HOS/03/XII/2014 tanggal 7 Mei 2014.

In accordance with Regulation No. IX.I.7, Decision of Chairman of Bapepam-LK No. Kep-496/BL/2008 dated 28 November 2008 on the Establishment and Development Guidelines for Internal Audit Charter, which has been changed with Otoritas Jasa Keuangan (OJK) rule No. 56/POJK.04/2015 on the Establishment and Development Guidelines for Internal Audit Charter the Company has Internal Audit Charter dated 10 January 2011. The Company appointed Mr. Supriatno Arham as the Head Of Internal Auditor based on the Directors' Decree No. 954/TBG-SKP-00/HOS/03/XII/2014 dated 7 May 2014.

Jumlah remunerasi yang dibayarkan untuk Dewan Komisaris Perusahaan untuk periode 9 (sembilan) bulan dan tahun yang berakhir pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar Rp 10.154 dan Rp 10.279.

Total remuneration paid to the Board of Commissioners of the Company for the period 9 (nine) and year ended 30 September 2019 and 31 December 2018 amounted to Rp 10,154 and Rp 10,279, respectively.

Ekshibit E/3

Exhibit E/3

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

1. **UMUM (Lanjutan)**

b. **Dewan Komisaris, Direksi, Komite Audit dan Karyawan (Lanjutan)**

Jumlah remunerasi yang dibayarkan untuk Dewan Direksi Perusahaan untuk periode 9 (sembilan) bulan dan tahun yang berakhir 30 September 2019 dan 31 Desember 2018 masing-masing sebesar Rp 24.611 dan Rp 29.559.

Pada tanggal yang berakhir 30 September 2019 dan 31 Desember 2018, Perusahaan dan entitas anak masing-masing mempekerjakan 671 karyawan dan 612 karyawan (tidak diaudit).

c. **Struktur Entitas Anak**

Perusahaan secara langsung memiliki lebih dari 50% saham di entitas anak sebagai berikut:

1. **GENERAL (Continued)**

b. **Boards of Commissioners, Directors, Audit Committee and Employees (Continued)**

Total remuneration paid to the Board of Directors of the Company for the period 9 (nine) and year ended 30 September 2019 and 31 December 2018 amounted to Rp 24,611 and Rp 29,559, respectively.

As of 30 September 2019 and 31 December 2018, the Company and subsidiaries employed 671 staffs and 612 staffs (unaudited), respectively.

c. **Structure of Subsidiaries**

The Company owns directly the shareholding greater than 50% in the following subsidiaries:

Entitas anak / <i>Subsidiaries</i>	Dimulainya kegiatan operasi/ <i>Commencement of operation</i>	Persentase kepemilikan pada 30 September/ <i>Percentage of ownership at 30 September 2019</i>	Jumlah aset sebelum eliminasi/ <i>Total assets before elimination</i>	
			2019	2018
PT Telenet Internusa	1999	99,50%	238.140	243.412
PT United Towerindo dan entitas anak/ <i>and subsidiaries</i>	2004	100,00%	545.437	516.136
PT Tower Bersama dan entitas anak/ <i>and subsidiaries</i>	2006	98,00%	15.860.993	14.718.992
PT Tower One dan entitas anak/ <i>and subsidiary</i>	2006	99,90%	440.973	460.823
PT Triaka Bersama	2010	100,00%	117.184	108.638
PT Metric Solusi Integrasi dan entitas anak/ <i>and subsidiary</i>	2010	100,00%	10.994.601	9.990.982
PT Solusi Menara Indonesia	2011	99,81%	6.466.961	7.075.500
TBG Global Pte Ltd dan entitas anak/ <i>and subsidiary</i>	2013	100,00%	5.005.500	14.689.156
PT Menara Bersama Terpadu	2013	99,99%	10.086	10.143
PT Gihon Telekomunikasi Indonesia Tbk dan entitas anak/ <i>and subsidiary</i>	2001	50,43%	574.395	485.157
PT Visi Telekomunikasi Infrastruktur Tbk dan entitas anak/ <i>and subsidiary</i>	1995	51,09%	343.581	239.216

Semua entitas anak berdomisili di Jakarta dan memiliki alamat yang sama dengan Perusahaan, kecuali TBG Global Pte. Ltd., yang berdomisili di Singapura.

All subsidiaries are domiciled in Jakarta and their address is the same as the Company's address, except for TBG Global Pte. Ltd., which is domiciled in Singapore.

Ekshibit E/4

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM (Lanjutan)**

c. **Struktur Entitas Anak (Lanjutan)**

Perusahaan melalui entitas anak memiliki kepemilikan tidak langsung lebih dari 50% pada perusahaan-perusahaan sebagai berikut:

Entitas anak / Subsidiaries	Kepemilikan melalui entitas anak/ Ownership of subsidiaries	Dimulainya kegiatan operasi/ Commencement of operation	Persentase kepemilikan pada 30 September/ Percentage of ownership at 30 September 2019	Jumlah aset sebelum eliminasi/ Total assets before elimination	
				2019	2018
PT Batavia Towerindo	PT United Towerindo dan/ and PT Tower Bersama	2006	99,80%	176.014	161.955
PT Selaras Karya Makmur	PT United Towerindo	2013	75,00%	52	52
PT Prima Media Selaras	PT Tower Bersama	2003	100,00%	235.522	212.251
PT Bali Telekom	PT Tower One	2003	100,00%	336.652	345.991
PT Solu Sindo Kreasi Pratama	PT Metric Solusi Integrasi	1999	99,71%	10.717.686	9.155.342
PT Mitrayasa Sarana Informasi	PT Tower Bersama dan/ and PT Solu Sindo Kreasi Pratama	2004	100,00%	1.048.838	981.932
PT Towerindo Konvergensi	PT Tower Bersama	2009	100,00%	426.804	416.868
PT Jaringan Pintar Indonesia	PT Tower Bersama	2015	83,44%	34.745	35.368
PT Infrastruktur Digital Indonesia	PT Tower Bersama	2017	90,00%	495	507
Tower Bersama Singapore Pte Ltd	TBG Global Pte Ltd	2012	100,00%	7.163.824	7.396.111
PT Gihon Lima Jaya	PT Gihon Telekomunikasi Indonesia Tbk	2018	99,00%	1.251	1.251
PT Permata Karya Perdana	PT Visi Telekomunikasi Infrastruktur Tbk	2013	99,99%	334.068	238.437

Berikut adalah keterangan dari masing-masing entitas anak.

c.1 **PT Telenet Internusa**

PT Telenet Internusa ("TI") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 8 tanggal 6 September 1999, dibuat dihadapan Dr. Wiratni Ahmadi, S.H, Notaris di Bandung.

Akta Pendirian TI telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. C-18566.HT.01.01.TH. 2001 tanggal 6 November 2001 dan akta tersebut telah diumumkan dalam Berita Negara Republik Indonesia No. 15 tanggal 21 Februari 2006, Tambahan No. 1896.

Exhibit E/4

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

1. **GENERAL (Continued)**

c. **Structure of Subsidiaries (Continued)**

The Company owns indirectly through subsidiaries the shareholdings greater than 50% in the following companies:

Entitas anak / Subsidiaries	Kepemilikan melalui entitas anak/ Ownership of subsidiaries	Dimulainya kegiatan operasi/ Commencement of operation	Persentase kepemilikan pada 30 September/ Percentage of ownership at 30 September 2019	Jumlah aset sebelum eliminasi/ Total assets before elimination	
				2019	2018
PT Batavia Towerindo	PT United Towerindo dan/ and PT Tower Bersama	2006	99,80%	176.014	161.955
PT Selaras Karya Makmur	PT United Towerindo	2013	75,00%	52	52
PT Prima Media Selaras	PT Tower Bersama	2003	100,00%	235.522	212.251
PT Bali Telekom	PT Tower One	2003	100,00%	336.652	345.991
PT Solu Sindo Kreasi Pratama	PT Metric Solusi Integrasi	1999	99,71%	10.717.686	9.155.342
PT Mitrayasa Sarana Informasi	PT Tower Bersama dan/ and PT Solu Sindo Kreasi Pratama	2004	100,00%	1.048.838	981.932
PT Towerindo Konvergensi	PT Tower Bersama	2009	100,00%	426.804	416.868
PT Jaringan Pintar Indonesia	PT Tower Bersama	2015	83,44%	34.745	35.368
PT Infrastruktur Digital Indonesia	PT Tower Bersama	2017	90,00%	495	507
Tower Bersama Singapore Pte Ltd	TBG Global Pte Ltd	2012	100,00%	7.163.824	7.396.111
PT Gihon Lima Jaya	PT Gihon Telekomunikasi Indonesia Tbk	2018	99,00%	1.251	1.251
PT Permata Karya Perdana	PT Visi Telekomunikasi Infrastruktur Tbk	2013	99,99%	334.068	238.437

The followings are the information about the subsidiaries.

c.1 **PT Telenet Internusa**

PT Telenet Internusa ("TI") is a Limited Liability Company established in Indonesia based on the deed of establishment No. 8 dated 6 September 1999, drawn up in the presence of Dr. Wiratni Ahmadi, S.H, a Notary in Bandung.

TI's deed of Establishment was approved by the Ministry of Law and Human Rights the Republic of Indonesia in his Decree No. C-18566.HT.01.01.TH. 2001 dated 6 November 2001 and was published in the State Gazette Republic Indonesia No. 15 dated 21 February 2006, Supplement No.1896.

Ekshibit E/5

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM** (Lanjutan)

c. **Struktur Entitas Anak** (Lanjutan)

c.1 **PT Telenet Internusa** (Lanjutan)

Anggaran dasar TI telah mengalami beberapa kali perubahan, terakhir dengan Akta No. 82 tanggal 23 Desember 2010, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-01618.AH.01.02 Tahun 2011 tanggal 12 Januari 2011.

Berdasarkan Pasal 3 dari anggaran dasar TI, ruang lingkup usaha TI adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan, industri, pertambangan dan transportasi darat.

c.2 **PT United Towerindo dan entitas anak**

PT United Towerindo ("UT") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 40 tanggal 30 Juni 2004, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian UT telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. C-18090.HT.01.01.TH.2004 tanggal 20 Juli 2004 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 65 tanggal 13 Agustus 2004, Tambahan No. 7930.

Anggaran dasar UT telah mengalami beberapa kali perubahan, terakhir dengan akta No. 84 tanggal 23 Desember 2010, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-05395. AH.01.02.Tahun 2011 tanggal 1 Februari 2011.

Berdasarkan Pasal 3 dari anggaran dasar UT, ruang lingkup usaha UT adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan, industri, pertambangan dan transportasi darat.

UT memiliki 2 (dua) entitas anak yaitu PT Batavia Towerindo dan PT Selaras Karya Makmur.

Exhibit E/5

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

1. **GENERAL** (Continued)

c. **Structure of Subsidiaries** (Continued)

c.1 **PT Telenet Internusa** (Continued)

TI's articles of association have been amended several times, the latest amendment was based on Deed No. 82 dated 23 December 2010, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-01618. AH.01.02 Tahun 2011 dated 12 January 2011.

In accordance with Article 3 of TI articles of association, the scope of TI's activities involves services (except services in law and tax), developments, trades, industries, mines and transportation.

c.2 **PT United Towerindo and subsidiaries**

PT United Towerindo ("UT") is a Limited Liability Company established in Indonesia based on the deed of establishment No. 40 dated 30 June 2004, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta. UT's deed of establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. C-18090.HT.01.01. TH.2004 dated 20 July 2004 and was published in the State Gazette of the Republic of Indonesia No. 65 dated 13 August 2004, Supplement No. 7930.

UT's articles of association have been amended several times, the latest amendment was based on deed No. 84 dated 23 December 2010, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-05395.AH. 01.02.Tahun 2011 dated 1 February 2011.

In accordance with Article 3 of UT's articles of association, the scope of its activities involves services (except services in law and tax), developments, trades, industries, mines and transportation.

UT has 2 (two) subsidiaries company which are PT Batavia Towerindo and PT Selaras Karya Makmur.

Ekshibit E/6

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM (Lanjutan)**

c. **Struktur Entitas Anak (Lanjutan)**

c.3 **PT Tower Bersama dan entitas anak**

PT Tower Bersama ("TB") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 5 tanggal 4 Juli 2006, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian TB telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. C-20821.HT.01.01.TH.2006 tanggal 17 Juli 2006 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 104 tanggal 29 Desember 2006, Tambahan No.13530.

Anggaran dasar TB telah mengalami beberapa kali perubahan, terakhir dengan akta No. 79 tanggal 23 Desember 2010, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-03025.AH.01.02. Tahun 2011 tanggal 19 Januari 2011.

Berdasarkan Pasal 3 dari anggaran dasar TB, ruang lingkup usaha entitas anak adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan dan industri.

TB memiliki 5 (lima) entitas anak yaitu PT Prima Media Selaras, PT Mitrayasa Sarana Informasi PT Towerindo Konvergensi, PT Jaringan Pintar Indonesia dan PT Infrastruktur Digital Indonesia dimiliki oleh PT Tower Bersama masing-masing sejak Juni 2008, 8 Agustus 2011, 7 Oktober 2011, 4 Oktober 2016 dan 26 Juli 2017.

c.4 **PT Tower One dan entitas anak**

PT Tower One ("TO") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 6 tanggal 21 September 2006, dibuat dihadapan Angela Meilany Basiroen, S.H, Notaris di Jakarta.

Akta pendirian TO telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. W7-03499.HT.01.01-TH.2006 tanggal 8 Desember 2006 dan akta tersebut telah diumumkan dalam Berita Negara Republik Indonesia No. 63 tanggal 7 Agustus 2009, Tambahan No. 21141.

Exhibit E/6

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

1. **GENERAL (Continued)**

c. **Structure of Subsidiaries (Continued)**

c.3 **PT Tower Bersama and subsidiaries**

PT Tower Bersama ("TB") is a Limited Liability Company established in Indonesia based on the deed of establishment No. 5 dated 4 July 2006, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta. TB's deed of establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia No. C-20821.HT.01.01.TH.2006 dated 17 July 2006 and was published in the State Gazette of the Republic of Indonesia in his Decree No. 104 dated 29 December 2006, Supplement No. 13530.

TB's articles of association have been amended several times, the latest amendment was based on deed No. 79 dated 23 December 2010, drawn up in the presence of Darmawan Tjoa, SH, SE, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia No. AHU-03025.AH.01.02. Tahun 2011 dated 19 January 2011.

In accordance with Article 3 of TB's articles of association, the scope of its activities involves services (except services in law and tax), developments, trades and industries.

TB has 5 (five) subsidiaries companies which are PT Prima Media Selaras, PT Mitrayasa Sarana Informasi, PT Towerindo Konvergensi, PT Jaringan Pintar Indonesia and PT Infrastruktur Digital Indonesia were acquired by PT Tower Bersama on June 2008, 8 August 2011, 7 October 2011, 4 October 2016, and 26 July 2017, respectively.

c.4 **PT Tower One and subsidiary**

PT Tower One ("TO") is a Limited Liability Company established in Indonesia based on the Deed of Establishment No. 6 dated 21 September 2006, drawn up in the presence of Angela Meilany Basiroen, S.H, a Notary in Jakarta.

TO's deed of establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. W7-03499.HT.01.01-TH.2006 dated 8 December 2006 and was published in the State Gazette of the Republic of Indonesia in his Decree No. 63 dated 7 August 2009, Supplement No. 21141.

Ekshibit E/7

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM** (Lanjutan)

c. **Struktur Entitas Anak** (Lanjutan)

c.4 **PT Tower One dan entitas anak** (Lanjutan)

Anggaran dasar TO telah mengalami beberapa kali perubahan, terakhir dengan Akta No. 83 tanggal 23 Desember 2010, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan Anggaran Dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-02877.AH.01.02. Tahun 2011 tanggal 19 Januari 2011. Berdasarkan Pasal 3 dari anggaran dasar TO, ruang lingkup usaha TO adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan dan industri.

TO memiliki entitas anak yaitu PT Bali Telekom.

c.5 **PT Triaka Bersama**

PT Triaka Bersama ("TRB") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 33 tanggal 15 Mei 2009, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian TRB telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-24774.AH.01.01. Tahun 2009 tanggal 5 Juni 2009 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 63 tanggal 7 Agustus 2009, Tambahan No. 20847.

Anggaran dasar TRB terakhir diubah dengan akta No. 69 tanggal 22 September 2014, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-08616.40.20.2014 tanggal 26 September 2014.

Berdasarkan Pasal 3 dari anggaran dasar TRB, ruang lingkup usaha TRB adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan dan industri.

Exhibit E/7

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

1. **GENERAL** (Continued)

c. **Structure of Subsidiaries** (Continued)

c.4 **PT Tower One and subsidiary** (Continued)

TO's articles of association have been amended several times, the latest amendment was based on Deed No. 83 dated 23 December 2010, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-02877.AH.01.02. Tahun 2011 dated 19 January 2011. In accordance with Article 3 of TO's articles of association, the scope of its activities involves services (except services in law and tax), developments, trades and industries.

TO has a subsidiary company which is PT Bali Telekom.

c.5 **PT Triaka Bersama**

PT Triaka Bersama ("TRB") is a Limited Liability Company established in Indonesia based on the deed of establishment No. 33 dated 15 May 2009, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta. TRB's Deed of Establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-24774.AH.01.01. Tahun 2009 dated 5 June 2009 and was published in the State Gazette of the Republic of Indonesia No. 63 dated 7 August 2009, Supplement No. 20847.

TRB's articles of association were last amended by the deed No.69 dated 22 September 2014, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-08616.40.20.2014 dated 26 September 2014.

In accordance with Article 3 of TRB's articles of association, the scope of its activities involves services (except services in law and tax), developments, trades and industries.

Ekshibit E/8

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM (Lanjutan)**

c. **Struktur Entitas Anak (Lanjutan)**

c.6 **PT Metric Solusi Integrasi dan entitas anak**

PT Metric Solusi Integrasi ("MSI") adalah suatu Perseroan Terbatas didirikan di Indonesia berdasarkan akta pendirian No. 20 tanggal 12 Maret 2010, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian MSI telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-13915.AH.01.01. Tahun 2010 tanggal 18 Maret 2010. Anggaran dasar MSI telah mengalami beberapa kali perubahan. Terakhir dengan akta No. 23 tanggal 9 Oktober 2015, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-0943991.AH.01.02 Tahun 2015 tanggal 16 Oktober 2015.

Berdasarkan Pasal 3 dari anggaran dasar MSI, ruang lingkup usaha MSI adalah berusaha dalam jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan dan industri.

MSI memiliki entitas anak yaitu PT Solu Sindo Kreasi Pratama.

c.7 **PT Solusi Menara Indonesia**

PT Solusi Menara Indonesia ("SMI") adalah suatu Perseroan Terbatas yang didirikan di Indonesia berdasarkan Akta pendirian No. 77 tanggal 19 Desember 2011, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian SMI telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia sesuai dengan Surat Keputusan No. AHU-63259.AH.01.01. Tahun 2011 tanggal 22 Desember 2011.

Anggaran dasar SMI terakhir diubah dengan akta No. 18 tanggal 8 Oktober 2014, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta, mengenai peningkatan modal dasar, modal ditempatkan dan modal disetor. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-09810.40.20.2014 tanggal 21 Oktober 2014.

Berdasarkan Pasal 3 dari anggaran dasar SMI, ruang lingkup usaha SMI adalah berusaha dalam bidang jasa (kecuali jasa di bidang hukum dan pajak), pembangunan, perdagangan dan industri.

Exhibit E/8

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

1. **GENERAL (Continued)**

c. **Structure of Subsidiaries (Continued)**

c.6 **PT Metric Solusi Integrasi and subsidiary**

PT Metric Solusi Integrasi ("MSI") is a Limited Liability Company established in Indonesia based on the deed of establishment No. 20 dated 12 March 2010 drawn up in the presence of Darmawan Tjoa, SH, SE, a Notary in Jakarta. MSI's deed of establishment was approved by the Ministry of Law and Human Rights the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-13915.AH.01.01. Tahun 2010 dated 18 March 2010. MSI's articles of association have been amended several times. The latest amendment was based on deed No. 23 dated 9 October 2015, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-0943991.AH.01.02 Tahun 2015 dated 16 October 2015.

In accordance with Article 3 of MSI's articles of association, the scope of its activities involves services (except services in law and tax), developments, trades and industries.

MSI has a subsidiary company which is PT Solu Sindo Kreasi Pratama.

c.7 **PT Solusi Menara Indonesia**

PT Solusi Menara Indonesia ("SMI") is a Limited Liability Company established in Indonesia under the deed of establishment No. 77 dated 19 December 2011, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta. SMI's Deed of Establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-63259. AH.01.01. Tahun 2011 dated 22 December 2011.

SMI's articles of association have been amended based on the deed No. 18 dated 8 October 2014, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta, regarding increasing authorized capital, issued capital and fully paid-up capital. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-09810.40.20.2014 dated 21 October 2014.

According to Article 3 of SMI's articles of association, the scope of its business involves services (except services in law and tax), developments, trades and industries.

Ekshibit E/9

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM (Lanjutan)**

c. **Struktur Entitas Anak (Lanjutan)**

c.8 **TBG Global Pte Ltd. dan entitas anak**

TBG Global Pte Ltd. ("TBGG") adalah suatu Perseroan Terbatas yang didirikan berdasarkan hukum Negara Singapura sesuai dengan nomor pendaftaran 201302879K di tahun 2013.

TBGG memiliki entitas anak yaitu Tower Bersama Singapore Pte Ltd.

c.9 **PT Menara Bersama Terpadu**

PT Menara Bersama terpadu ("MBT") adalah suatu Perseroan Terbatas yang didirikan di Indonesia berdasarkan akta pendirian No. 11 tanggal 8 Januari 2013, dibuat dihadapan Darmawan Tjoa, S.H, S.E, Notaris di Jakarta. Akta pendirian MBT telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia sesuai dengan Surat Keputusan No. AHU-02685.AH.01.01.Tahun 2013 tanggal 25 Januari 2013.

Berdasarkan Pasal 3 dari anggaran dasar MBT, ruang lingkup usaha MBT adalah berusaha dalam bidang jasa (kecuali jasa dibidang hukum dan pajak), pembangunan, perdagangan dan industri.

c.10 **PT Gihon Telekomunikasi Indonesia Tbk dan entitas anak**

PT Gihon Telekomunikasi Indonesia Tbk ("GHON"), bertempat kedudukan di Jakarta, didirikan berdasarkan akta Notaris Nurmiati, S.H., No. 58 tanggal 27 April 2001 dan telah mendapat pengesahan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. C-00679.HT.01.01.TH.2001 tanggal 10 Mei 2001.

Anggaran dasar GHON telah mengalami beberapa kali perubahan dan yang terakhir berdasarkan Akta Notaris Jose Dima Satria S.H., M.Kn., Notaris di Kota Jakarta, No. 76 tanggal 29 Juni 2018, mengenai hasil keputusan rapat umum pemegang saham. Perubahan anggaran dasar tersebut telah memperoleh persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia sebagaimana tercantum dalam Surat Keputusan No. AHU-AH.01.03-0225282 tanggal 24 Juli 2018.

Berdasarkan pasal 3 dari anggaran dasar GHON, kegiatan usaha GHON adalah menjalankan usaha dalam bidang jasa penunjang telekomunikasi, meliputi jasa persewaan dan pengelolaan menara Base Transceiver Station (BTS) atau menara telekomunikasi serta sarana telekomunikasi dan jasa konsultasi bidang instalasi telekomunikasi.

GHON memiliki entitas anak yaitu PT Gihon Lima Jaya

Exhibit E/9

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

1. **GENERAL (Continued)**

c. **Structure of Subsidiaries (Continued)**

c.8 **TBG Global Pte Ltd. and subsidiary**

TBG Global Pte Ltd. ("TBGG") is a Limited Liability Company incorporated under the law of Republic of Singapore based on registration number 201302879K in 2013.

TBGG has a subsidiary company which is Tower Bersama Singapore Pte Ltd.

c.9 **PT Menara Bersama Terpadu**

PT Menara Bersama Terpadu ("MBT") is a Limited Liability Company Incorporated in Indonesia under deed of establishment No. 11 dated 8 January 2013, drawn up in the presence of Darmawan Tjoa, S.H, S.E, a Notary in Jakarta. MBT's deed establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-02685.AH.01.01.Tahun 2013 dated 25 January 2013.

According to Article 3 of MBT's articles of association, the scope of its business involves services (except services in law and tax), developments, trades and industries.

c.10 **PT Gihon Telekomunikasi Indonesia Tbk and subsidiary**

PT Gihon Telekomunikasi Indonesia Tbk ("GHON") was established in Jakarta, based on the Notarial deed Nurmiati, S.H., No. 58 dated 27 April 2001 and was approved by the Ministry of Law and Human Rights based on its Decision Letter No. C-00679.HT.01.01.TH.2001 dated 10 May 2001.

GHON's articles of association has been amended several times, the latest based on Notarial Jose Dima Satria, S.H., M.Kn., Notary in Jakarta, No. 76 dated 29 June 2018, regarding circular resolution of the general meeting of shareholders. The amendment was approved which later approved by Minister of Law and Human Rights of Republic Indonesia on its Decision Letter No. AHU-AH.01.03-0225282 dated 24 July 2018.

Based on Article 3 of GHON's articles of association, the main business activities of GHON is telecommunications support services including rental and maintenance of Base Transceiver Station (BTS) towers or telecommunication towers also the telecommunication facilities and consultation service for telecommunication installation.

GHON has a subsidiary company which is PT Gihon Lima Jaya

Ekshibit E/10

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM** (Lanjutan)

c. **Struktur Entitas Anak** (Lanjutan)

c.11 **PT Visi Telekomunikasi Infrastruktur Tbk dan entitas anak**

PT Visi Telekomunikasi Infrastruktur Tbk ("GOLD"), dahulu didirikan dengan nama PT Bima Nuansa Cempaka berdasarkan Akta Notaris Afdal Gazali, S.H., No. 136 tanggal 8 November 1995 dan telah mendapat pengesahaan dari Menteri Kehakiman Republik Indonesia berdasarkan Surat Keputusan No. C2-17.467.HT.01.01 Tahun 1995 tanggal 29 Desember 1995 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 36, Tambahan No. 4144 tanggal 3 Mei 1996. Berdasarkan Akta Notaris No. 120 tanggal 26 Mei 2016 dari Hasbullah Abdul Rasyid, S.H., M.Kn., Notaris di Jakarta, nama Entitas Induk diubah menjadi PT Visi Telekomunikasi Infrastruktur Tbk. Akta tersebut telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan Surat Keputusan No. AHU-0011039.AH.01.02. Tahun 2016 tanggal 10 Juni 2016 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 59, Tambahan No. 12851 tanggal 26 Juli 2016.

Anggaran Dasar GOLD telah mengalami beberapa kali perubahan, terakhir berdasarkan Akta Notaris Jimmy Tanal, S.H., M.Kn., No. 206 tanggal 28 Agustus 2019, sehubungan dengan peningkatan modal ditempatkan dan disetor. Perubahan tersebut telah dilaporkan kepada Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan Surat No. AHU.AH.01.03-0337750 tertanggal 26 September 2019.

Berdasarkan pasal 3 anggaran dasar GOLD, ruang lingkup kegiatan GOLD adalah dalam bidang jasa penyediaan infrastruktur telekomunikasi, termasuk melakukan investasi atau penyertaan pada perusahaan lain yang bergerak di bidang kegiatan penunjang telekomunikasi dan berusaha dalam bidang jasa, khususnya jasa penunjang telekomunikasi.

GOLD memiliki entitas anak yaitu PT Permata Karya Perdana.

Exhibit E/10

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

1. **GENERAL** (Continued)

c. **Structure of Subsidiaries** (Continued)

c.11 **PT Visi Telekomunikasi Infrastruktur Tbk and subsidiary**

PT Visi Telekomunikasi Infrastruktur Tbk ("GOLD") formerly was established by name PT Bima Nuansa Cempaka based on the Notarial deed Afdal Gazali, S.H., No. 136 dated 8 November 1995 and was approved by the Ministry of Justice based on its Decision Letter No. C2-17.467.HT.01.01 Year 1995 dated 29 December 1995 and was published in the Official Gazette of the Republic of Indonesia No. 36, Supplement No. 4144 dated 3 May 1996. Based on Notarial Deed No. 120 dated 26 May 2016 from Hasbullah Abdul Rasyid, S.H., M.Kn., Notary in Jakarta, the name of the Parent Entity was changed to PT Visi Telekomunikasi Infrastruktur Tbk. The deed was approved by the Minister of Law and Human Rights of the Republic of Indonesia based on Decree No. AHU-0011039.AH.01.02. Tahun 2016 dated 10 June 2016 and has been announced in the State Gazette of the Republic of Indonesia No. 59, Supplement No. 12851 dated 26 July 2016.

GOLD's Articles of Association have been amended several times, most recently based on Jimmy Tanal, S.H., M.Kn., Notarial Deed, No. 206 dated 28 August 2019, in connection with an increase in issued and paid-up capital. These changes have been reported to the Ministry of Law and Human Rights of the Republic of Indonesia based on Letter No. AHU.AH.01.03-0337750 dated 26 September 2019.

Based on Article 3 of the GOLD's articles of association, the scope of GOLD activities is in the field of providing telecommunications infrastructure services, including investing or participating in similar companies engaged in telecommunication support activities and business in the field of services, particularly telecommunications support services.

GOLD has a subsidiary company which is PT Permata Karya Perdana.

Ekshibit E/11

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

1. **UMUM (Lanjutan)**

d. **Penawaran Umum Saham**

Pada tanggal 15 Oktober 2010, Perusahaan memperoleh pernyataan efektif dari Ketua Badan Pengawas Pasar Modal dan Lembaga Keuangan (Bapepam-LK) dengan suratnya No. S-9402/BL/2010 untuk melakukan penawaran umum sebanyak 551.111.000 saham dengan nilai nominal Rp 100 (nilai penuh) per saham kepada masyarakat melalui Bursa Efek Indonesia dengan harga penawaran perdana sebesar Rp 2.025 (nilai penuh) per saham. Pada tanggal 26 Oktober 2010, seluruh saham tersebut telah dicatatkan di Bursa Efek Indonesia.

e. **Penawaran Umum Obligasi**

Pada tanggal 24 Mei 2019, Perusahaan menerbitkan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap III Tahun 2019 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan III Tahap III") sebesar 8,0% per tahun. Nominal Obligasi Berkelanjutan III Tahap III ini adalah sebesar Rp 750.000 (Catatan 25). Obligasi ini dicatatkan pada Bursa Efek Indonesia pada tanggal 27 Mei 2019.

Pada tanggal 18 Oktober 2018, Perusahaan menerbitkan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap II Tahun 2018 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan III Tahap II") sebesar 8,5% per tahun. Nominal Obligasi Berkelanjutan III Tahap II ini adalah sebesar Rp 628.000 (Catatan 25). Obligasi ini dicatatkan pada bursa efek Indonesia pada tanggal 19 Oktober 2018.

Pada bulan Juni 2018, Perusahaan menawarkan kepada masyarakat Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap I Tahun 2018 dengan jumlah pokok obligasi sebesar Rp 608.000 (Catatan 25). Obligasi ini dicatatkan pada Bursa Efek Indonesia pada tanggal 6 Juli 2018.

Pada bulan September 2017, Perusahaan menawarkan kepada masyarakat Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap III Tahun 2017 dengan jumlah pokok obligasi sebesar Rp 700.000 (Catatan 25). Obligasi ini dicatatkan pada Bursa Efek Indonesia pada tanggal 19 September 2017.

Pada bulan April 2017, Perusahaan menawarkan kepada masyarakat Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap II Tahun 2017 dengan jumlah pokok obligasi sebesar Rp 700.000 (Catatan 25). Obligasi ini dicatatkan pada Bursa Efek Indonesia pada tanggal 25 April 2017.

Pada bulan Juni 2016, Perusahaan menawarkan kepada masyarakat Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap I Tahun 2016 dengan jumlah pokok obligasi sebesar Rp 230.000 (Catatan 25), yang dinyatakan efektif oleh Otoritas Jasa Keuangan (OJK) pada tanggal 24 Juni 2016 berdasarkan Surat Keputusan No. S-316/D.04/2016. Obligasi ini dicatatkan pada Bursa Efek Indonesia pada tanggal 11 Juli 2016.

Exhibit E/11

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

1. **GENERAL (Continued)**

d. **Share Public Offering**

On 15 October 2010, the Company received an effective statement from the Chairman of the Capital Market and Financial Institution Supervisory Agency (Bapepam-LK) in its Decision Letter No. S-9402/BL/2010 to offer 551,111,000 of its shares to the public with par value of Rp 100 (full amount) per share through the Indonesia Stock Exchange, at an initial offering price of Rp 2,025 (full amount) per share. On 26 October 2010, those shares were listed on the Indonesia Stock Exchange.

e. **Bonds Offering**

On 24 May 2019, the Company issued Continuous Bonds III phase III Year 2019 with a Fixed Interest Rate ("Continuous Bonds III Phase III") of 8.0% per annum. The Continuous Bonds III Phase III has a total principal of Rp 750,000 (Note 25). These bonds are listed on the Indonesia stock exchange on 27 May 2019.

On 18 October 2018, the Company issued Continuous Bonds III phase II Year 2018 with a Fixed Interest Rate ("Continuous Bonds III Phase II") of 8.5% per annum. The Continuous Bonds III Phase II has a total principal of Rp 628,000 (Note 25). These bonds are listed on the Indonesia stock exchange on 19 October 2018.

In June 2018, the Company offered to the public Continuous Bonds III Tower Bersama Infrastructure Phase I Year 2018 with nominal value of Rp 608,000 (Note 25) bonds. On 6 July 2018 these bonds were listed on the Indonesia Stock Exchange.

In September 2017, the Company offered to the public Continuous Bonds II Tower Bersama Infrastructure Phase III Year 2017 with nominal value of Rp 700,000 (Note 25). On 19 September 2017, these bonds were listed on the Indonesia Stock Exchange.

In April 2017, the Company offered to the public Continuous Bonds II Tower Bersama Infrastructure Phase II Year 2017 with nominal value of Rp 700,000 (Note 25). On 25 April 2017, these bonds were listed on the Indonesia Stock Exchange.

In June 2016, the Company offered to the public Continuous Bonds II Tower Bersama Infrastructure Phase I Year 2016 with nominal value of Rp 230,000 (Note 25), which was approved to be effective by Otoritas Jasa Keuangan (OJK) on 24 June 2016 based on the Decision Letter No. S-316/D.04/2016. On 11 July 2016, these bonds were listed on the Indonesia Stock Exchange.

Ekshibit E/12

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN

a. Dasar penyajian laporan keuangan konsolidasian

Laporan keuangan konsolidasian ini telah disajikan sesuai dengan standar akuntansi keuangan di Indonesia yang mencakup Pernyataan Standar Akuntansi Keuangan (PSAK) serta peraturan Badan Pengawas Pasar Modal dan Lembaga Keuangan (Bapepam-LK, yang fungsinya dialihkan kepada Otoritas Jasa Keuangan ("OJK") sejak tanggal 1 Januari 2013) yaitu Peraturan No. VIII.G.7 Lampiran Keputusan Ketua Bapepam-LK No. KEP-347/BL/2012 tanggal 25 Juni 2012 tentang "Pedoman Penyajian Laporan Keuangan".

Laporan keuangan konsolidasian disusun berdasarkan basis akrual, dan dasar pengukuran dengan menggunakan konsep biaya historis, kecuali untuk akun tertentu yang diukur dengan menggunakan dasar seperti yang disebutkan dalam catatan yang relevan.

Laporan arus kas konsolidasian disusun dengan menggunakan metode langsung, menyajikan penerimaan dan pengeluaran kas dan setara kas yang dikelompokkan ke dalam aktivitas operasi, investasi dan pendanaan.

Laporan keuangan konsolidasian Perusahaan dan entitas anak disajikan dalam Rupiah (IDR) yang merupakan mata uang fungsional, kecuali untuk entitas anak TBG Global Pte Ltd., disajikan dalam Dolar Amerika Serikat (USD) yang merupakan mata uang fungsional. Seluruh angka dalam laporan keuangan konsolidasian dibulatkan menjadi jutaan Rupiah, kecuali dinyatakan lain.

Penyusunan laporan keuangan konsolidasian berdasarkan PSAK mensyaratkan penggunaan estimasi akuntansi kritis tertentu. Penyusunan laporan keuangan konsolidasian juga mensyaratkan manajemen Perusahaan untuk menggunakan pertimbangan dalam menerapkan kebijakan akuntansi Perusahaan. Hal-hal di mana pertimbangan dan estimasi yang signifikan telah dibuat dalam penyusunan laporan keuangan konsolidasian beserta dampaknya diungkapkan dalam Catatan 3.

Exhibit E/12

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of the consolidated financial statements

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in Indonesia comprising of the Statements of Financial Accounting Standards (PSAK) and rules established by the Capital Market and Financial Institution Supervisory Agency (Bapepam-LK, which function has been transferred to Financial Service Authority ("OJK") starting at 1 January 2013) No. VIII.G.7 Attachment of chairman of BAPEPAM's decision No. KEP-347/BL/2012 dated 25 June 2012 regarding "Financial Statements Presentation Guidance".

The consolidated financial statements have been prepared using the accrual basis, and the measurement basis used is historical cost concept, except for certain accounts which are measured on the bases described in the relevant notes herein.

The consolidated statement of cash flows, which has been prepared using direct method, present receipts and disbursements of cash and cash equivalent classified into operating, investing and financing activities.

The consolidated financial statements of the Company and subsidiaries are presented in Rupiah (IDR) which is the functional currency, except TBG Global Pte Ltd., the subsidiary of the Company, is presented in United States Dollar (USD), which is the functional currency. Amounts in the consolidated financial statements are rounded to and stated in millions of Rupiah, unless otherwise stated.

The preparation of consolidated financial statements in compliance with PSAK requires the use of certain critical accounting estimates. It also requires the Company management to exercise judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the consolidated financial statements and their effects are disclosed in Note 3.

Ekshibit E/13

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

b. Standar baru, amandemen, revisi, penyesuaian dan interpretasi Standar Akuntansi Keuangan

Standar baru, amandemen, revisi, penyesuaian dan interpretasi yang telah diterbitkan, dan yang akan berlaku efektif untuk tahun buku yang dimulai pada atau setelah 1 Januari 2019 namun tidak berdampak material terhadap laporan keuangan konsolidasian adalah sebagai berikut:

- PSAK 22 (Penyesuaian 2018), "Kombinasi Bisnis";
- PSAK 24 (Amandemen 2018), "Imbalan Kerja tentang Amandemen, Kurtailmen atau Penyelesaian Program";
- PSAK 26 (Penyesuaian 2018), "Biaya Pinjaman";
- PSAK 46 (Penyesuaian 2018), "Pajak Penghasilan - Pengakuan Aset Pajak Tangguhan untuk Rugi yang Belum Direalisasi";
- PSAK 66 (Penyesuaian 2018), "Pengaturan Bersama";
- ISAK 33, "Transaksi Valuta Asing dan Imbalan di Muka";
- ISAK 34, "Ketidakpastian dalam Perlakuan Pajak Penghasilan".

Pada tanggal penerbitan laporan keuangan konsolidasian ini, manajemen sedang mempelajari dampak yang mungkin timbul dari penerapan standar dan interpretasi standar baru dan amandemen standar berikut yang telah diterbitkan, namun belum berlaku efektif untuk tahun buku yang dimulai 1 Januari 2019 adalah sebagai berikut:

- ISAK 33, "Transaksi Valuta Asing dan Imbalan Dimuka";
- Amandemen PSAK 15, "Investasi pada Entitas Asosiasi dan Ventura Bersama: Kepentingan Jangka Panjang pada Entitas Asosiasi dan Ventura Bersama";
- Amandemen PSAK 62, "Kontrak Asuransi";
- PSAK 71, "Instrumen Keuangan";
- Amandemen PSAK 71, "Instrumen Keuangan: Fitur Percepatan Pelunasan dengan Kompensasi Negatif";
- PSAK 72, "Pendapatan dari Kontrak dengan Pelanggan"; dan
- PSAK 73, "Sewa".

Seluruh standar baru dan amandemen standar berlaku efektif untuk tahun buku yang dimulai 1 Januari 2020, sementara interpretasi standar baru berlaku efektif dimulai 1 Januari 2019. Penerapan dini atas standar baru dan amandemen standar tersebut diperkenankan, sementara penerapan dini atas PSAK 73 diperkenankan jika telah menerapkan dini PSAK 72.

Exhibit E/13

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

b. New standards, amendments, improvements and interpretations of Financial Accounting Standards

New standards, amendments, improvements and interpretations issued and effective for the financial year at or after 1 January 2019 which do not have material impact on the consolidated financial statement are as follows:

- PSAK 22 (Improvements 2018), "Business Combination";
- PSAK 24 (Amendment 2018), "Employee Benefits regarding Plan Amendment, Curtailment or Settlement";
- PSAK 26 (Improvements 2018), "Borrowing costs";
- PSAK 46 (Improvements 2018), "Income Taxes - Recognition of Deferred Tax Assets for Unrealized Losses";
- PSAK 66 (Improvements 2018), "Joint Arrangement";
- ISAK 33, "Foreign Currency Transaction and Advance Consideration";
- ISAK 34, "Uncertainty Over Income Tax Treatments".

As at the authorization date of the consolidated financial statements, the management is still evaluating the potential impact of the new standards and interpretation and amendments to standards which have been issued but are not yet effective for the financial year beginning on 1 January 2019 as follows:

- ISAK 33, "Foreign Currency Transactions and Advance Consideration";
- Amendments to PSAK 15, "Investments in Associate and Joint Ventures: Long Term Interest in Associate and Joint Ventures";
- Amendments to PSAK 62, "Insurance Contracts";
- PSAK 71, "Financial Instruments";
- Amendments to PSAK 71, "Financial Instruments: Prepayment Features with Negative Compensation";
- PSAK 72, "Revenue from Contracts with Customers"; and
- PSAK 73, "Leases".

All new standards and amendments to standards are effective for the financial year beginning 1 January 2020, while the new interpretation is effective beginning 1 January 2019. Early adoption of the above new standards and amendments to standards is permitted, while early adoption of PSAK 73 is permitted only upon early adoption also of PSAK 72.

Ekshibit E/14

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

c. Prinsip-prinsip konsolidasian

Laporan keuangan konsolidasian meliputi akun-akun Induk Perusahaan dan seluruh entitas anak seperti yang dijelaskan di Catatan 1c. Pengendalian didapat ketika Perusahaan dan entitas anak terekspos atau memiliki hak atas imbal hasil variabel dari keterlibatannya dengan *investee* dan memiliki kemampuan untuk mempengaruhi imbal hasil tersebut melalui kekuasaannya atas *investee*. Dengan demikian, Perusahaan dan entitas anak mengendalikan *investee* jika dan hanya jika Perusahaan dan entitas anak memiliki:

- kekuasaan atas *investee* (contoh hak saat ini yang memberikan kemampuan kini untuk mengarahkan aktivitas relevan *investee*);
- eksposur atau hak atas imbal hasil variabel dari keterlibatannya dengan *investee*; dan
- kemampuan untuk menggunakan kekuasaannya atas *investee* untuk mempengaruhi jumlah imbal hasilnya.

Ketika Perusahaan dan entitas anak mempunyai hak suara kurang dari mayoritas atau hak serupa terhadap *investee*, Perusahaan dan entitas anak mempertimbangkan seluruh fakta dan keadaan dalam menilai apakah terdapat kekuasaan atas sebuah *investee*, termasuk:

- pengaturan kontraktual dengan pemilik hak suara lain *investee*;
- hak yang timbul dari pengaturan kontraktual lain; dan
- hak suara Perusahaan dan entitas anak dan hak suara potensial.

Perusahaan dan entitas anak menilai kembali apakah terdapat atau tidak pengendalian terhadap *investee* jika fakta dan keadaan yang menunjukkan bahwa ada perubahan satu atau lebih dari tiga elemen pengendalian. Entitas anak dikonsolidasi secara penuh sejak tanggal pengendalian dialihkan ke Perusahaan dan entitas anak dan dihentikan untuk dikonsolidasi sejak tanggal pengendalian ditransfer keluar dari Perusahaan dan entitas anak. Aset, liabilitas, pendapatan dan beban dari entitas anak, yang diakuisisi atau dijual selama tahun berjalan, termasuk dalam laporan laba rugi dari tanggal Perusahaan dan entitas anak mendapatkan pengendalian sampai dengan tanggal Perusahaan dan entitas anak berhenti untuk mengendalikan entitas anak.

Exhibit E/14

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

c. Principles of consolidation

The consolidated financial statements include the accounts of the Parent Company and all the subsidiaries mentioned in Note 1c. Control is achieved when the Company and subsidiaries is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through power over the investee. Specifically, the Company and subsidiaries controls an investee if and only if the Company and subsidiaries has:

- power over the investee (i.e. existing rights that give the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

When the Company and subsidiaries has less than majority of the voting rights or similar rights to an investee, the Company and subsidiaries considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- voting rights of the Company and subsidiaries and potential voting rights.

The Company and subsidiaries re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date control is transferred to the Company and subsidiaries and cease to be consolidated from the date control is transferred out of the Company and subsidiaries. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of income from the date the Company and subsidiaries gains control until the date the Company and subsidiaries ceases to control the subsidiary.

Ekshibit E/15

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

c. Prinsip-prinsip konsolidasian (Lanjutan)

Laba rugi dan setiap komponen penghasilan komprehensif lain diatribusikan ke pemilik entitas induk dari Perusahaan dan entitas anak dan kepentingan non-pengendali, meskipun hal tersebut mengakibatkan kepentingan non-pengendali memiliki saldo defisit. Ketika diperlukan, penyesuaian dibuat pada laporan keuangan entitas anak agar kebijakan akuntansinya seragam dengan kebijakan akuntansi Perusahaan dan entitas anak. Seluruh aset dan liabilitas, ekuitas, pendapatan, beban dan arus kas dalam intra Perusahaan dan entitas anak terkait dengan transaksi antar entitas dalam Perusahaan dan entitas anak dieliminasi seluruhnya dalam konsolidasi.

Jika kehilangan pengendalian atas suatu entitas anak, maka Perusahaan dan entitas anak:

- menghentikan pengakuan aset (termasuk setiap *goodwill*) dan liabilitas entitas anak;
- menghentikan pengakuan jumlah tercatat setiap KNP;
- menghentikan pengakuan akumulasi selisih penjabaran, yang dicatat di ekuitas, bila ada;
- mengakui nilai wajar pembayaran yang diterima;
- mengakui setiap sisa investasi pada nilai wajarnya;
- mengakui setiap perbedaan yang dihasilkan sebagai keuntungan atau kerugian dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian; dan
- mereklasifikasi bagian induk atas komponen yang sebelumnya diakui sebagai penghasilan komprehensif ke laporan laba rugi dan penghasilan komprehensif lain konsolidasian, atau mengalihkan secara langsung ke saldo laba.

Perubahan dalam bagian kepemilikan entitas induk pada entitas anak yang tidak mengakibatkan hilangnya pengendalian dicatat sebagai transaksi ekuitas. Ketika pengendalian atas entitas anak hilang, bagian kepemilikan yang tersisa di entitas tersebut diukur kembali pada nilai wajarnya dan keuntungan atau kerugian yang dihasilkan diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Kepentingan Non-Pengendali ("KNP") mencerminkan bagian atas laba rugi dan aset bersih dari entitas anak yang tidak dapat diatribusikan secara langsung maupun tidak langsung oleh Perusahaan, yang masing-masing disajikan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian dan dalam ekuitas pada laporan posisi keuangan konsolidasian, terpisah dari bagian yang dapat diatribusikan kepada pemilik entitas induk.

Exhibit E/15

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

c. Principles of consolidation (Continued)

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Company and subsidiaries and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with accounting policies of the Company and subsidiaries. All intra-Company and subsidiaries assets and liabilities, equity, income expenses and cash flows relating to transactions between members of the Company and subsidiaries are eliminated in full on consolidation.

In case of loss of control over a subsidiary, the Company and subsidiaries:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- derecognizes the carrying amount of any NCI;
- derecognizes the cumulative translation differences, recorded in equity, if any;
- recognizes the fair value of the consideration received;
- recognizes the fair value of any investment retained;
- recognizes the surplus or deficit in profit or loss in consolidated statement of profit or loss and other comprehensive income; and
- reclassifies the parent's share of components previously recognized in comprehensive income to consolidated statement of profit or loss and other comprehensive income or retained earnings, as appropriate.

Changes in the parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for as equity transactions. When control over a previous subsidiary is lost, any remaining interest in the entity is remeasured at fair value and the resulting gain or loss is recognised in consolidated statement of profit or loss and other comprehensive income.

Non-Controlling Interest ("NCI") represents the portion of the profit or loss and net assets of the subsidiary attributable to equity interests that are not owned directly or indirectly by the Company, which is presented in the consolidated statement of comprehensive income and under the equity section of the consolidated statement of financial position, respectively, separately from the corresponding portion attributable to the equity holders of the parent company.

Ekshibit E/16

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

d. Kombinasi bisnis

Ketika Perusahaan dan entitas anak melakukan akuisisi atas sebuah bisnis, Perusahaan dan entitas anak mengklasifikasikan dan menentukan aset keuangan yang diperoleh dan liabilitas keuangan yang diambil alih berdasarkan pada persyaratan kontraktual, kondisi ekonomi dan kondisi terkait lain yang ada pada tanggal akuisisi. Hal ini termasuk pengelompokan derivatif melekat dalam kontrak utama oleh pihak yang diakuisisi.

Kombinasi bisnis dicatat dengan menggunakan metode akuisisi (*acquisition method*). Biaya perolehan dari sebuah akuisisi diukur pada nilai agregat imbalan yang dialihkan, diukur pada nilai wajar pada tanggal akuisisi dan jumlah setiap KNP pada pihak yang diakuisisi. Untuk setiap kombinasi bisnis, pihak pengakuisisi mengukur KNP pada entitas yang diakuisisi baik pada nilai wajar ataupun pada proporsi kepemilikan KNP atas aset bersih yang teridentifikasi dari entitas yang diakuisisi. Biaya-biaya akuisisi yang timbul dibebankan langsung dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Jika imbalan tersebut kurang dari nilai wajar aset bersih entitas anak yang diakuisisi, selisih tersebut diakui sebagai keuntungan dari pembelian dengan diskon pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian. Sebelum mengakui keuntungan dari pembelian dengan diskon, Perusahaan menilai kembali apakah telah mengidentifikasi dengan tepat seluruh aset yang diperoleh dan liabilitas yang diambil-alih serta mengakui setiap aset atau liabilitas tambahan yang dapat diidentifikasi dalam pengkajian kembali tersebut. Perusahaan selanjutnya mengkaji kembali prosedur yang digunakan untuk mengukur jumlah yang dipersyaratkan untuk diakui pada tanggal akuisisi untuk seluruh hal-hal berikut ini:

- a. aset teridentifikasi yang diperoleh dan liabilitas yang diambil-alih;
- b. kepentingan non-pengendali pada pihak yang diakuisisi, jika ada;
- c. untuk kombinasi bisnis yang dilakukan secara bertahap, kepentingan ekuitas pihak pengakuisisi yang dimiliki sebelumnya pada pihak yang diakuisisi; dan
- d. imbalan yang dialihkan.

Exhibit E/16

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

d. Business combination

When the Company and subsidiaries acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any NCI in the acquiree. For each business combination, the acquirer measures the NCI in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are directly expensed in the consolidated statement of profit or loss and other comprehensive income.

If the consideration is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized as a gain from a bargain purchase in the consolidated statement of profit or loss and other comprehensive income. Prior to recognizing the gain from the bargain purchase, the Company reassesses whether it has correctly identified all of the assets acquired and liabilities taken over and recognizes any additional assets or liabilities that may be identified in the reassessment. The Company further reviews the procedures used to measure the amount required to be recognized at the acquisition date for all of the following:

- a. identifiable assets acquired and liabilities taken over;
- b. non-controlling interests of the acquired party, if any;
- c. for business combinations achieved in stages, the acquirer's previously held equity interests in the acquired party, and
- d. consideration transferred.

Ekshibit E/17

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

d. Kombinasi bisnis (Lanjutan)

Tujuan dari kajian kembali ini untuk meyakinkan bahwa pengukuran tersebut telah mencerminkan dengan tepat semua informasi yang tersedia pada tanggal akuisisi.

Imbalan kontinjensi yang dialihkan oleh pihak pengakuisisi diakui pada nilai wajar tanggal akuisisi. Perubahan nilai wajar atas imbalan kontinjensi setelah tanggal akuisisi yang diklasifikasikan sebagai aset atau liabilitas, akan diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian atau penghasilan komprehensif lain sesuai dengan PSAK 55 (Revisi 2014). Jika diklasifikasikan sebagai ekuitas, imbalan kontinjensi tidak diukur kembali dan Penyelesaian selanjutnya diperhitungkan dalam ekuitas.

Dalam suatu kombinasi bisnis yang dilakukan secara bertahap, pihak pengakuisisi mengukur kembali kepentingan ekuitas yang dimiliki sebelumnya pada pihak yang diakuisisi pada nilai wajar tanggal akuisisi dan mengakui keuntungan atau kerugian yang dihasilkan melalui laporan laba atau rugi.

Pada tanggal akuisisi, *goodwill* awalnya diukur pada biaya perolehan yang merupakan selisih lebih nilai agregat dari imbalan yang dialihkan dan jumlah setiap KNP atas selisih jumlah dari aset teridentifikasi yang diperoleh dan liabilitas yang diambil alih. Jika imbalan tersebut kurang dari nilai wajar aset bersih entitas anak yang diakuisisi, selisih tersebut diakui sebagai laba atau rugi.

Setelah pengakuan awal, *goodwill* diukur pada jumlah tercatat dikurangi akumulasi kerugian penurunan nilai. Untuk tujuan uji penurunan nilai, *goodwill* yang diperoleh dari suatu kombinasi bisnis, sejak tanggal akuisisi dialokasikan kepada setiap Unit-Penghasil Kas ("UPK") dari Perusahaan dan entitas anak yang diharapkan akan bermanfaat dari sinergi kombinasi tersebut, terlepas dari apakah aset atau liabilitas lain dari pihak yang diakuisisi ditetapkan atas UPK tersebut.

Jika *goodwill* telah dialokasikan pada suatu UPK dan operasi tertentu atas UPK tersebut dihentikan, maka *goodwill* yang diasosiasikan dengan operasi yang dihentikan tersebut termasuk dalam jumlah tercatat operasi tersebut ketika menentukan keuntungan atau kerugian dari penjualan operasi. *Goodwill* yang dilepaskan tersebut diukur berdasarkan nilai relatif operasi yang dihentikan dan porsi UPK yang ditahan.

Exhibit E/17

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

d. Business combination (Continued)

The purpose of the review is to ensure that the remeasurement accurately reflects all the information available at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized in accordance with PSAK 55 (Revised 2014) either in consolidated statement of profit or loss and other comprehensive income or as other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

In a business combination achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

At acquisition date, goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for NCI over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated from the acquisition date, to each Cash-Generating Units ("CGU") of the Company and subsidiaries that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquirer are assigned to those CGUs.

Where goodwill forms part of a CGU and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Ekshibit E/18

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

e. Penjabaran mata uang asing

Transaksi dalam mata uang asing dicatat berdasarkan kurs yang berlaku pada saat terjadinya transaksi. Pada tanggal laporan posisi keuangan konsolidasian, aset dan liabilitas moneter dalam mata uang asing disesuaikan ke dalam Rupiah untuk mencerminkan kurs tengah Bank Indonesia pada tanggal tersebut. Jika ada keuntungan atau kerugian akan dikreditkan atau dibebankan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian pada tahun berjalan.

Laba rugi kurs yang terjadi dikreditkan atau dibebankan pada operasi tahun berjalan, kecuali rugi kurs yang dikapitalisasi.

Pembukuan akun TBG Global Pte. Ltd., entitas anak (Catatan 1c), dilakukan di dalam mata uang selain Rupiah. Untuk tujuan penyajian Laporan keuangan konsolidasian, aset dan liabilitas entitas anak pada tanggal laporan posisi keuangan konsolidasian, dijabarkan ke dalam mata uang Rupiah dengan menggunakan kurs nilai tukar pada tanggal laporan posisi keuangan konsolidasian, sementara laporan laba rugi dan penghasilan komprehensif lain konsolidasian dijabarkan dengan menggunakan kurs nilai tukar tahun yang bersangkutan. Hasil penyesuaian penjabaran ditampilkan sebagai bagian ekuitas sebagai "Selisih Translasi atas Mata Uang Asing".

Pada tanggal 30 September 2019 dan 31 Desember 2018 kurs tengah yang digunakan untuk US\$ 1 masing-masing adalah Rp 14.174 dan Rp 14.481 (nilai penuh).

f. Aset dan liabilitas keuangan dan instrumen ekuitas

Perusahaan dan entitas anak mengakui aset keuangan atau liabilitas keuangan dalam laporan posisi keuangan konsolidasian, jika dan hanya jika, Perusahaan dan entitas anak menjadi salah satu pihak dalam ketentuan kontrak instrumen keuangan tersebut.

1. Aset keuangan

Aset keuangan diklasifikasikan sebagai aset keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi, pinjaman yang diberikan dan piutang, investasi dimiliki hingga jatuh tempo, aset keuangan tersedia untuk dijual, atau sebagai derivatif yang ditetapkan sebagai instrumen lindung nilai dalam lindung nilai yang efektif.

Perusahaan dan entitas anak menentukan klasifikasi aset keuangannya pada saat pengakuan awalnya, sepanjang diperbolehkan, mengevaluasi penentuan klasifikasi aset keuangan pada setiap akhir tahun.

Exhibit E/18

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

e. Foreign currency translations

Transactions involving foreign currencies are recorded at the rates prevailing at the time the transactions are made. At the consolidated statement of financial position date, monetary assets and liabilities denominated in foreign currencies are adjusted to Rupiah to reflect Bank Indonesia's middle rate on the said date. Any resulting gains or losses are credited or charged to the consolidated statement of profit or loss and other comprehensive income for the current year.

Foreign exchange gains and losses are credited or charged to operations for the year, except for capitalized foreign exchange losses.

The accounting of TBG Global Pte. Ltd., a subsidiary (Note 1c), is maintained in currency other than Rupiah. For presentation purposes of the consolidated financial statements, assets and liabilities of the subsidiaries at consolidated statements of financial position date are translated into Rupiah using the exchange rates at consolidated financial position date, while consolidated statements of profit or loss and other comprehensive income are translated at the average rates of exchange for the respective year. Resulting translation adjustments are shown as part of equity as "Difference from Translation of Foreign Currency".

On 30 September 2019 and 31 December 2018 the exchange rates per US\$ 1 equivalents to Rp 14,174 and Rp 14,481 (full amount), respectively.

f. Financial assets and liabilities and equity instruments

The Company and subsidiaries recognized financial assets or financial liabilities in consolidated statement of financial position, when and only when, the Company and subsidiaries become party to contractual provision of the financial instrument.

1. Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge.

The Company and subsidiaries determine the classification of its financial assets at initial recognition, and when allowed, reevaluates the classification of such financial assets at each year-end.

Ekshibit E/19

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

1. Aset keuangan (Lanjutan)

Aset keuangan yang diukur pada nilai wajar melalui
laporan laba atau rugi

Kategori ini meliputi aset keuangan “yang dimiliki untuk diperdagangkan” dan aset keuangan yang ditetapkan pada nilai wajar melalui laporan laba rugi pada awal penentuan. Suatu aset keuangan diklasifikasikan sebagai dimiliki untuk dijual apabila secara prinsip diperoleh untuk tujuan dijual dalam jangka pendek. Aset keuangan yang ditetapkan pada nilai wajar melalui laporan laba rugi pada saat penetapan awal adalah aset keuangan yang dikelola, dan kinerjanya dievaluasi berdasarkan nilai wajar, sesuai dengan suatu strategi investasi yang terdokumentasi. Derivatif juga dikategorikan sebagai investasi yang dimiliki untuk tujuan diperdagangkan, kecuali ditetapkan sebagai lindung nilai efektif. Aset keuangan, yang diukur pada nilai wajar melalui laporan laba rugi diukur pada nilai wajar, dan segala perubahan nilai wajar diakui pada laporan laba rugi.

Perusahaan dan entitas anak memiliki aset keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi berupa aset keuangan derivatif.

Pinjaman yang diberikan dan piutang

Pinjaman yang diberikan dan piutang adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan, yang tidak mempunyai kuotasi di pasar aktif.

Setelah pengakuan awal, aset keuangan tersebut dicatat pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif (*effective interest rate method*), dimana metode yang digunakan untuk menghitung biaya perolehan yang diamortisasi dari aset keuangan atau liabilitas keuangan (atau grup aset keuangan atau liabilitas keuangan) dan alokasi pendapatan bunga atau biaya bunga melebihi tahun yang bersangkutan. Keuntungan dan kerugian terkait diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian pada saat pinjaman yang diberikan dan piutang dihentikan pengakuannya atau mengalami penurunan nilai, demikian juga melalui proses amortisasi.

Exhibit E/19

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

1. Financial assets (Continued)

Financial assets measured at fair value through
profit or loss

This category includes financial assets “held for trading” and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Financial assets designated at fair value through profit or loss at inception are those that are managed, and their performance evaluated on a fair value basis, in accordance with a documented investment strategy. Derivatives are also categorized as held for trading, unless they are designated as effective hedges. Financial assets, at fair value through profit or loss are measured at fair value, and any fair value changes are recognized in profit or loss.

Financial assets of the Company and subsidiaries measured at fair value through profit or loss include derivative financial assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market.

After initial recognition, such financial assets are recorded at amortized cost using the effective interest rate method, which is the method used for calculating the amortized cost of a financial asset or financial liability (or group of financial assets or financial liabilities) and for allocating interest income or expense interest in future years. Gains and losses are recognized in the consolidated statement of profit or loss and other comprehensive income when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Ekshibit E/20

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

1. Aset keuangan (Lanjutan)

Pinjaman yang diberikan dan piutang (Lanjutan)

Perusahaan dan entitas anak memiliki pinjaman yang diberikan dan piutang berupa kas dan setara kas, pendapatan yang masih harus diterima, piutang usaha, piutang lain-lain, uang jaminan dan aset lain-lain.

Investasi dimiliki hingga jatuh tempo

Aset keuangan dimiliki sampai jatuh tempo (*held-to-maturity*) merupakan aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan dengan jatuh tempo tetap di mana manajemen Perusahaan dan entitas anak memiliki tujuan dan kemampuan positif untuk memiliki investasi sampai jatuh tempo.

Investasi dimiliki sampai jatuh tempo diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif, dikurangi segala kerugian penurunan nilai. Keuntungan dan kerugiannya diakui di dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian pada saat investasi dimiliki sampai jatuh tempo dihentikan pengakuannya atau mengalami penurunan nilai, sebagaimana halnya melalui proses amortisasi.

Perusahaan dan entitas anak tidak memiliki investasi dimiliki hingga jatuh tempo pada tanggal 30 September 2019 dan 31 Desember 2018.

Aset keuangan tersedia untuk dijual

Aset keuangan tersedia untuk dijual (*available-for-sale*) adalah aset keuangan non-derivatif yang ditetapkan sebagai tersedia untuk dijual atau yang tidak diklasifikasikan dalam dua kategori sebelumnya. Setelah pengukuran awal, aset keuangan tersedia untuk dijual diukur dengan nilai wajar dengan keuntungan atau kerugian yang belum terealisasi diakui dalam ekuitas sampai investasi tersebut dihentikan pengakuannya. Pada saat itu, keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam ekuitas akan direklasifikasi ke laporan laba rugi dan penghasilan komprehensif lain konsolidasian sebagai penyesuaian reklasifikasi.

Perusahaan dan entitas anak memiliki aset keuangan tersedia untuk dijual berupa investasi.

Exhibit E/20

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

1. Financial assets (Continued)

Loans and receivables (Continued)

Loans and receivables of the Company and subsidiaries include cash and cash equivalents, accrued revenue, trade receivables, other receivables, refundable deposits and other asset.

Held-to-maturity investment

Financial assets held-to-maturity are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management of the Company and subsidiaries has the positive intention and ability to hold the investment to maturity.

Held-to-maturity investments are measured at amortized cost using the effective interest rate method, less any impairment losses. Gains and losses are recognized in consolidated statement of profit or loss and other comprehensive income when the held-to-maturity investments are derecognized or impaired, as well as through the amortization process.

The Company and subsidiaries has no held-to-maturity investments as of 30 September 2019 and 31 December 2018.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets designated as available-for-sale or not classified in the two previous categories. After initial measurement, available-for-sale financial assets are measured at fair value with unrealized gains or losses recognized in equity until the investment is derecognized. At that time, the cumulative gain or loss previously recognized in equity will be reclassified to consolidated statement of profit or loss and other comprehensive income as a reclassification adjustment.

Available-for-sale financial assets of the Company and subsidiaries include investments.

Ekshibit E/21

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

2. Liabilitas keuangan dan instrumen ekuitas

Instrumen utang dan ekuitas dikelompokkan sebagai liabilitas keuangan atau sebagai ekuitas sesuai dengan substansi pengaturan kontraktual.

Liabilitas keuangan diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi dan liabilitas keuangan lainnya. Perusahaan dan entitas anak menentukan klasifikasi liabilitas keuangan pada saat pengakuan awal.

Instrumen ekuitas

Instrumen ekuitas adalah setiap kontrak yang memberikan hak residual atas aset suatu entitas setelah dikurangi dengan seluruh liabilitasnya. Instrumen ekuitas yang diterbitkan oleh Perusahaan dan entitas anak akan dicatat sebesar jumlah yang diperoleh, setelah dikurangi dengan biaya emisi langsung.

Sebuah instrumen merupakan instrumen ekuitas jika, dan hanya jika, kedua kondisi (i) dan (ii) di bawah ini terpenuhi:

- (i) Instrumen tersebut tidak memiliki liabilitas kontraktual:
 - (a) Untuk memberikan kas atau aset keuangan lainnya kepada entitas lain; atau
 - (b) Untuk menukar aset keuangan atau liabilitas keuangan dengan entitas lain dalam kondisi yang tidak menguntungkan bagi penerbit.
- (ii) Jika instrumen akan atau dapat diselesaikan oleh penerbit yang memiliki instrumen ekuitas, apabila instrumen itu:
 - (a) Non-derivatif yang tidak memiliki liabilitas kontraktual terhadap penerbit untuk memberikan sejumlah variabel terhadap instrumen ekuitas pemilik; atau
 - (b) Derivatif yang akan diselesaikan oleh penerbit hanya dengan menukarkan sejumlah uang tunai atau aset keuangan lainnya untuk sejumlah instrumen ekuitas pemilik. Untuk kepentingan ini, instrumen ekuitas milik penerbit tidak meliputi instrumen yang terikat kontrak untuk penerimaan di masa mendatang atau pengiriman instrumen ekuitas milik penerbit.

Exhibit E/21

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

2. Financial liabilities and equity instruments

Debt and equity instruments are classified as financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities are classified as financial liabilities measured at fair value through profit or loss and other financial liabilities. The Company and subsidiaries determines the classification of financial liabilities at initial recognition.

Equity instruments

An equity instrument is any contract that gives the right to the residual assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company and subsidiaries will be recorded at the amounts received, after deducting direct issuance costs.

An instrument is an equity instrument if, and only if, both conditions (i) and (ii) below are met:

- (i) The instrument does not have a contractual liabilities:
 - (a) To deliver cash or another financial asset to another entity; or
 - (b) To exchange financial assets or financial liability with another entity under conditions that are not profitable for issuers.
- (ii) If the instrument will or may be settled by the issuer which has an equity instrument, an instrument that:
 - (a) Non-derivatives that have no contractual liabilities to the issuer to deliver a variable number of owner's equity instruments; or
 - (b) Derivatives that will be completed by the issuer only in exchange for some cash or another financial asset for a number of owner's equity instruments. For this purpose, the instrument does not include the issuer's equity instruments that are under contract for the future receipt or delivery of issuer's equity instruments.

Ekshibit E/22

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

2. Liabilitas keuangan dan instrumen ekuitas (Lanjutan)

Instrumen ekuitas (Lanjutan)

Instrumen keuangan majemuk, seperti obligasi atau instrumen konversi sejenis yang diubah menjadi sejumlah saham biasa oleh pemegangnya, diklasifikasikan secara terpisah sebagai liabilitas keuangan dan ekuitas sesuai dengan materi dalam perjanjian kontraktual. Pada tanggal penerbitan instrumen keuangan majemuk, nilai wajar dari komponen liabilitas diestimasi menggunakan tingkat suku bunga pasar yang berlaku untuk instrumen non-konversi yang sejenis. Jumlah ini dicatat sebagai liabilitas atas dasar biaya perolehan yang diamortisasi dengan menggunakan metode suku bunga efektif sampai dengan pelaksanaan konversi atau pada tanggal jatuh tempo instrumen. Komponen ekuitas ditentukan dengan mengurangi jumlah komponen liabilitas dari nilai wajar instrumen keuangan majemuk secara keseluruhan. Jumlah ini diakui dan dimasukkan ke dalam ekuitas, setelah dikurangi dengan efek pajak penghasilan, dan tidak diperhitungkan kembali.

Instrumen ekuitas Perusahaan dan entitas anak meliputi modal saham.

Liabilitas keuangan

(i) Liabilitas keuangan diukur melalui laporan laba atau rugi

Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi termasuk liabilitas keuangan untuk diperdagangkan dan liabilitas keuangan yang ditetapkan pada saat pengakuan awal untuk diukur pada nilai wajar melalui laporan laba atau rugi.

Liabilitas keuangan diklasifikasikan sebagai kelompok diperdagangkan jika mereka diperoleh untuk tujuan dijual kembali dalam waktu dekat. Liabilitas derivatif juga diklasifikasikan sebagai kelompok diperdagangkan kecuali derivatif yang ditetapkan sebagai instrumen lindung nilai yang efektif. Aset dan liabilitas keuangan diukur pada nilai wajar melalui laporan laba atau rugi dicatat pada laporan posisi keuangan konsolidasian pada nilai wajar dengan pengakuan keuntungan atau kerugian pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Perusahaan dan entitas anak tidak memiliki liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi pada tanggal 30 September 2019 dan 31 Desember 2018.

Exhibit E/22

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

2. Financial liabilities and equity instruments
(Continued)

Equity instruments (Continued)

Compound financial instruments, such as convertible bonds or similar instruments convertible into a number of common shares by the holder, are classified separately as financial liabilities and equity in accordance with the substance of the contractual agreement. On the date of issuance of a compound financial instrument, the fair value of the liability component is estimated using market interest rates applicable to similar non-convertible instruments. This amount is recorded as a liability on the basis of amortized cost using the effective interest rate method until the conversion or execution on the maturity date of the instrument. The equity component is determined by deducting the liability component from the fair value of the compound financial instrument taken as a whole. This amount is recognized and included in equity, net of income tax effects, and not recomputed.

Equity instruments of the Company and subsidiaries include share capital.

Financial liabilities

(i) Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include the financial liabilities held for trading and liabilities designated upon initial recognition at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of resale in the near future. Derivative liabilities are also classified as held for trading unless the derivatives are designated as effective hedging instruments. Financial assets and financial liabilities at fair value through profit or loss are recorded in the consolidated statement of financial position at fair value with gains or losses recognized in the consolidated statement of profit or loss and other comprehensive income.

The Company and subsidiaries has no financial liabilities measured at fair value through profit or loss as of 30 September 2019 and 31 December 2018.

Ekshibit E/23

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

**f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)**

2. Liabilitas keuangan dan instrumen ekuitas (Lanjutan)

Liabilitas keuangan (Lanjutan)

(ii) Liabilitas keuangan lainnya

Kategori ini berhubungan dengan liabilitas keuangan yang tidak dimiliki untuk diperdagangkan atau diukur pada nilai wajar melalui keuntungan atau kerugian pada saat pengakuan liabilitas awal. Termasuk dalam liabilitas yang berasal dari operasi atau pinjaman dan utang.

Liabilitas keuangan lainnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Pada tanggal laporan posisi keuangan konsolidasian, beban bunga masih harus dibayar dicatat secara terpisah dari pokok pinjaman terkait dalam bagian liabilitas lancar. Keuntungan dan kerugian diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian ketika liabilitas dihentikan pengakuannya serta melalui proses amortisasi menggunakan metode suku bunga efektif.

Perusahaan dan entitas anak memiliki liabilitas keuangan lainnya berupa utang usaha, utang lain-lain, beban masih harus dibayar, pinjaman jangka panjang dan surat utang.

3. Pengakuan

Pada pengakuan awal, aset atau liabilitas keuangan diukur pada nilai wajar, kecuali untuk aset dan liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba atau rugi, ditambah atau dikurangi dengan biaya transaksi yang secara langsung dapat dibagikan untuk perolehan dari aset atau liabilitas keuangan tersebut. Pengukuran dari aset dan liabilitas keuangan tersebut bergantung pada klasifikasi dari aset dan liabilitas keuangan.

4. Nilai wajar

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayarkan untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran. Pengukuran nilai wajar mengasumsikan bahwa transaksi untuk menjual aset atau mengalihkan liabilitas terjadi:

Exhibit E/23

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**f. Financial assets and liabilities and equity instruments
(Continued)**

**2. Financial liabilities and equity instruments
(Continued)**

Financial liabilities (Continued)

(ii) Other financial liabilities

This category pertains to financial liabilities that are not held for trading or designated as fair value through profit or loss upon the inception of the liability. This includes liabilities arising from operations or loans and borrowings.

Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. On the consolidated statement of financial position date, accrued interest is recorded separately from the principal involved in the current liabilities. Gains and losses are recognized in consolidated statement of profit or loss and other comprehensive income when the liability is derecognized, as well as through the amortization using the effective interest rate method.

The Company and subsidiaries has other financial liabilities consisting of trade payables, other payables, accrued expenses, long-term loan and notes.

3. Recognition

At initial recognition, financial assets or liabilities are measured at fair value, except for financial assets and liabilities measured at fair value through profit or loss, plus or minus the transaction costs that are directly attributable to the acquisition of financial assets or issuance of financial liabilities. The subsequent measurement of financial assets and liabilities depends on the classification of financial assets and liabilities.

4. Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell or transfer the liability takes place either:

Ekshibit E/24

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

4. Nilai wajar (Lanjutan)

- di pasar utama untuk aset dan liabilitas tersebut; atau
- jika terdapat pasar utama, di pasar yang paling menguntungkan untuk aset dan liabilitas tersebut

Pasar utama atau pasar yang paling menguntungkan harus dapat diakses oleh Perusahaan dan entitas anak.

Nilai wajar suatu aset atau liabilitas menggunakan asumsi yang akan digunakan pelaku pasar ketika menentukan harga aset atau liabilitas tersebut, dengan asumsi bahwa pelaku pasar bertindak dalam kepentingan ekonomi terbaiknya.

Pengukuran nilai wajar aset non-keuangan memperhitungkan kemampuan pelaku pasar untuk menghasilkan manfaat ekonomik dengan menggunakan aset dalam penggunaan tertinggi dan terbaiknya atau dengan menjualnya kepada pelaku pasar lain yang akan menggunakan aset tersebut dalam penggunaan tertinggi dan terbaiknya.

Perusahaan dan entitas anak menggunakan teknik penilaian yang sesuai dalam keadaan dan dimana data yang memadai tersedia untuk mengukur nilai wajar, memaksimalkan penggunaan input yang dapat diobservasi yang relevan dan meminimalkan penggunaan input yang tidak dapat diobservasi.

PSAK 68 mensyaratkan pengungkapan tertentu yang mensyaratkan klasifikasi aset keuangan dan liabilitas keuangan yang diukur pada nilai wajar dengan menggunakan hirarki nilai wajar yang mencerminkan signifikansi input yang digunakan di dalam melakukan pengukuran nilai wajar. Hirarki nilai wajar memiliki tingkatan sebagai berikut:

- Tingkat 1: Harga kuotasian (tidak disesuaikan) dalam pasar aktif untuk aset atau liabilitas yang identik
- Tingkat 2: Input selain harga kuotasian yang termasuk dalam Tingkat 1 yang dapat diobservasi untuk aset atau liabilitas, baik secara langsung (misalnya harga) atau secara tidak langsung (misalnya derivasi dari harga)
- Tingkat 3: Input untuk aset atau liabilitas yang bukan berdasarkan data pasar yang dapat diobservasi (input yang tidak dapat diobservasi)

Exhibit E/24

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

4. Fair value (Continued)

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company and subsidiaries.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company and subsidiaries uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

PSAK 68 requires certain disclosures which require the classification of financial assets and financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in measuring fair value. Fair value hierarchy has the following levels:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than market quotations included within Level 1 that are observable for the asset or liability, either directly (eg, prices) or indirectly (for example, derivatives prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Ekshibit E/25

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

**f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)**

4. Nilai wajar (Lanjutan)

Untuk aset dan kewajiban yang diakui dalam laporan keuangan secara berulang, Perusahaan dan entitas anak menentukan apakah transfer telah terjadi antara Tingkat dalam hirarki dengan menilai kembali kategorisasi (berdasarkan masukan tingkat terendah yang signifikan terhadap pengukuran nilai wajar secara keseluruhan) pada akhir setiap tahun pelaporan.

Nilai wajar instrumen keuangan yang diperdagangkan dalam pasar aktif pada tanggal laporan didasarkan pada harga kuotasi atau kuotasi harga pedagang efek yang mengikat (harga penawaran untuk jangka panjang dan harga permintaan untuk jangka pendek), tanpa adanya pengurangan untuk biaya transaksi. Sekuritas didefinisikan dalam pencatatan ini sebagai "terdaftar" diperjualbelikan dalam pasar aktif. Dimana Perusahaan dan entitas anak memiliki aset dan liabilitas keuangan dengan posisi saling hapus dalam risiko pasar atau risiko kredit pihak ketiga, telah memilih untuk menggunakan pengukuran pengecualian untuk mengukur nilai wajar atas eksposur risiko bersihnya dengan menerapkan harga penawaran atau permintaan ke posisi pembukaan bersih yang sesuai. Untuk seluruh instrumen keuangan lain yang tidak diperdagangkan dalam pasar aktif, nilai wajar ditentukan dengan menggunakan teknik valuasi yang dianggap tepat dan sesuai kondisi. Teknik penilaian termasuk pendekatan pasar (misalnya menggunakan transaksi *arm's length* yang disesuaikan seperlunya dan mengacu pada nilai pasar instrumen lain yang sama secara substansial) dan pendekatan pendapatan (misalnya analisis arus kas diskonto dan opsi model penentuan harga membuat penggunaan data pasar yang tersedia dan mendukung yang memungkinkan).

Seluruh aset dan liabilitas yang nilai wajarnya dinilai dan diungkapkan dalam Laporan keuangan konsolidasian dikategorikan dalam hirarki nilai wajar.

Untuk tujuan pengungkapan nilai wajar, Perusahaan dan entitas anak menentukan kelas aset dan liabilitas yang sesuai dengan dasar sifat, karakteristik dan risiko aset atau liabilitas dan level hirarki nilai wajar seperti yang dijelaskan di atas.

Exhibit E/25

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**f. Financial assets and liabilities and equity instruments
(Continued)**

4. Fair value (Continued)

For assets and liabilities that are recognized in the financial statement on a recurring basis, the Company and subsidiaries determines whether transfers have occurred between Levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or binding dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. Securities defined in these accounts as "listed" are traded in an active market. Where the Company and subsidiaries has financial assets and financial liabilities with offsetting positions in market risks or counterparty credit risk, it has elected to use the measurement exception to measure the fair value of its net risk exposure by applying the bid or ask price to the net open position as appropriate. For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy.

For the purpose of the fair value disclosures, the Company and subsidiaries has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Ekshibit E/26

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

5. Pengukuran biaya perolehan diamortisasi

Biaya perolehan diamortisasi dari aset dan liabilitas keuangan adalah jumlah aset atau liabilitas keuangan yang diukur pada saat pengakuan awal dikurangi pembayaran pokok, ditambah atau dikurangi dengan amortisasi kumulatif dengan menggunakan metode suku bunga efektif yang dihitung dari selisih antara nilai awal dan nilai jatuh temponya, dan dikurangi penyisihan kerugian penurunan nilai.

6. Penurunan nilai dari aset keuangan

Pada setiap tanggal laporan posisi keuangan konsolidasian, Perusahaan dan entitas anak mengevaluasi apakah terdapat bukti yang obyektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai. Aset keuangan atau kelompok aset keuangan diturunkan nilainya dan kerugian penurunan nilai telah terjadi hanya jika terdapat bukti yang obyektif mengenai penurunan nilai tersebut sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset tersebut (peristiwa yang merugikan), dan peristiwa yang merugikan tersebut berdampak pada estimasi arus kas masa depan atas aset keuangan atau kelompok aset keuangan yang dapat diestimasi secara handal.

Perusahaan dan entitas anak pertama kali menentukan apakah terdapat bukti obyektif penurunan nilai secara individual atas aset keuangan yang signifikan secara individual, dan secara individual atau kolektif untuk aset keuangan yang tidak signifikan secara individual.

Jika Perusahaan dan entitas anak menentukan tidak terdapat bukti obyektif mengenai penurunan nilai aset keuangan yang dinilai secara individual, terlepas aset keuangan tersebut signifikan atau tidak, maka Perusahaan dan entitas anak memasukkan aset tersebut ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang serupa dan menilai penurunan nilai kelompok tersebut secara kolektif. Aset yang penurunan nilainya dinilai secara individual, dan untuk itu kerugian penurunan nilai diakui atau tetap diakui, tidak termasuk dalam penilaian penurunan nilai secara kolektif.

Exhibit E/26

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

5. Amortized cost measurement

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal payments, plus or minus the cumulative amortization using the effective interest rate method, calculated from the difference between initial amount and maturity amount, minus any reduction for impairment.

6. Impairment of financial assets

At each consolidated statement of financial position date, the Company and subsidiaries assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events occurring subsequent to initial recognition of the asset (loss events), and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Company and subsidiaries considers whether there is objective evidence of impairment individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant.

If the Company and subsidiaries determines that no objective evidence of impairment of financial assets exists individually for an individually-assessed financial assets, regardless of whether the financial asset is significant or not, those financial assets will be assessed collectively in a group of financial assets that have similar credit risk characteristics. Assets that are individually assessed and for impairment or continues to be recognized, are not included in a collective assessment of impairment.

Ekshibit E/27

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

**f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)**

6. Penurunan nilai dari aset keuangan (Lanjutan)

Jumlah kerugian penurunan nilai atas aset keuangan yang penurunan nilainya dievaluasi secara individual diukur berdasarkan selisih antara nilai tercatat aset keuangan dengan nilai kini dari estimasi arus kas masa datang yang didiskontokan menggunakan tingkat suku bunga efektif awal dari aset keuangan tersebut. Nilai tercatat aset tersebut dikurangi melalui akun cadangan kerugian penurunan nilai dan beban kerugian diakui pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Arus kas masa datang dari kelompok aset keuangan yang penurunan nilainya dievaluasi secara kolektif, diestimasi berdasarkan arus kas kontraktual atas aset-aset di dalam kelompok tersebut dan kerugian historis yang pernah dialami atas aset-aset yang memiliki karakteristik risiko kredit yang serupa dengan karakteristik risiko kredit kelompok tersebut. Kerugian historis yang pernah dialami kemudian disesuaikan berdasarkan data terkini yang dapat diobservasi untuk mencerminkan kondisi saat ini yang tidak berpengaruh pada tahun terjadinya kerugian historis tersebut, dan untuk menghilangkan pengaruh kondisi yang ada pada tahun historis namun sudah tidak ada lagi pada saat ini.

7. Penghentian pengakuan

Perusahaan dan entitas anak menghentikan pengakuan aset keuangan pada saat hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut kadaluarsa atau Perusahaan dan entitas anak mentransfer seluruh hak untuk menerima arus kas kontraktual dari aset keuangan dalam transaksi di mana Perusahaan dan entitas anak secara substansial telah mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan yang ditransfer. Setiap hak atau liabilitas atas aset keuangan yang ditransfer yang timbul atau yang masih dimiliki oleh Perusahaan dan entitas anak diakui sebagai aset atau liabilitas secara terpisah.

Perusahaan dan entitas anak menghentikan pengakuan liabilitas keuangan pada saat liabilitas yang ditetapkan dalam kontrak dilepaskan, dibatalkan atau kadaluarsa.

Exhibit E/27

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**f. Financial assets and liabilities and equity instruments
(Continued)**

6. Impairment of financial assets (Continued)

The impairment loss of a financial asset which is assessed individually is measured as the difference between the carrying value of the financial asset and the present value of estimated future cash flows discounted using the effective interest rate at the beginning of the financial assets. The carrying amount of the asset is presented by deducting the allowance for impairment losses and the impairment loss is recognized in the consolidated statement of profit or loss and other comprehensive income.

Future cash flows of a group of financial asset that are collectively evaluated for impairment, are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the year in which the historical loss experience is based and to remove the effects of conditions in the historical year that do not exist currently.

7. Derecognition

The Company and subsidiaries derecognizes financial assets when the contractual rights of the cash flows arising from the financial assets expire or the Company and subsidiaries transfers all rights to receive contractual cash flows of financial assets in a transaction where the Company and subsidiaries has transferred substantially all the risks and rewards of ownership of financial assets. Any rights or obligations on the transferred financial assets that arise or are still owned by the Company and subsidiaries are recognized as assets or liabilities separately.

The Company and subsidiaries derecognizes financial liabilities when the obligation specified in the contract is released, canceled or expired.

Ekshibit E/28

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

7. Penghentian pengakuan (Lanjutan)

Dalam transaksi di mana Perusahaan dan entitas anak secara substansial tidak memiliki atau tidak mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan, Perusahaan dan entitas anak menghentikan pengakuan aset tersebut jika Perusahaan dan entitas anak tidak lagi memiliki pengendalian atas aset tersebut. Hak dan liabilitas yang timbul atau yang masih dimiliki dalam transfer tersebut diakui secara terpisah sebagai aset atau liabilitas.

Dalam transfer di mana pengendalian atas aset masih dimiliki, Perusahaan dan entitas anak tetap mengakui aset yang ditransfer tersebut sebesar keterlibatan yang berkelanjutan, dimana tingkat keberlanjutan Perusahaan dan entitas anak dalam aset yang ditransfer adalah sebesar perubahan nilai aset yang ditransfer.

8. Saling hapus

Aset keuangan dan liabilitas keuangan disalinghapuskan dan nilai bersihnya disajikan dalam laporan posisi keuangan konsolidasian jika, dan hanya jika, saat ini memiliki hak yang dapat dipaksakan secara hukum untuk melakukan saling hapus atas jumlah yang telah diakui tersebut dan Perusahaan dan entitas anak berintensitas untuk menyelesaikan secara bersih atau untuk merealisasikan aset dan menyelesaikan liabilitasnya secara simultan. Hal ini tidak umum terjadi dengan perjanjian induk untuk menyelesaikan secara bersih, dan aset dan kewajiban terkait disajikan sebesar nilai bruto dalam laporan posisi keuangan keuangan konsolidasian.

9. Instrumen keuangan derivatif

Derivatif adalah suatu instrumen keuangan atau kontrak lain dengan tiga karakteristik berikut ini:

- a) nilainya berubah sebagai akibat dari perubahan variabel yang telah ditentukan (sering disebut dengan variabel yang mendasari/*underlying*), antara lain: suku bunga, harga instrumen keuangan, harga komoditas, nilai tukar mata uang asing, indeks harga atau indeks suku bunga, peringkat kredit atau indeks kredit, atau variabel lainnya. Untuk variabel non-keuangan, variabel tersebut tidak berkaitan dengan pihak-pihak dalam kontrak

Exhibit E/28

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

7. Derecognition (Continued)

In transactions in which the Company and subsidiaries neither retains nor transfers substantially all the risks and rewards of ownership of financial assets, the Company and subsidiaries derecognizes the assets if they do not retain control over the assets. The rights and obligations retained in the transfer are recognized separately as assets and liabilities as appropriate.

In transfers in which control over the asset is retained, the Company and subsidiaries continues to recognize the assets to the extent of their continuing involvement, determined by the extent to which they are exposed to changes in the value of the transferred assets.

8. Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if and only if there is a currently legal right to offset the recognized amounts and the Company and subsidiaries intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented at gross amounts in the consolidated statement of financial position.

9. Derivative financial instruments

A derivative is a financial instrument or other contract with all three of the following characteristics:

- a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the "underlying")

Ekshibit E/29

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

f. Aset dan liabilitas keuangan dan instrumen ekuitas
(Lanjutan)

9. Instrumen keuangan derivatif (Lanjutan)

- b) tidak memerlukan investasi awal bersih atau memerlukan investasi awal bersih dalam jumlah yang lebih kecil dibandingkan dengan jumlah yang diperlukan untuk kontrak serupa lainnya yang diharapkan akan menghasilkan dampak yang serupa sebagai akibat perubahan faktor pasar

- c) diselesaikan pada tanggal tertentu di masa mendatang.

Perusahaan dan entitas anak menggunakan instrumen keuangan derivatif, seperti kontrak *forward* mata uang, untuk melindungi nilai risiko mata uang asing yang berasal dari denominasi pinjaman dalam Dolar Amerika Serikat. Instrumen keuangan derivatif tersebut diakui pada nilai wajar pada tanggal dimana kontrak derivatif dibuat dan selanjutnya dinilai pada nilai wajar. Derivatif dicatat sebagai aset keuangan saat nilai wajar positif dan sebagai liabilitas keuangan saat nilai wajar negatif.

Laba rugi yang berasal dari perubahan nilai wajar derivatif dicatat langsung ke laporan laba rugi dan penghasilan komprehensif lain konsolidasian, kecuali untuk porsi efektif lindung nilai arus kas, yang diakui dalam penghasilan komprehensif lain.

Instrumen derivatif diklasifikasikan sebagai lancar dan tidak lancar berdasarkan penilaian fakta dan keadaan tertentu (seperti dasar arus kas kontraktual). Ketika Perusahaan dan entitas anak mempunyai derivatif sebagai lindung nilai ekonomi dan tidak diterapkan sebagai lindung nilai akuntansi untuk tahun diatas 12 bulan setelah tanggal pelaporan, derivatif diklasifikasikan sebagai tidak lancar.

Exhibit E/29

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f. Financial assets and liabilities and equity instruments
(Continued)

9. Derivative financial instruments (Continued)

- b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors

- c) it is settled at a future date.

The Company and subsidiaries uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks arising from US dollar (USD)-denominated loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to consolidated statement of profit or loss and other comprehensive income, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income.

Derivative instruments are classified as current or non-current based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows). When the the Company and subsidiaries will hold a derivative as an economic hedge and does not apply hedge accounting for a year beyond 12 months after the reporting date, the derivative is classified as non-current.

Ekshibit E/30

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

g. Transaksi dengan pihak-pihak berelasi

Suatu pihak dianggap berelasi dengan Perusahaan dan entitas anak jika:

- a) langsung atau tidak langsung melalui satu atau lebih perantara, suatu pihak (i) mengendalikan atau dikendalikan oleh, atau berada di bawah pengendalian bersama dengan Perusahaan dan entitas anak; (ii) memiliki kepentingan dalam Perusahaan dan entitas anak yang memberikan pengaruh signifikan atas Perusahaan dan entitas anak; atau (iii) memiliki pengendalian bersama atas Perusahaan dan entitas anak;
- b) suatu pihak yang berelasi dengan Perusahaan dan entitas anak;
- c) suatu pihak adalah ventura bersama dimana Perusahaan dan entitas anak sebagai *venture*;
- d) suatu pihak adalah anggota dari personil manajemen kunci Perusahaan dan entitas anak atau induk;
- e) suatu pihak adalah anggota keluarga dekat dengan individu yang diuraikan dalam butir (a) atau (d);
- f) suatu pihak adalah entitas yang dikendalikan, dikendalikan bersama atau dipengaruhi signifikan oleh atau untuk dimana hak suara signifikan pada beberapa entitas, langsung maupun tidak langsung, individu seperti diuraikan dalam butir (d) atau (e); atau
- g) suatu pihak adalah suatu program imbalan pasca-kerja untuk imbalan kerja dari Perusahaan dan entitas anak atau entitas lain yang terkait dengan Perusahaan dan entitas anak.

Transaksi ini dilakukan berdasarkan persyaratan yang disetujui oleh kedua belah pihak, dimana persyaratan tersebut mungkin tidak sama dengan transaksi lain yang dilakukan dengan pihak-pihak tidak berelasi.

Seluruh transaksi dan saldo yang material dengan pihak-pihak berelasi telah diungkapkan dalam catatan atas Laporan keuangan konsolidasian.

h. Kas dan setara kas

Kas dan setara kas merupakan bagian aset keuangan yang tidak digunakan sebagai jaminan atas pinjaman dan tidak dibatasi penggunaannya.

Exhibit E/30

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

g. Transactions with related parties

A party is considered to be related party to the Company and subsidiaries if:

- a) directly or indirectly through one or more intermediaries, the party (i) controls, or is controlled by, or is under common control with the Company and subsidiaries; (ii) has an interest in the Company and subsidiaries that gives significant influence over the Company and subsidiaries; or (iii) has joint control over the Company and subsidiaries;
- b) the party is an associated of the Company and subsidiaries;
- c) the party is a joint venture in which the Company and subsidiaries is a venturer;
- d) the party is a member of the key management personnel of the Company and subsidiaries or its parent;
- e) the party is a close member of the family of any individual referred to (a) or (d);
- f) the party is an entity that is controlled, jointly controlled or significant influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to (d) or (e); or
- g) the party is a post-employment benefits plan for the benefit or employees of the Company and subsidiaries, or any entity that is a related party of the Company and subsidiaries.

The transactions are made based on the terms agreed by the parties, such term may not be the same as those transactions with unrelated parties.

All material transactions and balances with related parties are disclosed in the notes to the consolidated financial statements.

h. Cash and cash equivalents

Cash and cash equivalents are financial assets, which are not being as collateral of loan nor restricted for use.

Ekshibit E/31

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

i. Piutang

Piutang usaha dan piutang non-usaha pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode bunga efektif, apabila dampak pendiskontoan signifikan, dikurangi provisi atas penurunan nilai.

Kolektibilitas piutang usaha dan piutang non-usaha ditinjau secara berkala. Piutang yang diketahui tidak tertagih, dihapuskan dengan secara langsung mengurangi nilai tercatatnya. Akun penyisihan digunakan ketika terdapat bukti yang objektif bahwa Perusahaan dan entitas anak tidak dapat menagih seluruh jumlah piutang sesuai dengan persyaratan awal piutang.

Jumlah kerugian penurunan nilai diakui pada laporan laba rugi konsolidasian dan disajikan dalam "Penyisihan atas penurunan nilai piutang usaha".

j. Persediaan

Persediaan diakui sebesar nilai yang lebih rendah antara biaya perolehan dan nilai realisasi bersih (*the lower of cost or net realizable value*). Biaya perolehan ditentukan dengan menggunakan metode *first-in, first-out (FIFO) method*. Perusahaan dan entitas anak menentukan penyisihan persediaan usang berdasarkan hasil penelaahan terhadap keadaan persediaan pada akhir tahun.

k. Aset tetap

Aset tetap, kecuali menara telekomunikasi, dicatat dengan menggunakan model biaya yaitu biaya perolehan dikurangi akumulasi penyusutan dan akumulasi penurunan nilai aset, jika ada.

Menara telekomunikasi dicatat dengan menggunakan model revaluasi, yaitu nilai wajar pada tanggal revaluasi dikurangi dengan akumulasi penyusutan dan akumulasi rugi penurunan nilai setelah tanggal revaluasi, jika ada.

Revaluasi pada nilai wajar dilakukan pada setiap tahun pelaporan. Jika jumlah tercatat aset meningkat akibat revaluasi, maka kenaikan tersebut diakui dalam penghasilan komprehensif lain dan terakumulasi dalam ekuitas pada bagian surplus revaluasi. Akan tetapi, kenaikan tersebut diakui dalam laba rugi hingga sebesar jumlah penurunan nilai aset yang sama akibat revaluasi yang pernah diakui sebelumnya dalam laporan laba rugi. Jika jumlah tercatat aset turun akibat revaluasi, maka penurunan tersebut diakui dalam laba rugi. Penurunan nilai tersebut diakui dalam penghasilan komprehensif lain, untuk mengurangi jumlah akumulasi dari surplus revaluasi, sepanjang tidak melebihi saldo surplus revaluasi dari aset tersebut.

Exhibit E/31

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

i. Receivables

Trade and non-trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, if the impact of discounting is significant, less any provision for impairment.

Collectibility of trade and non-trade receivables is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Company and subsidiaries will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the impairment loss is recognized in consolidated statement of profit or loss and other comprehensive income within "Allowance for impairment losses of trade receivables".

j. Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined based on the first-in, first-out (FIFO) method. The Company and subsidiaries provide a provision for inventory obsolescence based on a review of the condition of inventories at the end of the year.

k. Property and equipment

Property and equipment, unless telecommunication tower are stated at cost net of accumulated depreciation and accumulated of asset impairment value, if any.

Telecommunication towers are accounted for using the revaluation model, which is the fair value at the date of revaluation less any accumulated depreciation and accumulated impairment losses after the date of revaluation, if any.

A revaluation at fair value is made at each reporting year. If the carrying amount of the asset increases as a result of the revaluation, the increase is recognized in other comprehensive income and accumulates in equity in the revaluation surplus section. However, the increase is recognized in profit and loss up to the same amount of impairment loss due to revaluation previously recognized in profit or loss. If the carrying amount of the asset decreases as a result of the revaluation, the decrease is recognized in profit or loss. The impairment is recognized in other comprehensive income, to reduce the accumulated amount of the revaluation surplus, as long as it does not exceed the revaluation surplus balance of the asset.

Ekshibit E/32

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

k. Aset tetap (Lanjutan)

Surplus revaluasi aset tetap dapat dialihkan ke saldo laba ketika terjadi penghentian atau pelepasan aset tersebut. Sebagian surplus revaluasi juga dapat dialihkan sejalan dengan penggunaan aset. Dalam hal tersebut, maka surplus revaluasi yang dialihkan ke saldo laba adalah sebesar perbedaan antara jumlah penyusutan berdasarkan nilai revaluasi dan jumlah penyusutan berdasarkan biaya perolehan awalnya. Pengalihan tersebut tidak dilakukan melalui laba rugi.

Penyusutan terhadap aset tetap dihitung dengan metode garis lurus (*straight-line method*), berdasarkan taksiran manfaat ekonomis aset tetap, sebagai berikut:

	Masa manfaat/ Useful lives Tahun/ Years
Menara telekomunikasi	30
Bangunan	20
Menara bergerak	10
Perangkat lunak	4
Peralatan, perlengkapan kantor dan perangkat elektronik	4
Kendaraan	4
Genset	4

Beban penyusutan diperhitungkan di dalam laporan laba rugi selama tahun buku di mana beban tersebut terjadi. Akumulasi penyusutan untuk aset yang direvaluasi, dieliminasi terhadap jumlah tercatat bruto dan jumlah tercatat neto setelah eliminasi disajikan kembali sebesar jumlah revaluasiannya.

Perbaikan dan perawatan diperhitungkan ke dalam laporan laba rugi selama tahun di mana perbaikan dan perawatan terjadi. Biaya renovasi dan restorasi utama digabungkan ke dalam nilai tercatat aset jika biaya tersebut memiliki kemungkinan untuk memberikan manfaat di masa depan yang jumlahnya melebihi standar kinerja pada penilaian awal aset yang ada yang akan mengalir ke dalam Perusahaan dan entitas anak, dan disusutkan sebesar sisa umur manfaat aset tersebut.

Nilai residu, masa manfaat, dan metode depresiasi, dikaji pada tiap akhir tahun pelaporan, dan disesuaikan secara prospektif, sesuai dengan keadaan.

Ketika terdapat indikasi penurunan nilai, nilai tercatat aset dinilai dan segera dicatat berdasarkan jumlah terpulihkan.

Exhibit E/32

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

k. Property and equipment (Continued)

The revaluation surplus of property and equipment may be transferred to the retained earnings when there is a termination or disposal of the asset. Some revaluation surpluses may also be transferred in line with asset use. In that case, the revaluation surplus transferred to retained earnings is the difference between the amount of depreciation based on the revaluation amount and the amount of depreciation based on the initial cost. The transfer is not made through profit or loss.

Depreciation of property and equipment has been computed on a straight-line method, based on the estimated useful lives of the related assets, as follows:

	Tarif penyusutan / Depreciation rate	
Menara telekomunikasi	3,33%	Telecommunication towers
Bangunan	5%	Buildings
Menara bergerak	10%	Transportable towers
Perangkat lunak	25%	Software
Peralatan, perlengkapan kantor dan perangkat elektronik	25%	Tools, office equipment and electronic hardware
Kendaraan	25%	Vehicles
Genset	25%	Gensets

Depreciation expenses are taken to profit or loss during the financial year in which they are incurred. The accumulated depreciation for the revalued asset is eliminated against the gross carrying amount and the net carrying amount after elimination is restated for the amount of revaluation.

Repair and maintenance expenses are taken to profit or loss during the financial year in which they are incurred. The cost of major renovations and restorations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company and subsidiaries, and depreciated over the remaining useful life of the asset.

The residual value, useful life and depreciation method are reviewed at the end of each reporting year, and adjusted prospectively, if appropriate.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

Ekshibit E/33

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

k. Aset tetap (Lanjutan)

Keuntungan atau kerugian pelepasan aset tetap ditentukan dengan membandingkan penerimaan dengan nilai tercatat dan dicatat ke dalam laba rugi dari operasi.

Aset dalam penyelesaian dinyatakan sebesar biaya perolehan dan disajikan sebagai bagian dari aset tetap. Akumulasi biaya perolehan akan dipindahkan ke masing-masing akun aset tetap yang bersangkutan pada saat aset tersebut selesai dikerjakan dan siap digunakan.

l. Properti investasi

Properti investasi adalah tanah atau bangunan atau bagian dari suatu bangunan atau kedua-duanya yang dikuasai oleh Perusahaan dan entitas anak untuk menghasilkan sewa atau untuk kenaikan nilai atau kedua-duanya, dan tidak digunakan maupun dijual dalam kegiatan operasi.

Properti investasi diukur pada nilai wajar. Nilai wajar properti investasi diakui berdasarkan penilaian dari penilai independen yang memenuhi kualifikasi dan telah diakui, serta didukung oleh bukti pasar. Perubahan nilai wajar properti investasi diakui pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Properti investasi dihentikan pengakuannya (dikeluarkan) dari laporan posisi keuangan konsolidasian pada saat pelepasan atau ketika properti investasi tersebut tidak digunakan lagi secara permanen dan tidak memiliki manfaat ekonomis di masa depan yang dapat diharapkan pada saat pelepasannya. Laba atau rugi yang timbul dari penghentian atau pelepasan properti investasi diakui dalam laporan laba rugi dan penghasilan komprehensif konsolidasian dalam tahun terjadinya penghentian atau pelepasan tersebut.

m. Penurunan nilai aset non-keuangan

Pada setiap akhir tahun pelaporan, Perusahaan dan entitas anak menilai apakah terdapat indikasi suatu aset mengalami penurunan nilai. Jika terdapat indikasi tersebut atau pada saat pengujian penurunan nilai aset (yaitu aset tak berwujud dengan umur manfaat tidak terbatas, aset tak berwujud yang belum dapat digunakan, atau *goodwill* yang diperoleh dalam suatu kombinasi bisnis) diperlukan, maka Perusahaan dan entitas anak membuat estimasi formal jumlah terpulihkan aset tersebut.

Exhibit E/33

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

k. Property and equipment (Continued)

Gains or losses on disposal are determined by comparing proceeds with the carrying amount and are included in profit or loss from operations.

Assets in progress are stated at cost and presented as part of the property and equipments. The accumulated cost will be reclassified to the appropriate property and equipments account when the installation is substantially completed and the asset is ready for its intended use.

l. Investment properties

Investment property is land or buildings or part of a building or both which is controlled by the Company and subsidiaries to earn rental or for capital appreciation or both, rather than for use or sale in the ordinary course of business.

Investment property shall be measured at fair value. The fair value of investment property is recognized based on an appraisal by a qualified and authorized independent appraiser and supported by the market evidence. Changes to investment property fair value shall be recognized in the consolidated statements of profit or loss and other comprehensive income.

The investment property shall be eliminated from the consolidated statements of financial position on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected when withdrawn. Gains or losses from investment property withdrawals or disposals are recorded in the consolidated statements of profit or loss and other comprehensive income when incurred.

m. Impairment of non-financial assets

At the end of each reporting year, the Company and subsidiaries assesses whether there is an indication that an asset may be impaired. If any such indication exists or impairment testing for an asset (i.e., an intangible asset with an indefinite useful life, an intangible asset not yet available for use, or goodwill acquired in a business combination) is required, the Company and subsidiaries makes an estimate of the asset's recoverable amount.

Ekshibit E/34

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

m. Penurunan nilai aset non-keuangan (Lanjutan)

Jumlah terpulihkan yang ditentukan untuk aset individual adalah jumlah yang lebih tinggi antara nilai wajar aset atau unit penghasil kas ("UPK") dikurangi biaya pelepasan dengan nilai pakainya, kecuali aset tersebut tidak menghasilkan arus kas masuk yang sebagian besar independen dari aset atau kelompok aset lain. Jika nilai tercatat aset lebih besar daripada nilai terpulihkannya, maka aset tersebut mengalami penurunan nilai dan nilai tercatat aset diturunkan menjadi sebesar nilai terpulihkannya. Rugi penurunan nilai segera diakui dalam laba rugi.

Dalam menghitung nilai pakai, estimasi arus kas masa depan bersih didiskontokan ke nilai kini dengan menggunakan tingkat diskonto sebelum pajak yang menggambarkan penilaian pasar terkini atas nilai waktu dari uang dan risiko spesifik dari aset. Jika tidak terdapat transaksi tersebut, Perusahaan dan entitas anak menggunakan model penilaian yang sesuai untuk menentukan nilai wajar aset. Perhitungan-perhitungan ini dikuatkan oleh penilaian berganda atau indikasi nilai wajar yang tersedia.

Dalam menentukan nilai wajar dikurangi biaya untuk menjual, digunakan harga penawaran pasar terakhir, jika tersedia. Kerugian penurunan nilai dari operasi yang dilanjutkan, jika ada, diakui pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian sesuai dengan kategori beban yang konsisten dengan fungsi dari aset yang diturunkan nilainya.

Penilaian dilakukan pada akhir setiap tahun pelaporan tahunan apakah terdapat indikasi bahwa rugi penurunan nilai yang telah diakui dalam tahun sebelumnya untuk aset selain *goodwill* mungkin tidak ada lagi atau mungkin telah menurun. Jika indikasi dimaksud ditemukan, maka entitas mengestimasi jumlah terpulihkan aset tersebut. Kerugian penurunan nilai yang telah diakui dalam tahun sebelumnya untuk aset selain *goodwill* dibalik hanya jika terdapat perubahan asumsi-asumsi yang digunakan untuk menentukan jumlah terpulihkan aset tersebut sejak rugi penurunan nilai terakhir diakui. Dalam hal ini, jumlah tercatat aset dinaikkan ke jumlah terpulihkannya. Pembalikan tersebut dibatasi sehingga jumlah tercatat aset tidak melebihi jumlah terpulihkannya maupun jumlah tercatat, bersih setelah penyusutan, seandainya tidak ada rugi penurunan nilai yang telah diakui untuk aset tersebut pada tahun sebelumnya. Pembalikan rugi penurunan nilai diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian. Setelah pembalikan tersebut, penyusutan aset tersebut disesuaikan di tahun mendatang untuk mengalokasikan jumlah tercatat aset yang direvisi, dikurangi nilai sisanya, dengan dasar yang sistematis selama sisa umur manfaatnya.

Exhibit E/34

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

m. Impairment of non-financial assets (Continued)

An individual asset's recoverable amount is determined by the higher between the fair value asset or cash generating unit ("CGU") less costs to disposal and its value in use, unless the asset does not generate cash inflows that are largely independent of those from assets or group of other assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written-down to its recoverable amount. Impairment losses are recognized immediately in profit or loss.

In assessing the value in use, the estimated net future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If no such transactions can be identified, the Company and subsidiaries use an appropriate valuation model to determine the fair value of the assets. These calculations are corroborated by multiple valuation or other available fair value indicators.

In determining fair value less costs to sell, recent market transactions are taken into account, if available. Impairment losses of continuing operations, if any, are recognized in the consolidated statement of profit or loss and other comprehensive income under expense categories that are consistent with the functions of the impaired assets.

An assessment is made at the end of each reporting year as to whether there is any indication that previously recognized impairment losses recognized for an asset other than goodwill may no longer exist or may have decreased. If such indication exists, the entity estimates the recoverable amount. A previously recognized impairment loss for an asset is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Reversal of an impairment loss is recognized in the consolidated statement of profit or loss and other comprehensive income. After such a reversal, the depreciation charge on the said asset is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Ekshibit E/35

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

n. Aset tak berwujud

Perusahaan dan entitas anak telah mengadopsi PSAK 19 (Revisi 2010) "Aset tak Berwujud". Aset tak berwujud terdiri dari aset tak berwujud yang berasal dari akuisisi entitas anak. Aset tak berwujud diakui jika Perusahaan dan entitas anak kemungkinan besar akan memperoleh manfaat ekonomis masa depan dari aset tak berwujud tersebut dan biaya aset tersebut dapat diukur dengan andal.

Aset tak berwujud dicatat berdasarkan biaya perolehan dikurangi akumulasi amortisasi dan penurunan nilai, jika ada. Aset tak berwujud diamortisasi berdasarkan estimasi masa manfaat. Perusahaan dan entitas anak harus mengestimasi nilai yang dapat diperoleh kembali dari aset tak berwujud. Apabila nilai tercatat aset tak berwujud melebihi estimasi nilai yang dapat diperoleh kembali, maka nilai tercatat aset tersebut diturunkan menjadi sebesar nilai yang dapat diperoleh kembali.

Aset tak berwujud, disusutkan dengan menggunakan metode garis lurus berdasarkan estimasi masa manfaat aset tak berwujud yaitu 10 (sepuluh) tahun.

o. Sewa

Dalam menentukan apakah suatu perjanjian merupakan perjanjian sewa atau perjanjian mengandung sewa, Perusahaan dan entitas anak melakukan evaluasi terhadap substansi perjanjian. Sewa diklasifikasikan sebagai sewa pembiayaan atau sewa operasi didasarkan pada substansi, bukan pada bentuk kontraknya. Aset sewa pembiayaan diakui hanya jika sewa tersebut mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset.

Sewa pembiayaan diakui sebagai aset dan liabilitas pada laporan posisi keuangan konsolidasian sebesar nilai wajar aset sewa atau jika lebih rendah, nilai kini pembayaran sewa minimum. Biaya langsung awal yang dikeluarkan Perusahaan dan entitas anak ditambahkan ke dalam jumlah yang diakui sebagai aset.

Pembayaran sewa minimum dipisahkan antara bagian yang merupakan beban keuangan dan bagian yang merupakan pelunasan liabilitas. Beban keuangan dialokasikan ke setiap tahun selama masa sewa sedemikian rupa sehingga menghasilkan suatu tingkat suku bunga tahunan yang konstan atas saldo liabilitas. Sewa kontinjen dibebankan pada tahun terjadinya.

Exhibit E/35

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

n. Intangible assets

The Company and subsidiaries have adopted PSAK 19 (Revised 2010) "Intangible Assets". Intangible assets consist of intangible assets from acquisition of subsidiaries. Intangible asset is recognized if the Company and its subsidiaries is likely to obtain future economic benefits of the intangible asset and the cost of the asset can be measured reliably.

Intangible assets are recorded at cost less accumulated amortization and impairment, if any. Intangible assets are amortized based on estimated useful lives. The Company and subsidiaries shall estimate the recoverable value of intangible assets. If the carrying value of intangible assets exceeds the estimated recoverable value, the carrying value of these assets is revealed to be of value in return.

Intangible assets are amortized using the straight-line method based on estimated useful lives of intangible assets of 10 (ten) years.

o. Leases

In determining whether an arrangement is, or contains a lease, the Company and subsidiaries performs an evaluation over the substance of the arrangement. A lease is classified as a finance lease or operating lease based on the substance, not the form of the contract. Finance lease assets is recognized if the lease transfers substantially all the risks and rewards incidental to the ownership of the leased asset.

Assets and liabilities under a finance lease are recognized in the consolidated statement of financial position at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Any initial direct costs of the Company and subsidiaries are added to the amount recognized as assets.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each year during the lease term so as to produce a constant yearly rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the year in which they are incurred.

Ekshibit E/36

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

o. Sewa (Lanjutan)

Aset sewa pembiayaan disusutkan dengan metode yang sama dan berdasarkan masa manfaat sebagaimana diestimasikan untuk aset tetap perolehan langsung. Akan tetapi, jika tidak terdapat kepastian yang memadai bahwa Perusahaan dan entitas anak akan memperoleh kepemilikan pada akhir masa sewa, aset sewa pembiayaan disusutkan penuh selama jangka waktu yang lebih pendek antara masa sewa dan umur manfaatnya.

Perjanjian sewa yang tidak memenuhi kriteria di atas, dicatat sebagai sewa operasi dimana pembayarannya diakui sebagai beban dengan dasar garis lurus selama masa sewa.

p. Perpajakan

Beban pajak penghasilan

Beban pajak terdiri dari pajak kini dan pajak tangguhan. Pajak diakui dalam laporan laba rugi, kecuali jika berkaitan dengan item yang diakui dalam penghasilan komprehensif lain atau secara langsung dalam ekuitas. Dalam kasus ini, pajak diakui dalam penghasilan komprehensif lain atau langsung dalam ekuitas.

i. Pajak kini

Beban pajak penghasilan kini di hitung dengan dasar hukum pajak yang berlaku pada tanggal pelaporan. Aset atau liabilitas pajak penghasilan kini terdiri dari kewajiban kepada atau klaim dari otoritas pajak yang berhubungan dengan tahun pelaporan kini atau sebelumnya, yang belum di bayar pada akhir tahun tanggal pelaporan. Pajak penghasilan diperhitungkan berdasarkan tarif pajak dan hukum pajak yang berlaku pada tahun fiskal terkait, berdasarkan laba kena pajak untuk tahun tersebut. Seluruh perubahan pada aset atau liabilitas pajak kini diakui sebagai komponen biaya pajak penghasilan dalam laporan laba rugi.

Exhibit E/36

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

o. Leases (Continued)

Leased assets are depreciated using the same method and based on the useful lives as estimated for directly acquired property and equipment. However, if there is no reasonable certainty that the Company and subsidiaries will obtain ownership by the end of the lease term, the leased assets are fully depreciated over the shorter of the lease terms and their economic useful lives.

Lease arrangements that do not meet the above criteria are accounted for as operating leases for which payments are charged as an expense on the straight-line basis over the lease year.

p. Taxation

Income tax expense

The tax expense comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

i. Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current income tax assets and/or liabilities comprise those obligations to, or claims from, tax authorities relating to the current or prior reporting year, that are unpaid at the end of each reporting year date. They are calculated according to the tax rates and tax laws applicable to the fiscal years to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of income tax expense in profit or loss.

Ekshibit E/37

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

p. Perpajakan (Lanjutan)

Beban pajak penghasilan (Lanjutan)

ii. Pajak tangguhan

Aset dan liabilitas pajak tangguhan diakui ketika jumlah tercatat dari aset atau liabilitas dalam laporan posisi keuangan konsolidasian berbeda dari dasar perpajakannya, kecuali jika perbedaan itu terjadi karena:

- Pengakuan awal *goodwill*
- Pengakuan awal aset atau liabilitas pada saat transaksi yang bukan merupakan kombinasi bisnis dan pada saat transaksi terjadi tidak mempengaruhi akuntansi atau laba kena pajak, dan
- Investasi pada entitas anak dan pengendalian bersama entitas dimana Perusahaan dan entitas anak mampu mengendalikan waktu pembalikan perbedaan dan kemungkinan besar bahwa perbedaan tersebut tidak akan dibalik pada masa yang akan datang.

Pengakuan dari aset pajak tangguhan terbatas pada saat dimana terdapat kemungkinan besar bahwa laba kena pajak akan tersedia terhadap perbedaan yang dapat digunakan.

Jumlah aset atau liabilitas ditentukan dengan menggunakan tarif pajak pada saat tanggal pelaporan dan di harapkan akan digunakan ketika liabilitas pajak tangguhan/(aset) telah diselesaikan/(dipulihkan).

Aset dan liabilitas pajak tangguhan di saling hapus ketika Perusahaan dan entitas anak memiliki hak hukum untuk saling hapus aset dan liabilitas pajak kini yang berhubungan dengan pungutan oleh otoritas pajak yang sama atas:

- Perusahaan dan entitas anak yang dikenakan pajak adalah sama, atau
- Kelompok entitas yang berbeda yang bertujuan untuk menyelesaikan aset pajak kini secara neto atau untuk merealisasikan aset dan menyelesaikan liabilitas, pada tahun masa depan dimana jumlah aset atau liabilitas pajak tangguhan signifikan diharapkan untuk di selesaikan atau di pulihkan.

Exhibit E/37

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

p. Taxation (Continued)

Income tax expense (Continued)

ii. Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- *The initial recognition of goodwill*
- *The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and*
- *Investments in subsidiaries and jointly controlled entities where the Company and subsidiaries is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.*

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset when the Company and subsidiaries has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- *The same taxable of the Company and subsidiaries, or*
- *Different group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.*

Ekshibit E/38

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

p. Perpajakan (Lanjutan)

Beban pajak penghasilan (Lanjutan)

iii. Pajak penghasilan final

Pada 6 September 2017, Pemerintah Indonesia menerbitkan Peraturan Pemerintah (PP) No. 34 (PP34) tentang Pajak Penghasilan atas Penghasilan dari Persewaan Tanah dan/atau Bangunan. Menurut PP34 ini, untuk sewa menara telekomunikasi yang tahun sewanya dimulai sejak berlakunya PP34 ini pada 2 Januari 2018, maka penghasilan atas sewa menara telekomunikasi tersebut akan dikenakan pajak penghasilan dengan tarif final 10%. Sedangkan penghasilan atas sewa menara telekomunikasi yang tahun sewanya dimulai sebelum berlakunya PP34 tersebut, tetap dikenakan pajak penghasilan dengan tarif non-final.

Pajak Pertambahan Nilai

Pendapatan, beban dan aset diakui bersih dari jumlah PPN, kecuali apabila PPN timbul pada saat pembelian aset atau jasa yang tidak dapat dipulihkan dari otoritas perpajakan, dalam hal ini PPN diakui sebagai bagian dari biaya perolehan aset atau sebagai bagian dari pos biaya, sebagaimana yang berlaku.

Hal-hal perpajakan lainnya

Penyesuaian atas liabilitas pajak dicatat pada saat Surat Ketetapan Pajak diterima atau pada saat keberatan yang diajukan ditetapkan.

q. Cadangan imbalan pasca-kerja

Program manfaat pasti

Perusahaan dan entitas anak mendanai program imbalan pasca-kerja sesuai dengan Undang-Undang Ketenagakerjaan No. 13/2003 tanggal 25 Maret 2003 ("Undang-Undang").

Liabilitas atau aset imbalan kerja bersih adalah agregat dari nilai kini liabilitas imbalan pasti pada akhir tahun pelaporan dikurangi dengan nilai wajar aset program (jika ada), disesuaikan dengan dampak yang membatasi aset imbalan pasti bersih terhadap batas atas aset. Batas atas aset adalah nilai sekarang dari manfaat ekonomis yang tersedia dalam bentuk pengembalian dana dari program atau pengurangan iuran masa mendatang tersebut.

Exhibit E/38

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

p. Taxation (Continued)

Income tax expense (Continued)

iii. Final tax income

On 6 September 2017, the Government of Indonesia issued the Government Regulation (GR) No. 34 (GR34) regarding Income Tax on Income from Land and/or Building Rental. According to the GR34, for lease of telecommunication towers whose lease year commences from the inception of this PP34 on 2 January 2018, the rental telecommunication tower's income shall be subject to the final income tax at rate of 10%. While the rental telecommunication tower income, which is the rental year commencing prior to the enactment of GR34, remains subject to the nonfinal income tax, income, which is the rental year commencing prior to the enactment of GR34, remains subject to the nonfinal income tax.

Value-Added Tax

Revenue, expenses and assets are recognized net of the amount of VAT, except where the VAT incurred on a purchase of assets or services are not recoverable from the taxation authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Other taxation matters

Amendments to taxation obligations are recorded when a Tax Assessment Letter is received or, if appealed against, when the results of the appeal are determined.

q. Provision for post-employment benefits

Defined benefit plan

The Company and subsidiaries set up fund for post-employment benefit program, in accordance with Labor Law No. 13/2003 dated 25 March 2003 (the "Law").

The net pension liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting year reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Ekshibit E/39

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

q. Cadangan imbalan pasca-kerja (Lanjutan)

Beban tersebut berdasarkan perhitungan aktuarial independen dengan menggunakan metode *"Projected Unit Credit"*.

Biaya imbalan pasti terdiri dari:

- Biaya jasa
- Bunga neto atas liabilitas atau aset imbalan pasti neto
- Pengukuran kembali liabilitas atau aset imbalan pasti neto

Biaya jasa meliputi biaya jasa kini, biaya jasa lalu dan keuntungan atau kerugian dari dan pembayaran yang tidak rutin diakui sebagai beban dalam laba rugi. Biaya jasa lalu diakui pada tanggal yang lebih awal antara ketika amandemen atau kuartailmen program terjadi, dan ketika Perusahaan dan entitas anak mengakui biaya restrukturisasi terkait atau biaya pesangon.

Bunga bersih atas liabilitas atau aset imbalan pasti adalah perubahan selama tahun berjalan pada bunga bersih atas liabilitas atau aset imbalan pasti yang muncul dari waktu ke waktu yang ditentukan dengan mengalikan tingkat diskonto berdasarkan obligasi pemerintah dengan liabilitas atau aset imbalan pasti bersih. Bunga bersih atas liabilitas atau aset imbalan pasti diakui sebagai beban atau pendapatan dalam laba rugi.

Pengukuran kembali terdiri dari keuntungan dan kerugian aktuarial, imbal hasil aset program dan setiap perubahan dampak batas atas aset, tidak termasuk jumlah yang dimasukkan dalam bunga neto atas liabilitas atau aset imbalan pasti. Pengukuran kembali atas liabilitas (aset) imbalan pasti neto diakui dalam penghasilan komprehensif lain pada tahun terjadinya. Pengukuran kembali tidak direklasifikasi ke laba rugi pada tahun berikutnya.

Imbalan jangka panjang lainnya

Perusahaan dan entitas anak juga memberikan manfaat penghargaan jangka panjang lainnya dalam bentuk cuti panjang dan tunjangan cuti panjang.

Beban tersebut berdasarkan perhitungan aktuarial independen dengan menggunakan metode *"Projected-Unit-Credit"*. Beban jasa masa kini termasuk beban jasa lalu dan keuntungan atau kerugian aktuarial dibebankan langsung ke laporan laba rugi tahun berjalan.

Exhibit E/39

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

q. Provision for post-employment benefits (Continued)

The provision is estimated based on actuarial calculations prepared by an independent firm of actuaries using the *"Projected Unit of Credit"* method.

Net pension cost comprises the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on nonroutine settlements are recognized as expense in profit or loss. Past service costs are recognized at the earlier of the date when the plan amendment or cuartailment occurs and when the Company and subsidiaries recognises related restructuring cost or termination benefits.

Net interest on the net defined benefit liability or asset is the change during the year in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling excluding net interest on defined benefit liability are recognized in other comprehensive income in the year in which they arise. Remeasurements are not reclassified to profit or loss in subsequent years.

Other long-term benefits

The Company and subsidiaries also provides other long-term rewards in the form of long leave and long leave allowances.

The provision is estimated based on actuarial calculations prepared by an independent firm of actuaries using the *"Projected Unit of Credit"* method. Current service costs including past service cost and actuarial gain or loss are charged directly to statement of profit or loss of the current year.

Ekshibit E/40

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

r. Modal saham

Modal saham diukur pada nilai nominal untuk seluruh saham yang ditempatkan. Pada saat Perusahaan menempatkan lebih dari satu jenis saham, akun terpisah dikelola untuk tiap jenis saham dan jumlah saham yang ditempatkan.

s. Transaksi restrukturisasi entitas sepengendali

Transaksi restrukturisasi entitas sepengendali berupa pengalihan aset, liabilitas, saham atau instrumen kepemilikan lainnya yang dilakukan dalam rangka reorganisasi entitas-entitas yang berada dalam suatu Perusahaan dan entitas anak yang sama, bukan merupakan perubahan pemilikan dalam arti substansi ekonomi, sehingga transaksi demikian tidak dapat menimbulkan laba atau rugi bagi seluruh kelompok perusahaan ataupun bagi entitas individual dalam kelompok perusahaan tersebut.

Karena transaksi restrukturisasi antara entitas sepengendali tidak mengakibatkan perubahan substansi ekonomi pemilikan atas aset, liabilitas, saham, atau instrumen kepemilikan lainnya yang dipertukarkan, maka aset maupun liabilitas yang pemilikannya dialihkan (dalam bentuk hukumnya) harus dicatat sesuai dengan nilai tercatat seperti penggabungan usaha berdasarkan metode penyatuan kepemilikan (*pooling-of-interest*).

Unsur-unsur laporan keuangan dari perusahaan yang direstrukturisasi untuk tahun terjadinya restrukturisasi tersebut dan untuk tahun perbandingan yang disajikan, harus disajikan sedemikian rupa seolah-olah Perusahaan tersebut telah bergabung sejak permulaan tahun yang disajikan tersebut.

Sebelum 1 Januari 2013, selisih antara harga pengalihan dengan nilai tercatat setiap transaksi restrukturisasi antara entitas sepengendali dibukukan dalam akun "Selisih nilai transaksi restrukturisasi entitas sepengendali". Saldo akun tersebut selanjutnya disajikan sebagai unsur ekuitas.

Efektif 1 Januari 2013, selisih antara harga pengalihan dengan nilai tercatat setiap transaksi restrukturisasi antara entitas sepengendali dibukukan dalam akun "Tambahan modal disetor".

Exhibit E/40

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

r. Share capital

Share capital is measured at par value for all shares issued. When the Company issues more than one class of shares, a separate account is maintained for each class of shares and the number of shares issued.

s. Restructuring transactions of entities under common control

Restructuring transactions of entities under common control represent transfer of assets, liabilities, shares or other ownership instruments to reorganize entities within the same Company and subsidiaries, therefore resulting in no changes of ownership in terms of economic substance, and should not result in any gains or losses for the whole Company and subsidiaries companies or for the individual entity in the Company and subsidiaries.

Since restructuring transactions of entities under common control do not result in changes in economic substance of ownership in transferred assets, shares, liabilities or other ownership instruments, the transferred assets or liabilities (in legal form) should be recorded at book value in a manner similar to business combination transactions using the pooling-of-interest method.

The financial statements items of the restructured companies for the year in which the restructuring occurs and for any comparative years should be presented as if the Companies had been combined from the beginning of the earliest year presented.

Before 1 January 2013, the difference between transfer price and book value for each restructuring transaction of entities under common control is recorded in an account entitled "Differences arising from restructuring transactions of entities under common control". The account balance is presented as a component of the equity.

Effective 1 January 2013, the difference between transfer price and book value for each restructuring transaction of entities under common control is recorded in an account entitled "Additional paid-in capital".

Ekshibit E/41

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

t. Selisih transaksi perubahan ekuitas entitas anak

Apabila nilai ekuitas entitas anak yang menjadi bagian Perusahaan sesudah transaksi perubahan ekuitas entitas anak berbeda dengan nilai ekuitas entitas anak yang menjadi bagian Perusahaan sebelum transaksi perubahan ekuitas entitas anak, maka perbedaan tersebut oleh Perusahaan diakui sebagai selisih transaksi perubahan ekuitas entitas anak yang dicatat dalam akun "Penghasilan Komprehensif Lain".

Pada saat pelepasan investasi yang bersangkutan, jumlah selisih transaksi perubahan ekuitas entitas anak yang terkait diakui sebagai pendapatan atau beban dalam tahun yang sama pada waktu keuntungan atau kerugian pelepasan diakui.

u. Tambahan modal disetor - bersih

Tambahan modal disetor - bersih merupakan selisih antara harga penawaran dari hasil penawaran umum perdana saham Perusahaan dengan nilai nominal saham, setelah dikurangi dengan biaya-biaya yang terjadi sehubungan dengan penawaran umum perdana saham tersebut.

v. Saham treasuri

Ketika Perusahaan membeli modal saham ekuitas (saham treasuri), imbalan yang dibayar, termasuk biaya tambahan yang secara langsung dapat diatribusikan (dikurangi pajak penghasilan) dikurangkan dari ekuitas yang diatribusikan kepada pemilik ekuitas sampai saham tersebut ditarik atau diterbitkan kembali. Apabila saham treasuri ditarik kembali, selisih antara harga perolehan dengan nilai nominal dialokasikan antara tambahan modal disetor dan saldo laba.

w. Dividen

Dividen diakui pada saat dividen secara legal menjadi terutang. Dalam dividen terhadap pemegang saham ekuitas, dividen menjadi terutang pada saat diumumkan oleh Direksi. Dalam dividen final, dividen menjadi terutang pada saat dividen diumumkan oleh para pemegang saham pada saat Rapat Umum Pemegang Saham.

x. Pengakuan pendapatan dan beban

Pendapatan diakui ketika kemungkinan besar manfaat ekonomi masa depan akan mengalir ke Perusahaan dan entitas anak dan manfaat ini dapat diukur secara handal. Pendapatan diukur dengan nilai wajar imbalan yang diterima, dikurangi diskon dan Pajak Pertambahan Nilai (PPN).

Exhibit E/41

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

t. Differences arising from changes in subsidiaries equity

If the equity value of a subsidiary which becomes part of the Company following transactions concerning equity change in a subsidiary is different to the equity value of a subsidiary which formed part of the Company prior to transactions concerning equity change in a subsidiary, then that difference is acknowledged by the Company as differences arising from changes in the subsidiaries equity and recorded in account "Other Comprehensive Income".

At the time when related investment is ceased, the difference in change of equity of subsidiaries concerned is recognized as income or expenses in the same year at the same time as when gains and losses from the release are recognized.

u. Additional paid-in capital - net

Additional paid-in capital - net represents the difference between the offering price of the shares of the Company at the initial public offering with the par value of such shares, net of shares issuance costs.

v. Treasury stocks

Where the Company purchases its share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the equity holders until the shares are retired or reissued. When the treasury stock is retired, the excess of acquisition cost over par value shall be allocated between the related additional paid-in capital and retained earnings.

w. Dividends

Dividends are recognised when they become legally payable. In the case of dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the General Meeting of Shareholders.

x. Revenue and expenses recognition

Revenue is recognized when it is likely that future economic benefits will flow to the Company and subsidiaries and these benefits can be measured reliably. Revenue is measured at the fair value of the consideration received, net of discounts and Value Added Tax (VAT).

Ekshibit E/42

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

2. RINGKASAN KEBIJAKAN AKUNTANSI SIGNIFIKAN (Lanjutan)

x. Pengakuan pendapatan dan beban (Lanjutan)

Pendapatan sewa menara diakui selama masa sewa. Pendapatan sewa menara diterima di muka disajikan sebagai akun "Pendapatan yang diterima di muka". Pendapatan sewa menara yang belum ditagih disajikan sebagai akun "Pendapatan yang masih harus diterima" di laporan posisi keuangan konsolidasian. Beban diakui berdasarkan metode akrual (*accrual method*).

y. Laba (rugi) per saham dasar yang dapat diatribusikan kepada pemegang saham biasa entitas induk

Laba (rugi) per saham dasar dihitung dengan membagi laba (rugi) bersih pada tahun berjalan yang dapat diatribusikan kepada pemegang saham biasa Perusahaan dengan jumlah rata-rata tertimbang saham beredar dalam tahun berjalan dan telah dikurangi dengan saham treasury.

z. Provisi dan kontinjensi

Provisi diakui ketika Perusahaan dan entitas anak memiliki kewajiban (legal maupun konstruktif) sebagai hasil peristiwa lalu; yaitu kemungkinan besar arus keluar sumber daya ekonomi diperlukan untuk menyelesaikan kewajiban dan suatu estimasi terhadap jumlah dapat dilakukan. Apabila dampak nilai waktu uang adalah material, maka provisi didiskontokan dengan menggunakan tarif sebelum pajak, untuk mencerminkan risiko spesifik liabilitas. Ketika pendiskontoan digunakan, kenaikan provisi terkait dengan berlalunya waktu diakui sebagai beban keuangan.

Kewajiban kontinjensi tidak diakui dalam Laporan keuangan konsolidasian. Kewajiban tersebut telah diungkapkan dalam catatan atas laporan keuangan konsolidasian kecuali kemungkinan arus keluar sumber daya ekonomi sangat kecil.

Aset kontinjensi tidak diakui dalam Laporan keuangan konsolidasian tetapi diungkapkan dalam catatan atas Laporan keuangan konsolidasian ketika arus masuk manfaat ekonomi cukup besar.

aa. Peristiwa setelah periode pelaporan

Peristiwa setelah periode pelaporan yang memberikan bukti kondisi yang ada pada akhir periode pelaporan (*adjusting events*) tercermin dalam Laporan keuangan konsolidasian. Peristiwa setelah periode pelaporan yang tidak berdampak pada laporan keuangan diungkapkan dalam catatan atas Laporan keuangan konsolidasian apabila jumlahnya material.

Exhibit E/42

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

x. Revenue and expenses recognition (Continued)

Tower rental revenue is recognized over the lease year. Tower rental revenue received in advance is presented as "Unearned income". Tower rental revenue that has not been billed yet is presented as "Accrued revenue" in the consolidated statements of financial position. Expenses are recognized based on accrual method.

y. Basic earnings (loss) per share attributable to the common equity holders of the parent company

Basic earnings (loss) per share are calculated by dividing net profit (loss) for the current year attributable to the common equity holders of the Company by the weighted average number of outstanding shares during the current year and has been reduced by treasury stock.

z. Provision and contingencies

Provisions are recognized when the Company and subsidiaries has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate, that reflects current market assessment of the time value of money and where appropriate, the risks specific to the liability. Where discounting is used, the increased due to the passage of time is recognized as interest expense.

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed in the notes to consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the consolidated financial statements but are disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

aa. Events after the reporting period

Events after the reporting period that provide evidence of conditions that existed at the end of the reporting period (adjusting events) are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

Ekshibit E/43

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

3. PERTIMBANGAN, ESTIMASI DAN ASUMSI AKUNTANSI
SIGNIFIKAN

Penyusunan Laporan keuangan konsolidasian Perusahaan dan entitas anak mengharuskan manajemen untuk membuat pertimbangan, estimasi dan asumsi yang mempengaruhi jumlah yang dilaporkan dari pendapatan, beban, aset dan liabilitas, dan pengungkapan atas liabilitas kontijensi, pada akhir tahun pelaporan. Ketidakpastian mengenai asumsi dan estimasi tersebut dapat mengakibatkan penyesuaian material terhadap nilai tercatat aset dan liabilitas dalam tahun pelaporan berikutnya.

Pertimbangan

Klasifikasi Aset dan Liabilitas Keuangan

Perusahaan dan entitas anak menetapkan klasifikasi atas aset dan liabilitas tertentu sebagai aset keuangan dan liabilitas keuangan dengan pertimbangan bila definisi yang ditetapkan PSAK 55 (Revisi 2014) terpenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Perusahaan dan entitas anak seperti yang dijelaskan pada Catatan 2f.

Estimasi dan Asumsi

Penyisihan atas Kerugian Penurunan Nilai Piutang Usaha

Perusahaan dan entitas anak mengevaluasi akun tertentu jika terdapat informasi bahwa pelanggan yang bersangkutan tidak dapat memenuhi liabilitas keuangannya.

Dalam hal tersebut, Perusahaan dan entitas anak mempertimbangkan, berdasarkan fakta dan situasi yang tersedia, termasuk namun tidak terbatas pada, jangka waktu hubungan dengan pelanggan dan status kredit dari pelanggan berdasarkan catatan kredit dari pihak ketiga dan faktor pasar yang telah diketahui, untuk mencatat provisi spesifik atas jumlah piutang pelanggan guna mengurangi jumlah piutang yang diharapkan dapat diterima oleh Perusahaan dan entitas anak. Provisi spesifik ini dievaluasi kembali dan disesuaikan jika tambahan informasi yang diterima mempengaruhi jumlah penyisihan untuk piutang usaha.

Penyusutan Aset Tetap

Biaya perolehan aset tetap disusutkan dengan menggunakan metode garis lurus berdasarkan taksiran masa manfaat ekonomisnya. Manajemen mengestimasi masa manfaat ekonomis aset tetap antara 4-30 tahun. Ini adalah umur yang secara umum diharapkan dalam industri di mana Perusahaan dan entitas anak menjalankan bisnisnya. Perubahan tingkat pemakaian dan perkembangan teknologi dapat mempengaruhi masa manfaat ekonomis dan nilai sisa aset, dan karenanya beban penyusutan masa depan mungkin direvisi.

Exhibit E/43

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND
ASSUMPTIONS

The preparation of consolidated financial statements of the Company and subsidiaries requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting year. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset and liability affected in future years.

Judgments

Classification of Financial assets and Financial Liabilities

The Company and subsidiaries determine the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definitions set forth in PSAK 55 (Revised 2014). Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Company and subsidiaries accounting policies described in Note 2f.

Estimates and Assumptions

Allowance for Impairment of Trade Receivables

The Company and subsidiaries evaluate specific accounts where they have information that certain customers are unable to meet their financial obligations.

In these cases, the Company and subsidiaries use judgment, based on the best available facts and circumstances, including but not limited to, the length of their relationship with the customer and the customer's current credit status based on third party credit reports and known market factors, to record specific provisions for customers against amounts due to reduce the receivable amounts that the Company and subsidiaries expect to collect. These specific provisions are re-evaluated and adjusted as additional information received affects the amounts of allowance for impairment of trade receivables.

Depreciation of Property and Equipment

The costs of property and equipment are depreciated on a straight-line method over their estimated useful lives. Management estimates the useful lives of these property and equipment to be within 4-30 years. These are common life expectancies applied in the industries where the Company and subsidiaries conduct their businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised.

Ekshibit E/44

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**3. PERTIMBANGAN, ESTIMASI DAN ASUMSI AKUNTANSI
SIGNIFIKAN (Lanjutan)**

Estimasi dan Asumsi (Lanjutan)

Penurunan Nilai Goodwill

Perusahaan dan entitas anak disyaratkan untuk melakukan pengujian, secara tahunan, apakah nilai *goodwill* telah mengalami penurunan nilai. Jumlah terpulihkan ditentukan berdasarkan pada perhitungan nilai yang dapat digunakan. Penggunaan metode ini mensyaratkan estimasi atas arus kas masa depan dan penentuan tingkat diskonto untuk menghitung nilai kini arus kas. Informasi lebih lanjut termasuk nilai tercatat terdapat dalam Catatan 35.

Imbalan Pasca-Kerja

Biaya, aset dan liabilitas skema imbalan pasti yang dilakukan oleh Perusahaan dan entitas anak ditentukan dengan menggunakan metode yang bergantung pada estimasi dan asumsi aktuarial. Rincian dari asumsi utama terdapat dalam Catatan 33. Perusahaan dan entitas anak menjalankan masukan dari aktuaris independen terkait dengan kesesuaian asumsi. Perubahan pada asumsi yang digunakan mungkin memiliki efek yang signifikan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian dan laporan posisi keuangan konsolidasian.

Pajak Penghasilan

Pertimbangan signifikan dilakukan dalam menentukan provisi atas pajak penghasilan badan. Terdapat transaksi dan perhitungan tertentu yang penentuan pajak akhirnya adalah tidak pasti dalam kegiatan usaha normal. Perusahaan dan entitas anak mengakui liabilitas atas pajak penghasilan badan berdasarkan estimasi apakah akan terdapat tambahan pajak penghasilan badan.

Proses hukum

Perusahaan dan entitas anak meninjau perkembangan kasus hukum yang masih berjalan dalam proses hukum dan pada setiap tanggal pelaporan, guna untuk menilai kebutuhan provisi dan pengungkapan dalam laporan keuangannya. Di antara faktor-faktor yang dipertimbangkan dalam membuat keputusan provisi litigasi adalah sifat litigasi, klaim atau penilaian, proses hukum dan tingkat potensi kerusakan dijurisdiksi di mana litigasi, klaim atau penilaian tersebut berada, perkembangan dari kasus (termasuk perkembangan setelah tanggal pelaporan keuangan namun sebelum laporan tersebut dikeluarkan), pendapat atau pandangan penasihat hukum, pengalaman dalam kasus serupa dan keputusan dari manajemen Perusahaan dan entitas anak tentang bagaimana Perusahaan dan entitas anak akan merespon terhadap litigasi, klaim atau penilaian.

Exhibit E/44

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND
ASSUMPTIONS (Continued)**

Estimates and Assumptions (Continued)

Impairment of Goodwill

The Company and subsidiaries is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows. More information including carrying values is included in Note 35.

Post-Employment Benefits

The costs, assets and liabilities of the defined benefit schemes operating by the Company and subsidiaries are determined using methods relying on actuarial estimates and assumptions. Details of the key assumptions are set out in Note 33. The Company and subsidiaries takes advice from independent actuaries relating to the appropriateness of the assumptions. Changes in the assumptions used may have a significant effect on the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of financial position.

Income Taxes

Significant judgment is involved in determining the provision for corporate income tax. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Company and subsidiaries recognizes liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due.

Legal proceeding

The Company and subsidiaries reviews outstanding legal cases following developments in the legal proceedings and at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the management of the Company and subsidiaries as to how it will respond to the litigation, claim or assessment.

Ekshibit E/45

Exhibit E/45

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**3. PERTIMBANGAN, ESTIMASI DAN ASUMSI AKUNTANSI
SIGNIFIKAN (Lanjutan)**

**3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND
ASSUMPTIONS (Continued)**

Estimasi dan Asumsi (Lanjutan)

Estimates and Assumptions (Continued)

Pengukuran nilai wajar

Fair value measurement

Sehubungan dengan penerapan PSAK 16 (Revisi 2014) "Aset Tetap", Perusahaan dan entitas anak telah memilih model revaluasi untuk pengukuran setelah pengakuan awal menara telekomunikasi. Hirarki nilai wajar aset tetap pada akhir tahun pelaporan merupakan kategori dalam level 3 pengukuran berulang nilai wajar. Untuk menentukan nilai wajar, penilai independen menggunakan kombinasi dua pendekatan sebagai metode penilaian: pendekatan pendapatan, yang mendiskontokan arus kas masa depan, dan pendekatan biaya, yang didasarkan pada biaya penggantian saat ini. Untuk penjelasan lebih detail lihat Catatan 12 atas laporan keuangan konsolidasian.

Regarding the implementation of PSAK No. 16 (Revised 2014) "Property and Equipment", the Company and subsidiaries has chosen the revaluation model for the measurement after initial recognition of telecommunication towers. The fair value hierarchy of property and equipment at the end of reporting year is categorised as a level 3 recurring fair value measurement. To determine the fair value, the independent appraiser utilizes a combination of two approaches as the appraisal method: the income approach, which discounts future cash flows, and the cost approach, which is based on current replacement cost. For more details, see Note 12 to our consolidated financial statements.

4. KAS DAN SETARA KAS

4. CASH AND CASH EQUIVALENTS

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Kas	666	746	Cash on hand
Bank			Cash in banks
Rupiah			Rupiah
PT Bank UOB Indonesia	148.869	17.647	PT Bank UOB Indonesia
PT Bank DBS Indonesia	25.552	1.192	PT Bank DBS Indonesia
PT Bank Mandiri (Persero) Tbk	1.647	5.199	PT Bank Mandiri (Persero) Tbk
PT Bank Central Asia Tbk	427	737	PT Bank Central Asia Tbk
Deutsche Bank AG	99	79	Deutsche Bank AG
PT Bank Danamon Indonesia Tbk	79	80	PT Bank Danamon Indonesia Tbk
PT Bank Permata Tbk	73	218	PT Bank Permata Tbk
PT Bank OCBC NISP Tbk	13	16	PT Bank OCBC NISP Tbk
PT Bank CIMB Niaga Tbk	5	6	PT Bank CIMB Niaga Tbk
PT Bank ANZ Indonesia	5	5	PT Bank ANZ Indonesia
PT Bank BNP Paribas Indonesia	4	5.004	PT Bank BNP Paribas Indonesia
MUFG Bank Ltd.	3	4	MUFG Bank Ltd.
The Hongkong and Shanghai Banking Corporation Ltd	3	8	The Hongkong and Shanghai Banking Corporation Ltd
PT Bank INA Perdana Tbk	-	193	PT Bank INA Perdana Tbk
Saldo dipindahkan	176.779	30.388	Carried forward

Ekshibit E/46

Exhibit E/46

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

4. KAS DAN SETARA KAS (Lanjutan)

4. CASH AND CASH EQUIVALENTS (Continued)

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Saldo pindahan	176.779	30.388
US Dolar		
PT Bank UOB Indonesia	150.013	149.977
PT Bank Central Asia Tbk	1.791	35.153
PT Bank Danamon Indonesia Tbk	1.500	1.320
PT Bank OCBC NISP Tbk	1.095	905
The Hongkong and Shanghai Banking Corporation Ltd	631	820
PT Bank Mandiri (Persero) Tbk	492	413
PT Bank Permata Tbk	261	419
PT Bank ANZ Indonesia	45	49
PT Bank DBS Indonesia	32	36
MUFG Bank Ltd.	29	30
PT Bank CIMB Niaga Tbk	28	30
	155.917	189.152
Sub-jumlah bank	332.696	219.540
Deposito berjangka		
PT Bank Mandiri (Persero) Tbk	-	300
Jumlah	333.362	220.586

<i>Brought forward</i>
US Dollar
<i>PT Bank UOB Indonesia</i>
<i>PT Bank Central Asia Tbk</i>
<i>PT Bank Danamon Indonesia Tbk</i>
<i>PT Bank OCBC NISP Tbk</i>
<i>The Hongkong and Shanghai</i>
<i>Banking Corporation Ltd</i>
<i>PT Bank Mandiri (Persero) Tbk</i>
<i>PT Bank Permata Tbk</i>
<i>PT Bank ANZ Indonesia</i>
<i>PT Bank DBS Indonesia</i>
<i>MUFG Bank Ltd.</i>
<i>PT Bank CIMB Niaga Tbk</i>
<i>Sub-total cash in banks</i>
Time deposit
<i>PT Bank Mandiri (Persero) Tbk</i>
Total

Seluruh saldo kas dan setara kas adalah kepada pihak ketiga.

All cash and cash equivalents are to third parties.

Kisaran suku bunga kontraktual dari setara kas
selama periode/ tahun pelaporan.

Rupiah
1% - 5.5%

US Dollar
0.65%
The range of contractual interest rates of cash
equivalents during the period/ year of reporting.

Pada tanggal 31 Desember 2018, bunga deposito adalah 5,50%
per tahun.

As of 31 December 2018, time deposits earn an annual
interest of 5.50%.

5. PIUTANG USAHA - PIHAK KETIGA

5. TRADE RECEIVABLES - THIRD PARTIES

Rincian piutang usaha berdasarkan mata uang adalah sebagai
berikut:

The details of trade receivables per currency are as follows:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Pihak ketiga		
Rupiah	289.047	362.890
Dolar AS	247.453	20.413
Jumlah	536.500	383.303

Third parties
Rupiah
US Dollar
Total

Ekshibit E/47

Exhibit E/47

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

5. PIUTANG USAHA - PIHAK KETIGA (Lanjutan)

Rincian piutang usaha berdasarkan nama pelanggan adalah sebagai berikut:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Pihak ketiga		
PT XL Axiata Tbk	244.500	96.411
PT Indosat Tbk	183.209	50.155
PT Smartfren Telecom Tbk	58.813	59.722
PT First Media	15.312	15.312
PT Telekomunikasi Selular	14.312	6.235
PT Hutchison 3 Indonesia	8.316	144.087
PT Smart Telecom	976	-
Lainnya (masing-masing di bawah Rp 1 miliar)	10.291	7.324
	535.729	379.246
Sewa bangunan	771	4.057
Jumlah	536.500	383.303

Umur piutang usaha sejak tanggal faktur adalah sebagai berikut:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Belum jatuh tempo	361.871	254.136
Jatuh tempo		
1 - 30 hari	148.696	47.997
31 - 60 hari	1.134	56.966
61 - 90 hari	4.483	3.544
Lebih dari 90 hari	20.316	20.660
	174.629	129.167
Jumlah - bersih	536.500	383.303

Berdasarkan penelaahan atas saldo piutang usaha secara individu pada akhir tahun, manajemen berpendapat bahwa seluruh piutang usaha pada tanggal 30 September 2019 dan 31 Desember 2018 dapat tertagih seluruhnya dalam waktu dekat, sehingga tidak perlu membentuk cadangan penurunan nilai.

Pada bulan Desember 2018, hampir seluruh saldo piutang usaha PT Internux telah diubah menjadi piutang Surat Sanggup Bayar (lihat Catatan 7).

5. TRADE RECEIVABLES - THIRD PARTIES (Continued)

The details of trade receivables per customer are as follows:

Third parties
PT XL Axiata Tbk
PT Indosat Tbk
PT Smartfren Telecom Tbk
PT First Media
PT Telekomunikasi Selular
PT Hutchison 3 Indonesia
PT Smart Telecom
Others (each below Rp 1 billion)

Building rental

Total

Aging of trade receivables from the date of invoice is as follows:

Current
Overdue
1 - 30 days
31 - 60 days
61 - 90 days
Over 90 days

Total - net

Based on the review of the status of the individual receivable accounts at the end of the year, the management believes that the trade receivables at 30 September 2019 and 31 December 2018 are fully collectible in the near future, hence the allowance for impairment are not necessarily provided.

In December 2018, the most of PT Internux's trade receivables have been converted into the Promissory Notes (see Note 7).

Ekshibit E/48

Exhibit E/48

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

6. PIUTANG LAIN-LAIN

6. OTHER RECEIVABLES

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Pihak ketiga			Third parties
Operator selular - Tagihan listrik	47.751	24.379	Cellular operator - Electricity bills
Karyawan	28.287	20.665	Employees
Bukti potong pajak penghasilan pasal 23	28.248	17.891	Withholding tax slip for income tax article 23
Penjualan menara telekomunikasi	10.360	10.360	Sale of telecommunication tower
Asuransi	1.564	945	Insurance
Lainnya	2.163	2.207	Others
	118.373	76.447	
Pihak berelasi (Catatan 38)	13	1.213	Related parties (Note 38)
Jumlah	118.386	77.660	Total

Umur piutang lain-lain sejak tanggal faktur adalah sebagai berikut:

Aging of other receivables from the date of invoice is as follows:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Belum jatuh tempo	24.395	21.179	Current
Jatuh tempo			Overdue
1 - 30 hari	10.093	28.231	1 - 30 days
31 - 60 hari	17.384	12.166	31 - 60 days
61 - 90 hari	47.856	15.567	61 - 90 days
Lebih dari 90 hari	18.658	517	Over 90 days
Jumlah	118.386	77.660	Total

Berdasarkan penelaahan atas saldo piutang lain-lain secara individu pada akhir tahun, manajemen berpendapat bahwa piutang lain-lain dapat ditagih seluruhnya, sehingga tidak perlu membentuk penyisihan kerugian penurunan nilai pada tanggal 30 September 2019 dan 31 Desember 2018.

Based on the review of the status of the individual other receivable accounts at the end of the year, the management believes that all of the other receivables can be fully collected, hence the management determines that no allowance for impairment losses is necessary provided as of 30 September 2019 and 31 December 2018.

7. SURAT SANGGUP BAYAR

Pada bulan Desember 2018, Perusahaan dan PT Internux telah menyepakati untuk mengubah piutang usaha PT Internux menjadi Surat Sanggup Bayar senilai Rp 221.425. Surat Sanggup Bayar tersebut tidak memiliki jangka waktu dan dapat dialihkan kepada pihak lain.

Surat Sanggup Bayar ini merupakan konversi piutang usaha dan pelaksanaannya terikat dengan Perjanjian Perdamaian tanggal 30 Oktober 2018. Dalam Perjanjian Perdamaian tersebut, jangka waktu pelunasan piutang kepada Perseroan maksimal adalah 360 bulan sejak tanggal Perjanjian Perdamaian, tidak terdapat bunga pinjaman dan jaminan.

7. PROMISSORY NOTES

In December 2018, the Company and PT Internux have agreed to convert PT Internux's trade receivables into the Promissory Notes amounted to Rp 221,425. The Promissory Notes has no time year and can be transferred to another party.

This promissory note is the conversion of trade receivables and the implementation is bound by the Peace Agreement dated October 30, 2018. In the Peace Agreement, the maximum period of payment of receivables to the Company is 360 months from the date of the Peace Agreement, there are no loan and guarantee interest.

Ekshibit E/49

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

8. INVESTASI

Akun ini merupakan surat berharga tersedia untuk dijual dalam bentuk obligasi wajib konversi.

Pada tanggal 9 Desember 2014, Pengadilan Niaga pada Pengadilan Negeri Jakarta Pusat telah memutuskan PT Bakrie Telecom Tbk dalam Penundaan Kewajiban Pembayaran Utang ("PKPU") Sementara berdasarkan perkara PKPU No. 59/Pdt.Sus-PKPU/2014/PN.Niaga.Jkt.Pusat. Pada tanggal 9 Desember 2014, Pengadilan Niaga pada Pengadilan Negeri Jakarta Pusat telah memberikan putusan pengadilan untuk mengesahkan Perjanjian Perdamaian tanggal 9 Desember 2014 yang dibuat antara PT Bakrie Telecom Tbk dengan para kreditur terkait, termasuk dengan beberapa entitas anak (PT Solu Sindo Kreasi Pratama, PT Tower Bersama, PT Bali Telekom, PT Batavia Towerindo, PT Telenet Internusa, PT Prima Media Selaras, PT United Towerindo, PT Mitrayasa Sarana Informasi) ("Perjanjian Perdamaian"), dimana utang sewa PT Bakrie Telecom Tbk kepada entitas anak tersebut akan diselesaikan melalui mekanisme tunai bertahap dan pelaksanaan obligasi wajib konversi.

Perubahan nilai wajar untuk periode 9 (sembilan) bulan dan tahun yang masing-masing berakhir pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar nihil. Manajemen berpendapat bahwa nilai surat berharga pada tanggal laporan posisi keuangan konsolidasian telah mencerminkan nilai wajarnya.

9. PENDAPATAN YANG MASIH HARUS DITERIMA

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Pihak ketiga		
PT Telekomunikasi Selular	398.230	417.160
PT XL Axiata Tbk	50.726	82.405
PT Hutchison 3 Indonesia	35.145	1.539
PT Smartfren Telecom Tbk	21.792	17.610
PT Indosat Tbk	20.408	21.145
PT Internux	4.192	4.192
PT Smart Telecom	1.845	1.261
Lainnya (masing-masing di bawah Rp 1 miliar)	12.913	1.296
Jumlah	545.251	546.608

Akun ini merupakan pendapatan sewa menara telekomunikasi yang belum ditagih, karena proses pengujian fisik menara dan verifikasi dokumen yang belum selesai pada tanggal laporan posisi keuangan konsolidasian.

Exhibit E/49

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

8. INVESTMENT

This account represents mandatory convertible bonds and classified as securities - available for sale.

On 9 December 2014, the Commercial Court of the District Court of Central Jakarta had granted PT Bakrie Telecom Tbk a Temporary Suspension of Payment (the "SOP") based on SOP case No. 59/Pdt.Sus-PKPU/2014/PN.Niaga.Jkt.Pusat. On 9 December 2014, the Commercial Court of the District Court of Central Jakarta has given a court order to legalize the Settlement Agreement dated 9 December 2014, made by PT Bakrie Telecom Tbk and the respective creditors, including to some subsidiaries (PT Solu Sindo Kreasi Pratama, PT Tower Bersama, PT Bali Telekom, PT Batavia Towerindo, PT Telenet Internusa, PT Prima Media Selaras, PT United Towerindo, PT Mitrayasa Sarana Informasi) (the "Settlement Agreement"), which the lease debt of PT Bakrie Telecom Tbk to the respective subsidiaries will be settled through cash installments and the exercise of mandatory convertible bonds.

Change in fair value for the period of 9 (nine) months and year ended 30 September 2019 and 31 December 2018 amounted to nil, respectively. The management believes that the value of such securities on the consolidated statements of financial position has reflected its fair value.

9. ACCRUED REVENUE

Third parties
PT Telekomunikasi Selular
PT XL Axiata Tbk
PT Hutchison 3 Indonesia
PT Smartfren Telecom Tbk
PT Indosat Tbk
PT Internux
PT Smart Telecom
Others (each below Rp 1 billion)
Total

This account represents unbilled rental income of telecommunication towers due to the customer's site visit and verification of documents not being completed as of the consolidated statements of financial position date.

Ekshibit E/50

Exhibit E/50

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

10. PERSEDIAAN DAN PERLENGKAPAN

10. INVENTORIES AND SUPPLIES

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Material menara	32.591	18.603	Tower material
Suku cadang	5.987	4.120	Spareparts
Jumlah	38.578	22.723	Total

Pada tanggal 30 September 2019 dan 31 Desember 2018, tidak ada persediaan dan perlengkapan yang dijaminkan.

As of 30 September 2019 and 31 December 2018, there are no inventories and supplies are pledged as collateral.

Berdasarkan hasil penelaahan pada setiap akhir periode/tahun, manajemen berpendapat tidak perlu membentuk penyisihan penurunan nilai atas akun persediaan. Kecuali material menara, seluruh persediaan dan perlengkapan akan diakui sebagai beban pada saat penggunaan.

Based on a review at the end of the period/year, the management determines that no impairment provision is necessary provided. Except for tower material, all inventories and supplies will be recognized as expenses at the time of use.

Persediaan yang diakui sebagai beban untuk periode 9 (sembilan) bulan dan tahun yang berakhir pada 30 September 2019 dan 31 Desember 2018 masing-masing adalah sebesar Rp 6.252 dan Rp 5.042.

Inventories which recognized as expenses the period of 9 (nine) months and year ended 30 September 2019 and 31 December 2018 are amounted to Rp 6,252 and Rp 5,042, respectively.

11. UANG MUKA DAN BEBAN DIBAYAR DI MUKA

11. ADVANCE PAYMENTS AND PREPAID EXPENSES

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Uang muka operasional	40.824	58.693	Operational advances
Perijinan	26.385	28.602	Licenses
Retribusi	10.448	10.427	Retribution
Asuransi	10.133	14.443	Insurance
Sewa kantor	4.659	3.586	Office rental
Lainnya	46.896	39.052	Others
Jumlah	139.345	154.803	Total

Ekshibit E/51

Exhibit E/51

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

12. ASET TETAP

12. PROPERTY AND EQUIPMENT

	Saldo awal/ <i>Beginning balance</i>	Penambahan/ <i>Additions</i>	Pengurangan/ <i>Deductions</i>	Reklasifikasi/ <i>Reclassification</i>	Akumulasi penyusutan dan penyesuaian nilai wajar/ <i>Accumulated depreciation and fair value adjustment</i>	Surplus revaluasi/ <i>Revaluation surplus</i>	Reklasifikasi ke properti investasi/ <i>Reclassified to investment property</i>	Saldo akhir/ <i>Ending balance</i>	
30 September 2019 (9 bulan)									30 September 2019 (9 months)
Model Revaluasi									Revaluation Model
Menara telekomunikasi	20.397.393	-	-	814.548	(191.496)	93.464	-	21.113.909	Telecommunication towers
Akumulasi penyusutan									Accumulated depreciation
Menara telekomunikasi	-	191.496	-	-	(191.496)	-	-	-	Telecommunication towers
Model Biaya									Cost Model
Aset tetap dalam penyelesaian	997.542	931.503	-	(814.548)	-	-	-	1.114.497	Property and equipment in progress
Biaya Perolehan									Cost
Pemilikan langsung									Direct Ownership
Tanah	29.360	-	-	16.147	-	-	-	45.507	Land
Bangunan	350.555	1.479	-	(16.147)	-	-	-	335.887	Building
Peralatan, perlengkapan kantor dan perangkat elektronik	105.879	3.893	-	-	-	-	-	109.772	Tools, office equipment and electronic hardware
Perangkat lunak	3.688	1.800	-	-	-	-	-	5.488	Software
Kendaraan	27.332	1.948	(778)	-	-	-	-	28.502	Vehicles
Genset	30.501	123	-	-	-	-	-	30.624	Genset
Menara bergerak	165.949	87	-	-	-	-	-	166.036	Transportable towers
Sewa pembiayaan									Finance lease
Kendaraan	20.743	8.310	(300)	-	-	-	-	28.753	Vehicles
	734.007	17.640	(1.078)	-	-	-	-	750.569	
Akumulasi penyusutan									Accumulated Depreciation
Pemilikan langsung									Direct Ownership
Bangunan	52.441	13.077	-	-	-	-	-	65.518	Building
Peralatan, perlengkapan kantor dan perangkat elektronik	90.204	3.500	-	-	-	-	-	93.704	Tools, office equipment and electronic hardware
Perangkat lunak	2.003	965	-	-	-	-	-	2.968	Software
Kendaraan	16.818	2.706	(778)	-	-	-	-	18.746	Vehicles
Genset	30.428	41	-	-	-	-	-	30.469	Genset
Menara bergerak	48.416	12.643	-	-	-	-	-	61.059	Transportable towers
Sewa pembiayaan									Finance lease
Kendaraan	10.024	3.601	(188)	-	-	-	-	13.437	Vehicles
	250.334	36.533	(966)	-	-	-	-	285.901	
Nilai tercatat	20.881.066							21.578.577	Carrying value
Jumlah	21.878.608							22.693.074	Total

Ekshibit E/52

Exhibit E/52

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

12. ASET TETAP (Lanjutan)

12. PROPERTY AND EQUIPMENT (Continued)

	Saldo awal/ Beginning balance	Kombinasi bisnis/ Business combination*)	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassification	Akumulasi penyusutan dan penyesuaian nilai wajar/ Accumulated depreciation and fair value adjustment	Surplus revaluasi/ Revaluation surplus	Reklasifikasi ke properti investasi/ Reclassified to investment property	Saldo akhir/ Ending balance	
31 Desember 2018 (1 tahun)										31 December 2018 (1 year)
Model Revaluasi										Revaluation Model
Menara telekomunikasi	18.899.510	513.888	-	-	1.115.509 (	214.588)	83.074	-	20.397.393	Telecommunication towers
Akumulasi penyusutan										Accumulated depreciation
Menara telekomunikasi	-	-	214.588	-	- (	214.588)	-	-	-	Telecommunication towers
Model Biaya										Cost Model
Aset tetap dalam penyelesaian	468.670	34.401	1610.043	- (	1.115.509)	-	-	(63)	997.542	Property and equipment in progress
Biaya Perolehan										Cost
Pemilikan langsung										Direct Ownership
Tanah	23.687	-	5.423	-	250	-	-	-	29.360	Land
Bangunan	334.587	-	16.218	- (	250)	-	-	-	350.555	Building
Peralatan, perlengkapan kantor dan perangkat elektronik	96.026	3.602	6.251	-	-	-	-	-	105.879	Tools, office equipment and electronic hardware
Perangkat lunak	3.688	-	-	-	-	-	-	-	3.688	Software
Kendaraan	16.862	100	11.570 (	1.200)	-	-	-	-	27.332	Vehicles
Genset	30.501	-	-	-	-	-	-	-	30.501	Genset
Menara bergerak	111.718	-	54.231	-	-	-	-	-	165.949	Transportable towers
Sewa pembiayaan										Finance lease
Kendaraan	15.301	-	6.710 (	1.268)	-	-	-	-	20.743	Vehicles
	632.370	3.702	100.403	(2.468)	-	-	-	-	734.007	
Akumulasi penyusutan										Accumulated Depreciation
Pemilikan langsung										Direct Ownership
Bangunan	35.059	-	17.382	-	-	-	-	-	52.441	Building
Peralatan, perlengkapan kantor dan perangkat elektronik	80.602	2.273	7.329	-	-	-	-	-	90.204	Tools, office equipment and electronic hardware
Perangkat lunak	1.879	-	124	-	-	-	-	-	2.003	Software
Kendaraan	13.987	100	3.931 (	1.200)	-	-	-	-	16.818	Vehicles
Genset	30.351	-	77	-	-	-	-	-	30.428	Genset
Menara bergerak	32.445	-	15.971	-	-	-	-	-	48.416	Transportable towers
Sewa pembiayaan										Finance lease
Kendaraan	7.494	-	3.798 (	1.268)	-	-	-	-	10.024	Vehicles
	201.817	2.373	48.612	(2.468)	-	-	-	-	250.334	
Nilai tercatat	19.330.063								20.881.066	Carrying value
Jumlah	19.798.733								21.878.608	Total

*) Akuisisi PT Gihon Telekomunikasi Indonesia Tbk dan PT Visi Telekomunikasi Infrastruktur Tbk (Catatan 35).

*) Acquisition of PT Gihon Telekomunikasi Indonesia Tbk and PT Visi Telekomunikasi Infrastruktur Tbk (Note 35).

Ekshibit E/53

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

Exhibit E/53

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

12. **ASET TETAP** (Lanjutan)

Aset tetap dalam penyelesaian merupakan pembangunan infrastruktur menara telekomunikasi, dengan rincian sebagai berikut:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
<u>Persentase penyelesaian > 50%</u>		
Menara telekomunikasi	432.018	594.612
<i>In building system</i>	2.705	13.659
<u>Persentase penyelesaian < 50%</u>		
Menara telekomunikasi	675.717	380.166
<i>In building system</i>	4.057	9.105
Jumlah	1.114.497	997.542

Estimasi penyelesaian aset tetap dalam penyelesaian adalah sekitar 1 bulan sampai 2 tahun sejak tanggal pelaporan. Tidak terdapat hambatan untuk menyelesaikan aset tetap dalam penyelesaian.

Tidak terdapat kapitalisasi biaya pinjaman untuk aset karena tidak memenuhi kriteria aset kualifikasian.

Untuk periode 9 (sembilan) bulan yang berakhir pada 30 September 2019 dan 2018, beban penyusutan dialokasikan pada beban pokok pendapatan dan beban usaha masing-masing sebesar Rp 204.139 (2018: Rp 174.715) dan Rp 23.890 (2018: Rp 24.437) (Catatan 31 dan 32).

Pada tanggal 30 September 2019 dan 31 Desember 2018, aset tetap-sewa pembiayaan berupa kendaraan telah dijadikan jaminan atas liabilitas sewa pembiayaan (Catatan 23).

Pada 30 September 2019 dan 31 Desember 2018, seluruh aset tetap telah diasuransikan terhadap kebakaran, pencurian dan risiko kerugian lainnya kepada pihak ketiga berdasarkan suatu paket polis tertentu dengan nilai pertanggungan masing-masing sebesar Rp 12.542.883 dan Rp 10.187.247. Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutupi kemungkinan kerugian atas risiko yang dipertanggungkan.

Perusahaan dan entitas anak tidak memiliki aset yang tidak digunakan sementara, dan tidak ada aset yang dihentikan dari penggunaan aktif dan diklasifikasi sebagai tersedia untuk dijual.

Aset yang sudah habis disusutkan dan masih digunakan adalah kendaraan dengan nilai perolehan sebesar Rp 3.477 pada 30 September 2019 dan 31 Desember 2018.

12. **PROPERTY AND EQUIPMENT** (Continued)

Property and equipment in progress represent the telecommunications towers infrastructures development, detail as follows:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
<u>Percentage of completion > 50%</u>		
Telecommunications towers	432.018	594.612
<i>In building system</i>	2.705	13.659
<u>Percentage of completion < 50%</u>		
Telecommunications towers	675.717	380.166
<i>In building system</i>	4.057	9.105
Total	1.114.497	997.542

The estimation date to complete the property and equipment in progress is between 1 month to 2 years since the reporting date. There are no obstacles to settling fixed assets in progress.

There is no capitalization of borrowing costs for assets because It does not meet the criteria for qualifying assets.

For the the period of 9 (nine) months ended 30 September 2019 and 2018, depreciation charged to cost of revenue and operating expenses amounted to Rp 204,139 (2018: Rp 174,715) and Rp 23,890 (2018: Rp 24,437), respectively (Notes 31 and 32).

As of 30 September 2019 and 31 December 2018, leased vehicles are collateralized for finance lease liabilities (Note 23).

As of 30 September 2019 and 31 December 2018, all property and equipment have been insured against fire, theft and other losses to third parties under a blanket policy with sum insured of Rp 12,542,883 and Rp 10,187,247, respectively. Management believes that the sum insured is adequate to cover possible losses from such risks.

The Company and subsidiaries has no assets not in use temporarily, and no assets are discontinued from active use and clasified as available for sale.

Depreciated and still used assets are vehicles at cost of Rp 3,477 as of 30 September 2019 and 31 December 2018, respectively.

Ekshibit E/54

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

12. ASET TETAP (Lanjutan)

Berdasarkan evaluasi yang dilakukan manajemen, tidak terdapat kejadian atau perubahan atas keadaan yang menunjukkan adanya penurunan nilai aset tetap pada tanggal 30 September 2019 dan 31 Desember 2018.

Pengukuran nilai wajar

Sehubungan dengan penerapan PSAK 16 (Revisi 2014) "Aset Tetap", Perusahaan dan entitas anak telah memilih model revaluasi untuk pengukuran setelah pengakuan awal menara telekomunikasi. Nilai wajar pada tanggal 31 Desember 2018 ditentukan berdasarkan penilaian manajemen dari penilai independen KJPP Martokoesoemo Prasetyo & Rekan dalam laporannya pada tanggal 4 Maret 2019, dan telah sesuai dengan peraturan Bapepam-LK No. VIII.C.4 mengenai pedoman penilaian dan penyajian laporan penilaian aset di pasar modal.

Hirarki nilai wajar aset tetap pada akhir tahun pelaporan merupakan kategori dalam level 3 pengukuran berulang nilai wajar. Tidak terdapat transfer antara level selama tahun berjalan.

Dalam menentukan nilai wajar, Penilai Independen menggunakan metode penilaian dengan mengkombinasikan dua pendekatan, yaitu pendekatan pendapatan yang mendiskontokan penerimaan kas dimasa depan, dan pendekatan biaya yang menggunakan biaya penggantian pada saat ini.

Pada 30 September 2019, asumsi utama yang digunakan oleh manajemen adalah sebagai berikut:

- a. Inflasi per tahun sebesar 3,39%
- b. Tingkat bunga diskonto per tahun sebesar 11,24%

Pada 31 Desember 2018, asumsi utama yang digunakan oleh penilai independen adalah sebagai berikut:

- a. Inflasi per tahun sebesar 3,51%
- b. Tingkat bunga diskonto per tahun sebesar 11,19%

Hubungan antara input tidak dapat diobservasi untuk nilai wajar aset tetap adalah lebih tinggi tingkat diskonto digunakan, semakin rendah nilai wajar dan semakin tinggi tingkat pertumbuhan sewa aset tetap digunakan, semakin tinggi nilai wajar.

Tidak terdapat perubahan teknik penilaian pengukuran nilai wajar level 3 pada tahun ini. Pengukuran nilai wajar didasarkan pada item di atas yang tertinggi dan penggunaan terbaik, yang tidak berbeda dari penggunaan yang sebenarnya.

Jika menara telekomunikasi diukur menggunakan model biaya, maka nilai tercatat menara telekomunikasi pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar Rp 17.221.077 dan Rp 17.007.809.

Exhibit E/54

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

12. PROPERTY AND EQUIPMENT (Continued)

Based on evaluation of Management, there were no events or changes in circumstances to indicate any impairment of property and equipment as of 30 September 2019 and 31 December 2018.

Fair value measurement

Regarding the implementation of PSAK 16 (Revised 2014) "Property and Equipment", the Company and subsidiaries has chosen the revaluation model for the measurement after initial recognition of telecommunication towers. The fair value as of 31 December 2018 is determined based on the appraisal of KJPP Martokoesoemo Prasetyo & Rekan in their report dated 4 March 2019, and incorporates the regulation of Bapepam-LK No. VIII.C.4 regarding the guidelines of appraisal and presentation of asset appraisal report to capitals market.

The fair value hierarchy of property and equipment at the end of reporting year is categorised as a level 3 recurring fair value measurement. There are no transfers between levels during the year.

To determine the fair value, the Independent Appraiser utilizes a combination of two approaches as the appraisal method: the income approach, which discounts future cash flows, and the cost approach, which is based on current replacement cost.

As of 30 September 2019, the management used the following key assumptions:

- a. Inflation per year of 3.39%
- b. Discount rate per year of 11.24%

As of 31 December 2018, independent appraisal used the following key assumptions:

- a. Inflation per year of 3.51%
- b. Discount rate per year of 11.19%

Relationship between unobservable inputs to fair value of property and equipment is the higher the discount rate used, the lower the fair value and the higher the rental income of property and equipment growth rate used, the higher the fair value.

There were no changes to the valuation techniques of level 3 fair value measurements in the year. The fair value measurement is based on the above items highest and best use, which does not differ from their actual use.

Had the Company's telecommunication tower been measured on a cost model basis as of 30 September 2019 and 31 December 2018, 2017 and 2016 are amounted Rp 17,221,077 and Rp 17,007,809.

Ekshibit E/55

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK**
**CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019**
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

Exhibit E/55

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES**
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019**
(Expressed in million Rupiah, unless otherwise stated)

13. **PROPERTI INVESTASI**

Rincian properti investasi adalah sebagai berikut:

30 September 2019	Saldo awal/ Beginning balance	Penambahan/ Additions	Reklasifikasi dari aset tetap/ Reclassifications from property and equipment	Saldo akhir/ Ending balance	30 September 2019
Tanah	70.242	4.419	-	74.661	Land
Bangunan	140.500	-	-	140.500	Building
	210.742	4.419	-	215.161	
Akumulasi penurunan nilai wajar	(29.134)	-	-	(29.134)	Accumulated decrease of fair value
Jumlah	181.608			186.027	Total

31 Desember 2018	Saldo awal/ Beginning balance	Penambahan/ Additions	Reklasifikasi dari aset tetap/ Reclassifications from property and equipment	Saldo akhir/ Ending balance	31 Desember 2018
Tanah	65.051	5.128	63	70.242	Land
Bangunan	140.500	-	-	140.500	Building
	205.551	5.128	63	210.742	
Akumulasi kenaikan (penurunan) nilai wajar	(36.862)	7.728	-	(29.134)	Accumulated increase (decrease) of fair value
Jumlah	168.689			181.608	Total

Sehubungan dengan penerapan PSAK 13 (Revisi 2014) "Properti Investasi", Perusahaan dan entitas anak telah memilih model nilai wajar untuk pengukuran setelah pengakuan awal. Nilai wajar properti investasi per 31 Desember 2018 ditentukan berdasarkan penilaian dari penilai independen KJPP Martokoesoemo Prasetyo & Rekan dalam laporannya pada tanggal 4 Maret 2019, dan telah sesuai dengan peraturan Bapepam-LK No. VIII.C.4 mengenai pedoman penilaian dan penyajian laporan penilaian properti di pasar modal.

Hirarki nilai wajar properti investasi pada akhir tahun pelaporan merupakan kategori dalam level 3 pengukuran berulang nilai wajar. Tidak terdapat transfer antara level selama tahun berjalan.

Dalam menentukan nilai wajar, Penilai Independen menggunakan metode penilaian dengan mengkombinasikan dua pendekatan, yaitu pendekatan pendapatan yang mendiskontokan penerimaan kas dimasa depan, dan pendekatan biaya yang menggunakan biaya penggantian pada saat ini.

13. **INVESTMENT PROPERTIES**

The details of investment properties are as follows:

30 September 2019	Saldo awal/ Beginning balance	Penambahan/ Additions	Reklasifikasi dari aset tetap/ Reclassifications from property and equipment	Saldo akhir/ Ending balance	30 September 2019
Tanah	70.242	4.419	-	74.661	Land
Bangunan	140.500	-	-	140.500	Building
	210.742	4.419	-	215.161	
Akumulasi penurunan nilai wajar	(29.134)	-	-	(29.134)	Accumulated decrease of fair value
Total	181.608			186.027	Total

31 Desember 2018	Saldo awal/ Beginning balance	Penambahan/ Additions	Reklasifikasi dari aset tetap/ Reclassifications from property and equipment	Saldo akhir/ Ending balance	31 Desember 2018
Tanah	65.051	5.128	63	70.242	Land
Bangunan	140.500	-	-	140.500	Building
	205.551	5.128	63	210.742	
Akumulasi kenaikan (penurunan) nilai wajar	(36.862)	7.728	-	(29.134)	Accumulated increase (decrease) of fair value
Total	168.689			181.608	Total

Regarding the implementation of PSAK 13 (Revised 2014) "Investment Property", the Company and subsidiaries has chosen the fair value model for the measurement after initial recognition. The fair value of investment property as of 31 December 2018 is determined based on the appraisal of KJPP Martokoesoemo Prasetyo & Rekan in their report dated 4 March 2019, and incorporates the regulation of Bapepam-LK No. VIII.C.4 regarding the guidelines of appraisal and presentation of property appraisal report to capitals market.

The fair value hierarchy of investment properties at the end of reporting year is categorised as a level 3 recurring fair value measurement. There are no transfers between levels during the year.

To determine the fair value, the Independent Appraiser utilizes a combination of two approaches as the appraisal method: the income approach, which discounts future cash flows, and the cost approach, which is based on current replacement cost.

Ekshibit E/56

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

13. PROPERTI INVESTASI (Lanjutan)

Pengukuran nilai wajar

Input utama yang tidak dapat diobservasi adalah tingkat diskonto yang digunakan dan sewa properti investasi diharapkan per tahun.

Pada 30 September 2019, asumsi utama yang digunakan oleh manajemen adalah sebagai berikut:

- Inflasi per tahun sebesar 3,39%
- Tingkat bunga diskonto per tahun sebesar 11,24%

Pada 31 Desember 2018, asumsi utama yang digunakan oleh penilai independen adalah sebagai berikut:

- Inflasi per tahun sebesar 3,51%
- Tingkat bunga diskonto per tahun sebesar 11,19%

Hubungan antara input tidak dapat diobservasi untuk nilai wajar properti investasi adalah lebih tinggi tingkat diskonto digunakan, semakin rendah nilai wajar dan semakin tinggi tingkat pertumbuhan sewa properti investasi digunakan, semakin tinggi nilai wajar.

Tidak terdapat perubahan teknik penilaian pengukuran nilai wajar level 3 pada tahun ini. Pengukuran nilai wajar didasarkan pada item di atas yang tertinggi dan penggunaan terbaik, yang tidak berbeda dari penggunaan yang sebenarnya.

Jumlah pendapatan sewa atas properti investasi untuk periode yang berakhir pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar Rp 3.644 dan Rp 2.797, diakui pada pendapatan (Catatan 30).

Tidak terdapat beban operasi langsung yang diakui dalam laporan keuangan. Penyewa membayar beban operasi langsung, seperti biaya listrik, pemeliharaan dan perawatan kepada pihak ketiga.

14. SEWA LAHAN JANGKA PANJANG

Akun ini merupakan sewa lahan untuk menara telekomunikasi, dimana jangka waktu umumnya sesuai dengan masa kontrak sewa dengan pelanggan (sekitar 10-11 tahun), dengan rincian sebagai berikut:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Jumlah sewa lahan	1.885.034	1.858.516
Dikurangi:		
Bagian masa kontrak dalam satu tahun	305.245	279.643
Bagian masa kontrak lebih dari satu tahun	1.579.789	1.578.873

Exhibit E/56

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

13. INVESTMENT PROPERTIES (Continued)

Fair value measurement

The key unobservable inputs are the discount rate used and the expected rental income of investment properties.

As of 30 September 2019, the management used the following key assumptions:

- Inflation per year of 3.39%
- Discount rate per year of 11.24%

As of 31 December 2018, independent appraisal used the following key assumptions:

- Inflation per year of 3.51%
- Discount rate per year of 11.19%

Relationship between unobservable inputs to fair value of investment properties is the higher the discount rate used, the lower the fair value and the higher the rental income of investment properties growth rate used, the higher the fair value.

There were no changes to the valuation techniques of level 3 fair value measurements in the year. The fair value measurement is based on the above items highest and best use, which does not differ from their actual use.

Total rent revenue arising from investment properties for the period ended 30 September 2019 and 31 December 2018 amounting to Rp 3,644 and Rp 2,797, respectively, recognized in revenue (Note 30).

There are no direct operating expenses recognized in the financial statements. Tenants pay direct operating expenses, such as electricity, maintenance and maintenance costs to third parties.

14. LONG-TERM LEASE

This account represents land leases for telecommunication towers, generally with a term equal to the length of the contract term with customers (mostly 10-11 years), with details as follows:

Total land lease
Less:
Length of contracts' portion within one year
Length of contracts' portion more than one year

Ekshibit E/57

Exhibit E/57

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

15. UANG JAMINAN

15. REFUNDABLE DEPOSITS

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Sewa	562	614	Rental
Listrik	497	497	Electricity
Lainnya	1.262	956	Others
Jumlah	2.321	2.067	Total

16. ASET KEUANGAN DERIVATIF

16. DERIVATIVE FINANCIAL ASSETS

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Aset keuangan derivatif			Derivative financial assets
Derivatif yang ditetapkan sebagai instrumen lindung nilai			Derivatives designated as hedging instruments
Swap valuta asing - lindung nilai arus kas	1.934.603	2.605.591	Cross currency swaps - cash flow hedges

Arus kas swap valuta asing

Risiko nilai tukar valuta asing muncul ketika operasi individu Perusahaan dan entitas anak memasuki transaksi yang terbagi dalam mata uang selain mata uang fungsionalnya. Ketika risiko terhadap Perusahaan dan entitas anak di pertimbangkan menjadi signifikan, treasury Perusahaan dan entitas anak akan mencocokkan kontrak berjangka valuta asing dengan bank yang mempunyai nama baik.

Jumlah pokok nosional dari sisa kontrak berjalan berjangka valuta asing pada tanggal 30 September 2019 dan 31 Desember 2018 masing-masing sebesar US\$ 1.375.000.000 dan US\$ 1.385.000.000. Nilai wajar pada masing-masing tanggal diatas adalah sebesar Rp 1.934.603 dan Rp 2.605.591.

Pada tanggal 30 September 2019 dan 31 Desember 2018 premi lindung nilai sehubungan dengan swap valuta asing berkisar antara 3,28% sampai dengan 4,66% dan (31 Desember 2018: 2,1% sampai dengan 4,66%).

Cash flow currency swaps

Foreign exchange risk arises when individual operations of the Company and subsidiaries enter into transactions denominated in a currency other than their functional currency. Where the risk to the Company and subsidiaries is considered to be significant, treasury of the Company and subsidiaries will enter into a matching forward foreign exchange contract with a reputable bank.

The notional principal amounts of outstanding forward foreign exchange contracts at 30 September 2019 and 31 December 2018 were US\$ 1,375,000,000 and US\$ 1,385,000,000, respectively. Their fair value at these respective dates is Rp 1,934,603 and Rp 2,605,591, respectively.

As of 30 September 2019 and December 31 2018 hedge premiums related to foreign currency swaps ranged from 3.28% to 4.66% and (31 December 2018: 2.1% to 4.66%).

Ekshibit E/58

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

Exhibit E/58

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

16. ASET KEUANGAN DERIVATIF (Lanjutan)

Period atau Tahun/ Period or Year	Jumlah kontrak lindung nilai/ Number of hedging contracts	Jumlah Nosional/ Notional amount (US\$ nilai penuh/ US\$ full amount)	Jatuh tempo/ Due date	Beban lindung nilai/ hedging cost (dalam jutaan Rupiah/ in million Rupiah)	Pihak yang memiliki nilai kontrak lindung nilai lebih dari 10%/ Parties who earn contracts more than 10% Pihak dalam kontrak / Counterparties	%
30 September / 30 September 2019 (9 bulan / months)	112	1.375.000.000	31 Januari 2020 sampai dengan 24 Januari 2025/ 31 January 2020 to 24 January 2025	564.462	BNP Paribas, Morgan Stanley, Nomura International plc, Oversea-Chinese Banking Corporation Limited, The Hongkong And Shanghai Banking Corporation Limited	65,0%
31 Desember / 31 December 2018 (12 bulan / months)	131	1.385.000.000	1 Februari 2019 sampai dengan 30 Juni 2022 / 1 February 2019 to 30 June 2022	851.426	BNP Paribas, Morgan Stanley, Nomura International plc, Oversea-Chinese Banking Corporation Limited, The Hongkong And Shanghai Banking Corporation Limited	64,2%

17. ASET TIDAK LANCAR LAINNYA

	30 September / 30 September 2019	31 Desember / 31 December 2018
Piutang usaha tidak lancar lainnya	54.791	54.791
Lainnya	6.506	5.854
Jumlah	61.297	60.645
Cadangan penurunan nilai piutang usaha tidak lancar lainnya	(54.791)	(54.791)
Jumlah - bersih	6.506	5.854

Piutang usaha - tidak lancar lainnya merupakan piutang usaha yang berasal dari PT Bakrie Telecom Tbk sebesar Rp 54.791 dimana telah dibentuk cadangan penuh atas penurunan nilai. Manajemen memutuskan untuk memindahkan ini dari piutang usaha - pihak ketiga ke aset tidak lancar lainnya sebagai hasil dari penilaian penurunan nilai.

17. OTHER NON-CURRENT ASSETS

	Other non-current trade receivables
	Others
	Total
	Allowance for impairment loss of other non-current trade receivables
	Total - net

Other non-current trade receivables represent noncurrent trade receivables involving PT Bakrie Telecom Tbk amounting to Rp 54,791 which full allowance for impairment has been provided. Management decided to reclassify this receivable from trade receivables - third party to other non-current asset as a result to impairment assessment.

Ekshibit E/59

Exhibit E/59

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK**
**CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019**
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES**
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019**
(Expressed in million Rupiah, unless otherwise stated)

18. UTANG USAHA - PIHAK KETIGA

18. TRADE PAYABLES - THIRD PARTIES

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Pihak ketiga			Third parties
Rupiah			Rupiah
PT Bach Multi Global	4.852	2.277	PT Bach Multi Global
PT Jaya Engineering Technology	3.688	-	PT Jaya Engineering Technology
PT Omadi Investindo	3.612	3.612	PT Omadi Investindo
PT Danusari Mitra Sejahtera	3.484	-	PT Danusari Mitra Sejahtera
PT Nayaka Pratama	3.440	1.983	PT Nayaka Pratama
CV Lintas Reka Cipta	3.377	3.377	CV Lintas Reka Cipta
PT Tunas Cahaya Mandiri Widyatama	2.326	1.092	PT Tunas Cahaya Mandiri Widyatama
PT Pamengkang Jagat	2.295	-	PT Pamengkang Jagat
PT Dwi Pari Abadi	2.031	-	PT Dwi Pari Abadi
PT Mandiri Infra Tripakarti	1.771	-	PT Mandiri Infra Tripakarti
PT Raka Mitra Bersama	1.649	-	PT Raka Mitra Bersama
PT Tower Capital Indonesia	1.561	1.561	PT Tower Capital Indonesia
PT Wahana Infrastruktur Nusantara	1.511	6.093	PT Wahana Infrastruktur Nusantara
PT Berkat Bersama Teknik	1.500	1.495	PT Berkat Bersama Teknik
PT Prasetya Dwidharma	1.489	1.247	PT Prasetya Dwidharma
PT Lima Perkasa Telekomunikasi	1.385	-	PT Lima Perkasa Telekomunikasi
PT Maxima Arta	1.302	-	PT Maxima Arta
PT Star Amyra Sinergy	1.200	-	PT Star Amyra Sinergy
PT Dwi Pari Selaras	1.174	-	PT Dwi Pari Selaras
PT Huawei Tech Investment	1.154	-	PT Huawei Tech Investment
PT Karya Lintas Sejahtera	1.078	1.337	PT Karya Lintas Sejahtera
PT Kustodian Sentral Efek Indonesia	-	12.920	PT Kustodian Sentral Efek Indonesia
PT Indo Premier Sekuritas	-	9.886	PT Indo Premier Sekuritas
Lainnya			Others
(masing-masing di bawah Rp 1 miliar)	61.482	21.815	(each below Rp 1 billion)
Sub-jumlah	107.361	68.695	Sub-total
US Dolar			US Dollar
Asia Pasific Intertrading Pte Ltd.			Asia Pasific Intertrading Pte Ltd.
(saldo pada tanggal 30 September 2019 dan 31 Desember 2018 masing-masing adalah sebesar US\$ 12.168.228 dan US\$ 10.577.767)	172.472	153.177	(as of 30 September 2019 and 31 December 2018 the outstanding balance are US\$ 12,168,228 and US\$ 10,577,767, respectively)
Global Tradinglinks Ltd.			Global Tradinglinks Ltd.
(saldo pada tanggal 30 September 2019 dan 31 Desember 2018 masing-masing sebesar nihil dan US\$ 679.451)	-	9.839	(as of 30 September 2019 and 31 December 2018 the outstanding balance are nil and US\$ 679,451 respectively)
Sub-jumlah	172.472	163.016	Sub-total
Jumlah	279.833	231.711	Total

Ekshibit E/60

Exhibit E/60

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

19. UTANG LAIN-LAIN

19. OTHER PAYABLES

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Pihak ketiga	58.875	40.552	Third party
Pihak berelasi (Catatan 38)	-	63.476	Related parties (Note 38)
Jumlah	58.875	104.028	Total

20. PERPAJAKAN

20. TAXATION

a. Pajak Dibayar di Muka

a. Prepaid Taxes

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Pajak Penghasilan Pasal 4 (2)	276	133	Income Tax Article 4 (2)
Pajak Penghasilan Pasal 23	9.262	11.649	Income Tax Article 23
Pajak Penghasilan Pasal 28	-	14.423	Income Tax Article 28
Pajak Pertambahan Nilai - Masukan	41.639	93.001	Value-Added Tax - Input
Jumlah	51.177	119.206	Total

b. Utang Pajak

b. Taxes Payable

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Pajak Penghasilan Pasal 4 (2)	9.879	5.191	Income Tax Article 4 (2)
Pajak Penghasilan Pasal 21	2.720	2.855	Income Tax Article 21
Pajak Penghasilan Pasal 23	8.784	10.162	Income Tax Article 23
Pajak Penghasilan Pasal 25	15.923	10.698	Income Tax Article 25
Pajak Penghasilan Pasal 26	2.557	1.176	Income Tax Article 26
Pajak Penghasilan Pasal 29	9.687	16.972	Income Tax Article 29
Pajak Pertambahan Nilai - Keluaran	26.041	13.011	Value-Added Tax - Output
Jumlah	75.591	60.065	Total

Ekshibit E/61

Exhibit E/61

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

20. **PERPAJAKAN** (Lanjutan)

20. **TAXATION** (Continued)

c. **Perhitungan Pajak Penghasilan**

Penghasilan kena pajak yang dihitung Perusahaan menjadi dasar Surat Pemberitahuan (SPT) yang disampaikan kepada otoritas perpajakan pada setiap tahun.

Rekonsiliasi antara laba sebelum pajak penghasilan menurut laporan laba rugi dan penghasilan komprehensif lain konsolidasian dengan taksiran laba kena pajak untuk periode 9 (sembilan) bulan yang berakhir pada 30 September 2019 dan 2018, adalah sebagai berikut:

c. **Income Tax Calculation**

Taxable income which calculated by the Company uses as basis for Surat Pemberitahuan (SPT) that reported to Director General of Taxes yearly.

Reconciliation between profit before income tax as shown in the consolidated statements of profit or loss and other comprehensive income with estimated taxable profit for the period of 9 (nine) months ended 30 September 2019 and 2018, are as follows:

	30 September/ 30 September (9 bulan/ months)		
	2019	2018	
Pendapatan yang dikenakan pajak penghasilan yang bersifat final	606.621	-	Revenue subject to final income tax
Pendapatan yang dikenakan pajak penghasilan yang tidak bersifat final	2.862.736	3.167.813	Revenue subject to non final income tax
Pendapatan konsolidasi	3.469.357	3.167.813	Consolidated income
<u>Pajak Penghasilan</u>			<u>Income Tax</u>
Pajak penghasilan yang bersifat final	60.662	-	Subect to final income tax
Pajak penghasilan yang tidak bersifat final	191.152	107.050	Subect to non final income tax
Beban pajak penghasilan menurut laporan laba rugi dan penghasilan komprehensif lain - taksiran	251.814	107.050	Income tax expense as per consolidated statements of profit or loss and other comprehensive income - estimated
<u>Pajak Non Final</u>			<u>Non Final Tax</u>
Laba sebelum pajak penghasilan, menurut laporan laba rugi komprehensif konsolidasian	890.005	734.482	Profit before income tax, as per consolidated statements of comprehensive income
Bagian laba entitas anak sebelum pajak penghasilan - bersih	(295.721)	(111.173)	Profit of subsidiariies before income taxes - net
Laba Perusahaan sebelum pajak penghasilan	594.284	623.309	The Company's profit before income tax
Koreksi fiskal:			Fiscal corrections:
Beda temporer	81	75	Temporary differences
Beda tetap:			Permanent differences:
Beban yang terkait dengan pendapatan yang dikenakan pajak penghasilan yang bersifat final	9.809	-	Expenses related to revenue subject to final income tax
Bagian laba dari entitas anak	(680.723)	(627.054)	Gain from subsidiaries
Lainnya - Bersih	5.917	3.165	Others - Net
Jumlah koreksi fiskal	(664.916)	(623.814)	Total fiscal correction
Taksiran rugi fiskal - Perusahaan	(70.632)	(505)	Estimated tax loss - the Company

Ekshibit E/62

Exhibit E/62

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

20. PERPAJAKAN (Lanjutan)

20 TAXATION (Continued)

c. Perhitungan Pajak Penghasilan (Lanjutan)

c. Income Tax Calculation (Continued)

Taksiran beban pajak penghasilan dan utang pajak penghasilan untuk periode 9 (sembilan) bulan yang berakhir 30 September 2019 dan 2018 adalah sebagai berikut:

Estimated income tax expenses and income tax payable for the periods of 9 (nine) months ended 30 September 2019 and 2018, are as follows:

	30 September/ 30 September (9 bulan/ months)		
	2019	2018	
Taksiran laba kena pajak (rugi fiskal)			Estimated taxable income (tax loss)
Perusahaan	(70.632)	(505)	The Company
Entitas anak - Bersih	745.088	723.442	Subsidiaries - Net
Taksiran beban pajak penghasilan			Estimated income tax expenses
Entitas anak	191.152	107.050	Subsidiaries
Taksiran beban pajak penghasilan menurut laporan laba rugi komprehensif konsolidasian	191.152	107.050	Estimated income tax expenses as per consolidated statements of comprehensive income
Dikurangi:			Less:
Pajak Penghasilan Pasal 23	(60.879)	(60.874)	Income Tax Article 23
Pajak Penghasilan Pasal 25	(128.044)	(67.258)	Income Tax Article 25
Jumlah	(188.923)	(128.132)	Total
Taksiran utang (klaim) penghasilan periode berjalan - bersih	2.229	(21.082)	Estimated payable (claim) for income tax for the current period - net
Taksiran klaim pajak penghasilan	(7.458)	(40.471)	Estimated claims for income tax refund
Jumlah utang pajak - Pajak Penghasilan Pasal 29	9.687	19.389	Taxes payable - Income Tax Article 29

d. Pajak tangguhan

d. Deferred tax

Aset (liabilitas) pajak tangguhan yang timbul dari perbedaan temporer antara pendapatan dan beban, yang diakui secara komersial dan perpajakan, adalah sebagai berikut:

Deferred tax assets (liabilities) occurring from temporary differences of revenues and expenses recognition between the commercial and tax base are as follows:

Aset pajak tangguhan

Deferred tax assets

	Saldo awal/ Beginning balance	Penyesuaian/ Adjustment	Dikreditkan (dibebankan) ke laba rugi/ Credited charged) to profit or loss	Dikreditkan ke penghasilan komprehensif lain/ Credited to other comprehensive income	Saldo akhir/ Ending balance	30 September 2019 (9 Months)
30 September 2019 (9 Bulan)						
Rugi fiskal	340.833	-	(57.142)	-	283.691	Tax loss
Cadangan imbalan pasca-kerja	6.630	(103)	3.319	-	9.846	Provision for post-employment benefits
Penyusutan aset tetap	(2.760)	-	(339)	-	(3.099)	Depreciation of Property and equipment
Jumlah - bersih	344.703	(103)	(54.162)	-	290.438	Total - net

Ekshibit E/63

Exhibit E/63

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

20. PERPAJAKAN (Lanjutan)

20. TAXATION (Continued)

d. Pajak tangguhan (Lanjutan)

d. Deferred tax (Continued)

Aset pajak tangguhan (Lanjutan)

Deferred tax assets (Continued)

	Saldo awal/ <i>Beginning balance</i>	Dampak akuisisi / <i>Effect of Acquisition</i>	Dikreditkan (dibebankan) ke laba rugi/ <i>Credited charged) to profit or loss</i>	Dikreditkan ke penghasilan komprehensif lain/ <i>Credited to other comprehensive income</i>	Saldo akhir/ <i>Ending balance</i>	
31 Desember 2018 (1 Tahun)						31 December 2018 (1 Year)
Rugi fiskal	468.571	-	(127.738)	-	340.833	Tax loss
Cadangan imbalan pasca-kerja	2.046	925	3.789	(130)	6.630	Provision for post-employment benefits
Penyusutan aset tetap	239	-	(2.999)	-	(2.760)	Depreciation of property and equipment
Jumlah - bersih	470.856	925	(126.948)	(130)	344.703	Total - net

Liabilitas pajak tangguhan

Deferred tax liabilities

	Saldo awal/ <i>Beginning balance</i>	Dikreditkan ke penghasilan komprehensif lain/ <i>Credited to other comprehensive income</i>	Saldo akhir/ <i>Ending balance</i>	
30 September 2019 (9 Bulan)				30 September 2019 (9 Months)
Cadangan imbalan pasca-kerja	12.685	-	12.685	Provision for post-employment benefits
Pencadangan kerugian penurunan nilai piutang	6.490	-	6.490	Allowance for impairment losses of trade receivables
Penyusutan aset tetap	(4.417)	304	(4.113)	property and equipment
Rugi fiskal	(27.267)	-	(27.267)	Tax loss
Jumlah	(12.509)	304	(12.205)	Total

	Saldo awal/ <i>Beginning balance</i>	Dikreditkan ke penghasilan komprehensif lain/ <i>Credited to other comprehensive income</i>	Saldo akhir/ <i>Ending balance</i>	
31 Desember 2018 (1 Tahun)				31 December 2018 (1 Year)
Cadangan imbalan pasca-kerja	12.685	-	12.685	Provision for post-employment benefits
Pencadangan kerugian penurunan nilai piutang	6.490	-	6.490	Allowance for impairment losses of trade receivables
Penyusutan aset tetap	(3.745)	(672)	(4.417)	property and equipment
Rugi fiskal	(27.267)	-	(27.267)	Tax loss
Jumlah	(11.837)	(672)	(12.509)	Total

Ekshibit E/64

Exhibit E/64

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

20. **PERPAJAKAN** (Lanjutan)

e. **Taksiran klaim pajak penghasilan**

Akun ini merupakan taksiran jumlah lebih bayar pajak penghasilan. Jumlah tersebut mungkin berbeda dari jumlah lebih bayar pajak penghasilan yang dilaporkan dalam Surat Pemberitahuan (SPT) Tahunan.

20. **TAXATION** (Continued)

e. **Estimated claims for income tax refund**

This account represents estimated claims for income tax refund. Such amounts might be different with the amounts reported in the Annual Income Tax Return.

21. **PENDAPATAN YANG DITERIMA DI MUKA**

21. **UNEARNED INCOME**

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Pihak ketiga			Third parties
PT Telekomunikasi Selular	446.753	29.846	PT Telekomunikasi Selular
PT XL Axiata Tbk	383.537	269.695	PT XL Axiata Tbk
PT Indosat Tbk	241.367	175.022	PT Indosat Tbk
PT Hutchison 3 Indonesia	216.330	171.020	PT Hutchison 3 Indonesia
PT Smartfren Telecom Tbk	22.337	18.799	PT Smartfren Telecom Tbk
PT Smart Telecom	2.416	749	PT Smart Telecom
PT Sampoerna Telecom	1.747	1.847	PT Sampoerna Telecom
Lain-lain	948	1.565	Others
Jumlah	1.315.435	668.543	Total

Sesuai perjanjian sewa, entitas anak telah menerima pembayaran di muka dari pelanggan untuk jangka waktu 1 (satu) bulan, 3 (tiga) bulan dan 1 (satu) tahun.

Based on the rental agreements, the subsidiaries have received payments in advance for year of 1 (one) month, 3 (three) months and 1 (one) year.

22. **BEBAN MASIH HARUS DIBAYAR**

22. **ACCRUED EXPENSES**

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Estimasi biaya pembangunan menara telekomunikasi	534.461	893.694	Estimated construction cost of telecommunication towers
Beban bunga :			Interest expenses :
Surat utang (Catatan 25)	108.271	199.286	Notes (Note 25)
Pinjaman jangka panjang (Catatan 24)	65.471	81.250	Long-term loans (Note 24)
Karyawan	76.341	77.086	Employees
Perbaikan dan pemeliharaan menara	48.745	42.669	Towers repair and maintenance
Listrik	7.879	7.730	Electricity
Keamanan	4.777	5.492	Security
Jasa konsultan	3.160	3.341	Consultant fees
Lainnya	140.132	155.480	Others
Jumlah	989.237	1.466.028	Total

Ekshibit E/65

Exhibit E/65

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

22. BEBAN MASIH HARUS DIBAYAR (Lanjutan)

Estimasi biaya pembangunan menara telekomunikasi merupakan estimasi beban masih harus dikeluarkan atas menara telekomunikasi yang telah selesai pembangunannya namun belum ditagihkan seluruh biayanya oleh kontraktor.

22. ACCRUED EXPENSES (Continued)

Estimated construction cost of telecommunication towers represents the estimated costs to be incurred by the Company in relation to work performed on the telecommunication towers which have been completed but not yet invoiced by contractors.

23. PINJAMAN JANGKA PANJANG - SEWA PEMBIAYAAN

23. LONG-TERM LOANS - FINANCE LEASES

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
PT Mitra Pinasthika Mustika Finance	11.509	10.540
PT Toyota Astra Financial Services	3.054	3.954
PT BCA Finance	848	3.469
Jumlah	15.412	17.963
Saldo yang jatuh tempo dalam satu tahun	(3.946)	(5.095)
Saldo yang jatuh tempo lebih dari satu tahun	11.466	12.868

PT Mitra Pinasthika Mustika Finance	
PT Toyota Astra Financial Services	
PT BCA Finance	
Total	
Balance due less than one year	
Balance due more than one year	

Pembayaran sewa pembiayaan minimum di masa mendatang, serta nilai kini atas pembayaran minimum sewa pembiayaan pada tanggal 30 September 2019 dan 31 Desember 2018 adalah sebagai berikut:

Future minimum lease payments under finance leases together with the present value of the minimum lease payments as at 30 September 2019 dan 31 December 2018 were as follows:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Jatuh tempo dalam satu tahun	5.940	7.385
Jatuh tempo lebih dari satu tahun	13.957	16.221
	19.897	23.606
Dikurangi:		
Beban bunga yang belum jatuh tempo	(4.485)	(5.643)
Nilai kini pembayaran minimum utang sewa pembiayaan	15.412	17.963
Jatuh tempo dalam satu tahun	3.946	5.095
Jatuh tempo lebih dari satu tahun	11.466	12.868
Nilai kini pembayaran minimum utang sewa pembiayaan	15.412	17.963

Due less than one year	
Due more than one year	
Less:	
Future financing charges	
Present value of minimum finance lease payable	
Due less than one year	
Due more than one year	
Present value of minimum finance lease payable	

Pada tanggal 30 September 2019 dan 31 Desember 2018, sewa pembiayaan ini dikenakan bunga berkisar antara 5,50% sampai dengan 15,22% per tahun dan akan jatuh tempo antara tahun 2019 sampai dengan tahun 2024.

As of 30 September 2019 and 31 December 2018, this finance lease bears interest ranging from 5.50% to 15.22% per annum and will be due amongs 2019 and 2024.

Sewa pembiayaan ini dijamin dengan aset kendaraan yang menjadi obyek pembiayaan.

The finance lease is secured by the respective vehicle assets.

Ekshibit E/66

Exhibit E/66

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

24. PINJAMAN JANGKA PANJANG - PIHAK KETIGA

24. LONG-TERM LOANS - THIRD PARTIES

Akun ini merupakan pinjaman dari pihak ketiga sebagai berikut:

This account represents loans from third parties as follows:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Pinjaman sindikasi			Syndicated loans
a. Fasilitas US\$1 miliar (saldo pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar US\$ 452,275 juta dan US\$ 925,275 juta)	6.410.546	13.398.907	a. US\$1 billion facility (balance as of 30 September 2019 and 31 December 2018 amounted to US\$ 452.275 million and US\$ 925.275 million, respectively)
b. Fasilitas US\$ 200 juta (saldo pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar US\$ 176,725 juta dan US\$ 109,725 juta)	2.504.900	1.588.928	b. US\$ 200 million facility (balance as of 30 September 2019 and 31 December 2018 amounted to US\$ 176.725 million and US\$ 109.725 million, respectively)
c. Fasilitas US\$ 375 juta (saldo pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar US\$ 375 juta dan nihil)	5.315.250	-	c. US\$ 375 million facility (balance as of 30 September 2019 and 31 December 2018 amounted to US\$ 375 million and nil, respectively)
Pinjaman non-sindikasi			Non-syndicated loans
a. PT Bank UOB Indonesia	36.750	6.250	a. PT Bank UOB Indonesia
b. PT Bank Mandiri (Persero) Tbk	-	34.402	b. PT Bank Mandiri (Persero) Tbk
c. PT Bank Ina Perdana Tbk	-	41.024	c. PT Bank Ina Perdana Tbk
Jumlah	14.267.446	15.069.511	Total
Dikurangi: Biaya pinjaman (Catatan 2f)	(163.354)	(115.387)	Less : Unamortized borrowing cost (Note 2f)
Jumlah - bersih	14.104.092	14.954.124	Total - net
Saldo yang jatuh tempo dalam satu tahun	-	(3.265.184)	Balance due less than one year
Saldo yang jatuh tempo lebih dari satu tahun	14.104.092	11.688.940	Balance due more than one year

Pinjaman Sindikasi

Syndication Loans

a. Fasilitas Pinjaman US\$ 1 miliar

a. US\$ 1 billion Credit Facilities

Pada tanggal 21 November 2014, entitas anak tertentu telah menandatangani perjanjian fasilitas pinjaman ("Perjanjian Fasilitas Pinjaman") sebesar US\$ 1.000.000.000 untuk melunasi program pinjaman US\$ 2.000.000.000 pada saat itu dan untuk menyediakan tambahan dana untuk modal kerja.

On 21 November 2014, certain subsidiaries of have entered into a US\$ 1,000,000,000 credit facility agreement (the "Credit Facilities Agreement") to refinance the existing US\$ 2,000,000,000 debt program and to provide additional funding for working capital.

Pada tanggal 6 November 2015, Perusahaan dan entitas anak telah merevisi dan menyajikan kembali Perjanjian Fasilitas Pinjaman tersebut.

On 6 November 2015, the Company and subsidiaries has amended and restated the Credit Facilities Agreement.

Ekshibit E/67

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

24. PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)

Pinjaman Sindikasi

a. Fasilitas Pinjaman US\$ 1 miliar (Lanjutan)

Pinjaman ini tidak memiliki jaminan, dan entitas anak yang menjadi peserta fasilitas pinjaman ini memberikan jaminan bersama (*cross guarantee*) atas Perjanjian Fasilitas Pinjaman.

Dalam Perjanjian Fasilitas Pinjaman tersebut, entitas anak diharuskan untuk memenuhi beberapa kondisi, diantaranya:

- Net senior debt* dari entitas anak/ EBITDA yang disesuaikan dan dianualisasi maksimum sebesar 5 kali;
- Top tier revenue ratio* minimum sebesar 50,00%.

Kreditur yang berpartisipasi pada fasilitas ini adalah:

- Oversea-Chinese Banking Corporation Limited
- United Overseas Bank Limited
- DBS Bank Ltd
- The Hongkong and Shanghai Banking Corporation Limited
- Credit Agricole Corporate and Investment Bank
- CIMB Bank Berhad
- Sumitomo Mitsui Banking Corporation
- CTBC Bank Co, Ltd
- MUFG Bank, Ltd
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank UOB Indonesia
- PT Bank HSBC Indonesia

Fasilitas pinjaman ini terdiri dari 4 fasilitas yaitu:

1. Fasilitas A sebesar US\$ 400 juta

Fasilitas ini dikenakan margin bunga sebesar 2,10% per tahun di atas LIBOR untuk kreditur dalam negeri, dan 2,00% per tahun untuk kreditur luar negeri.

Fasilitas ini akan jatuh tempo pada bulan Januari 2020.

Fasilitas ini telah dilunasi seluruhnya pada tanggal 12 Juli 2019.

Saldo pada tanggal 30 September 2019 dan 31 Desember 2018 masing-masing sebesar nihil dan US\$ 400 juta.

Exhibit E/67

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

24. LONG-TERM LOANS - THIRD PARTIES (Continued)

Syndication Loans

a. US\$ 1 billion Credit Facilities (Continued)

These loans are unsecured, and the subsidiaries who participated in the Credit Facilities provide a cross guarantee to the Lenders under the Credit Facilities Agreement.

Under the Credit Facilities Agreement, the subsidiaries are required to adhere to the following conditions, among others, as follows:

- Net senior debt of subsidiaries/ annualized adjusted EBITDA ratio shall not exceed 5 times;*
- Minimum top tier revenue ratio of 50.00%.*

The lenders who participated in this facility are:

- Oversea-Chinese Banking Corporation Ltd
- United Overseas Bank Limited
- DBS Bank Ltd
- The Hongkong and Shanghai Banking Corporation Limited
- Credit Agricole Corporate and Investment Bank
- CIMB Bank Berhad
- Sumitomo Mitsui Banking Corporation
- CTBC Bank Co, Ltd
- MUFG Bank, Ltd
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank UOB Indonesia
- PT Bank HSBC Indonesia

There are 4 facilities under this credit facilities:

1. Facility A US\$ 400 million Term Loan Facility

This facility bears interest margin of 2.10% above LIBOR per annum for onshore lenders and 2.00% per annum for offshore lenders.

This Facility will mature in January 2020.

This Facility has been fully paid on dated 12 July 2019.

The outstanding balance as of 30 September 2019 and 31 December 2018 was amounted to nil and US\$ 400 million, respectively.

Ekshibit E/68

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

24. PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)

Pinjaman Sindikasi (Lanjutan)

a. Fasilitas Pinjaman US\$ 1 miliar (Lanjutan)

2. Fasilitas Pinjaman *Revolving* Seri B sebesar US\$ 300 juta

Fasilitas ini dikenakan marjin bunga sebesar 1,85% per tahun di atas LIBOR untuk kreditur dalam negeri, dan 1,75% per tahun untuk kreditur luar negeri.

Fasilitas ini akan jatuh tempo pada bulan Juni 2022.

Saldo pada tanggal 30 September 2019 dan 31 Desember 2018 masing-masing sebesar US\$ 177,275 juta dan US\$ 250,275 juta.

3. Fasilitas Pinjaman *Revolving* Seri C sebesar US\$ 300 juta

Fasilitas ini dikenakan marjin bunga sebesar 1,60% per tahun di atas LIBOR untuk kreditur dalam negeri dan 1,50% untuk kreditur luar negeri.

Fasilitas ini jatuh tempo pada bulan November 2015 dan telah dilunasi seluruhnya pada tanggal 16 November 2015.

4. Fasilitas D sebesar US\$ 275 juta

Fasilitas ini dikenakan marjin bunga sebesar 2,10% per tahun di atas LIBOR untuk kreditur dalam negeri dan 2,00% untuk kreditur luar negeri.

Fasilitas ini akan jatuh tempo pada bulan Juni 2021.

Entitas anak telah menarik seluruh fasilitas pinjaman ini.

Saldo pada tanggal 30 September 2019 dan 31 Desember 2018 masing-masing sebesar US\$ 275 juta.

b. Fasilitas Pinjaman *Revolving* sebesar US\$ 200 juta

Pada tanggal 30 Maret 2017, entitas anak tertentu telah menandatangani perjanjian fasilitas pinjaman *revolving* ("Perjanjian RLF") sebesar US\$ 200.000.000 untuk menyediakan tambahan dana untuk modal kerja.

Pinjaman ini tidak memiliki jaminan, dan entitas anak yang menjadi peserta RLF ini memberikan jaminan bersama (*cross guarantee*) atas Perjanjian RLF.

Exhibit E/68

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

24. LONG-TERM LOANS - THIRD PARTIES (Continued)

Syndication Loan (Continued)

a. US\$ 1 billion Credit Facilities (Continued)

2. Facility B of US\$ 300 million Revolving Loan Facility

This facility bears interest margin of 1.85% above LIBOR per annum for onshore lenders and 1.75% per annum for offshore lenders.

This Facility will mature in June 2022.

The outstanding balance as of 30 September 2019 and 31 December 2018 was amounted to US\$ 177.275 million and US\$ 250.275 million, respectively.

3. Facility C of US\$ 300 million Revolving Loan Facility

This facility bears interest margin of 1.60% above LIBOR per annum for onshore lenders and 1.50% for offshore lenders.

This Facility matures in November 2015 and was fully repaid on 16 November 2015.

4. Facility D US\$ 275 million Term Loan Facility

This facility bears interest margin of 2.10% above LIBOR per annum for onshore lenders and 2.00% for offshore lenders.

This Facility will mature in June 2021.

The subsidiaries had fully drawn this loan facility.

The outstanding balance as of 30 September 2019 and 31 December 2018 was amounted to US\$ 275 million, respectively.

b. US\$ 200 million Revolving Loan Facility

On 30 March 2017, certain subsidiaries have entered into a US\$ 200,000,000 revolving loan facility agreement (the "RLF Agreement") to provide additional funding for working capital.

These loans are unsecured, and the subsidiaries who participated in the RLF provide a cross guarantee to the Lenders under the RLF Agreement.

Ekshibit E/69

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

24. PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)

Pinjaman Sindikasi (Lanjutan)

b. Fasilitas Pinjaman *Revolving* sebesar US\$ 200 juta
(Lanjutan)

Dalam Perjanjian Fasilitas Pinjaman tersebut, entitas anak diharuskan untuk memenuhi beberapa kondisi, diantaranya:

- Net senior debt* dari entitas anak/ EBITDA yang disesuaikan dan dianualisasi maksimum sebesar 5 kali;
- Top tier revenue ratio* minimum sebesar 50,00%

Kreditor yang berpartisipasi pada fasilitas ini adalah:

- Oversea-Chinese Banking Corporation Limited
- DBS Bank Ltd
- CIMB Bank Berhad
- PT Bank UOB Indonesia
- MUFG Bank, Ltd
- PT Bank CIMB Niaga Tbk
- PT Bank HSBC Indonesia
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank DBS Indonesia

Fasilitas ini dikenakan margin bunga sebesar 2,00% per tahun di atas LIBOR untuk kreditur dalam negeri, dan 1,75% per tahun untuk kreditur luar negeri.

Fasilitas ini akan jatuh tempo pada bulan Juni 2022.

Saldo pada tanggal 30 September 2019 dan 31 Desember 2018 masing-masing sebesar US\$ 176,725 juta dan US\$ 109,725 juta.

c. Fasilitas Pinjaman *Revolving* sebesar US\$ 375 juta

Pada tanggal 28 Juni 2019, entitas anak tertentu telah menandatangani perjanjian fasilitas pinjaman *revolving* ("Perjanjian RLF") sebesar US\$ 375.000.000 untuk melunasi Fasilitas A (lihat huruf a.1).

Pinjaman ini tidak memiliki jaminan, dan entitas anak yang menjadi peserta RLF ini memberikan jaminan bersama (*cross guarantee*) atas Perjanjian RLF.

Dalam Perjanjian Fasilitas Pinjaman tersebut, entitas anak diharuskan untuk memenuhi beberapa kondisi, diantaranya:

- Net senior debt* dari entitas anak/ EBITDA yang disesuaikan dan dianualisasi maksimum sebesar 5 kali;
- Top tier revenue ratio* minimum sebesar 50,00%

Exhibit E/69

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

24. LONG-TERM LOANS - THIRD PARTIES (Continued)

Syndication Loan (Continued)

b. US\$ 200 million Revolving Loan Facility (Continued)

Under the RLF Agreement, the subsidiaries are required to adhere to the following covenants, among others, as follows:

- Net senior debt* of subsidiaries/ annualized adjusted EBITDA ratio shall not exceed 5 times;
- Minimum top tier revenue ratio of 50.00%.

The lenders who participated in this facility are:

- Oversea-Chinese Banking Corporation Limited
- DBS Bank Ltd
- CIMB Bank Berhad
- PT Bank UOB Indonesia
- MUFG Bank, Ltd
- PT Bank CIMB Niaga Tbk
- PT Bank HSBC Indonesia
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank DBS Indonesia

This facility bears interest margin of 2.00% above LIBOR per annum for onshore lenders, and 1.75% per annum for offshore lenders.

This Facility will mature in June 2022.

The outstanding balance as of 30 September 2019 and 31 December 2018 amounted to US\$ 176.725 million and US\$ 109.725 million, respectively.

c. US\$ 375 million Revolving Loan Facility

On 28 June 2019, certain subsidiaries have entered into a US\$ 375,000,000 revolving loan facility agreement (the "RLF Agreement") to repay Facility A (see letter a.1).

These loans are unsecured, and the subsidiaries who participated in the RLF provide a cross guarantee to the Lenders under the RLF Agreement.

Under the RLF Agreement, the subsidiaries are required to adhere to the following covenants, among others, as follows:

- Net senior debt* of subsidiaries/ annualized adjusted EBITDA ratio shall not exceed 5 times;
- Minimum top tier revenue ratio of 50.00%.

Ekshibit E/70

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

24. PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)

Pinjaman Sindikasi (Lanjutan)

c. Fasilitas Pinjaman *Revolving* sebesar US\$ 375 juta
(Lanjutan)

Kreditur yang berpartisipasi pada fasilitas ini adalah:

- Australia and New Zealand Banking Group Limited
- CIMB Bank Berhad
- Credite Agricole Corporate and Investment Bank
- DBS Bank, Ltd
- Mizuho Bank, Ltd
- Oversea-Chinese Banking Corporation Limited
- PT Bank BNP Paribas Indonesia
- PT Bank CIMB Niaga Tbk
- PT Bank DBS Indonesia
- PT Bank HSBC Indonesia
- PT Bank OCBC NISP Tbk
- The Hongkong and Shanghai Banking Corporation
- United Overseas Bank Limited

Fasilitas ini dikenakan margin bunga sebesar 1,85% per tahun di atas LIBOR untuk kreditur dalam negeri, dan 1,75% per tahun untuk kreditur luar negeri.

Fasilitas ini akan jatuh tempo pada bulan Januari 2025.

Saldo pada tanggal 30 September 2019 dan 31 Desember 2018 masing-masing US\$ 375 juta dan nihil.

Pinjaman Non-Sindikasi

a. PT Bank Mandiri (Persero) Tbk

Pada tanggal 22 November 2017, berdasarkan akta Perjanjian Kredit Investasi No. CRO.JTH/0441/KI/2017 yang dibuat di hadapan Julius Purnawan, S.H., M.Si., Notaris di Jakarta, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, menandatangani perjanjian fasilitas pinjaman (Kredit Investasi) dengan PT Bank Mandiri (Persero) Tbk yang akan digunakan untuk tambahan dana modal kerja pembangunan menara telekomunikasi dengan rincian sebagai berikut:

Kredit Investasi IX

Fasilitas kredit	: Rp 57.000
Jangka waktu	: November 2024
Bunga	: 11,25%
Provisi	: 0,25% dari jumlah fasilitas
Commitment fee	: 0,25% dari jumlah penarikan kredit

Exhibit E/70

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

24. LONG-TERM LOANS - THIRD PARTIES (Continued)

Syndication Loan (Continued)

c. US\$ 375 million Revolving Loan Facility (Continued)

The lenders who participated in this facility are:

- Australia and New Zealand Banking Group Limited
- CIMB Bank Berhad
- Credite Agricole Corporate and Investment Bank
- DBS Bank, Ltd
- Mizuho Bank, Ltd
- Oversea-Chinese Banking Corporation Limited
- PT Bank BNP Paribas Indonesia
- PT Bank CIMB Niaga Tbk
- PT Bank DBS Indonesia
- PT Bank HSBC Indonesia
- PT Bank OCBC NISP Tbk
- The Hongkong and Shanghai Banking Corporation
- United Overseas Bank Limited

This facility bears interest margin of 1.85% above LIBOR per annum for onshore lenders, and 1.75% per annum for offshore lenders.

This Facility will mature in January 2025.

The outstanding balance as of 30 September 2019 and 31 December 2018 amounted US\$ 375 million and nil, respectively.

Non-Syndication Loans

a. PT Bank Mandiri (Persero) Tbk

At 22 November 2017, based on Investment Credit Agreement No. CRO.JTH/0441/KI/2017 made in the presence of Julius Purnawan, S.H., M.Si., Notary in Jakarta, PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary entered loan facility agreement (Investment Credit) with PT Bank Mandiri (Persero) Tbk which will be used for additional working capital of telecommunication towers construction with detail are as follows:

Investment Credit IX

Credit facility	: Rp 57,000
Year	: November 2024
Interest	: 11.25%
Provision	: 0.25% of total facility
Commitment fee	: 0.25% of total loan drawdown

Ekshibit E/71

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

24. PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)

Pinjaman Non-Sindikasi (Lanjutan)

a. PT Bank Mandiri (Persero) Tbk (Lanjutan)

Kredit Investasi IX (Lanjutan)

Pinjaman ini dijamin dengan aset-aset sebagai berikut:

- Tagihan yang akan diterima dari hasil penerimaan sewa menara telekomunikasi yang dibiayai oleh Fasilitas KI baru (KI-XI);
- Tanah & bangunan rukan SHMASRS, No. 01032 atas nama Rudolf Parningotan Nainggolan telah diikat HT III dengan total pengikatan sebesar Rp 2.748 dan akan ditingkatkan dengan HT IV sebesar Rp 2.660;
- Tanah & bangunan gudang SHGB No. 01315-01317/ Setu atas nama PT Gihon Telekomunikasi Indonesia, entitas anak telah diikat HT III dengan total pengikatan sebesar Rp 4.375 dan akan ditingkatkan dengan HT IV sebesar Rp 1.990;
- Tanah dan bangunan SHGB No. 01333/ Setu, SHGB No. 01337/ Setu, SHGB No.01338/ Setu atas nama PT Gihon Telekomunikasi Indonesia, entitas anak telah diikat HT III dengan total pengikatan sebesar Rp 4.434 dan akan ditingkatkan dengan HT IV sebesar Rp 3.880;
- 1 unit rumah tinggal di Kemang Kolonie "The Residence" SHM No.5770/ Bangka atas nama Rudolf Parningotan Nainggolan telah diikat HT II dengan total pengikatan sebesar Rp 2.800 dan akan ditingkatkan dengan HT III sebesar Rp 2.350;
- 1 unit tanah bangunan di Perumahan Taman Proven Blok A9, No.12. Ds. Lekong Wetan, Serpong SHM No.00947 atas nama Hotma Linda Ebigail Sirait telah diikat HT I sebesar Rp 1.400 dan akan ditingkatkan dengan HT II sebesar Rp 1.000;
- Jaminan pribadi dari Rudolf Parningotan Nainggolan dan Hotma Linda Ebigail Sirait.

Berdasarkan Perjanjian tersebut PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, telah mendapatkan persetujuan dari PT Bank Mandiri (Persero) Tbk untuk melakukan hal-hal, antara lain untuk:

- Membagikan dividen,
- Mengubah porsi bagian saham publik,
- Merubah susunan pengurus, perubahan organisasi, merger dan akuisisi, apabila entitas anak telah melaksanakan Penawaran Umum Perdana Saham.

Atas fasilitas Kredit Investasi IX, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, dikenakan bunga fluktuatif sesuai dengan ketentuan PT Bank Mandiri (Persero) Tbk.

Fasilitas ini telah dilunasi seluruhnya pada tanggal 4 Januari 2019.

Saldo pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar nihil dan Rp 34.402.

Exhibit E/71

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

24. LONG-TERM LOANS - THIRD PARTIES (Continued)

Non-Syndication Loans (Continued)

a. PT Bank Mandiri (Persero) Tbk (Continued)

Investment Credit IX (Continued)

These loans are secured with some assets are as follows:

- Claims to be received from the proceeds of telecommunication tower leases that financed by IC Facility (KI-XI);
- Land & building of SHMASRS, No. 01032 on behalf of Rudolf Parningotan Nainggolan has been bound HT III with total binding of Rp 2,748 and will be increased with HT IV amounted to Rp 2,660;
- Land & building warehouse with SHGB No. 01315 01317/Setu on behalf of PT Gihon Telekomunikasi Indonesia, subsidiary has been bound HT III with total binding of Rp 4,375 and will be increased with HT IV amounted to Rp 1,990;
- Land & building with SHGB No. 01333/Setu, SHGB No. 01337/Setu, SHGB No. 01338/Setu on behalf of PT Gihon Telekomunikasi Indonesia, subsidiary has been bound HT III with total binding of Rp 4,434 and will be increased with HT IV amounted to Rp 3,880;
- 1 unit of residence in Kemang Kolonie "The Residence" with SHM No. 5770/Bangka on behalf of Rudolf Parningotan Nainggolan has been bound HT II with total binding of Rp 2,800 and will be increased with HT III amounted to Rp 2,350;
- 1 unit of land and building in Perumahan Taman Proven Blok A9, No.12. Ds. Lekong Wetan, Serpong with SHM No. 00947 on behalf of Mrs. Hotma Linda Ebigail Sirait has been bound HT I of Rp 1,400 and will be increased with HT II amounted to Rp 1,000;
- Personal Guarantee from Rudolf Parningotan Nainggolan and Hotma Linda Ebigail Sirait.

Based on this Agreement PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary has obtained approval from PT Bank Mandiri (Persero) Tbk to perform the following matters, among others:

- Distribute dividends,
- Changing the share of public portion,
- Changing the organizational structure, organizational change, merger and acquisition, if the Company has conducted the Initial Public Offering.

Regarding to Investment Credit facilities IX, PT Gihon Telekomunikasi Indonesia, the subsidiary is subject to fluctuating interest in accordance with the policy of PT Bank Mandiri (Persero) Tbk.

This Facility has been fully paid on dated 4 January 2019.

The outstanding balance as of 30 September 2019 and 31 December 2018 amounted to nil and Rp 34,402.

Ekshibit E/72

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

24. PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)

Pinjaman Non-Sindikasi (Lanjutan)

b. PT Bank UOB Indonesia

Pada tanggal 31 Oktober 2018, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, telah menandatangani perjanjian fasilitas *revolving* sebesar Rp 50.000 untuk menyediakan tambahan dana modal kerja.

Pada tanggal 4 Januari 2019, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, telah menandatangani amandemen perjanjian fasilitas *revolving* sebesar Rp 100.000 yang bersifat *committed* untuk menyediakan tambahan dana untuk belanja modal.

Fasilitas ini akan jatuh tempo pada bulan Januari 2021.

Pinjaman ini tidak memiliki jaminan tetapi PT Gihon Telekomunikasi Indonesia Tbk, entitas anak harus menyerahkan perjanjian pemegang saham yang di tandatangani oleh perusahaan dan pemegang saham lainnya dan memastikan laporan keuangan entitas anak telah dikonsolidasi ke dalam laporan keuangan perusahaan.

Dalam fasilitas pinjaman ini, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak diharuskan memenuhi beberapa kondisi, diantaranya:

- *Debt to EBITDA* rasio maksimum 3,75 kali.
- *Top tier revenue* minimum 50%.

Fasilitas ini dikenakan margin bunga sebesar 2,50% diatas JIBOR jika *Debt to EBITDA* rasio kurang dari 3 kali dan 3,00% diatas JIBOR jika *Debt to EBITDA* rasio lebih dari 3 kali.

Pada 30 September 2019 dan 31 Desember 2018 jumlah fasilitas yang telah digunakan adalah sebesar Rp 36.750 dan Rp 6.250.

PT Gihon Telekomunikasi Indonesia Tbk, entitas anak telah memenuhi semua persyaratan yang ditetapkan oleh kreditor atas seluruh pinjaman Kredit Investasi yang diberikan.

c. PT Bank Ina Perdana Tbk

Pada tanggal 31 Agustus 2017, PT Visi Telekomunikasi, entitas anak menandatangani perjanjian fasilitas pinjaman (Kredit Investasi) dengan PT Bank Ina Perdana Tbk dengan rincian sebagai berikut:

Fasilitas kredit : Rp 50.000
Jatuh tempo : 31 Agustus 2022
Bunga : 13,00%

Fasilitas ini telah dilunasi seluruhnya pada tanggal 23 Juli 2019

Pada 30 September 2019 dan 31 Desember 2018 jumlah fasilitas yang telah digunakan adalah sebesar nihil dan Rp 41.024.

Exhibit E/72

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

24. LONG-TERM LOANS - THIRD PARTIES (Continued)

Non-Syndication Loans (Continued)

b. PT Bank UOB Indonesia

As of 31 October 2018, PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary had signed the revolving facility agreement amounted to Rp 50,000 to provide additional funding for working capital.

As of 4 January 2019, PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary had signed the amandment committed revolving facility agreement amounted to Rp 100,000 to provide additional funding for capital expenditure.

This facility will mature in January 2021.

This loan is unsecured but PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary had to submit shareholders agreement signed by the company and other shareholders and ensure that subsidiary's financial statements have been consolidated into the company financial statements.

Under the credit facility agreement, PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary are required to adhere to the following conditions, among others, as follows:

- *Debt to EBITDA* ratio shall not exceed 3.75 times.
- *Top tier revenue* ratio minimum 50%.

This facility bears interest margin of 2.50% above JIBOR if *Debt to EBITDA* ratio less than 3 times and 3.00% above JIBOR if *Debt to EBITDA* ratio more than 3 times.

As of 30 September 2019 and 31 December 2018 total facility have been utilized is amounted to Rp 36,750 and Rp 6,250.

PT Gihon Telekomunikasi Indonesia Tbk, the subsidiary has complied with all the requirements assigned by the creditors on all the Investment Credits given.

c. PT Bank Ina Perdana Tbk

At 31 August 2017, PT Visi Telekomunikasi, the subsidiary entered loan facility agreement (Investment Credit) with PT Bank Ina Perdana Tbk with detail are as follows:

Credit facility : Rp 50,000
Maturity : 31 August 2022
Interest : 13.00%

This Facility has been fully paid on dated 23 July 2019.

As of 30 September 2019 and 31 December 2018 total facility have been utilized is amounted to nil and Rp 41,024.

Ekshibit E/73

Exhibit E/73

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

24. PINJAMAN JANGKA PANJANG - PIHAK KETIGA (Lanjutan)

Jika bagian pinjaman dalam valuta asing yang telah dilindungi nilai diukur dengan menggunakan kurs lindung nilainya, maka saldo pinjaman jangka panjang pada 30 September 2019 dan 31 Desember 2018 setelah dikurangi biaya pinjaman yang belum diamortisasi adalah sebagai berikut:

24. LONG-TERM LOANS - THIRD PARTIES (Continued)

If the hedged portion of foreign currency loans are valued using their hedged rate, the outstanding balance of long-term loans as of 30 September 2019 and 31 December 2018 net of unamortized borrowing cost are as follows:

	30 September/ 30 September 2019		31 Desember/ 31 December 2018		
	Saldo pinjaman / The balance of loans		Saldo pinjaman / The balance of loans		
	Kurs laporan posisi keuangan / Rate of consolidated statements of financial position date		Kurs laporan posisi keuangan / Rate of consolidated statements of financial position date		
		Kurs lindung nilai / Hedging rate		Kurs lindung nilai / Hedging rate	
Pinjaman sindikasi	14.230.696	13.149.260	14.987.835	13.181.570	Syndication loans
Pinjaman non-sindikasi	36.750	36.750	81.676	81.676	Non-syndication loans
Dikurangi:					Less:
Biaya pinjaman yang belum diamortisasi (Catatan 2f)	(163.354)	(163.354)	(115.387)	(115.387)	Unamortized borrowing costs (Note 2f)
Jumlah - Bersih	<u>14.104.092</u>	<u>13.022.656</u>	<u>14.954.124</u>	<u>13.147.859</u>	Total - Net

25. SURAT UTANG

25. NOTES

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Surat utang terdiri dari:			Notes consist of:
US Dolar			US Dollar
5,25% Senior Unsecured Note (saldo pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar US\$ 350 juta)	4.960.900	5.068.350	5,25% Senior Unsecured Notes (balance as of 30 September 2019 and 31 December 2018 amounted to US\$ 350 million, respectively)
Rupiah			Rupiah
a. Obligasi Berkelanjutan II Tahap I	230.000	230.000	a. Continuous Bonds II Phase I
b. Obligasi Berkelanjutan II Tahap II	700.000	700.000	b. Continuous Bonds II Phase II
c. Obligasi Berkelanjutan II Tahap III	700.000	700.000	c. Continuous Bonds II Phase III
d. Obligasi Berkelanjutan III Tahap I	608.000	608.000	d. Continuous Bonds III Phase I
e. Obligasi Berkelanjutan III Tahap II	628.000	628.000	e. Continuous Bonds III Phase II
f. Obligasi Berkelanjutan III Tahap III	750.000	-	f. Continuous Bonds III Phase III
Jumlah	<u>8.576.900</u>	<u>7.934.350</u>	Total
Dikurangi:			Less:
Biaya pinjaman yang belum diamortisasi (Catatan 2f)	(33.302)	(45.325)	Unamortized borrowing cost (Note 2f)
Saldo yang jatuh tempo dalam satu tahun	(2.772.914)	(624.283)	Balance due less than one year
Saldo yang jatuh tempo lebih dari satu tahun	<u>5.770.684</u>	<u>7.264.742</u>	Balance due more than one year

Ekshibit E/74

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

25. SURAT UTANG (Lanjutan)

a. Surat Utang dalam USD sebesar US\$ 350 juta

Pada tanggal 10 Februari 2015, TBG Global Pte Ltd (TBGG), entitas anak, menerbitkan 5,25% *Senior Unsecured Notes* ("Surat Utang") dengan nilai agregat sebesar US\$ 350.000.000. Surat Utang ini dikenakan bunga sebesar 5,25% per tahun yang jatuh tempo pada tanggal 10 Februari dan 10 Agustus setiap tahun, dimulai pada tanggal 10 Agustus 2015. Surat Utang ini akan jatuh tempo pada tanggal 10 Februari 2022. Surat Utang ini dijamin oleh Perusahaan dan tidak dapat dibeli kembali sebelum 4 (empat) tahun.

Dana dari penerbitan Surat Utang tersebut digunakan untuk membiayai kembali (a) pinjaman sebesar US\$ 300 juta berdasarkan Perjanjian Fasilitas Pinjaman *Revolving* (lihat Catatan 24), (b) sebagian pinjaman *revolving* seri C berdasarkan Perjanjian Fasilitas Pinjaman, dan (c) sisanya digunakan untuk mendukung kebutuhan lainnya.

Sesuai pembatasan-pembatasan yang mengatur tentang Surat Utang, Perusahaan dan entitas anak yang dibatasi, memiliki keterbatasan untuk melakukan tindakan-tindakan, antara lain, sebagai berikut:

1. Menambah pinjaman baru dan menerbitkan saham preferen, kecuali:
Rasio Utang/Arus Kas Terannualisasi tidak lebih dari 6,25 kali.
2. Melakukan pembayaran yang dibatasi, seperti:
 - a) menyatakan atau membayar dividen atau melakukan suatu pembayaran atau pembagian untuk kepentingan Penjamin Induk Perusahaan atau setiap Hak Kepemilikan Atas Ekuitas Entitas Anak Yang Dibatasi atau kepada para pemilik langsung atau tidak langsung dari Penjamin Induk Perusahaan atau setiap Hak Kepemilikan Atas Ekuitas dari Entitas Anak Yang Dibatasi;
 - b) membeli, menebus atau dengan cara lain mendapatkan atau membebaskan untuk nilai setiap Hak Kepemilikan Atas Ekuitas dari Penjamin Induk Perusahaan atau setiap induk langsung atau tidak langsung dari Penjamin Induk Perusahaan;
 - c) melakukan pembayaran atas atau sehubungan dengan, melakukan penebusan dengan tidak dapat dicabut kembali, atau membeli, menebus, melakukan penjaminan efek atau dengan cara lain mendapatkan atau membebaskan untuk nilai dari setiap utang dari TBGG sebagai penerbit atau setiap Surat Utang Penjamin yang secara kontraktual disubordinasikan kepada Surat Utang atau setiap Jaminan Surat Utang (tidak termasuk pinjaman antar Perusahaan dan utang antar Perusahaan), kecuali suatu pembayaran bunga atau pokok pada tanggal jatuh tempo; dan
 - d) membuat setiap investasi yang dibatasi

Exhibit E/74

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

25. NOTES (Continued)

a. Notes in USD amounted to US\$ 350 million

On 10 February 2015, TBG Global Pte Ltd. (TBGG), a subsidiary, issued 5.25% *Senior Unsecured Notes* ("Notes") with an aggregate value of US\$ 350,000,000. These notes bear interest at 5.25% per annum and pay interest on 10 February and 10 August each year, commencing on 10 August 2015. The Notes will mature on 10 February 2022. The Notes are guaranteed by the Company and have a 4 (four) years non-call provision.

The proceeds from the issuance of the Notes were used to refinance (a) all outstanding loan amounting to US\$ 300 million under *Revolving Loan Facility Agreement* (see Note 24), (b) part of outstanding loan facility C of revolving loan facility under the *Credit Facility Agreement*, and (c) the remaining amount to be used for general corporate purposes.

Under the covenants governing the Notes, the Company and its restricted subsidiaries are restricted from performing certain actions such as:

1. Incurrence of indebtedness and issuance of preferred stock, unless:
Debt to Annualized Cash Flow Ratio would have been no greater than 6.25 times.
2. Making restricted payments, such as:
 - a) declare and pay dividend or make any other payment or distribution on account of Parent Guarantor or any of its Restricted Subsidiaries Equity Interests or to the direct or indirect holders of Parent Guarantor or any of its Restricted Subsidiaries Equity Interests;
 - b) purchase, redeem or otherwise acquire or retire for value any Equity Interest of Parent Guarantor or any direct or indirect parent of Parent Guarantor;
 - c) make any payment on or with respect to, irrevocably call for redemption, or purchase, redeem, defease or otherwise acquire or retire for value any indebtedness of the Issuer or any Note Guarantor that is contractually subordinated to the Notes or to any Note Guarantee (excluding intercompany loans and Indebtedness), except for payment of interest and principal at maturity; and
 - d) make any restricted investment

Ekshibit E/75

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

25. SURAT UTANG (Lanjutan)

a. Surat Utang dalam USD sebesar US\$ 350 juta (Lanjutan)

Perusahaan dapat melakukan Pembayaran Yang Dibatasi tersebut di atas, jika:

1. Tidak ada wanprestasi atau peristiwa wanprestasi telah terjadi dan berlanjut atau akan terjadi; dan
2. Rasio Arus Kas Teranualisasi tidak lebih dari 6,25 kali.

Transaksi ini telah memenuhi peraturan Bapepam-LK No. IX.E.2 tentang transaksi material, dan Perusahaan telah melaporkan penerbitan Surat Utang tersebut kepada Otoritas Jasa Keuangan (OJK) (dahulu Bapepam-LK) pada tanggal 12 Februari 2015. Surat Utang ini didaftarkan pada pasar modal Singapura.

Jika bagian utang yang telah dilindung nilai diukur dengan menggunakan kurs lindung nilainya, maka saldo surat utang jangka panjang pada 30 September 2019 dan 31 Desember 2018 setelah dikurangi biaya pinjaman yang belum diamortisasi adalah sebagai berikut:

	30 September/ 30 September 2019		31 Desember/ 31 December 2018		
	Saldo pinjaman / The balance of loans		Saldo pinjaman / The balance of loans		
	Kurs laporan posisi keuangan / Rate of consolidated statements of financial position date		Kurs laporan posisi keuangan / Rate of consolidated statements of financial position date		
		Kurs lindung nilai / Hedging rate		Kurs lindung nilai / Hedging rate	
Surat utang	8.576.900	7.921.000	7.934.350	7.171.000	Notes
Dikurangi:					Less:
Biaya pinjaman yang belum diamortisasi (Catatan 2f)	(33.302)	(33.302)	(45.325)	(45.325)	Unamortized borrowing costs (Note 2f)
Jumlah - Bersih	8.543.598	7.887.698	7.889.025	7.125.675	Total - Net

a. Obligasi Berkelanjutan II Tahap I

Pada tanggal 1 Juli 2016, Perusahaan menerbitkan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap I Tahun 2016 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan II Tahap I") sebesar 9,25% per tahun. Nominal Obligasi Berkelanjutan II Tahap I ini adalah sebesar Rp 230.000.

Hasil bersih yang diperoleh dari penerbitan Obligasi Berkelanjutan II Tahap I telah digunakan seluruhnya untuk pembayaran kewajiban keuangan entitas anak.

Exhibit E/75

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

25. NOTES (Continued)

a. Notes in USD amounted to US\$ 350 million (Continued)

The company can make Restricted Payments described above, if:

1. No Default or Event of Default has occurred and is continuing or would occur; and
2. Debt to Annualized Cash Flow Ratio would have been no greater than 6.25 times.

This transaction has fulfilled the regulation of Bapepam-LK No. IX.E.2 regarding material transactions, and the Company has reported the issuance of the Notes to the Indonesia Financial Service Authority (OJK) (formerly Bapepam-LK) on 12 February 2015. The Notes are listed on the Singapore Exchange.

If the hedged portion of the long-term notes are valued using their hedge rate, the outstanding balance of the Long-term notes as of 30 September 2019 and 31 December 2018 net of unamortized borrowing costs are as follow:

	30 September/ 30 September 2019		31 Desember/ 31 December 2018		
	Saldo pinjaman / The balance of loans		Saldo pinjaman / The balance of loans		
	Kurs laporan posisi keuangan / Rate of consolidated statements of financial position date		Kurs laporan posisi keuangan / Rate of consolidated statements of financial position date		
		Kurs lindung nilai / Hedging rate		Kurs lindung nilai / Hedging rate	
Surat utang	8.576.900	7.921.000	7.934.350	7.171.000	Notes
Dikurangi:					Less:
Biaya pinjaman yang belum diamortisasi (Catatan 2f)	(33.302)	(33.302)	(45.325)	(45.325)	Unamortized borrowing costs (Note 2f)
Jumlah - Bersih	8.543.598	7.887.698	7.889.025	7.125.675	Total - Net

a. Continuous Bonds II Phase I

On 1 July 2016, the Company issued Continuous Bonds II Tower Bersama Infrastructure Phase I Year 2016 with Fixed Interest Rate ("Continuous Bonds II Phase I") amounted to 9.25% per year. The Continuous Bonds II Phase I have a total principal amount of Rp 230,000.

The net proceeds from the issuance of the Continuous Bonds II Phase I were used entirely for payments of financial liabilities of subsidiaries.

Ekshibit E/76

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

25. **SURAT UTANG** (Lanjutan)

a. **Obligasi Berkelanjutan II Tahap I** (Lanjutan)

Bunga Obligasi Berkelanjutan II Tahap I akan dibayarkan setiap kuartal sesuai dengan tanggal pembayaran bunga. Pembayaran pertama dari bunga adalah pada tanggal 1 Oktober 2016. Tanggal pembayaran bunga terakhir, yang juga merupakan tanggal jatuh tempo Obligasi Berkelanjutan II Tahap I, adalah pada tanggal 1 Juli 2021.

Obligasi Berkelanjutan II Tahap I ini tidak dijamin oleh suatu jaminan tertentu, namun dijamin dengan seluruh kekayaan Perusahaan, baik barang bergerak maupun tidak bergerak, dan yang telah ada maupun yang akan ada di kemudian hari.

Penerbitan Obligasi Berkelanjutan II Tahap I ini dilakukan sesuai dengan Akta Adendum II dan Pernyataan Kembali Perjanjian Perwaliamanatan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap I Tahun 2016 No. 42 tanggal 17 Juni 2016 yang dibuat di hadapan Notaris Jose Dima Satria, S.H. M.Kn. Bertindak sebagai wali amanat adalah PT Bank Rakyat Indonesia (Persero) Tbk ("Wali Amanat").

Sesuai persyaratan yang disepakati dalam penerbitan Obligasi Berkelanjutan II Tahap I ini, maka Perusahaan tanpa persetujuan tertulis dari Wali Amanat tidak diperkenankan untuk melakukan tindakan-tindakan, antara lain: melakukan penggabungan atau pengambilalihan usaha, merubah bidang usaha utama, mengurangi modal dasar dan modal disetor, menjual, mengalihkan atau melepaskan seluruh atau sebagian aset, memberikan opsi, waran, dan memberikan pinjaman kepada pihak ketiga, kecuali kepada entitas anak Perusahaan, di luar kegiatan usaha Perusahaan dan entitas anak.

Perusahaan juga disyaratkan untuk mempertahankan perbandingan antara jumlah pinjaman konsolidasian proforma dengan EBITDA proforma dari kuartal terakhir dikalikan 4 (empat) tidak melebihi 6,25 kali.

Pada 30 September 2019 dan 31 Desember 2018, Perusahaan telah memenuhi semua kondisi yang disyaratkan dalam perjanjian perwaliamanatan tersebut.

Pada 15 April 2019, Fitch Indonesia, lembaga pemeringkat efek independen, telah memberikan peringkat "A+" (Single A Plus) untuk Obligasi Berkelanjutan II Tahap I ini.

Exhibit E/76

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

25. **NOTES** (Continued)

a. **Continuous Bonds II Phase I** (Continued)

Interest for the Continuous Bonds II Phase I are payable on a quarterly basis on the interest payment dates. The first interest payment of Bonds was on 1 October 2016. The last interest payment dates, which are also the respective maturity dates of the Continuous Bonds II Phase I, will be on 1 July 2021.

The Continuous Bonds II Phase I is not secured by specific collateral, however it is guaranteed by all assets of the Company, for existing and future fixed or moveable assets.

The issuance of Continuous Bonds II Phase I was covered in the Deed of Second Amendment and Restatement of Trusteeship Agreement of Continuous Bonds II Tower Bersama Infrastructure Phase I Year 2016 No. 42 dated 17 June 2016, of a Notary Jose Dima Satria, S.H., M.Kn. The bond trustee is PT Bank Rakyat Indonesia (Persero) Tbk (the "Trustee").

Under the covenants governing the Continuous Bonds II Phase I, the Company, without the written consent of the Trustee, shall not, among others: merge or acquire, change the scope of main activities, reduce the authorized and paid up capital, sale, transfer or dispose all or part of asset by the Company's subsidiaries, sale, transfer, or giving options, warrants, and grant loans to third parties, except to the Company's subsidiaries, outside the Company's and Subsidiaries business activities.

In addition, the Company is required to maintain the comparative of total proforma consolidation loans with proforma EBITDA from last quarter multiplied by 4 (four) of no more than 6.25 times.

As of 30 September 2019 and 31 December 2018, the Company has complied with the restrictions set out in these trusteeship agreements.

On 15 April 2019, Fitch Indonesia, an independent credit rating agency, rated the Continuous Bonds II Phase I "A+" (Single A Plus).

Ekshibit E/77

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

25. **SURAT UTANG** (Lanjutan)

b. **Obligasi Berkelanjutan II Tahap II**

Pada tanggal 21 April 2017, Perusahaan menerbitkan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap II Tahun 2017 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan II Tahap II") sebesar 8,75% per tahun. Nominal Obligasi Berkelanjutan II Tahap II ini adalah sebesar Rp 700.000.

Hasil bersih yang diperoleh dari penerbitan Obligasi Berkelanjutan II Tahap II telah digunakan seluruhnya untuk pembayaran kewajiban keuangan entitas anak.

Bunga Obligasi Berkelanjutan II Tahap II akan dibayarkan setiap kuartal sesuai dengan tanggal pembayaran bunga. Pembayaran pertama dari bunga adalah pada tanggal 21 Juli 2017. Tanggal pembayaran bunga terakhir, yang juga merupakan tanggal jatuh tempo Obligasi Berkelanjutan II Tahap II, adalah pada tanggal 21 April 2020.

Obligasi Berkelanjutan II Tahap II ini tidak dijamin oleh suatu jaminan tertentu, namun dijamin dengan seluruh kekayaan Perusahaan, baik barang bergerak maupun tidak bergerak, dan yang telah ada maupun yang akan ada di kemudian hari.

Penerbitan Obligasi Berkelanjutan II Tahap II ini dilakukan sesuai Perjanjian Perwaliamanatan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap II Tahun 2017 No. 110 tanggal 30 Maret 2017 yang dibuat di hadapan Notaris Jose Dima Satria, S.H. M.Kn. Bertindak sebagai wali amanat adalah PT Bank Rakyat Indonesia (Persero) Tbk ("Wali Amanat").

Sesuai persyaratan yang disepakati dalam penerbitan Obligasi Berkelanjutan II Tahap II ini, maka Perusahaan tanpa persetujuan tertulis dari Wali Amanat tidak diperkenankan untuk melakukan tindakan-tindakan, antara lain: melakukan penggabungan atau pengambilalihan usaha, merubah bidang usaha utama, mengurangi modal dasar dan modal disetor, menjual, mengalihkan atau melepaskan seluruh atau sebagian aset, memberikan opsi, waran, dan memberikan pinjaman kepada pihak ketiga, kecuali kepada entitas anak Perusahaan, di luar kegiatan usaha Perusahaan dan entitas anak.

Perusahaan juga disyaratkan untuk mempertahankan perbandingan antara jumlah pinjaman konsolidasian proforma dengan EBITDA proforma dari kuartal terakhir dikalikan 4 (empat) tidak melebihi 6,25 kali.

Pada 30 September 2019 dan 31 Desember 2018, Perusahaan telah memenuhi semua kondisi yang disyaratkan dalam perjanjian perwaliamanatan tersebut.

Pada 15 April 2019, Fitch Indonesia, lembaga pemeringkat efek independen, telah memberikan peringkat "A+" (Single A Plus) untuk Obligasi Berkelanjutan II Tahap II ini.

Exhibit E/77

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

25. **NOTES** (Continued)

b. **Continuous Bonds II Phase II**

On 21 April 2017, the Company issued Continuous Bonds II Tower Bersama Infrastructure Phase II Year 2017 with Fixed Interest Rate ("Continuous Bonds II Phase II") amounted to 8.75% per year. The Continuous Bonds II Phase II have a total principal amount of Rp 700,000.

The net proceeds from the issuance of the Continuous Bonds II Phase II were used entirely for payments of financial liabilities of subsidiaries.

Interest for the Continuous Bonds II Phase II are payable on a quarterly basis on the interest payment dates. The first interest payment of Bonds was on 21 July 2017. The last interest payment dates, which are also the respective maturity dates of the Continuous Bonds II Phase II, will be on 21 April 2020.

The Continuous Bonds II Phase II is not secured by specific collateral, however it is guaranteed by all assets of the Company, for existing and future fixed or moveable assets.

The issuance of Continuous Bonds II Phase II was covered Trusteeship Agreement of Continuous Bonds II Tower Bersama Infrastructure Phase II Year 2017 No. 110 dated 30 March 2017, of a Notary Jose Dima Satria, S.H., M.Kn. The bond trustee is PT Bank Rakyat Indonesia (Persero) Tbk (the "Trustee").

Under the covenants governing the Continuous Bonds II Phase II, the Company, without the written consent of the Trustee, shall not, among others: merge or acquire, change the scope of main activities, reduce the authorized and paid up capital, sale, transfer or dispose all or part of asset by the Company's subsidiaries, sale, transfer, or giving options, warrants, and grant loans to third parties, except to the Company's subsidiaries, outside the Company's and Subsidiaries business activities.

In addition, the Company is required to maintain the comparative of total proforma consolidation loans with proforma EBITDA from last quarter multiplied by 4 (four) of no more than 6.25 times.

As of 30 September 2019 and 31 December 2018, the Company has complied with the restrictions set out in these trusteeship agreements.

On 15 April 2019, Fitch Indonesia, an independent credit rating agency, rated the Continuous Bonds II Phase II "A+" (Single A Plus).

Ekshibit E/78

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

25. SURAT UTANG (Lanjutan)

c. Obligasi Berkelanjutan II Tahap III

Pada tanggal 19 September 2017, Perusahaan menerbitkan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap III Tahun 2017 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan II Tahap III") sebesar 8,40% per tahun. Nominal Obligasi Berkelanjutan II Tahap III ini adalah sebesar Rp 700.000.

Hasil bersih yang diperoleh dari penerbitan Obligasi Berkelanjutan II Tahap III telah digunakan seluruhnya untuk pembayaran kewajiban keuangan entitas anak.

Bunga Obligasi Berkelanjutan II Tahap III akan dibayarkan setiap kuartal sesuai dengan tanggal pembayaran bunga. Pembayaran pertama dari bunga adalah pada tanggal 19 Desember 2017. Tanggal pembayaran bunga terakhir, yang juga merupakan tanggal jatuh tempo Obligasi Berkelanjutan II Tahap III, adalah pada tanggal 19 September 2020.

Obligasi Berkelanjutan II Tahap III ini tidak dijamin oleh suatu jaminan tertentu, namun dijamin dengan seluruh kekayaan Perusahaan, baik barang bergerak maupun tidak bergerak, dan yang telah ada maupun yang akan ada di kemudian hari.

Penerbitan Obligasi Berkelanjutan II Tahap III ini dilakukan sesuai Perjanjian Perwaliamanatan Obligasi Berkelanjutan II Tower Bersama Infrastructure Tahap III Tahun 2017 No. 87 tanggal 29 Agustus 2017 yang dibuat di hadapan Notaris Jose Dima Satria, S.H. M.Kn. Bertindak sebagai wali amanat adalah PT Bank Rakyat Indonesia (Persero) Tbk ("Wali Amanat").

Sesuai persyaratan yang disepakati dalam penerbitan Obligasi Berkelanjutan II Tahap III ini, maka Perusahaan tanpa persetujuan tertulis dari Wali Amanat tidak diperkenankan untuk melakukan tindakan-tindakan, antara lain: melakukan penggabungan atau pengambilalihan usaha, merubah bidang usaha utama, mengurangi modal dasar dan modal disetor, menjual, mengalihkan atau melepaskan seluruh atau sebagian aset, memberikan opsi, waran, dan memberikan pinjaman kepada pihak ketiga, kecuali kepada entitas anak Perusahaan, di luar kegiatan usaha Perusahaan dan entitas anak.

Perusahaan juga disyaratkan untuk mempertahankan perbandingan antara jumlah pinjaman konsolidasian proforma dengan EBITDA proforma dari kuartal terakhir dikalikan 4 (empat) tidak melebihi 6,25 kali.

Pada 30 September 2019 dan 31 Desember 2018, Perusahaan telah memenuhi semua kondisi yang disyaratkan dalam perjanjian perwaliamanatan tersebut.

Pada 15 April 2019, Fitch Indonesia, lembaga pemeringkat efek independen, telah memberikan peringkat "A+" (Single A Plus) untuk Obligasi Berkelanjutan II Tahap III ini.

Exhibit E/78

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

25. NOTES (Continued)

c. Continuous Bonds II Phase III

On 19 September 2017, the Company issued Continuous Bonds II Tower Bersama Infrastructure Phase III Year 2017 with Fixed Interest Rate ("Continuous Bonds II Phase III") amounted to 8.40% per year. The Continuous Bonds II Phase III have a total principal amount of Rp 700,000.

The net proceeds from the issuance of the Continuous Bonds II Phase III were used entirely for payments of financial liabilities of subsidiaries.

Interest for the Continuous Bonds II Phase III are payable on a quarterly basis on the interest payment dates. The first interest payment of Bonds was on 19 December 2017. The last interest payment dates, which are also the respective maturity dates of the Continuous Bonds II Phase III, will be on 19 September 2020.

The Continuous Bonds II Phase III is not secured by specific collateral, however it is guaranteed by all assets of the Company, for existing and future fixed or moveable assets.

The issuance of Continuous Bonds II Phase III was covered Trusteeship Agreement of Continuous Bonds II Tower Bersama Infrastructure Phase III Year 2017 No. 87 dated 29 August 2017, of a Notary Jose Dima Satria, S.H., M.Kn. The bond trustee is PT Bank Rakyat Indonesia (Persero) Tbk (the "Trustee").

Under the covenants governing the Continuous Bonds II Phase III, the Company, without the written consent of the Trustee, shall not, among others: merge or acquire, change the scope of main activities, reduce the authorized and paid up capital, sale, transfer or dispose all or part of asset by the Company's subsidiaries, sale, transfer, or giving options, warrants, and grant loans to third parties, except to the Company's subsidiaries, outside the Company's and Subsidiaries business activities.

In addition, the Company is required to maintain the comparative of total proforma consolidation loans with proforma EBITDA from last quarter multiplied by 4 (four) of no more than 6.25 times.

As of 30 September 2019 and 31 December 2018, the Company has complied with the restrictions set out in these trusteeship agreements.

On 15 April 2019, Fitch Indonesia, an independent credit rating agency, rated the Continuous Bonds II Phase III "A+" (Single A Plus).

Ekshibit E/79

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

25. SURAT UTANG (Lanjutan)

d. Obligasi Berkelanjutan III Tahap I

Pada tanggal 5 Juli 2018, Perusahaan menerbitkan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap I Tahun 2018 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan III Tahap I") sebesar 8,5% per tahun. Nominal Obligasi Berkelanjutan III Tahap I ini adalah sebesar Rp 608.000. Obligasi ini dicatatkan pada bursa efek Indonesia pada tanggal 6 Juli 2018.

Hasil bersih yang diperoleh dari penerbitan Obligasi Berkelanjutan III Tahap I telah digunakan seluruhnya untuk pembayaran kewajiban keuangan entitas anak.

Bunga Obligasi Berkelanjutan III Tahap I akan dibayarkan setiap kuartal sesuai dengan tanggal pembayaran bunga. Pembayaran pertama dari bunga adalah pada tanggal 5 Oktober 2018. Tanggal pembayaran bunga terakhir, yang juga merupakan tanggal jatuh tempo Obligasi Berkelanjutan III Tahap I, adalah pada tanggal 5 Juli 2021.

Penerbitan Obligasi Berkelanjutan III Tahap I ini dilakukan sesuai Akta Addendum III dan pernyataan kembali Perjanjian Perwaliamanatan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap I Tahun 2018 No. 27 tanggal 8 Juni 2018 yang dibuat di hadapan Notaris Jose Dima Satria, S.H. M.Kn. Bertindak sebagai wali amanat adalah PT Bank Rakyat Indonesia (Persero) Tbk ("Wali Amanat").

Sesuai persyaratan yang disepakati dalam penerbitan Obligasi Berkelanjutan III Tahap I ini, maka Perusahaan tanpa persetujuan tertulis dari Wali Amanat tidak diperkenankan untuk melakukan tindakantindakan, antara lain: melakukan penggabungan atau pengambilalihan usaha, merubah bidang usaha utama, mengurangi modal dasar dan modal disetor, menjual, mengalihkan atau melepaskan seluruh atau sebagian aset, memberikan opsi, waran, dan memberikan pinjaman kepada pihak ketiga, kecuali kepada entitas anak Perusahaan, di luar kegiatan usaha Perusahaan dan entitas anak.

Perusahaan juga disyaratkan untuk mempertahankan perbandingan antara jumlah pinjaman konsolidasian proforma dengan EBITDA proforma dari kuartal terakhir dikalikan 4 (empat) tidak melebihi 6,25 kali.

Pada 30 September 2019, Perusahaan telah memenuhi semua kondisi yang disyaratkan dalam perjanjian perwaliamanatan tersebut.

Pada 15 April 2019, Fitch Indonesia, lembaga pemeringkat efek independen, telah memberikan peringkat "A+" (Single A Plus) untuk Obligasi Berkelanjutan III Tahap I ini.

Exhibit E/79

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

25. NOTES (Continued)

d. Continuous Bonds III Phase I

On 5 July 2018, the Company issued Continuous Bonds III Tower Bersama Infrastructure Phase I Year 2018 with Fixed Interest Rate ("Continuous Bonds III Phase I") amounted to 8.5% per year. The Continuous Bonds III Phase I have a total principal amount of Rp 608,000. These bonds are listed on the Indonesian stock exchange on 6 July 2018.

The net proceeds from the issuance of the Continuous Bonds III Phase I were used entirely for payments of financial liabilities of subsidiaries.

Interest for the Continuous Bonds III Phase I are payable on a quarterly basis on the interest payment dates. The first interest payment of Bonds was on 5 October 2018. The last interest payment dates, which are also the respective maturity dates of the Continuous Bonds III Phase I, will be on 5 July 2021.

The issuance of Continuous Bonds III Phase I was covered in the Deed of Third Amendment and Restatement of Trusteeship Agreement of Continuous Bonds III Tower Bersama Infrastructure Phase I Year 2018 No. 27 dated 8 June 2018, of a Notary Jose Dima Satria, S.H., M.Kn. The bond trustee is PT Bank Rakyat Indonesia (Persero) Tbk (the "Trustee").

Under the covenants governing the Continuous Bonds III Phase I, the Company, without the written consent of the Trustee, shall not, among others: merge or acquire, change the scope of main activities, reduce the authorized and paid up capital, sale, transfer or dispose all or part of asset by the Company's subsidiaries, sale, transfer, or giving options, warrants, and grant loans to third parties, except to the Company's subsidiaries, outside the Company's and Subsidiaries business activities.

In addition, the Company is required to maintain the comparative of total proforma consolidation loans with proforma EBITDA from last quarter multiplied by 4 (four) of no more than 6.25 times.

As of 30 September 2019, the Company has complied with the restrictions set out in these trusteeship agreements.

On 15 April 2019, Fitch Indonesia, an independent credit rating agency, rated the Continuous Bonds III Phase I "A+" (Single A Plus).

Ekshibit E/80

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

25. SURAT UTANG (Lanjutan)

e. Obligasi Berkelanjutan III Tahap II

Pada tanggal 18 Oktober 2018, Perusahaan menerbitkan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap II Tahun 2018 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan III Tahap II") sebesar 8,5% per tahun. Nominal Obligasi Berkelanjutan III Tahap II ini adalah sebesar Rp 628.000. Obligasi ini dicatatkan pada bursa efek Indonesia pada tanggal 19 Oktober 2018.

Hasil bersih yang diperoleh dari penerbitan Obligasi Berkelanjutan III Tahap II telah digunakan seluruhnya untuk pembayaran kewajiban keuangan entitas anak.

Bunga Obligasi Berkelanjutan III Tahap II akan dibayarkan setiap kuartal sesuai dengan tanggal pembayaran bunga. Pembayaran pertama dari bunga adalah pada tanggal 18 Januari 2019. Tanggal pembayaran bunga terakhir, yang juga merupakan tanggal jatuh tempo Obligasi Berkelanjutan III Tahap II, adalah pada tanggal 28 Oktober 2019.

Penerbitan Obligasi Berkelanjutan III Tahap II ini dilakukan sesuai Akta Perjanjian Perwaliamanatan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap II Tahun 2018 No. 27 tanggal 1 Oktober 2018 yang dibuat di hadapan Notaris Jose Dima Satria, S.H. M.Kn. Bertindak sebagai wali amanat adalah PT Bank Rakyat Indonesia (Persero) Tbk ("Wali Amanat").

Sesuai persyaratan yang disepakati dalam penerbitan Obligasi Berkelanjutan III Tahap II ini, maka Perusahaan tanpa persetujuan tertulis dari Wali Amanat tidak diperkenankan untuk melakukan tindakantindakan, antara lain: melakukan penggabungan atau pengambilalihan usaha, merubah bidang usaha utama, mengurangi modal dasar dan modal disetor, menjual, mengalihkan atau melepaskan seluruh atau sebagian aset, memberikan opsi, waran, dan memberikan pinjaman kepada pihak ketiga, kecuali kepada entitas anak Perusahaan, di luar kegiatan usaha Perusahaan dan entitas anak.

Perusahaan juga disyaratkan untuk mempertahankan perbandingan antara jumlah pinjaman konsolidasian proforma dengan EBITDA proforma dari kuartal terakhir dikalikan 4 (empat) tidak melebihi 6,25 kali.

Pada 30 September 2019, Perusahaan telah memenuhi semua kondisi yang disyaratkan dalam perjanjian perwaliamanatan tersebut.

Pada 15 April 2019, Fitch Indonesia, lembaga pemeringkat efek independen, telah memberikan peringkat "A+" (Single A Plus) untuk Obligasi Berkelanjutan III Tahap II ini.

Exhibit E/80

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

25. NOTES (Continued)

e. Continuous Bonds III Phase II

On 18 October 2018, the Company issued Continuous Bonds III phase II Year 2018 with a Fixed Interest Rate ("Continuous Bonds III Phase II") of 8.5% per annum. The Continuous Bonds III Phase II has a total principal of Rp 628,000. These bonds are listed on the Indonesia stock exchange on 19 October 2018.

The net proceeds obtained from the issuance of Continuous Bonds III Phase II have been used entirely for the payment of financial liabilities of subsidiaries.

Interest for Continuous Bonds III Phase II will be paid on a quarterly basis on the interest payment date. The first payment of interest is on 18 January 2019. The date of the last interest payment, which is also the due date of the Continuous Bond III Phase II, is on 28 October 2019.

The issuance of Continuous Bonds III Phase II was covered in the Deed of Trusteeship Agreement of Continuous Bonds III Tower Bersama Infrastructure Phase II Year 2018 No. 27 dated 1 October 2018, of a Notary Jose Dima Satria, S.H., M.Kn. The bond trustee is PT Bank Rakyat Indonesia (Persero) Tbk (the "Trustee").

Under the covenants governing the Continuous Bonds III Phase II, the Company, without the written consent of the Trustee, shall not, among others: merge or acquire, change the scope of main activities, reduce the authorized and paid up capital, sale, transfer or dispose all or part of asset by the Company's subsidiaries, sale, transfer, or giving options, warrants, and grant loans to third parties, except to the Company's subsidiaries, outside the Company's and Subsidiaries business activities.

In addition, the Company is required to maintain the comparative of total proforma consolidation loans with proforma EBITDA from last quarter multiplied by 4 (four) of no more than 6.25 times.

As of 30 September 2019, the Company has complied with the restrictions set out in these trusteeship agreements.

On 15 April 2019, Fitch Indonesia, an independent credit rating agency, rated the Continuous Bonds III Phase II "A+" (Single A Plus).

Ekshibit E/81

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

25. SURAT UTANG (Lanjutan)

f. **Obligasi Berkelanjutan III Tahap III**

Pada tanggal 24 Mei 2019, Perusahaan menerbitkan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap III Tahun 2019 dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan III Tahap III") sebesar 8,0% per tahun. Nominal Obligasi Berkelanjutan III Tahap III ini adalah sebesar Rp 750.000. Obligasi ini dicatatkan pada Bursa Efek Indonesia pada tanggal 27 Mei 2019.

Hasil bersih yang diperoleh dari penerbitan Obligasi Berkelanjutan III Tahap III telah digunakan seluruhnya untuk pembayaran kewajiban keuangan entitas anak.

Bunga Obligasi Berkelanjutan III Tahap III akan dibayarkan setiap kuartal sesuai dengan tanggal pembayaran bunga. Pembayaran pertama dari bunga adalah pada tanggal 24 Agustus 2019. Tanggal pembayaran bunga terakhir, yang juga merupakan tanggal jatuh tempo Obligasi Berkelanjutan III Tahap III, adalah pada tanggal 4 Juni 2020.

Penerbitan Obligasi Berkelanjutan III Tahap III ini dilakukan sesuai Akta Perjanjian Perwaliamanatan Obligasi Berkelanjutan III Tower Bersama Infrastructure Tahap III Tahun 2019 No. 66 tanggal 8 Mei 2019 yang dibuat di hadapan Notaris Jose Dima Satria, S.H. M.Kn. Bertindak sebagai wali amanat adalah PT Bank Rakyat Indonesia (Persero) Tbk ("Wali Amanat").

Sesuai persyaratan yang disepakati dalam penerbitan Obligasi Berkelanjutan III Tahap III ini, maka Perusahaan tanpa persetujuan tertulis dari Wali Amanat tidak diperkenankan untuk melakukan tindakantindakan, antara lain: melakukan penggabungan atau pengambilalihan usaha, merubah bidang usaha utama, mengurangi modal dasar dan modal disetor, menjual, mengalihkan atau melepaskan seluruh atau sebagian aset, memberikan opsi, waran, dan memberikan pinjaman kepada pihak ketiga, kecuali kepada entitas anak Perusahaan, di luar kegiatan usaha Perusahaan dan entitas anak.

Perusahaan juga disyaratkan untuk mempertahankan perbandingan antara jumlah pinjaman konsolidasian proforma dengan EBITDA proforma dari kuartal terakhir dikalikan 4 (empat) tidak melebihi 6,25 kali.

Pada 30 September 2019, Perusahaan telah memenuhi semua kondisi yang disyaratkan dalam perjanjian perwaliamanatan tersebut.

Pada 8 Mei 2019, Fitch Indonesia, lembaga pemeringkat efek independen, telah memberikan peringkat "A+" (Single A Plus) untuk Obligasi Berkelanjutan III Tahap III ini.

Exhibit E/81

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

25. NOTES (Continued)

f. **Continuous Bonds III Phase III**

On 24 May 2019, the Company issued Continuous Bonds III phase III Year 2019 with a Fixed Interest Rate ("Continuous Bonds III Phase III") of 8.0% per annum. The Continuous Bonds III Phase III has a total principal of Rp 750,000. These bonds are listed on the Indonesia stock exchange on 27 May 2019.

The net proceeds obtained from the issuance of Continuous Bonds III Phase III have been used entirely for the payment of financial liabilities of subsidiaries.

Interest for Continuous Bonds III Phase III will be paid on a quarterly basis on the interest payment date. The first payment of interest is on 24 August 2019. The date of the last interest payment, which is also the due date of the Continuous Bond III Phase III, is on 4 June 2020.

The issuance of Continuous Bonds III Phase III was covered in the Deed of Trusteeship Agreement of Continuous Bonds III Tower Bersama Infrastructure Phase III Year 2019 No. 66 dated 8 May 2019, of a Notary Jose Dima Satria, S.H., M.Kn. The bond trustee is PT Bank Rakyat Indonesia (Persero) Tbk (the "Trustee").

Under the covenants governing the Continuous Bonds III Phase III, the Company, without the written consent of the Trustee, shall not, among others: merge or acquire, change the scope of main activities, reduce the authorized and paid up capital, sale, transfer or dispose all or part of asset by the Company's subsidiaries, sale, transfer, or giving options, warrants, and grant loans to third parties, except to the Company's subsidiaries, outside the Company's and Subsidiaries business activities.

In addition, the Company is required to maintain the comparative of total proforma consolidation loans with proforma EBITDA from last quarter multiplied by 4 (four) of no more than 6.25 times.

As of 30 September 2019, the Company has complied with the restrictions set out in these trusteeship agreements.

On 8 May 2019, Fitch Indonesia, an independent credit rating agency, rated the Continuous Bonds III Phase III "A+" (Single A Plus).

Ekshibit E/82

Exhibit E/82

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

25. **SURAT UTANG** (Lanjutan)

Pada 30 September 2019 dan 31 Desember 2018, beban bunga masih harus dibayar untuk Surat Utang adalah sebesar Rp 108.271 dan Rp 199.286 dan disajikan sebagai bagian dari akun "Beban Masih Harus Dibayar" pada laporan posisi keuangan konsolidasian (Catatan 22). Beban bunga disajikan sebagai bagian dari akun "Beban Keuangan" pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

25. **NOTES** (Continued)

As of 30 September 2019 and 31 December 2018, the accrued interest for Notes amounts to Rp 108,271 and Rp 199,286 and is presented as part of "Accrued Expenses" in the consolidated statement of financial position (Note 22). The related interest expense is presented as part of "Financial Expenses" in the consolidated statements of profit or loss and other comprehensive income.

26. **MODAL SAHAM**

Pada tanggal 30 September 2019 dan 31 Desember 2018, susunan pemegang saham dan kepemilikannya adalah sebagai berikut:

26. **SHARE CAPITAL**

As of 30 September 2019 and 31 December 2018, the structure of shareholders and their respective shareholdings are as follows:

30 September/ 30 September 2019				
Pemegang saham	% Hak suara/ % Voting rights	Lembar saham (nilai penuh)/ No. of shares (full amount)	Jumlah/ Amount (Rp)	Shareholders
PT Wahana Anugerah Sejahtera	35,25	1.525.031.319	152.503	PT Wahana Anugerah Sejahtera
PT Provident Capital Indonesia	26,73	1.156.552.106	115.655	PT Provident Capital Indonesia
Winato Kartono	0,63	27.343.963	2.734	Winato Kartono
Edwin Soeryadjaya	0,33	14.296.366	1.430	Edwin Soeryadjaya
Hardi Wijaya Liong	0,32	13.671.981	1.367	Hardi Wijaya Liong
Budianto Purwahjo	0,02	1.005.000	101	Budianto Purwahjo
Herman Setya Budi	0,02	725.000	72	Herman Setya Budi
Helmy Yusman Santoso	0,01	625.000	62	Helmy Yusman Santoso
Gusandi Sjamsudin	0,01	390.000	39	Gusandi Sjamsudin
Masyarakat	36,68	1.586.570.054	158.657	Public
	100,00	4.326.210.789	432.621	
Saham treasuri		205.189.100	20.519	Treasury stock
Jumlah		4.531.399.889	453.140	Total
31 Desember/ 31 December 2018				
Pemegang saham	% Hak suara/ % Voting rights	Lembar saham (nilai penuh)/ No. of shares (full amount)	Jumlah/ Amount (Rp)	Shareholders
PT Wahana Anugerah Sejahtera	30,73	1.333.897.198	133.390	PT Wahana Anugerah Sejahtera
PT Provident Capital Indonesia	26,64	1.156.552.106	115.655	PT Provident Capital Indonesia
Winato Kartono	0,63	27.343.963	2.734	Winato Kartono
Edwin Soeryadjaya	0,33	14.296.366	1.430	Edwin Soeryadjaya
Hardi Wijaya Liong	0,31	13.671.981	1.367	Hardi Wijaya Liong
Budianto Purwahjo	0,02	1.005.000	101	Budianto Purwahjo
Herman Setya Budi	0,02	725.000	72	Herman Setya Budi
Helmy Yusman Santoso	0,01	625.000	62	Helmy Yusman Santoso
Gusandi Sjamsudin	0,01	390.000	39	Gusandi Sjamsudin
Masyarakat	41,30	1.792.434.875	179.244	Public
	100,00	4.340.941.489	434.094	
Saham treasuri		190.458.400	19.046	Treasury stock
Jumlah		4.531.399.889	453.140	Total

Ekshibit E/83

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

26. MODAL SAHAM (Lanjutan)

Pada 30 September 2019 dan 31 Desember 2018, Komisaris dan Direksi Perusahaan yang memiliki langsung saham Perusahaan masing-masing adalah sebanyak 58.057.310 saham, jumlah tersebut masing-masing mencerminkan kepemilikan sebesar 1,34% dan 1,30% dari jumlah saham beredar.

27. SAHAM TREASURI

- a. Pada tanggal 27 April 2018, Perusahaan mengadakan Rapat Umum Pemegang Saham Tahunan (RUPST). RUPST ini memberikan persetujuan kepada Perusahaan untuk membeli kembali sebesar maksimum 4,5% saham beredar atau sebanyak 204.000.000 saham melalui Bursa Efek Indonesia.

Sesuai peraturan OJK, pembelian kembali saham tersebut harus dilakukan melalui bursa saham dan persetujuan tersebut berlaku selama 18 (delapan belas) bulan. Maksimum dana yang akan digunakan untuk membeli kembali saham tersebut adalah sebesar Rp 1,2 triliun (nilai penuh) termasuk biaya transaksi, perantara pedagang efek dan biaya terkait lainnya.

Sesuai surat Perusahaan No. 534/TBG-TBI-001/FIN/05/IX/2019 tanggal 4 September 2019, Perusahaan telah menyampaikan kepada OJK bahwa Perusahaan menghentikan pelaksanaan pembelian kembali saham.

Dengan demikian, pelaksanaan pembelian kembali saham tersebut dinyatakan telah selesai dilaksanakan seluruhnya dan selanjutnya pengalihan saham hasil pembelian kembali tersebut akan dilakukan sesuai peraturan yang berlaku, khususnya Peraturan Otoritas Jasa Keuangan No. 30/POJK.04/2017 tentang Pembelian Kembali Saham Yang Dikeluarkan Oleh Perusahaan Terbuka.

Sejak tanggal RUPST sampai dengan 4 September 2019, Perusahaan telah membeli kembali saham beredar dari bursa saham sebanyak 110.944.200 saham dengan biaya perolehan sebesar Rp 513.160. Jumlah saham tersebut mencerminkan 2,45% dari seluruh sama beredar Perusahaan.

- b. Pada tanggal 24 Oktober 2016, Perusahaan mengadakan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB). RUPSLB ini memberikan persetujuan kepada Perusahaan untuk membeli kembali sebesar maksimum 5% saham beredar atau sebanyak 236.000.000 saham melalui Bursa Efek Indonesia.

Sesuai peraturan OJK, pembelian kembali saham tersebut harus dilakukan melalui bursa saham dan persetujuan tersebut berlaku selama 18 (delapan belas) bulan. Maksimum dana yang akan digunakan untuk membeli kembali saham tersebut adalah sebesar Rp 1,5 triliun (nilai penuh) termasuk biaya transaksi, perantara pedagang efek dan biaya terkait lainnya.

Exhibit E/83

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

26. SHARE CAPITAL (Continued)

As of 30 September 2019 and 31 December 2018, there are Commissioners and Directors who directly owned 58,057,310 shares, of the Company, respectively. Those shares represent 1.34% and 1.30% ownership of total outstanding shares, respectively.

27. TREASURY STOCK

- a. On 27 April 2018, the Company held the Annual General Meeting of Shareholders (AGMS). The AGMS approved plans to buyback a maximum of 4.5% of the issued shares or 204,000,000 shares of the Company on the Indonesia Stock Exchange.

According to the OJK's regulation, these shares will be boughtback through the stock exchange and the approval is valid for 18 (eighteen) months. The maximum fund to be used for the shares buyback is amounting to Rp 1.2 trillion (full amount), including transaction, brokerage and other costs to be incurred.

According to the Company's letter No. 534/TBG-TBI-001/FIN/05/IX/2019 dated 4 September 2019, the Company has informed OJK that the Company has stopped the buyback of its outstanding shares.

Accordingly, the shares repurchase has been completed, and those shares will be transferred in accordance with the applicable regulations, particularly to OJK's regulation No. 30 / POJK.04 / 2017 concerning Buyback of Shares Issued By a Public Company.

From the AGMS until 4 September 2019, the Company has bought back 110,944,200 of its outstanding shares from the stock exchange as a cost of Rp 513,160. These number of shares represent 2.45% of the Company's outstanding shares.

- b. On 24 October 2016, the Company held the Extraordinary General Meeting of Shareholders (EGMS). The EGMS approved plans to buyback a maximum of 5% of the issued shares or 236,000,000 shares of the Company on the Indonesia Stock Exchange.

According to the OJK's regulation, these shares will be boughtback through the stock exchange and the approval is valid for 18 (eighteen) months. The maximum fund to be used for the shares buyback is amounting to Rp 1.5 trillion (full amount), including transaction, brokerage and other costs to be incurred.

Ekshibit E/84

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

27. SAHAM TREASURI (Lanjutan)

Sejak tanggal RUPSLB sampai dengan 25 April 2018, Perusahaan telah membeli kembali saham beredarnya dari bursa saham sebanyak 85.810.400 saham dengan biaya perolehan sebesar Rp 463.847. Jumlah saham tersebut mencerminkan 1,89% dari seluruh saham beredar Perusahaan.

- c. Pada tanggal 27 Mei 2015, Perusahaan mengadakan Rapat Umum Pemegang Saham Tahunan (RUPST). RUPST ini memberikan persetujuan kepada Perusahaan untuk membeli kembali sebesar maksimum 5% saham beredarnya atau sebanyak 236.000.000 saham melalui Bursa Efek Indonesia.

Sesuai peraturan OJK, pembelian kembali saham tersebut harus dilakukan melalui bursa saham dan persetujuan tersebut berlaku selama 18 (delapan belas) bulan. Maksimum dana yang akan digunakan untuk membeli kembali saham tersebut adalah sebesar Rp 2,2 triliun (nilai penuh) termasuk biaya transaksi, perantara pedagang efek dan biaya terkait lainnya.

Sejak tanggal RUPST sampai dengan tanggal 24 Oktober 2016, Perusahaan telah membeli kembali saham beredarnya dari bursa saham sebanyak 194.855.500 saham dengan biaya perolehan sebesar Rp 1.195.828. Jumlah saham tersebut mencerminkan 4,06% dari seluruh saham beredar Perusahaan.

- d. Pada tanggal 24 Juli 2013, Perusahaan mengadakan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB). RUPSLB ini memberikan persetujuan kepada Perusahaan untuk membeli kembali sebesar maksimum 5% saham beredarnya atau sebanyak 239.800.000 saham melalui Bursa Efek Indonesia.

Sesuai peraturan OJK, pembelian kembali saham tersebut harus dilakukan melalui bursa saham dan persetujuan tersebut berlaku selama 18 (delapan belas) bulan. Maksimum dana yang akan digunakan untuk membeli kembali saham tersebut adalah sebesar Rp 1,44 triliun (nilai penuh) termasuk biaya transaksi, perantara pedagang efek dan biaya terkait lainnya.

Sejak tanggal RUPSLB sampai dengan bulan Maret 2014, Perusahaan telah membeli kembali saham beredarnya dari bursa saham sebanyak 78.705.310 saham dengan biaya perolehan sebesar Rp 459.254. Jumlah saham tersebut mencerminkan 1,64% dari seluruh saham beredar Perusahaan.

Sesuai surat Perusahaan No. 0478/TBG-TBI-001/FAL/05/IV/2014 tanggal 28 April 2014, Perusahaan telah menyampaikan kepada OJK untuk menghentikan pelaksanaan pembelian kembali saham.

Exhibit E/84

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

27. TREASURY STOCK (Continued)

Since the EGMS up to 25 April 2018, the Company had boughtback 85,810,400 of its outstanding shares from the stock exchange at a cost of Rp 463,847. These numbers of shares represent 1.89% of the Company's outstanding shares.

- c. On 27 May 2015, the Company held the Annual General Meeting of Shareholders (AGMS). The AGMS approved plans to buyback a maximum of 5% of the issued shares or 236,000,000 shares of the Company on the Indonesia Stock Exchange.

According to the OJK's regulation, these shares will be boughtback through the stock exchange and the approval is valid for 18 (eighteen) months. The maximum fund to be used for the shares buyback is amounting to Rp 2.2 trillion (full amount), including transaction, brokerage and other costs to be incurred.

Since the AGMS up to 24 October 2016, the Company had boughtback 194,855,500 of its outstanding shares from the stock exchange at a cost of Rp 1,195,828. These numbers of shares represent 4.06% of the Company's outstanding shares.

- d. On 24 July 2013, the Company held the Extraordinary General Meeting of Shareholders (EGMS). The EGMS approved plans to repurchase a maximum of 5% of the issued shares or 239,800,000 shares of the Company on the Indonesia Stock Exchange.

According to the OJK's regulation, these shares will be repurchased through the stock exchange and the approval is valid for 18 (eighteen) months. The maximum fund to be used for the shares repurchase is amounting to Rp 1.44 trillion (full amount), including transaction, brokerage and other costs to be incurred.

Since the EGMS up to March 2014, the Company had repurchased its 78,705,310 outstanding shares from the stock exchange at cost of Rp 459,254. Those number of shares represents 1.64% of the Company's outstanding shares.

According to the Company's letter No. 0478/TBG-TBI-001/FAL/05/IV/2014 dated 28 April 2014, the Company has advised to OJK to suspend the execution of repurchase of its outstanding shares.

Ekshibit E/85

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

27. SAHAM TREASURI (Lanjutan)

Dengan demikian, pelaksanaan pembelian kembali saham tersebut dinyatakan telah selesai dan selanjutnya pengalihan saham hasil pembelian kembali tersebut akan dilakukan sesuai peraturan yang berlaku, khususnya peraturan OJK No. XI.B2 lampiran keputusan Ketua Bapepam-LK No. Kep-105/BL/2010 tanggal 13 April 2010.

Berdasarkan pengesahan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam surat keputusan No. AHU-0022051.AH.01.02. Tahun 2016 tanggal 22 November 2016 tentang Persetujuan Perubahan Anggaran Dasar Perseroan Terbatas, Perusahaan memutuskan untuk melakukan pengurangan modal dengan cara menghentikan peredaran 265.126.310 saham treasury dan merubah Pasal 4 Anggaran Dasar Perusahaan terkait dengan modal ditempatkan dan disetor sehingga menjadi sebanyak 4.531.399.889 saham dengan nilai nominal saham Rp 100 (nilai penuh) per saham. Setelah perubahan modal tersebut, maka jumlah modal disetor Perusahaan menjadi sebesar Rp 453.140.

Dengan demikian, jumlah saham beredar yang telah dibeli kembali oleh Perusahaan pada tanggal 30 September 2019 dan 31 Desember 2018 masing-masing sebanyak 205.189.100 saham dan 190.458.400 saham atau 4,53% dan 4,20% dari seluruh jumlah saham beredar dengan biaya perolehan masing-masing sebesar Rp 1.028.268 dan Rp 985.379.

Exhibit E/85

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

27. TREASURY STOCK (Continued)

Accordingly, the shares repurchase has been completed, and those shares will be transferred in accordance with the applicable regulations, particularly to OJK's regulation No. XI.B2 attachment to the decision of the Chairman of Bapepam-LK No. Kep-105/BL/2010 dated 13 April 2010.

Based on approval from the Ministry of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-0022051.AH.01.02. Tahun 2016 dated 22 November 2016 regarding Approval of Changing in the Company's Article of Association, the Company has decided to reduce its capital by retiring the circulation of 265,126,310 treasury stocks, and to amend Article 4 of the Company's Articles of Association related to the issued and paid for becoming of 4,531,399,889 shares at a nominal value of Rp 100 (full amount) per share. Subsequently, the Company's fully paid in capital is now becoming to Rp 453,140.

Accordingly, the numbers of outstanding shares that have been boughtback by the Company as of 30 September 2019 and 31 December 2018 amounted to 205,189,100 shares and 190,458,400 shares or 4.53% and 4.20% of the total number of shares outstanding at a cost of Rp 1,028,268 and Rp 985,379, respectively.

28. TAMBAHAN MODAL DISETOR - BERSIH

Akun ini terdiri dari:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Agio saham:		
Penawaran Umum Perdana	1.060.888	1.060.888
PT Indosat Tbk	733.101	733.101
PT Saratoga Infrastruktur	185.244	185.244
Biaya emisi efek ekuitas:		
Penawaran Umum Perdana	(62.275)	(62.275)
Selisih transaksi dengan pihak non-pengendali	(1.869.421)	(1.850.931)
Selisih nilai transaksi restrukturisasi entitas sepengendali (Catatan 2s)	(140.620)	(140.620)
Penarikan kembali saham dari saham treasury (Catatan 27)	(426.552)	(426.552)
Selisih aset pengampunan pajak	1.485	1.485
Jumlah - Bersih	(518.150)	(499.660)

28. ADDITIONAL PAID-IN CAPITAL - NET

This account consists of:

Premium of paid-in capital:
Initial Public Offering
PT Indosat Tbk
PT Saratoga Infrastruktur
Share issuance costs:
Initial Public Offering
Difference arising from transaction with non-controlling interest
Difference arising from restructuring transaction of entities under common control (Note 2s)
Shares retired from treasury stock (Note 27)
Difference of tax amnesty assets
Total - Net

Ekshibit E/86

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

28. TAMBAHAN MODAL DISETOR - BERSIH (Lanjutan)

Selisih transaksi dengan pihak non-pengendali

Akun ini terdiri dari beberapa transaksi sebagai berikut:

- Pada berbagai tanggal selama tahun 2014 sampai dengan tahun 2018 (terakhir dilakukan pada tanggal 9 Agustus 2018), berdasarkan Perjanjian Pengikatan Jual beli Kembali Saham SKP, pemegang saham non-pengendali SKP menyetujui untuk mengalihkan 587.345 saham miliknya kepada SKP dengan harga sebesar Rp 2.113.880.

Jumlah saham tersebut merepresentasikan 32,66% dari seluruh saham beredar SKP. Dengan demikian, SKP menjadi memiliki sahamnya sendiri sebanyak 587.345 saham atau 32,66% dari seluruh saham yang beredar. Setelah transaksi pembelian saham tersebut, selanjutnya SKP menghentikan peredaran saham yang dibelinya kembali tersebut.

Selanjutnya, SKP telah melaporkan penghentian peredaran saham tersebut dan perubahan susunan pemegang saham kepada Menteri Hukum dan Hak Asasi Manusia. Perubahan anggaran dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-21014.AH.01.02.Tahun 2013 tanggal 19 April 2013, No. AHU-57070.AH.01.02.Tahun 2013 tanggal 8 November 2013, No. AHU-05606.AH.01.02.Tahun 2014 tanggal 10 Februari 2014, No. AHU-04548.40.20.2014 tanggal 16 Mei 2014, No. AHU-0000371.AH.01.02.Tahun 2015 tanggal 12 Januari 2015, No. AHU-0938197.AH.01.02.Tahun 2015 tanggal 26 Juni 2015, No. AHU-0949402.AH.01.02.Tahun 2015 tanggal 15 Februari 2016 dan NO. AHU-0021798.AH.01.02.Tahun 2018 tanggal 14 Oktober 2018.

Setelah pelaksanaan pembelian kembali saham, kepemilikan efektif MSI atas SKP pada 30 September 2019 dan 31 Desember 2018 berubah menjadi 99,71%.

Exhibit E/86

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

28. ADDITIONAL PAID-IN CAPITAL - NET (Continued)

Difference in arising from transactions with non-controlling parties

This account consists of several transactions as follows:

- On a number of dates in and between 2014 and 2018 (the last on 9 August 2018), based on the SKP Shares Purchase Agreement, the non-controlling shareholders of SKP agreed to transfer their 587,345 shares to SKP at a price of Rp 2,113,880.

The number of shares represents 32.66% of total shares outstanding of SKP. Accordingly, SKP now has as many as 587.345 shares of its own or 32.66% of the total shares outstanding. After the transaction of share repurchase, SKP terminated all the shares purchased as the outstanding shares.

Subsequently, SKP has reported the terminated all the shares purchased and changes in shareholding structure to the Ministry of Law and Human Rights. The changes of articles of association have been approved by the Minister of Law and Human Rights through its Decree Letter No. AHU-21014.AH.01.02.Tahun 2013 dated 19 April 2013, No. AHU-57070.AH.01.02.Tahun 2013 dated 8 November 2013, No. AHU-05606.AH.01.02.Tahun 2014 dated 10 February 2014, No. AHU-04548.40.20.2014 dated 16 May 2014, No. AHU-0000371.AH.01.02.Tahun 2015 dated 12 January 2015, No. AHU-0938197.AH.01.02.Tahun 2015 dated 26 June 2015, No. AHU-0949402.AH.01.02.Tahun 2015 dated 15 February 2016, and NO. AHU-0021798.AH.01.02.Tahun 2018 dated 14 October 2018.

Subsequent to the share repurchase execution, the effective ownership of MSI over SKP as of 30 September 2019 and 31 December 2018 has changed to 99.71%, respectively.

Ekshibit E/87

Exhibit E/87

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

28. **TAMBAHAN MODAL DISETOR - BERSIH (Lanjutan)**

28. **ADDITIONAL PAID-IN CAPITAL - NET (Continued)**

Selisih transaksi dengan pihak non-pengendali (Lanjutan)

Difference in arising from transactions with non-controlling parties (Continued)

Rincian dari perhitungan akun tersebut adalah sebagai berikut:

Details of the calculation of these accounts are as follows:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Nilai tercatat investasi MSI pada SKP pada saat pelaksanaan pembelian kembali saham	2.563.512	2.563.512	MSI investment at SKP on the date of treasury stock executed
Nilai tercatat investasi MSI pada SKP setelah pelaksanaan pembelian kembali saham dengan kepemilikan efektif 99,71% masing-masing pada 30 September 2019 dan 31 Desember 2018	712.483	712.483	MSI investment at SKP after the date treasury stock executed with ownership effective 99.71% as of 30 September 2019 and 31 December 2018, respectively
Penurunan bagian investasi yang dicatat MSI sebagai selisih perubahan ekuitas entitas anak	(1.850.931)	(1.850.931)	Decrease of investment obtained by MSI and recorded as the change of the shareholders' equity in subsidiary
Kepemilikan Perusahaan di MSI	100,00%	100,00%	The ownership of the Company in MSI
Selisih transaksi dengan pihak non-pengendali yang dicatat Perusahaan	(1.850.931)	(1.850.931)	Difference arising from transactions with non-controlling parties as recorded by the Company

- Pada bulan September 2018, PT Tower Bersama (TB) entitas anak, melakukan pembelian saham PT Jaringan Pintar Indonesia (JPI) sebanyak 374 saham dari PT Moga Capital, pihak berelasi. Setelah pelaksanaan pembelian kembali saham, kepemilikan efektif TB atas JPI pada 30 September 2018 berubah menjadi 100%.

- In September 2018, PT Tower Bersama (TB) subsidiary, purchased 374 shares of PT Jaringan Pintar Indonesia (JPI) from PT Moga Capital, a related party. After the stock repurchase, effective ownership of TB on JPI at 30 September 2018 changed to 100%.

Pada bulan November 2018, PT Tower Bersama (TB) entitas anak, mengalihkan saham PT Jaringan Pintar Indonesia (JPI) sebanyak 207 saham kepada pihak non-pengendali. Setelah pengalihan kembali saham, kepemilikan efektif TB atas JPI pada 30 November 2018 berubah menjadi 83,44 %. Selisih transaksi dengan pihak non-pengendali yang dicatat Perusahaan adalah sebesar Rp 98.

In November 2018, PT Tower Bersama (TB) entitas anak, transfer 207 shares PT Jaringan Pintar Indonesia (JPI) to non-controlling shareholders. After the transfer of shares execution, the effective ownership of TB to JPI on 30 November 2018 has changed to 83.44%. Difference in arising from transaction with non-controlling parties as recorded by the Company is Rp 98.

- Pada tanggal 25 Januari 2019, Perusahaan melakukan pembelian saham PT Gihon Telekomunikasi Indonesia Tbk ("GHON") sebanyak 1.695.700 saham dari pemegang saham GHON lainnya. Setelah pembelian saham tersebut kepemilikan efektif Perusahaan atas GHON pada 31 Januari 2019 berubah menjadi 50,43%. Selisih transaksi dengan pihak non-pengendali yang dicatat Perusahaan adalah sebesar Rp 1.091.

- On 25 January 2019, the Company acquired 1,695,700 shares from other GHON shareholder of PT Gihon Telekomunikasi Indonesia Tbk ("GHON"). After the acquired of shares execution, the effective ownership of 31 January 2019 has changed to 50.43%. Difference in arising from transaction with non-controlling parties as recorded by the Company is Rp 1,091.

Ekshibit E/88

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

28. TAMBAHAN MODAL DISETOR - BERSIH (Lanjutan)

Selisih transaksi dengan pihak non-pengendali (Lanjutan)

- Pada tanggal 14 Maret 2019, Perusahaan melakukan pembelian saham PT Visi Telekomunikasi Infrastruktur Tbk ("GOLD") sebanyak 15.798.850 saham dari pemegang saham GOLD lainnya. Setelah pembelian saham tersebut kepemilikan efektif Perusahaan atas GOLD pada 31 Maret 2019 berubah menjadi 56,02%. Selisih transaksi dengan pihak non-pengendali yang dicatat Perusahaan adalah sebesar Rp 4.062.
- Pada tanggal 10 Juli 2019, Perusahaan melakukan pembelian saham PT Visi Telekomunikasi Infrastruktur Tbk ("GOLD") sebanyak 476.330.959 saham untuk tujuan Pelaksanaan HMETD milik Perusahaan terkait dengan penambahan modal dengan memberikan HMETD ("Right Issue") GOLD. Setelah pembelian saham tersebut kepemilikan efektif Perusahaan atas GOLD pada 31 Juli 2019 berubah menjadi 51,09%. Selisih transaksi dengan pihak non pengendali yang dicatat Perusahaan adalah sebesar Rp 13.239.

Tidak terdapat selisih transaksi dengan pihak non-pengendali yang direalisasi ke laba rugi atas pelepasan investasi untuk periode dan tahun yang berakhir pada 30 September 2019 dan 31 Desember 2018.

Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali

- Pada tanggal 7 Januari 2009, PT Tower Bersama (TB), entitas anak, melakukan pembelian saham PT Prima Media Selaras sebanyak 15.000 saham dari PT Prime Asia Capital, pihak hubungan berelasi. Selisih antara nilai perolehan dan nilai wajar aset bersih yang diperoleh sebesar Rp 2.008 disajikan sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" sebagai bagian dari ekuitas (catatan 2s).
- Pada bulan Januari 2013, TBG Global Pte Ltd (TBGG), entitas anak, memperoleh 100% kepemilikan saham Tower Bersama Singapore Pte Ltd, dari Perusahaan. Selisih antara nilai perolehan dan nilai wajar aset bersih yang diperoleh sebesar Rp 386 disajikan sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" sebagai bagian dari ekuitas (Catatan 2s).
- Pada tanggal 21 Desember 2018, Perusahaan melakukan pembelian saham PT Gihon Telekomunikasi Indonesia Tbk ("GHON") sebanyak 166.760.000 saham dari pemegang saham GHON lainnya. Selisih antara nilai perolehan dan nilai wajar aset bersih yang diperoleh sebesar Rp 138.226 disajikan sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" sebagai bagian dari ekuitas.

Exhibit E/88

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

28. ADDITIONAL PAID-IN CAPITAL - NET (Continued)

Difference in arising from transactions with non-controlling parties (Continued)

- On 14 March 2019, the Company acquired 15,798,850 shares from other GOLD shareholder of PT Visi Telekomunikasi Infrastruktur Tbk ("GOLD"). After the acquired of shares execution, the effective ownership of 31 March 2019 has changed to 56.02%. Difference in arising from transaction with non-controlling parties as recorded by the Company is Rp 4,062.
- On 10 July 2019, the Company acquired 476,330,959 shares from other GOLD shareholder of PT Visi Telekomunikasi Infrastruktur Tbk ("GOLD") for the purpose of exercise the Company's rights related to the Rights issues GOLD. After the acquired of shares execution, the effective ownership of 31 July 2019 has changed to 51.09%. Difference in arising from transaction with non-controlling parties as recorded by the Company is Rp 13,239.

There are no difference arising from transactions with non-controlling parties derived from disposal of investment which realized to profit or loss for the period and year ended 30 September 2019 and 31 December 2018.

Difference Arising From Restructuring Transactions of Entities Under Common Control

- On 7 January 2009, PT Tower Bersama (TB), a subsidiary, purchased 15,000 shares of PT Prima Media Selaras from PT Prime Asia Capital, a related party. The difference between the acquisition value and the fair value of the net assets acquired amounting to Rp 2,008 is presented as "Difference Arising From Restructuring Transactions of Entities Under Common Control" as part of equity (note 2s).
- On January 2013, TBG Global Pte Ltd (TBGG), a subsidiary, acquired 100% ownership Tower Bersama Singapore Pte Ltd., from the Company. The difference between the acquisition cost and the fair value of net assets acquired amounting to Rp 386 is presented as the "Difference Arising From Restructuring Transactions of Entities Under Common Control" as part of the equity (Note 2s).
- On 21 December 2018, the Company acquired 166,760,000 shares from other GHON shareholder of PT Gihon Telekomunikasi Indonesia Tbk ("GHON"). The difference between the cost and the fair value of net assets acquired amounting to Rp 138,226 is presented as "Difference Arising From Restructuring Transactions of Entities Under Common Control" as part of equity.

Ekshibit E/89

Exhibit E/89

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

29. PENGHASILAN KOMPREHENSIF LAIN

Akun ini merupakan selisih transaksi perubahan ekuitas entitas anak dan penghasilan komprehensif lain dengan rincian sebagai berikut:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Surplus revaluasi	3.083.955	3.089.803
Keuntungan aktuarial yang diakui dalam penghasilan komprehensif lain	(1.396)	(1.001)
Selisih translasi atas mata uang asing	(61.742)	(61.777)
Cadangan lindung nilai arus kas	192.206	33.907
Jumlah	3.213.023	3.060.932

a. Cadangan lindung nilai arus kas

Perusahaan dan entitas anak melakukan kontrak lindung nilai dalam rangka mengantisipasi risiko fluktuasi tingkat bunga dan nilai tukar mata uang asing atas pinjaman bank dalam mata uang asing. Nilai wajar aset keuangan derivatif pada tanggal 30 September 2019 dan 31 Desember 2018 masing-masing adalah sebesar Rp 1.934.603 dan Rp 2.605.591.

Instrumen derivatif ini telah memenuhi kriteria akuntansi lindung nilai berdasarkan PSAK 55 (Revisi 2014). Oleh karena itu, nilai wajar bersih dari aset keuangan derivatif pada tanggal 30 September 2019 dan 31 Desember 2018 sesudah memperhitungkan perubahan kurs pinjaman yang dilindung nilai sebesar Rp 193.613 dan Rp 35.976 diakui sebagai bagian efektif atas laba (rugi) instrumen lindung nilai pada entitas anak dan dicatat pada akun "Cadangan Lindung Nilai Arus Kas" dan "Selisih Transaksi Perubahan Ekuitas Entitas Anak" pada Ekuitas Perusahaan masing-masing sebesar Rp 192.206 dan Rp 33.907.

29. OTHER COMPREHENSIVE INCOME

This account represents differences arising from change in subsidiaries equity and other comprehensive income with details as follows:

Revaluation surplus
Actuarial gain recognized in other comprehensive income
Difference translation of foreign currency Cash flows hedging reserves
Total

a. Cash flows hedging reserves

The Company and subsidiaries entered into hedging contracts in order to mitigate the fluctuations in interest rates and exchange rates from bank loans in foreign currency. Fair value of derivatives financial assets as of 30 September 2019 and 31 December 2018 amounted to Rp 1,934,603 and Rp 2,605,591, respectively.

These derivative instruments qualified the criteria of hedge accounting based on PSAK 55 (Revised 2014). Therefore, the net fair value of derivative financial assets as of 30 September 2019 and 31 December 2018 after considering the foreign exchange translation of related hedged loans of Rp 193,613 and Rp 35,976, are recognized as effective portion of gains (losses) on hedging instruments at the subsidiaries level and presented as "Cash Flows Hedging Reserves" and "Difference Arising from Changes in Subsidiaries Equity" in the Company shareholders' equity section of Rp 192,206 and Rp 33,907, respectively.

Ekshibit E/90

Exhibit E/90

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

29. PENGHASILAN KOMPREHENSIF LAIN (Lanjutan)

29. OTHER COMPREHENSIVE INCOME (Continued)

a. Cadangan lindung nilai arus kas (Lanjutan)

a. Cash flows hedging reserves (Continued)

Rincian dari masing-masing komponen tersebut diatas
adalah sebagai berikut:

Details of each component above are as follows:

	Cadangan lindung nilai arus kas / Cash flows hedging reserves	Persentase kepemilikan / Percentage of ownership	Cadangan lindung nilai arus kas dicatat Perusahaan / Cash flows hedging reserves recorded by the Company
30 September 2019/ 30 September 2019			
Perusahaan / The Company	(103.385)		(103.385)
Entitas anak / Subsidiaries :			
PT Tower Bersama	36.046	98,00%	35.325
PT Solusi Menara Indonesia	1.041	70,03%	729
Entitas yang berada dibawah pengendalian bersama antara Perusahaan dan entitas anak sebagai berikut / Entity controlled directly or indirectly between the Company and the following subsidiaries :			
PT Metric Solusi Integrasi	264.382	100,00%	264.382
PT Tower Bersama	(3.652)	98,00%	(3.579)
PT Tower One	(1.267)	99,90%	(1.266)
Jumlah / Total	193.165		192.206
31 Desember 2018/ 31 December 2018			
Perusahaan / The Company	(188.329)		(188.329)
Entitas anak / Subsidiaries :			
PT Tower Bersama	100.027	98,00%	98.026
PT Solusi Menara Indonesia	42.861	70,03%	30.016
Entitas yang berada dibawah pengendalian bersama antara Perusahaan dan entitas anak sebagai berikut / Entity controlled directly or indirectly between the Company and the following subsidiaries :			
PT Metric Solusi Integrasi	110.812	100,00%	110.812
PT Tower Bersama	(12.297)	98,00%	(12.051)
PT Tower One	(4.572)	99,90%	(4.567)
Jumlah / Total	48.502		33.907

Ekshibit E/91

Exhibit E/91

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

29. PENGHASILAN KOMPREHENSIF LAIN (Lanjutan)

b. Selisih translasi atas mata uang asing

Transaksi ini merupakan selisih translasi atas mata uang asing TBG Global Pte Ltd., entitas anak (lihat Catatan 1c dan 2e).

29. OTHER COMPREHENSIVE INCOME (Continued)

b. Difference translation of foreign currency

This transaction represents difference translation of foreign currency of TBG Global Pte Ltd., a subsidiary (see Notes 1c and 2e).

30. PENDAPATAN

Rincian pelanggan pihak ketiga untuk periode 9 (sembilan) bulan yang berakhir pada 30 September 2019 dan 2018 adalah sebagai berikut:

	Pendapatan/ Revenue		Persentase dari pendapatan / Percentage of total revenue	
	30 September/ 30 September		30 September/ 30 September	
	2019	2018	2019	2018
PT Telekomunikasi Selular	1.511.068	1.421.446	43,55%	44,87%
PT Indosat Tbk	743.793	703.649	21,44%	22,21%
PT XL Axiata Tbk	624.081	488.970	17,99%	15,44%
PT Hutchison 3 Indonesia	367.138	286.724	10,58%	9,05%
PT Smartfren Telecom Tbk	193.230	166.586	5,57%	5,26%
PT Internux	-	74.119	0,00%	2,34%
Lainnya	30.047	26.319	0,87%	0,83%
Jumlah	3.469.357	3.167.813	100,00%	100,00%

Seluruh penghasilan merupakan penghasilan sewa dari menara telekomunikasi.

30. REVENUE

Details of third party customers for the period of 9 (nine) months ended 30 September 2019 and 2018 are as follows:

	Pendapatan/ Revenue		Persentase dari pendapatan / Percentage of total revenue	
	30 September/ 30 September		30 September/ 30 September	
	2019	2018	2019	2018
PT Telekomunikasi Selular	1.511.068	1.421.446	43,55%	44,87%
PT Indosat Tbk	743.793	703.649	21,44%	22,21%
PT XL Axiata Tbk	624.081	488.970	17,99%	15,44%
PT Hutchison 3 Indonesia	367.138	286.724	10,58%	9,05%
PT Smartfren Telecom Tbk	193.230	166.586	5,57%	5,26%
PT Internux	-	74.119	0,00%	2,34%
Lainnya	30.047	26.319	0,87%	0,83%
Jumlah	3.469.357	3.167.813	100,00%	100,00%

The revenues are earned from rental of telecommunication towers.

31. BEBAN POKOK PENDAPATAN

Rincian beban pokok pendapatan untuk periode 9 (sembilan) bulan yang berakhir pada 30 September 2019 dan 2018 adalah sebagai berikut:

	30 September/ 30 September 2019	30 September/ 30 September 2018
Amortisasi sewa lahan dan perijinan	234.677	220.240
Penyusutan menara (Catatan 12)	191.496	162.929
Perbaikan dan pemeliharaan	129.761	114.065
Keamanan	32.773	30.502
Listrik	19.488	10.385
Asuransi	19.271	18.640
Penyusutan menara bergerak (Catatan 12)	12.643	11.786
Lainnya	13.702	10.663
Jumlah	653.811	579.210

31. COST OF REVENUE

Details of cost of revenue for the period of 9 (nine) months ended 30 September 2019 and 2018 are as follows:

	30 September/ 30 September 2019	30 September/ 30 September 2018
Land lease and licences cost - amortization	234.677	220.240
Depreciation of tower (Note 12)	191.496	162.929
Repairs and maintenance	129.761	114.065
Security	32.773	30.502
Electricity	19.488	10.385
Insurance	19.271	18.640
Depreciation of transportable towers (Note 12)	12.643	11.786
Others	13.702	10.663
Total	653.811	579.210

Ekshibit E/92

Exhibit E/92

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

31. BEBAN POKOK PENDAPATAN (Lanjutan)

Seluruh beban pokok pendapatan merupakan beban dari menara telekomunikasi.

Tidak terdapat pihak penjual/ pemasok yang memiliki nilai transaksi atau nilai pembelian yang melebihi 10% dari pendapatan.

31. COST OF REVENUE (Continued)

The cost of revenue are expenses for telecommunication towers.

There is no subcontractor/ supplier that has a transaction value exceeding 10% of the revenue.

32. BEBAN USAHA

Rincian beban usaha untuk periode 9 (sembilan) bulan yang berakhir pada 30 September 2019 dan 2018 adalah sebagai berikut:

32. OPERATING EXPENSES

Details of operating expenses for the period of 9 (nine) months ended 30 September 2019 and 2018 are as follows:

	30 September/ 30 September 2019	30 September/ 30 September 2018	
Gaji dan tunjangan	195.377	162.563	Salaries, wages and allowance
Penyusutan (Catatan 12)	23.890	24.437	Depreciation (Note 12)
Jasa profesional	19.237	14.431	Professional fees
Sponsor dan representasi	18.749	19.527	Sponsorship and representation
Beban kantor	15.488	15.434	Office expenses
Beban manfaat karyawan (Catatan 33)	13.274	10.533	Employee benefits expense (Note 33)
Sewa kantor	9.982	8.164	Office rent
Perjalanan dinas	6.832	7.368	Travel duty
Sewa kendaraan bermotor	5.712	4.618	Rental vehicles
Telekomunikasi	523	727	Telecommunication
Lainnya	12.786	8.751	Others
Jumlah	321.850	276.553	Total

33. CADANGAN IMBALAN PASCA-KERJA

Perusahaan dan entitas anak menyiapkan pencadangan imbalan untuk karyawannya sesuai dengan Undang-Undang Ketenagakerjaan No. 13/2003.

Perhitungan cadangan imbalan pasca-kerja pada 31 Desember 2018 adalah berdasarkan perhitungan yang dilakukan oleh PT Padma Radya Aktuaria, PT Konsul Penata Manfaat Sejahtera, dan PT Sigma Prima Solusindo, aktuaris independen, sesuai laporannya tanggal 4 Februari 2019, 4 Februari 2019, dan 11 Februari 2019.

Asumsi signifikan yang digunakan:

Tingkat diskonto per tahun	:	8,5% (2017: 7,5%)	:
Tingkat kenaikan gaji per tahun	:	10%	:
Tingkat kematian	:	100% TMI3	:
Tingkat cacat	:	5% TMI3	:
Tingkat pengunduran diri	:	8% per tahun sampai dengan usia 30 tahun, kemudian menurun secara linear hingga 0% pada usia 55 tahun/ 8% p.a. until age 30, then decrease linearly into 0% at age 55	:
Usia pensiun normal	:	56 tahun/ years	:
Metode	:	Projected Unit Credit	:

33. PROVISION FOR POST-EMPLOYMENT BENEFITS

The Company and subsidiaries provide benefits for its employees in accordance with Labor Law No. 13/2003. The Company and subsidiaries sets up fund for this program.

The calculation of provision for post-employment benefits as of 31 December 2018 are based on calculations performed independent actuary, PT Padma Radya Aktuaria, PT Konsul Penata Manfaat Sejahtera, and PT Sigma Prima Solusindo according to its report dated 4 February 2019, 4 February 2019 and 11 February 2019.

Major assumptions are used as follows:

Discount rate per annum	:
Wages and salaries increase per annum	:
Mortality rate	:
Morbidity rate	:
Resignation rate	:
Normal retirement age	:
Method	:

Ekshibit E/93

Exhibit E/93

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

33. CADANGAN IMBALAN PASCA-KERJA (Lanjutan)

33. PROVISION FOR POST-EMPLOYMENT BENEFITS (Continued)

Rekonsiliasi untuk mutasi cadangan imbalan pasca-kerja adalah sebagai berikut:

Reconciliation of mutation of provision for post-employment benefits is as follows:

	30 September/ 30 September 2019	31 Desember/ 30 December 2018	
Saldo awal periode	30.186	34.398	Balance at the beginning of the period
Termasuk dalam laba atau rugi			Included in profit or loss
Biaya jasa kini	13.216	15.960	Current service cost
Beban bunga bersih	58	1.769	Net interest cost
Diakui pada laba rugi (Catatan 32)	13.274	17.729	Charged to profit or loss (Note 32)
Termasuk dalam penghasilan komprehensif lain	(395)	(5.759)	Included in other comprehensive income
Kerugian aktuarial atas pengukuran kembali	(192)	(2.571)	Remeasurement actuarial loss
Mutasi lainnya	(10.855)	(13.611)	Other movement
Saldo akhir periode dan tahun	32.018	30.186	Balance at the end of the period and year

34. DISTRIBUSI SALDO LABA

34. DISTRIBUTION OF RETAINED EARNINGS

Tahun buku 2018

Year 2018

Pada tanggal 21 Mei 2019, Perusahaan menyelenggarakan Rapat Umum Pemegang Saham Tahunan (RUPST) yang hasilnya antara lain menyetujui dan mengesahkan laporan keuangan Perusahaan untuk Tahun Buku 2018 dengan pencapaian laba bersih yang dapat diatribusikan kepada pemegang saham biasa entitas induk (laba bersih) sebesar Rp 680.581.

On 21 May 2019, the Company held the Annual General Shareholders Meeting (AGMS). The result of the AGMS, among others, was to approve and endorse the financial statements for the year 2018 with achievement of net income attributable to common shareholders of the Parent Company (net income) amounting to Rp 680,581.

Dari laba bersih tersebut, sebesar Rp 600.000 atau 88,16% dari laba bersih tahun 2018 ditetapkan sebagai dividen tunai tahun buku 2018, pembayaran dividen final tersebut dilaksanakan dengan memperhitungkan saham treasuri pada tanggal pengumuman penerimaan dividen (recording date) 10 Juni 2019 sehingga pembayaran dividen per saham adalah sebesar Rp 138,689497 (seratus tiga puluh delapan Rupiah koma enam delapan sembilan empat sembilan tujuh). Perusahaan telah membayar dividen tersebut pada tanggal 21 Juni 2019.

From the net income, amounting to Rp 600,000 or 88.16% of the net income in 2018 is determined as cash dividend for the financial year 2018, the final dividend payment is carried out by calculating treasury shares on the date of announcement of dividend receipt (recording date) 10 June 2019 so that dividend payments per share is Rp 138.689497 (one hundred thirty eight Rupiah point six eight nine four nine seven). The company has paid the dividend on 21 June 2019.

Kemudian sebesar Rp 500 dari laba bersih tahun 2018 dijadikan sebagai cadangan wajib untuk memenuhi ketentuan Pasal 70 Undang-Undang Peseroan Terbatas No. 40 Tahun 2007.

In addition, Rp 500 of net income of year 2018 was provided for statutory reserves to fulfill the article 70 of the Limited Liability Company Law No. 40 of 2007.

Ekshibit E/94

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

34. DISTRIBUSI SALDO LABA (Lanjutan)

Tahun buku 2017

Pada tanggal 27 April 2018, Perusahaan menyelenggarakan Rapat Umum Pemegang Saham Tahunan (RUPST) yang hasilnya antara lain menyetujui dan mengesahkan laporan keuangan Perusahaan untuk Tahun Buku 2017 dengan pencapaian laba bersih yang dapat diatribusikan kepada pemegang saham biasa entitas induk (laba bersih) sebesar Rp 2.316.368.

Dari laba bersih tersebut, sebesar Rp 750.000 atau 32,4% dari laba bersih tahun 2017 ditetapkan sebagai dividen tunai tahun buku 2017, pembayaran dividen final tersebut dilaksanakan dengan memperhitungkan saham treasury pada tanggal pengumuman penerimaan dividen (recording date) 11 Mei 2018 sehingga pembayaran dividen per saham adalah sebesar Rp 169,107958 (seratus enam puluh sembilan Rupiah koma satu nol tujuh sembilan lima delapan). Perusahaan telah membayar dividen tersebut pada tanggal 24 Mei 2018.

Kemudian sebesar Rp 1.000 dari laba bersih tahun 2017 dijadikan sebagai cadangan wajib untuk memenuhi ketentuan Pasal 70 Undang-Undang Peseroan Terbatas No. 40 Tahun 2007.

35. **GOODWILL DAN PEMBELIAN DENGAN DISKON**

a. Goodwill

Sehubungan dengan penerapan PSAK 48 (Revisi 2009) "Penurunan Nilai Aset", Perusahaan dan entitas anak melakukan uji penurunan nilai wajar atas *goodwill*.

Nilai wajar *goodwill* pada 31 Desember 2018 ditentukan berdasarkan penilaian dari penilai independen KJPP Yufrizal, Deny Kamal dan Rekan dalam laporannya pada tanggal 15 Maret 2019, dan telah sesuai dengan peraturan Bapepam-LK No. VIII.C.5 mengenai pedoman penilaian dan penyajian laporan penilaian aset tak berwujud.

Dalam menentukan nilai wajar, Penilai Independen menggunakan metode penilaian dengan mengkombinasikan dua pendekatan, yaitu pendekatan pendapatan yang mendiskontokan penerimaan kas di masa depan dan pendekatan aset.

Asumsi utama yang digunakan oleh Penilai Independen adalah sebagai berikut:

- Sewa menara yang akan jatuh tempo akan diperpanjang kembali selama tahun sewa yang sama;
- Kenaikan harga sewa menara pada saat jatuh tempo adalah sebesar 10,00%;
- Tingkat inflasi sebesar 3,50% per tahun;
- Tingkat diskonto sebesar 11,74%.

Hal ini telah sesuai dengan Bapepam-LK No. VIII.C.5 mengenai pedoman penilaian dan penyajian laporan penilaian aset tak berwujud di pasar modal.

Exhibit E/94

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

34. DISTRIBUTION OF RETAINED EARNINGS (Continued)

Year 2017

On 27 April 2018, the Company held the Annual General Shareholders Meeting (AGMS). The result of the AGMS, among others, was to approve and endorse the financial statements for the year 2017 with achievement of net income attributable to common shareholders of the Parent Company (net income) amounting to Rp 2,316,368.

From the net income, amounting to Rp 750,000 or 32.4% of the net income in 2017 is determined as cash dividend for the financial year 2017, the final dividend payment is carried out by calculating treasury shares on the date of announcement of dividend receipt (recording date) 11 May 2018 so that dividend payments per share is Rp 169.107958 (one hundred sixty nine Rupiah point one zero seven nine five eight). The company has paid the dividend on 24 May 2018.

In addition, Rp 1,000 of net income of year 2017 was provided for statutory reserves to fulfill the article 70 of the Limited Liability Company Law No. 40 of 2007.

35. **GOODWILL AND GAIN FROM BARGAIN PURCHASE**

a. Goodwill

Regarding the implementation of PSAK 48 (Revised 2009) "Impairment of Assets", the Company and subsidiaries have done an impairment test of goodwill.

The fair value of goodwill as of 31 December 2018 was determined based on a valuation from KJPP Yufrizal, Deny Kamal and Partners in their report dated 15 March 2019, respectively, and was in accordance with Bapepam-LK No. VIII.C.5 guidelines regarding assessment and presentation of intangible asset valuation.

To determine the fair value, the Independent Appraiser utilizes a combination of two approaches as the appraisal method, the income approach which discounts future cash flows, and the assets approach.

The Independent Appraiser uses the following key assumptions:

- Rent of towers will be renewed for the same rental year;
- Price of renewed rent of towers increases by 10.00%;
- Inflation is 3.50% per year;
- Discount rate is amounted to 11.74%.

It incorporates the regulation of Bapepam-LK No. VIII.C.5 regarding the guidelines of appraisal and presentation of intangible assets valuation report to capitals market.

Ekshibit E/95

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

35. GOODWILL DAN PEMBELIAN DENGAN DISKON (Lanjutan)

a. Goodwill (Lanjutan)

Pada bulan September 2018, Perusahaan memperoleh 19,80% kepemilikan saham di PT Gihon Telekomunikasi Indonesia Tbk (GHON). *Goodwill* yang timbul atas transaksi ini adalah sebesar Rp 31.444.

Pada bulan Oktober 2016, PT Tower Bersama memperoleh 70% kepemilikan saham di PT Jaringan Pintar Indonesia. *Goodwill* yang timbul atas transaksi ini adalah sebesar Rp 607. Untuk tahun yang berakhir pada 31 Desember 2016, berdasarkan perhitungan penilai independen, terdapat penurunan nilai *goodwill* sebesar Rp 607. Nilai tercatat *goodwill* pada 31 Desember 2018, 2017 dan 2016 masingmasing sebesar nihil.

Pada bulan Agustus 2011, Perusahaan melalui entitas anak memperoleh 100% kepemilikan saham di PT Mitrayasa Sarana Informasi.

Dampak dari akuisisi tersebut adalah sebagai berikut:

Posisi Keuangan	Nilai wajar/ <i>Fair value</i>	Nilai tercatat/ <i>Carrying value</i>	Financial Position
ASET LANCAR	351.152	351.152	CURRENT ASSETS
ASET TIDAK LANCAR	353.940	353.940	NON-CURRENT ASSETS
JUMLAH ASET	705.092	705.092	TOTAL ASSETS
LIABILITAS JANGKA PENDEK	395.712	395.712	CURRENT LIABILITIES
LIABILITAS JANGKA PANJANG	333.474	333.474	NON-CURRENT LIABILITIES
JUMLAH LIABILITAS	729.186	729.186	TOTAL LIABILITIES
NILAI WAJAR DARI ASET BERSIH YANG DAPAT DIIDENTIFIKASI HARGA PEMBELIAN SAHAM	24.094	24.094 200.000	FAIR VALUE OF IDENTIFIABLE NET ASSETS SHARES PURCHASE PRICE
JUMLAH		224.094	TOTAL
ASET TIDAK BERWUJUD YANG DICATAT SEBAGAI ASET LAINNYA		5.474	INTANGIBLE ASSETS THAT RECORDED AS OTHER ASSETS
GOODWILL		218.620	GOODWILL

Untuk tahun yang berakhir pada 31 Desember 2018, berdasarkan perhitungan penilai independen, terdapat penurunan nilai *goodwill* sebesar Rp nihil. Nilai tercatat *goodwill* pada 30 September 2019 dan 31 Desember 2018 sebesar Rp 210.120.

Exhibit E/95

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**35. GOODWILL AND GAIN FROM BARGAIN PURCHASE
(Continued)**

a. Goodwill (Continued)

In September 2018, The Company acquired 19.80% shares ownership in PT Gihon Telekomunikasi Indonesia Tbk (GHON). *Goodwill* arising from the transaction was Rp 31,444.

In October 2016, PT Tower Bersama acquired 70% shares ownership in PT Jaringan Pintar Indonesia. *Goodwill* arising from this transaction was Rp 607. For the year ended 31 December 2016, based on the calculation from an independent appraiser, there are impairment of *goodwill* amounted to Rp 607. The carrying value of *goodwill* as of 31 December 2018, 2017 and 2016 amounted to nill, respectively.

In August 2011, the Company through its subsidiaries acquired 100% shares ownership in PT Mitrayasa Sarana Informasi.

Effects from that acquisition are as follows:

For the year ended 31 December 2018, based on the calculation from an independent appraiser, there are impairment of *goodwill* amounted to nil, respectively. The carrying value of *goodwill* as of 30 September 2019 and 31 December 2018 are amounted to Rp 210,120.

Ekshibit E/96

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

35. **GOODWILL DAN PEMBELIAN DENGAN DISKON** (Lanjutan)

a. **Goodwill** (Lanjutan)

Pada bulan April 2010, PT Metric Solusi Integrasi memperoleh 70% kepemilikan saham di PT Solu Sindo Kreasi Pratama. *Goodwill* yang timbul atas transaksi ini adalah sebesar Rp 133.840. Untuk tahun yang berakhir pada 31 Desember 2018, berdasarkan perhitungan penilai independen, tidak terdapat penurunan nilai *goodwill*. Nilai tercatat *goodwill* pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar Rp 126.347.

Pada bulan Juni 2008, PT Prima Media Selaras (PMS) menerbitkan hak memesan efek terlebih dahulu (*subscription rights* (SR)) kepada pemegang saham pendiri. SR tersebut memberikan hak kepada pemiliknya untuk dapat memesan terlebih dahulu saham-saham baru yang akan diterbitkan PMS sebanyak 60.000 (nilai penuh) saham.

Jika SR tersebut dilaksanakan, maka kepemilikan PT Tower Bersama (TB) pada PMS akan terdilusi hingga hanya menjadi sebesar 20%. Untuk mempertahankan kepemilikannya tersebut pada bulan Agustus 2009, TB telah membeli SR tersebut dari HKDN Investment Ltd. sebagai pemilik akhir, sebesar US\$ 25.900.000. Nilai akuisisi dari pembelian SR tersebut serta biaya transaksi lainnya adalah sebesar Rp 255.391 dicatat sebagai *goodwill*.

Untuk tahun yang berakhir pada 31 Desember 2018, berdasarkan perhitungan penilai independen, terdapat penurunan nilai *goodwill* sebesar Rp 4.468. Nilai tercatat *goodwill* pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar Rp 60.699.

Pada bulan November 2008, PT Tower One (TO), entitas anak, memperoleh 99,99% kepemilikan saham di PT Bali Telekom (Balikom). *Goodwill* yang timbul atas transaksi ini adalah sebesar Rp 103.318. Untuk tahun yang berakhir pada 31 Desember 2018, berdasarkan perhitungan penilai independen, terdapat penurunan nilai *goodwill* sebesar Rp 11.254. Nilai tercatat *goodwill* pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar nihil.

Pada bulan Mei 2008, Perusahaan memperoleh tambahan kepemilikan saham di PT Telenet Internusa (TI), entitas anak, sebesar 19,5%. Setelah transaksi tersebut, kepemilikan Perusahaan di TI meningkat menjadi 99,5%. *Goodwill* yang muncul dari transaksi tersebut adalah sebesar Rp 10.018. Untuk tahun yang berakhir pada 31 Desember 2018, berdasarkan perhitungan penilai independen, terdapat penurunan nilai *goodwill* sebesar nihil. Nilai tercatat *goodwill* pada 30 September 2019 dan 31 Desember 2018 masing-masing sebesar nihil.

Exhibit E/96

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

35. **GOODWILL AND GAIN FROM BARGAIN PURCHASE**
(Continued)

a. **Goodwill** (Continued)

In April 2010, PT Metric Solusi Integrasi acquired 70% shares ownership in PT Solu Sindo Kreasi Pratama. *Goodwill* arising from the transaction was Rp 133,840. For the year ended 31 December 2018, based on the calculation from an independent appraiser, there is no impairment of goodwill. The carrying value of goodwill as of 30 September 2019 and 31 December 2018 amounted to Rp 126,347, respectively.

In June 2008, PT Prima Media Selaras (PMS) issued subscription rights (SR) to its former shareholders, providing rights to subscribe 60,000 (full amount) new PMS shares.

If SR is implemented, then the ownership PT Tower Bersama (TB) in the PMS will be diluted to only 20%. To maintain the ownership in August 2009, TB has purchased the SR of HKDN Investment Ltd. as the final owner, for US\$ 25,900,000. Acquisition value of the SR purchase and other transaction costs are Rp 255,391 was recorded as goodwill.

For the year ended 31 December 2018, based on the calculation from an independent appraiser, there are impairment of goodwill amounted to Rp 4,468, respectively. The carrying value of goodwill as of 30 September 2019 and 31 December 2018 are amounted to Rp 60,699, respectively.

In November 2008, PT Tower One (TO), a subsidiary of the Company, acquired 99.99% share ownership of PT Bali Telekom (Balikom). The goodwill arising from this transaction amounted to Rp 103,318. For the year ended 31 December 2018, based on the calculation from an independent appraiser, there are impairment of goodwill amounted to Rp 11,254. The carrying value of goodwill as of 30 September 2019 and 31 December 2018 are amounted to nil, respectively.

In May 2008, the Company acquired an additional 19.5% share ownership in PT Telenet Internusa (TI), a subsidiary. Upon the transaction, the ownership of the Company increased to become 99.5%. Goodwill arise from this transaction was amounted to Rp 10,018. For the year ended 31 December 2018, based on the calculation from an independent appraiser, there are impairment of goodwill amounted to nil. The carrying value of goodwill as of 30 September 2019 and 31 December 2018 are amounted to nil, respectively.

Ekshibit E/97

Exhibit E/97

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

35. **GOODWILL DAN PEMBELIAN DENGAN DISKON** (Lanjutan)

35. **GOODWILL AND GAIN FROM BARGAIN PURCHASE**
(Continued)

a. **Goodwill** (Lanjutan)

a. **Goodwill** (Continued)

Penurunan nilai atas *goodwill* tersebut dicatat pada kerugian atas penurunan nilai *goodwill* pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Impairment of goodwill is recorded in loss on impairment of goodwill in the consolidated statements of profit or loss and other comprehensive income.

30 September 2019 (9 bulan)	Saldo awal/ Beginning balance	Penambahan/ Additional	Penurunan/ Impairment	Saldo akhir/ Ending balance	30 September 2019 (9 months)
PT Metric Solusi Integrasi	189.382	-	-	189.382	PT Metric Solusi Integrasi
PT Tower Bersama	207.784	-	-	207.784	PT Tower Bersama
PT Tower Bersama Infrastructure Tbk	31.444	-	-	31.444	PT Tower Bersama Infrastructure Tbk
Jumlah	428.610	-	-	428.610	Total
31 Desember 2018 (1 tahun)	Saldo awal/ Beginning balance	Penambahan/ Additional	Penurunan/ Impairment	Saldo akhir/ Ending balance	31 Desember 2018 (1 year)
PT Metric Solusi Integrasi	189.382	-	-	189.382	PT Metric Solusi Integrasi
PT Tower Bersama	212.252	-	(4.468)	207.784	PT Tower Bersama
PT Tower One	11.254	-	(11.254)	-	PT Tower One
PT Tower Bersama Infrastructure Tbk	-	31.444	-	31.444	PT Tower Bersama Infrastructure Tbk
Jumlah	412.888	31.444	(15.722)	428.610	Total

b. **Pembelian dengan diskon**

b. **Gain from bargain purchase**

Pada bulan Desember 2018, Perusahaan memperoleh 51,00% kepemilikan saham di PT Visi Telekomunikasi Infrastruktur Tbk (GOLD). Perusahaan memperoleh kepemilikan saham tersebut dengan diskon sebesar Rp 12.748. Keuntungan pembelian dengan diskon tersebut telah diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

In December 2018, The Company acquired 51.00% shares ownership in PT Visi Telekomunikasi Infrastruktur Tbk (GOLD). The Company acquired the shares ownership at discount amounted to Rp 12,748. Gain resulted from such bargain purchase has been recognized in the consolidated statement of profit or loss and other comprehensive income.

Ekshibit E/98

Exhibit E/98

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK**
**CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019**
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES**
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019**
(Expressed in million Rupiah, unless otherwise stated)

36. KEPENTINGAN NON-PENGENDALI

30 September/ 30 September 2019

Entitas anak / Subsidiaries	Saldo awal / Beginning balance	Porsi non- pengendali atas laba entitas anak / Non- controlling portion on net profit of subsidiaries	Surplus revaluasi / Revaluation surplus	Porsi non- pengendali dari instrumen derivatif / Non- controlling portion from derivative instrument	Porsi non- pengendali dari perubahan nilai wajar investasi - tersedia untuk dijual / Non- controlling portion from change in fair value available- for-sale	Porsi non- pengendali dari pembagian dividen tunai entitas anak / Non- controlling portion from cash dividends subsidiaries	Penyesuaian perubahan kepemilikan efektif pada entitas anak / Adjustment for effect on ownership changes in subsidiaries	Saldo akhir / Ending balance
PT United Towerindo	24.663	757 (	8) (	57)	-	-	-	25.355
PT Tower Bersama	94.461	7.641	20.810 (	577)	- (	4.860)	-	117.475
PT Tower One	(154)	2	-	-	-	-	- (	152)
PT Metric Solusi Integrasi	(131.768)	358 (	2.093) (	27)	- (	385)	- (	133.915)
PT Telenet Internusa	928	73 (	77)	-	- (	271)	-	653
PT Triaka Bersama	1.334	-	-	-	-	-	-	1.334
PT Solusi Menara Indonesia	105.659	-	-	-	-	-	-	105.659
PT Visi Telekomunikasi Infrastruktur Tbk	69.097	2.149	1.836	-	-	-	109.429	182.511
PT Gihon Telekomunikasi Indonesia Tbk	144.666	21.749	1.429	-	- (	3.681)	- (	161.767
Jumlah / Total	308.886	32.729	21.897 (	661)	- (	9.197)	-	460.687

31 Desember/ 31 December 2018

Entitas anak / Subsidiaries	Saldo awal / Beginning balance	Porsi non- pengendali atas laba entitas anak / Non- controlling portion on net profit of subsidiaries	Surplus revaluasi / Revaluation surplus	Porsi non- pengendali dari instrumen derivatif / Non- controlling portion from derivative instrument	Porsi non- pengendali dari perubahan nilai wajar investasi - tersedia untuk dijual / Non- controlling portion from change in fair value available- for-sale	Porsi non- pengendali dari pembagian dividen tunai entitas anak / Non- controlling portion from cash dividends subsidiaries	Penyesuaian perubahan kepemilikan efektif pada entitas anak / Adjustment for effect on ownership changes in subsidiaries	Saldo akhir / Ending balance
PT United Towerindo	24.066	1.601 (	1.008)	-	-	-	4	24.663
PT Tower Bersama	91.346	6.923 (	1.751)	6.889	- (	9.000)	54	94.461
PT Tower One	(123) (	8) (	7)	-	- (	16)	-	(154)
PT Metric Solusi Integrasi	(102.040)	319 (	5.806) (	21.803) (	943) (	1.525)	30	(131.768)
PT Telenet Internusa	1.267	112 (	24)	-	- (	427)	-	928
PT Triaka Bersama	1.334	-	-	-	-	-	-	1.334
PT Solusi Menara Indonesia	81.200	-	-	24.459	-	-	-	105.659
PT Visi Telekomunikasi Infrastruktur Tbk	-	13.104	9.908	-	-	-	46.085	69.097
PT Gihon Telekomunikasi Indonesia Tbk	-	-	-	-	-	-	144.666	144.666
Jumlah / Total	97.050	22.051	1.312	9.545 (	943) (	10.968)	88	308.886

Ekshibit E/99

Exhibit E/99

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

**37. LABA BERSIH PER SAHAM DASAR YANG DAPAT
DIATRIBUSIKAN KEPADA PEMEGANG SAHAM BIASA ENTITAS
INDUK**

Untuk periode 9 (sembilan) bulan yang berakhir 30 September 2019 dan 2018, laba bersih yang dapat diatribusikan kepada pemegang saham biasa entitas induk yang digunakan untuk perhitungan laba per saham dasar masing-masing adalah Rp 611.962 dan Rp 623.454. Jumlah rata-rata tertimbang saham (dalam nilai penuh) untuk periode 9 (sembilan) bulan yang berakhir 30 September 2019 dan 2018, masing-masing sebanyak 4.175.715.281 saham dan 4.406.356.816 saham setelah dikurangi dengan saham treasury (Catatan 27).

**37. BASIC EARNINGS PER SHARE ATTRIBUTABLE TO COMMON
SHAREHOLDERS OF THE PARENT COMPANY**

For the period of 9 (nine) months ended 30 September 2019 and 2018, net income attributable to common shareholders of Parent Company which are used to calculate the basic earnings per share were Rp 611,962 and Rp 623,454, respectively. Total weighted average shares issued for the period of 9 (nine) months ended 30 September 2019 and 2018, are 4,175,715,281 shares and 4,406,356,816 shares, respectively, after deducted by the treasury stock (Note 27).

38. SALDO DAN TRANSAKSI DENGAN PIHAK BERELASI

Saldo transaksi dengan pihak berelasi pada tanggal 30 September 2019 dan 31 Desember 2018 adalah sebagai berikut:

Akun	30 September/ 30 September 2019	31 Desember/ 31 December 2018
a. Piutang lain-lain (Catatan 6)		
PT Gihon Nusantara Tujuh	13	13
PT Sukses Prima Sakti	-	1.200
Jumlah	13	1.213
b. Utang lain-lain (Catatan 19)		
PT Amanda Cipta Persada	-	33.620
PT Mulia Sukses Mandiri	-	17.980
Scavino Ventures Ltd	-	7.025
PT Lancar Distrindo	-	2.599
PT Sukses Prima Sakti	-	2.252
Jumlah	-	63.476

Berdasarkan akta No. AHU-00095.AH.02.02 tanggal 8 Juli 2019, seluruh utang lain-lain pihak berelasi, telah dikonversi menjadi modal dengan nilai sebesar Rp 63.476. Persentase utang lain-lain pihak berelasi terhadap total liabilitas sebesar 0,26% pada tanggal 31 Desember 2018.

Transaksi pihak berelasi dilakukan dengan ketentuan yang setara dengan yang berlaku dalam transaksi yang wajar dan dapat dibuktikan.

38. BALANCE AND TRANSACTIONS WITH RELATED PARTIES

Balance of transaction with related parties as of 30 September 2019 and 31 December 2018 are as follows:

Account
a. Other receivables (Note 6)
PT Gihon Nusantara Tujuh
PT Sukses Prima Sakti
Total
b. Other payables (Note 19)
PT Amanda Cipta Persada
PT Mulia Sukses Mandiri
Scavino Ventures Ltd
PT Lancar Distrindo
PT Sukses Prima Sakti
Total

Based on deed No. AHU-00095.AH.02.02 dated 8 July 2019, all of other payables to related parties, has been converted into capital amounted to Rp 63,476. Percentage of other payables to related parties to total liabilities amounted to 0.26% as of 31 December 2018.

Related parties transactions are carried out with conditions equivalent to those that apply in reasonable and verifiable transactions.

Ekshibit E/100

Exhibit E/100

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

38. SALDO DAN TRANSAKSI DENGAN PIHAK BERELASI (Lanjutan)

**38. BALANCE AND TRANSACTIONS WITH RELATED PARTIES
(Continued)**

Keterangan mengenai pihak berelasi adalah sebagai berikut:

Description about related parties are as follows:

Nama pihak berelasi/ Name of related parties	Sifat relasi/ Nature of relationships	Transaksi/ Transaction
PT Gihon Nusantara Tujuh	Pemegang saham entitas anak/ Shareholder of subsidiary	Piutang lain-lain/Other receivables
PT Sukses Prima Sakti	Pemegang saham entitas anak/ Shareholder of subsidiary	Piutang lain-lain dan utang lain-lain/ Other receivables and other payables
PT Amanda Cipta Persada	Pemegang saham entitas anak/ Shareholder of subsidiary	Utang lain-lain/Other payables
PT Mulia Sukses Mandiri	Pemegang saham entitas anak/ Shareholder of subsidiary	Utang lain-lain/Other payables
PT Lancar Distrindo	Pemegang saham entitas anak/ Shareholder of subsidiary	Utang lain-lain/Other payables
Scavino Ventures Ltd.	Pemegang saham entitas anak/ Shareholder of subsidiary	Utang lain-lain/Other payables

39. PERJANJIAN PENTING

39. SIGNIFICANT AGREEMENTS

**PERJANJIAN SEWA MENARA BASE TRANSCEIVER STATION
(BTS) DAN SISTEM TELEKOMUNIKASI DALAM GEDUNG**

**RENTAL AGREEMENT TOWER BASE TRANSCEIVER STATION
(BTS) AND TELECOMMUNICATIONS SYSTEMS IN BUILDINGS**

Entitas anak (PT Tower Bersama, PT Telenet Internusa, PT Gihon Telekomunikasi Indonesia Tbk, PT Perdana Karya Persada, PT United Towerindo, PT Batavia Towerindo, PT Bali Telekom, PT Prima Media Selaras, PT Solusi Menara Indonesia, PT Solu Sindo Kreasi Pratama, PT Mitrayasa Sarana Informasi, PT Towerindo Konvergensi, dan PT Triaka Bersama) memiliki perjanjian sewa dengan para operator sebagai berikut:

Subsidiaries (PT Tower Bersama, PT Telenet Internusa, PT Gihon Telekomunikasi Indonesia Tbk, PT Perdana Karya Persada, PT United Towerindo, PT Batavia Towerindo, PT Bali Telekom, PT Prima Media Selaras, PT Solusi Menara Indonesia, PT Solu Sindo Kreasi Pratama, PT Mitrayasa Sarana Informasi, PT Towerindo Konvergensi, and PT Triaka Bersama) have lease agreements with operators as follows:

1. PT Hutchison 3 Indonesia

1. PT Hutchison 3 Indonesia

Pada berbagai tanggal antara tahun 2007 sampai dengan 30 September 2019, entitas anak dan Hutchison menandatangani Perjanjian Sewa Induk ("MLA"), mengenai sewa pemanfaatan lokasi yang diperlukan untuk pengoperasian peralatan komunikasi. Jangka waktu perjanjian ini adalah 12 tahun, dan dapat diperpanjang untuk jangka waktu 6 tahun.

On a number of dates in and between 2007 and 30 September 2019, the subsidiaries and Hutchison signed Master Lease Agreements ("MLA") to lease telecommunication infrastructure space for installation of telecommunication equipment. The agreements are for lease years of 12 years and can be extended for 6 years.

2. PT XL Axiata Tbk (XL)

2. PT XL Axiata Tbk (XL)

Pada berbagai tanggal antara tahun 2007 sampai dengan 30 September 2019, entitas anak dan XL menandatangani Perjanjian Sewa Induk ("MLA"), sebagaimana telah diubah beberapa kali dalam bentuk amandemen, mengenai sewa pemanfaatan infrastruktur menara untuk penempatan peralatan telekomunikasi. Jangka waktu perjanjian ini adalah 10 tahun, dan dapat diperpanjang dengan menginformasikan secara tertulis kepada entitas anak. Jangka waktu sewa dimulai sejak tanggal sertifikat siap instalasi ("RFI") di masing-masing lokasi.

On a number of dates in and between 2007 and 30 September 2019, the subsidiaries and XL signed the Master Lease Agreement ("MLA"), as amended several times, regarding lease of telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 10 years and can be extended by agreement. The lease years start from the date of installation ("RFI") on each location.

Ekshibit E/101

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

39. PERJANJIAN PENTING (Lanjutan)

**PERJANJIAN SEWA MENARA BASE TRANSCEIVER STATION
(BTS) DAN SISTEM TELEKOMUNIKASI DALAM GEDUNG
(Lanjutan)**

3. PT Axis Telekom Indonesia (AXIS)

Pada berbagai tanggal antara tahun 2005 sampai dengan 30 September 2019, entitas anak dan AXIS telah menandatangani beberapa Perjanjian Sewa Induk ("MLA"), mengenai pemanfaatan menara untuk penempatan peralatan telekomunikasi mengenai sewa pemanfaatan lokasi yang diperlukan untuk pengoperasian peralatan komunikasi. Jangka waktu perjanjian ini adalah 10 tahun, dan dapat diperpanjang untuk jangka waktu 10 tahun, kecuali apabila AXIS tidak ingin memperpanjang masa sewa dan menginformasikan secara tertulis kepada entitas anak.

4. PT Indosat Tbk (Indosat)

Pada berbagai tanggal antara tahun 2008 sampai dengan 30 September 2019, entitas anak dan Indosat telah menandatangani beberapa Perjanjian Sewa Induk ("MLA"), mengenai sewa pemanfaatan lokasi yang diperlukan untuk pengoperasian peralatan telekomunikasi. Jangka waktu perjanjian ini adalah 10 tahun, dan dapat diperpanjang untuk jangka waktu 10 tahun, kecuali apabila Indosat tidak ingin memperpanjang masa sewa dan menginformasikan secara tertulis kepada entitas anak. Jangka waktu sewa dimulai sejak tanggal sertifikat siap instalasi ("RFI") di masing-masing lokasi.

5. PT Telekomunikasi Selular (Telkomsel)

Pada berbagai tanggal di tahun 2004 sampai dengan 30 September 2019, entitas anak telah menandatangani sejumlah Perjanjian Sewa Induk ("MLA") dengan Telkomsel mengenai pemanfaatan infrastruktur menara untuk penempatan peralatan telekomunikasi. Jangka waktu perjanjian adalah 10 tahun sejak tanggal penandatanganan Berita Acara Penggunaan Site (BAPS) untuk masing-masing lokasi menara.

6. PT Smartfren Telecom Tbk (Smartfren)

Pada berbagai tanggal di tahun 2005 sampai dengan 30 September 2019, entitas anak dan Smartfren, telah menandatangani beberapa Perjanjian Sewa Induk ("MLA"), sebagaimana telah beberapa kali diubah dalam bentuk amandemen, mengenai pemanfaatan infrastruktur menara untuk penempatan peralatan telekomunikasi. Jangka waktu awal sewa adalah 10 tahun dan dapat diperpanjang berdasarkan kesepakatan tertulis dari masing-masing pihak.

Exhibit E/101

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

39. SIGNIFICANT AGREEMENTS (Continued)

**RENTAL AGREEMENT TOWER BASE TRANSCEIVER STATION
(BTS) AND TELECOMMUNICATIONS SYSTEMS IN BUILDINGS
(Continued)**

3. PT Axis Telekom Indonesia (AXIS)

On a number of dates in and between 2005 and 30 September 2019, the subsidiaries and AXIS signed few Master Lease Agreements ("MLA") regarding lease of telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 10 years and can be extended for another 10 years, unless AXIS does not intend to extend by informing the subsidiaries in writing.

4. PT Indosat Tbk (Indosat)

On a number of dates in and between 2008 and 30 September 2019, the subsidiaries and Indosat signed a number of Master Lease Agreements ("MLA") regarding lease of telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 10 years and can be extended for another 10 years, unless Indosat does not intend to extend by informing the subsidiaries in writing. The lease year starts from the date of installation ("RFI") on each location.

5. PT Telekomunikasi Selular (Telkomsel)

On a number of dates in and between 2004 and 30 September 2019, the subsidiaries and Telkomsel signed a number of Master Lease Agreement ("MLA") regarding lease telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 10 years, starting from when the Minutes of Site Utilisation (BAPS) has been signed.

6. PT Smartfren Telecom Tbk (Smartfren)

On a number of dates in and between 2005 and 30 September 2019, the subsidiaries and Smartfren signed a number of Master Lease Agreements ("MLA"), as amended several times, regarding lease of telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 10 years and can be extended by agreement.

Ekshibit E/102

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

39. PERJANJIAN PENTING (Lanjutan)

**PERJANJIAN SEWA MENARA BASE TRANSCEIVER STATION
(BTS) DAN SISTEM TELEKOMUNIKASI DALAM GEDUNG
(Lanjutan)**

7. PT Internux

Pada berbagai tanggal di tahun 2013, entitas anak telah menandatangani Perjanjian Sewa Induk ("MLA") dengan PT Internux tentang sewa pemanfaatan infrastruktur menara untuk penempatan peralatan telekomunikasi. Jangka waktu perjanjian adalah 5 atau 10 tahun sejak tanggal sertifikat siap instalasi ("RFI") di masing-masing lokasi dan dapat diperpanjang

Selain itu, berdasarkan perjanjian novasi yang dilakukan pada berbagai tanggal di tahun 2013, PT First Media Tbk mengalihkan seluruh hak, kewajiban dan kepentingannya berdasarkan Perjanjian Sewa Induk ("MLA") dengan entitas anak sehubungan dengan penyewaan site telekomunikasi milik entitas anak kepada PT Internux.

Jumlah estimasi pembayaran sewa minimum di masa depan untuk perjanjian-perjanjian sewa induk di atas adalah sebagai berikut:

	30 September/ 30 September 2019	30 September/ 30 September 2018
Kurang dari satu tahun	4.743.510	4.322.430
Dari satu tahun sampai dengan lima tahun	13.909.204	14.152.264
Lebih dari lima tahun	6.143.566	5.222.632
Jumlah	24.796.280	23.697.326

Exhibit E/102

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

39. SIGNIFICANT AGREEMENTS (Continued)

**RENTAL AGREEMENT TOWER BASE TRANSCEIVER STATION
(BTS) AND TELECOMMUNICATIONS SYSTEMS IN BUILDINGS
(Continued)**

7. PT Internux

On a number of dates in 2013, the subsidiaries and PT Internux signed a number of Master Lease Agreements ("MLA") regarding lease of telecommunication infrastructure space for installation of telecommunication equipment. The lease year is for 5 or 10 years, starting from the date of installation ("RFI") for each location, and can be extended by agreement.

In addition, under the assignment agreement on various dates in 2013, PT First Media Tbk assigned all of its rights, obligations and interests under MLA among the subsidiaries regarding the lease of telecommunication sites owned by the subsidiaries to PT Internux.

Total estimated future minimum lease payments for the above master lease agreements are as follows:

Less than one year
From one year to five years
More than five years

Total

Ekshibit E/103

Exhibit E/103

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

40. ASET DAN LIABILITAS MONETER DALAM MATA UANG ASING

Pada tanggal 30 September 2019 dan 31 Desember 2018, Perusahaan dan entitas anak memiliki aset dan liabilitas moneter dalam mata uang asing sebagai berikut:

	30 September/ 30 September 2019		31 Desember/ 31 December 2018	
	US\$ (nilai penuh)/ (full amount)	Ekuivalen rupiah/ Rupiah equivalent	US\$ (nilai penuh)/ (full amount)	Ekuivalen rupiah/ Rupiah equivalent
Aset				
Kas dan setara kas	11.000.212	155.917	13.062.221	189.152
Piutang usaha	17.458.233	247.453	1.409.640	20.413
Aset keuangan derivatif	136.489.558	1.934.603	179.931.704	2.605.591
Jumlah aset	164.948.003	2.337.973	194.403.565	2.815.156
Liabilitas				
Pinjaman sindikasi	1.004.000.000	14.230.696	1.035.000.000	14.987.835
Surat utang	350.000.000	4.960.900	350.000.000	5.068.350
Utang usaha	12.168.228	172.472	11.257.216	163.016
Utang bunga :				
Surat utang	4.612.036	65.371	11.692.246	169.315
Pinjaman sindikasi	4.607.482	65.311	5.602.077	81.124
Jumlah liabilitas	1.375.387.746	19.494.750	1.413.551.539	20.469.640
Liabilitas - Bersih	1.210.439.743	17.156.777	1.219.147.974	17.654.484

Pada tanggal 30 September 2019 dan 31 Desember 2018, Perusahaan dan entitas anak telah melakukan lindung nilai untuk pinjaman jangka panjang dan surat utang atas risiko perubahan nilai mata uang asing dan suku bunga pinjaman masing-masing sebesar US\$ 1.375.000.000 dan US\$ 1.385.000.000.

40. MONETARY ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

As of 30 September 2019 and 31 December 2018, the Company and subsidiaries have assets and liabilities dominated in foreign currency as follows:

	30 September/ 30 September 2019		31 Desember/ 31 December 2018	
	US\$ (nilai penuh)/ (full amount)	Ekuivalen rupiah/ Rupiah equivalent	US\$ (nilai penuh)/ (full amount)	Ekuivalen rupiah/ Rupiah equivalent
Assets				
Cash and cash equivalent	11.000.212	155.917	13.062.221	189.152
Account receivables	17.458.233	247.453	1.409.640	20.413
Derivative financial assets	136.489.558	1.934.603	179.931.704	2.605.591
Total assets	164.948.003	2.337.973	194.403.565	2.815.156
Liabilities				
Syndication loan	1.004.000.000	14.230.696	1.035.000.000	14.987.835
Notes	350.000.000	4.960.900	350.000.000	5.068.350
Trade payables	12.168.228	172.472	11.257.216	163.016
Interest payables :				
Notes	4.612.036	65.371	11.692.246	169.315
Syndication loan	4.607.482	65.311	5.602.077	81.124
Total liabilities	1.375.387.746	19.494.750	1.413.551.539	20.469.640
Liabilities - Net	1.210.439.743	17.156.777	1.219.147.974	17.654.484

As of 30 September 2019 and 31 December 2018, the Company and subsidiaries have hedged their loan facility and notes of US\$ 1,375,000,000 and US\$ 1,385,000,000, respectively, over the risks from the volatility of foreign exchange and interest rate.

Ekshibit E/104

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

41. MANAJEMEN RISIKO KEUANGAN

Aktivitas Perusahaan dan entitas anak mengandung berbagai macam risiko-risiko keuangan: risiko pasar, risiko kredit, risiko likuiditas dan risiko operasional. Secara keseluruhan, program manajemen risiko keuangan Perusahaan dan entitas anak terfokus untuk menghadapi ketidakpastian pasar uang dan meminimalisasi potensi kerugian yang berdampak pada kinerja keuangan Perusahaan dan entitas anak.

a. Risiko pasar

Perusahaan dan entitas anak menyadari adanya risiko pasar yang terjadi akibat fluktuasi mata uang Rupiah terhadap US Dolar, serta fluktuasi suku bunga pinjaman, sehingga entitas anak melakukan kontrak lindung nilai dengan tujuan melakukan aktivitas lindung nilai atas ketidakpastian fluktuasi suku bunga dan fluktuasi mata uang asing yang timbul dari arus kas pokok dan bunga pinjaman dari entitas anak.

Risiko Nilai Tukar Mata Uang Asing

Perubahan nilai tukar telah, dan diperkirakan akan terus, memberikan pengaruh terhadap hasil usaha dan arus kas Perusahaan dan entitas anak. Beberapa pinjaman dan belanja modal Perusahaan adalah, dan diperkirakan akan terus, didenominasi dengan mata uang US Dolar. Sebagian besar pendapatan Perusahaan dan entitas anak adalah dalam mata uang Rupiah.

Pada saat ini, Perusahaan dan entitas anak melakukan aktivitas lindung nilai terhadap sebagian besar dari eksposur atas mata uang asing dikarenakan penerimaan dari pendapatan usaha tahunan dalam mata uang Dolar Amerika Serikat lebih sedikit dibandingkan dengan jumlah pembayaran belanja modal, pinjaman dan bunga dalam mata uang Dolar Amerika Serikat.

Sebagai bagian dari usaha Perusahaan dan entitas anak untuk mengelola eksposur atas mata uang asing, Perusahaan melakukan kontrak berjangka dan kontrak swap valuta asing dengan lembaga-lembaga keuangan internasional. Untuk kontrak berjangka, pada umumnya Perusahaan dan entitas anak membayar sejumlah premi dengan jumlah yang tetap.

Exhibit E/104

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

41. FINANCIAL RISK MANAGEMENT

The Company and subsidiaries activities are exposed to few financial risks: market risk, credit risk, liquidity risk and operational risk. The Company and subsidiaries overall risk management program focuses to mitigate the volatility of financial markets and to minimize potential adverse effects on the Company and subsidiaries financial performance.

a. Market risk

The Company and subsidiaries are aware of market risk due to foreign exchange fluctuation of Rupiah against US Dollar and interest rate fluctuation, hence, the subsidiaries have entered into hedging contracts to hedge the uncertainty of interest rate and foreign exchange fluctuations arising from the loan principal and interest payments from each subsidiaries.

Foreign Exchange Rate

Changes in exchange rates have affected and may continue to affect the Company's and subsidiaries results of operations and cash flows. Some of the Company's debts and capital expenditures are, and expected will continue to be, denominated in US Dollars. Most of the Company's and subsidiaries revenues are denominated in Rupiah.

Currently, the Company and subsidiaries hedges a large portion of its foreign currency exposure principally because the receipts of annual USD-denominated operating revenue are less than the sum of payments of USD-denominated capital expenditures.

In an effort to manage foreign currency exposure, the Company and subsidiaries enters into forward foreign currency contracts with international financial institutions. For the forward foreign currency contracts, the Company and subsidiaries typically pays a fixed rate premium.

Ekshibit E/105

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK**
**CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019**
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

41. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

a. Risiko pasar (Lanjutan)

Risiko Nilai Tukar Mata Uang Asing (Lanjutan)

Sebagai hasil dari kontrak tersebut, Perusahaan dan entitas anak yakin bahwa Perusahaan dan entitas anak telah mengurangi beberapa risiko nilai tukar mata uang asing, meskipun aktivitas lindung nilai yang dilakukan oleh Perusahaan dan entitas anak tidak mencakup seluruh eksposur mata uang asing dan terdapat kemungkinan bahwa perjanjian pengganti atas aktivitas lindung nilai tersebut tidak tersedia pada saat kontrak lindung nilai tersebut telah selesai.

Pada tanggal 30 September 2019, jika Rupiah menguat 1% terhadap Dolar Amerika Serikat namun seluruh variabel lainnya tetap, maka laba tahun berjalan lebih rendah sebesar Rp 23.368 (31 Desember 2018: Rp 30.463) terutama yang timbul sebagai akibat keuntungan selisih kurs atas penjabaran aset dan liabilitas moneter dalam mata uang asing.

Jika bagian utang berbunga dalam valuta asing (Catatan 23, 24 dan 25) yang telah dilindung nilai diukur dengan menggunakan kurs lindung nilainya, maka saldo utang berbunga pada 30 September 2019 dan 31 Desember 2018 setelah dikurangi biaya pinjaman yang belum diamortisasi masing-masing adalah sebagai berikut:

	30 September/ 30 September 2019		31 Desember/ 31 December 2018		
	Saldo pinjaman / The balance of loans		Saldo pinjaman / The balance of loans		
	Kurs		Kurs		
	laporan posisi		laporan posisi		
	keuangan /		keuangan /		
	Rate of	Kurs	Rate of	Kurs	
	consolidated	lindung	consolidated	lindung	
	statements of	nilai /	statements of	nilai /	
	financial	Hedging	financial	Hedging	
	position date	rate	position date	rate	
Pinjaman sindikasi	14.230.696	13.149.260	14.987.835	13.181.570	Syndication loans
Pinjaman non-sindikasi	36.750	36.750	81.676	81.676	Non-syndication loans
Surat utang	8.576.900	7.921.000	7.934.350	7.171.000	Notes
Sewa pembiayaan	15.412	15.412	17.963	17.963	Finance lease
Dikurangi :					Less:
Biaya pinjaman yang belum diamortisasi (Catatan 2f)	(196.656)	(196.656)	(160.712)	(160.712)	Unamortized borrowing costs (Note 2f)
Jumlah - Bersih	22.663.102	20.925.766	22.861.112	20.291.497	Total - Net

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES**
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019**
(Expressed in million Rupiah, unless otherwise stated)

41. FINANCIAL RISK MANAGEMENT (Continued)

a. Market risk (Continued)

Foreign Exchange Rate (Continued)

As a result of these contracts, the Company and subsidiaries believe that the Company and subsidiaries have reduced some of the risk of foreign currency exchange rates, although hedging activity undertaken by the Company and subsidiaries do not include all foreign currency exposure and there is the possibility that a replacement agreement over the hedges are not available at the time of the hedge contract has been completed.

On 30 September 2019, if the Rupiah had strengthened by 1% against the US Dollar with all other variables held constant, profit for the year would have been Rp 23,368 (31 December 2018: Rp 30,463) lower, mainly as a result of foreign exchange gains on translation of monetary assets and liabilities denominated in foreign currency.

If the hedged portion of foreign-currency interest-bearing-debt (Notes 23, 24 and 25) is valued using its hedge rate, the balance of interest-bearing debt on 30 September 2019 and 31 December 2018, net of unamortized borrowing costs are as follow:

Ekshibit E/106

Exhibit E/106

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

41. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

41. FINANCIAL RISK MANAGEMENT (Continued)

a. Risiko pasar (Lanjutan)

a. Market risk (Continued)

Risiko Tingkat Suku Bunga

Interest Rate Risk

Perusahaan dan entitas anak menghadapi risiko tingkat suku bunga yang disebabkan oleh perubahan tingkat suku bunga pinjaman yang dikenakan bunga. Suku bunga atas pinjaman jangka pendek dan jangka panjang dapat berfluktuasi sepanjang tahun pinjaman. Kebijakan keuangan memberikan panduan bahwa eksposur tingkat bunga harus diidentifikasi dan diminimalisasi/ dinetralisasi secara tepat waktu.

The Company and subsidiaries are exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities. Interest rate for short and long-term borrowing can fluctuate over the borrowing year. The treasury policy sets the guideline that the interest rate exposure shall be identified and minimised/ neutralised promptly.

Untuk mengukur risiko pasar atas pergerakan suku bunga, Perusahaan dan entitas anak melakukan analisa marjin dan pergerakan suku bunga, dan melakukan transaksi kontrak swap tingkat bunga untuk melindungi suku bunga pinjaman dalam mata uang asing terhadap risiko ketidakpastian tingkat suku bunga.

To measure market risk of interest rate fluctuation, the Company and subsidiaries primarily uses interest margin and spread analysis, and enters into interest rate swap contracts to hedge the foreign currency interest loans from interest rate uncertainty.

Profil liabilitas jangka panjang Perusahaan dan entitas anak setelah memperhitungkan transaksi lindung nilai adalah sebagai berikut:

The Company and subsidiaries long-term liabilities profile after taking into account hedging transactions are as follows:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Pinjaman jangka panjang - setelah dikurangi bagian yang jatuh tempo dalam satu tahun			Long-term loans - net of current portion
Pihak ketiga	14.104.092	11.688.940	Third parties

b. Risiko kredit

b. Credit risk

Perusahaan memiliki risiko kredit yang terutama berasal dari simpanan di bank, piutang usaha, piutang lain-lain, piutang derivatif dan aset lain-lain-investasi bersih dalam sewa pembiayaan.

The Company is exposed to credit risk primarily from deposits with banks, trade receivables, other receivables, derivatives receivables and other assets-net investment in finance lease.

Entitas anak menghadapi risiko kredit, yaitu ketidakmampuan pelanggan untuk membayar sewa dari menara ataupun pemancar milik entitas anak.

The subsidiaries are exposed to credit risk from the customer's inability to pay the tower or in building system rental fees owed to the Company's subsidiaries.

Kualitas Kredit Aset Keuangan

Credit Quality of Financial assets

Perusahaan dan entitas anak mengelola risiko kredit yang terkait dengan simpanan di bank dan piutang derivatif dengan memonitor reputasi, peringkat kredit, dan membatasi risiko agregat dari masing-masing pihak dalam kontrak.

The Company and subsidiaries manages credit risk exposed from its deposits with banks and derivatives receivables by monitoring reputation, credit ratings and limiting the aggregate risk to any individual counterparty.

Terkait dengan kredit yang diberikan kepada pelanggan, Perusahaan dan entitas anak menetapkan syarat dan ketentuan fasilitas kredit kepada pelanggan selular dan pelanggan lainnya, seperti dealer, distributor, operator lainnya terkait interkoneksi dan jelajah internasional. Jaminan tambahan juga disyaratkan dalam kondisi tertentu. Umumnya jaminan yang digunakan adalah bank garansi.

In respect of credit exposures given to customers, the Company and subsidiaries established general terms and conditions of credit facility to subscribers and non-subscribers such as dealers, distributors, interconnection and roaming partners. On a case by case basis, additional security is required. Common type used is bank guarantee.

Ekshibit E/107

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

41. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

b. Risiko kredit (Lanjutan)

Kualitas Kredit Aset Keuangan (Lanjutan)

Penyewaan jasa menara telekomunikasi kepada operator selular dilakukan secara tunai. Kelayakan kredit dan prosedur penagihan ditelaah secara baik dan tepat waktu. Tidak terdapat konsentrasi risiko kredit yang signifikan terkait dengan piutang usaha, hal ini disebabkan keragaman pelanggan.

Manajemen yakin terhadap kemampuan untuk mengendalikan dan menjaga eksposur risiko kredit pada tingkat yang minimal. Eksposur maksimum risiko kredit pada tanggal pelaporan adalah sebagai berikut:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Kas dan setara kas	333.362	220.586
Piutang usaha - pihak ketiga	536.500	383.303
Piutang lain-lain	118.386	77.660
Pendapatan yang masih harus diterima	545.251	546.608
Uang jaminan	2.321	2.067
Jumlah	1.535.820	1.230.224

c. Risiko likuiditas

Risiko likuiditas timbul apabila Perusahaan dan entitas anak mengalami kesulitan dalam mendapatkan sumber pendanaan untuk membiayai modal kerja dan belanja modal. Risiko likuiditas juga dapat timbul akibat ketidaksesuaian atas sumber dana yang dimiliki dengan pembayaran liabilitas yang telah jatuh tempo.

Perusahaan dan entitas anak melakukan mitigasi risiko likuiditas dengan cara menganalisa ketersediaan arus kas dan struktur pendanaan sesuai dengan Pedoman Pengendalian Intern Perusahaan.

Risiko likuiditas timbul dalam keadaan di mana Perusahaan dan entitas anak mengalami kesulitan dalam mendapatkan sumber pendanaan. Manajemen risiko likuiditas berarti menjaga kecukupan saldo kas dan setara kas. Perusahaan dan entitas anak mengelola risiko likuiditas dengan mengawasi arus kas aktual dan proyeksi secara terus menerus dan mengawasi profil tanggal jatuh tempo aset dan liabilitas keuangan.

Perusahaan dan entitas anak memonitor proyeksi persyaratan likuiditas untuk memastikan bahwa Perusahaan dan entitas anak memiliki saldo kecukupan kas untuk memenuhi keperluan operasi serta menjaga kecukupan dalam fasilitas pinjaman yang belum ditarik sepanjang waktu sehingga Perusahaan dan entitas anak memenuhi semua batas atau persyaratan fasilitas pinjaman.

Exhibit E/107

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

41. FINANCIAL RISK MANAGEMENT (Continued)

b. Credit risk (Continued)

Credit Quality of Financial assets (Continued)

Rental of telecommunication tower to the operators is required to be settled in cash. Credit worthiness and collection procedures are reviewed properly and promptly. There are no significant concentrations of credit risk with respect to trade receivables due to its diverse customer base.

Management is confident in its ability to control and sustain minimal exposure of credit risk. The maximum credit risk exposure at the reporting date is as follows:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Cash and cash equivalent	333.362	220.586
Trade receivables - third parties	536.500	383.303
Other receivables	118.386	77.660
Accrued revenue	545.251	546.608
Refundable deposits	2.321	2.067
Total	1.535.820	1.230.224

c. Liquidity risk

Liquidity risk arises in situations where the Company and subsidiaries have difficulties in obtaining funding sources to fund their working capital and capital expenditure. Liquidity risk also arises in situations where there is a mismatch between the funding sources and any obligations that have matured.

The Company and subsidiaries mitigate liquidity risk by analyzing the cashflow availability as well as their funding structure in accordance with the Company's Internal Control Manual.

Liquidity risk arises in situations where the Company and subsidiaries has difficulties in obtaining funding. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. The Company and subsidiaries manages liquidity risk by continuously monitoring forecast and actual cash flows and monitor the maturity profiles of financial assets and liabilities.

The Company and subsidiaries monitors forecasts of the liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company and subsidiaries does not breach the borrowing limits or covenants on any of its borrowing facilities.

Ekshibit E/108

Exhibit E/108

PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)

41. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

41. FINANCIAL RISK MANAGEMENT (Continued)

c. Risiko likuiditas (Lanjutan)

c. Liquidity risk (Continued)

Proyeksi tersebut mempertimbangkan rencana pembiayaan utang Perusahaan dan kepatuhan persyaratan pinjaman. Manajemen percaya bahwa strategi melakukan *cash sweeping* dan *pooling of funds* dari sejumlah rekening bank ke dalam rekening bank operasional utama dapat memastikan pendanaan yang terkonsentrasi dan optimalisasi likuiditas yang lebih baik.

Such forecasting takes into consideration the Company's debt financing plans and covenant compliance. Management believes that the strategy to manage cash sweeping and pooling of funds across accounts in main operating banks can ensure the better concentration of funds and optimisation of liquidity.

Tabel berikut ini menunjukkan analisis jatuh tempo liabilitas keuangan Perusahaan dan entitas anak dalam rentang waktu yang menunjukkan jatuh tempo kontraktual untuk semua liabilitas keuangan non-derivatif dan derivatif di mana jatuh tempo kontraktual sangat penting untuk pemahaman terhadap arus kas. Jumlah yang diungkapkan dalam tabel adalah arus kas kontraktual yang tidak terdiskonto (termasuk pembayaran pokok dan bunga).

The following table analyse the Company and subsidiaries financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows (including principal and interest payment).

30 September/ 30 September 2019						
	Jumlah tercatat/ Carrying amount	Arus kas kontraktual/ Contractual cash flow	Kurang dari setahun/Less than one year	Antara satu dan tiga tahun/ Between one and three years	Lebih dari tiga tahun/More than three years	
Utang usaha - pihak ketiga dan utang lain-lain	338.708	338.708	338.708	-	-	Trade payables - third parties and other payable
Beban masih harus dibayar	989.237	989.237	989.237	-	-	Accrued expenses
Pinjaman jangka panjang	14.119.504	14.282.858	3.946	8.960.737	5.318.175	Long-term loans
Surat utang	8.543.598	8.576.900	2.778.000	5.798.900	-	Notes payable
Jumlah	23.991.047	24.187.703	4.109.891	14.759.637	5.318.175	Total
31 Desember / 31 December 2018						
	Jumlah tercatat/ Carrying amount	Arus kas kontraktual/ Contractual cash flow	Kurang dari setahun/Less than one year	Antara satu dan tiga tahun/ Between one and three years	Lebih dari tiga tahun/More than three years	
Utang usaha - pihak ketiga dan utang lain-lain	335.739	335.739	335.739	-	-	Trade payables - third parties and other payable
Beban masih harus dibayar	1.466.028	1.466.028	1.466.028	-	-	Accrued expenses
Pinjaman jangka panjang	14.972.087	15.087.474	3.284.699	6.558.889	5.243.886	Long-term loans
Surat utang	7.889.025	7.934.350	628.000	2.238.000	5.068.350	Notes payable
Jumlah	24.662.879	24.823.591	5.714.466	8.796.889	10.312.236	Total

Ekshibit E/109

Exhibit E/109

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

41. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

41. FINANCIAL RISK MANAGEMENT (Continued)

c. Risiko likuiditas (Lanjutan)

c. Liquidity risk (Continued)

Berikut rincian pinjaman jangka panjang dan surat utang jangka panjang sesuai dengan jadwal jatuh tempo:

Details of the long-term loans and long-term notes according to the maturity schedule are as follow:

	30 September/ 30 September 2019		31 Desember/ 31 December 2018		
	Jumlah tercatat/ Carrying amount	Arus kas kontraktual Contractual cash flows	Jumlah tercatat/ Carrying amount	Arus kas kontraktual Contractual cash flows	
Kurang dari setahun	2.776.859	2.781.946	3.894.562	3.912.699	Less than one year
Antara satu dan tiga tahun	14.642.850	14.759.637	8.765.048	8.796.889	Between one and three years
Lebih dari tiga tahun	5.243.392	5.318.175	10.201.502	10.312.236	More than three years
Jumlah	22.663.101	22.859.758	22.861.112	23.021.824	Total

d. Estimasi nilai wajar

d. Fair value estimation

Nilai wajar aset dan liabilitas keuangan di estimasi untuk keperluan pengakuan dan pengukuran atau untuk keperluan pengungkapan.

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

PSAK 68 "Pengukuran Nilai Wajar" mensyaratkan pengungkapan atas pengukuran nilai wajar dengan tingkat hirarki nilai wajar sebagai berikut:

PSAK 68 "Fair Value Measurements" requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- harga kuotasian (tidak disesuaikan) dalam pasar aktif untuk aset atau liabilitas yang identik (tingkat 1);
- input selain harga kuotasian yang termasuk dalam tingkat 1 yang dapat diobservasi untuk aset atau liabilitas, baik secara langsung (misalnya harga) atau secara tidak langsung (misalnya derivasi dari harga) (tingkat 2); dan
- input untuk aset atau liabilitas yang bukan berdasarkan data pasar yang dapat diobservasi (input yang tidak dapat diobservasi) (tingkat 3).

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Aset dan liabilitas keuangan Perusahaan yang diukur dan diakui pada nilai wajar (tingkat 2) adalah piutang dan utang derivatif.

The Company's financial assets and liabilities that are measured and recognized at fair value (level 2) are derivative receivables and payables.

Nilai wajar untuk instrumen keuangan yang diperdagangkan di pasar aktif ditentukan berdasarkan kuotasi nilai pasar pada tanggal pelaporan. Kuotasi nilai pasar yang digunakan Perusahaan dan entitas anak untuk aset keuangan adalah harga penawaran (*bid price*), sedangkan untuk liabilitas keuangan menggunakan harga jual (*ask price*). Instrumen keuangan ini termasuk dalam tingkat 1.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company and subsidiaries is the current bid price, while financial liabilities use ask price. These instruments are included in level 1.

Ekshibit E/110

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

41. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

d. Estimasi nilai wajar (Lanjutan)

Nilai wajar instrumen keuangan yang tidak diperdagangkan di pasar aktif ditentukan dengan menggunakan teknik penilaian tertentu. Teknik tersebut menggunakan data pasar yang dapat diobservasi sepanjang tersedia, dan seminimal mungkin mengacu pada estimasi. Apabila seluruh input signifikan atas nilai wajar dapat diobservasi, instrumen keuangan ini termasuk dalam tingkat 2.

Jika satu atau lebih input yang signifikan tidak berdasarkan data pasar yang dapat diobservasi, maka instrumen tersebut masuk ke dalam tingkat 3.

Teknik penilaian tertentu digunakan untuk menentukan nilai instrumen keuangan mencakup:

- penggunaan harga yang diperoleh dari bursa atau pedagang efek untuk instrumen sejenis dan;
- teknik lain seperti analisis arus kas yang didiskonto digunakan untuk menentukan nilai instrumen keuangan lainnya.

Tabel di bawah ini menggambarkan nilai tercatat dan nilai wajar dari aset dan liabilitas keuangan:

	30 September/ 30 September 2019		31 Desember/ 31 December 2018		
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair Value	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair Value	
Aset keuangan					Financial assets
Kas dan setara kas	333.362	333.362	220.586	220.586	Cash and cash equivalents
Piutang usaha - pihak ketiga	536.500	536.500	383.303	383.303	Trade receivables - third parties
Piutang lain-lain	118.386	118.386	77.660	77.660	Other receivables
Pendapatan yang masih harus diterima	545.251	545.251	546.608	546.608	Accrued revenue
Investasi	1.508	1.508	1.508	1.508	Investment
Uang jaminan	2.321	2.321	2.067	2.067	Refundable deposits
Jumlah	1.537.328	1.537.328	1.231.732	1.231.732	Total

Exhibit E/110

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

41. FINANCIAL RISK MANAGEMENT (Continued)

d. Fair value estimation (Continued)

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments and;
- other techniques, such as discounted cash flows analysis, are used to determine fair value for the remaining financial instruments.

The following table shows the fair values of financial assets and liabilities, together with the carrying amounts, are as follow:

Ekshibit E/111

Exhibit E/111

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

41. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

41. FINANCIAL RISK MANAGEMENT (Continued)

d. Estimasi nilai wajar (Lanjutan)

d. Fair value estimation (Continued)

	30 September/ 30 September 2019		31 Desember/ 31 December 2018		
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair Value	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair Value	
Liabilitas keuangan					Financial liabilities
Utang usaha - pihak ketiga	279.833	279.833	231.711	231.711	Trade payables - third parties
Utang lain-lain	58.875	58.875	104.028	104.028	Other payables
Beban masih harus dibayar	989.237	989.237	1.466.028	1.466.028	Accrued expenses
Pinjaman jangka panjang :					Long - term loan :
utang sewa pembiayaan	15.412	15.412	17.963	17.963	Finance lease
pihak ketiga	14.104.092	14.104.092	14.954.124	14.954.124	third parties
Surat utang	8.543.598	8.543.598	7.889.025	7.889.025	Notes
Jumlah	23.991.047	23.991.047	24.662.879	24.662.879	Total

Nilai wajar atas sebagian besar aset dan liabilitas keuangan mendekati nilai tercatat karena dampak pendiskontoan yang tidak signifikan.

The fair value of most of the financial assets and liabilities approximates their carrying amount, as the impact of discounting is not significant.

Nilai wajar dari pinjaman jangka panjang dinilai menggunakan *discounted cash flows* berdasarkan tingkat suku bunga efektif terakhir yang berlaku untuk masing-masing pinjaman yang diutilisasi.

The fair value of long-term loans are estimated by using *discounted cash flows* applying the effective interest rate charged by the lenders for the last utilisation in each currency borrowings.

e. Risiko operasional

e. Operational risk

Risiko operasional adalah risiko kerugian yang diakibatkan oleh kurang memadainya atau kegagalan dari proses internal, faktor manusia dan sistem atau dari kejadian-kejadian eksternal. Risiko ini melekat dalam semua proses bisnis, kegiatan operasional, sistem dan layanan Perusahaan dan entitas anak.

Operational risk is the risk of losses resulting from inadequate internal processes or a failure of such processes, human factors and systems or from external events. This risk is inherent in all business processes, operations and services of the Company and subsidiaries.

f. Manajemen risiko permodalan

f. Capital risk management

Tujuan Perusahaan dan entitas anak dalam mengelola permodalan adalah untuk melindungi kemampuan Perusahaan dan entitas anak dalam mempertahankan kelangsungan usaha, sehingga entitas dapat tetap memberikan imbal hasil bagi pemegang saham dan manfaat bagi pemangku kepentingan lainnya dan untuk mengelola struktur modal yang optimal untuk meminimalisasi biaya modal yang efektif. Dalam rangka mengelola struktur modal, Perusahaan dan entitas anak mungkin menyesuaikan jumlah dividen, menerbitkan saham baru atau menambah/mengurangi jumlah utang.

The objectives of the Company and subsidiaries when managing capital are to safeguard the ability of the Company and subsidiaries to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to minimize the effective cost of capital. In order to maintain the capital structure, the Company and subsidiaries may from time to time adjust the amount of dividends, issue new shares or increase/reduce debt levels.

Strategi Perusahaan selama tahun 2019 dan 2018 adalah mempertahankan rasio utang senior bersih terhadap EBITDA yang disesuaikan dan disetahunkan kurang dari 5 kali (Catatan 24).

The Company's strategy for 2019 and 2018 was to maintain the ratio of net senior debt to annualized adjusted EBITDA to be less than 5 times (Note 24).

Ekshibit E/112

Exhibit E/112

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

42. TRANSAKSI NON-KAS

Transaksi non-kas Perusahaan dan entitas anaknya adalah sebagai berikut:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018
Surplus revaluasi	93.464	83.074
Konversi utang menjadi modal saham	63.476	-
Kapitalisasi kenaikan nilai revaluasi properti investasi	-	7.728
Jumlah	156.940	90.802

42. NON-CASH TRANSACTIONS

Non-cash transactions of the Company and its subsidiaries are as follows:

	30 September/ 30 September 2019	31 Desember/ 31 December 2018	
Surplus revaluasi	93.464	83.074	Revaluation surplus
Konversi utang menjadi modal saham	63.476	-	Conversion of debt to equity
Kapitalisasi kenaikan nilai revaluasi properti investasi	-	7.728	Capitalization increase in revaluation value of investment properties
Jumlah	156.940	90.802	Total

43. PERISTIWA SETELAH PERIODE PELAPORAN

a. Pencairan pinjaman

Fasilitas pinjaman *Revolving* US\$ 200 juta

- Pada tanggal 15 Oktober 2019, Entitas anak telah menarik Fasilitas Pinjaman *Revolving* US\$ 200 juta (lihat catatan 24.b) sebesar US\$ 19.600.000.

Kreditur yang berpartisipasi pada fasilitas ini adalah:

- Oversea-Chinese Banking Corporation Limited
- DBS Bank Ltd
- CIMB Bank Berhad, Singapore Branch
- PT Bank HSBC Indonesia
- PT Bank UOB Indonesia
- MUFG Bank Ltd, Jakarta Branch
- PT Bank CIMB Niaga Tbk
- PT Bank HSBC Indonesia
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank DBS Indonesia

Fasilitas pinjaman *Revolving* Seri B

- Pada tanggal 2, 22 Oktober dan 29 November 2019, Entitas anak telah menarik Fasilitas Pinjaman *Revolving* Seri B (lihat catatan 24.a.2) sebesar US\$ 70.000.000.

Kreditur yang berpartisipasi pada fasilitas ini adalah:

- Oversea-Chinese Banking Corporation Limited
- United Overseas Bank Limited
- DBS Bank, Ltd
- The Hongkong and Shanghai Banking Corporation, Singapore Branch
- Credite Agricole Corporate and Investment Bank
- CIMB Bank Berhad, Singapore Branch
- Sumitomo Mitsui Banking Corporation, Singapore Branch
- MUFG Bank, Ltd, Jakarta Branch
- PT Bank HSBC Indonesia
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank UOB Indonesia

43. EVENTS AFTER THE REPORTING PERIOD

a. Loan withdrawal

Revolving US 200 million loan facility

- On 15 October 2019, the Subsidiary had drawdown *Revolving* US\$ 200 million Loan Facility (see note 24.b) amounting to US\$ 19,600,000.

The lenders who participated in this facility are:

- Oversea-Chinese Banking Corporation Limited
- DBS Bank Ltd
- CIMB Bank Berhad, Singapore Branch
- PT Bank HSBC Indonesia
- PT Bank UOB Indonesia
- MUFG Bank Ltd, Jakarta Branch
- PT Bank CIMB Niaga Tbk
- PT Bank HSBC Indonesia
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank DBS Indonesia

Revolving B Series loan facility

- On 2, 22 October and 29 November 2019, the Subsidiary had drawdown *Revolving* B Series Loan Facility (see note 24.a.2) amounting to US\$ 70,000,000.

The lenders who participated in this facility are:

- Oversea-Chinese Banking Corporation Limited
- United Overseas Bank Limited
- DBS Bank, Ltd
- The Hongkong and Shanghai Banking Corporation, Singapore Branch
- Credite Agricole Corporate and Investment Bank
- CIMB Bank Berhad, Singapore Branch
- Sumitomo Mitsui Banking Corporation, Singapore Branch
- MUFG Bank, Ltd, Jakarta Branch
- PT Bank HSBC Indonesia
- PT Bank ANZ Indonesia
- PT Bank BNP Paribas Indonesia
- PT Bank UOB Indonesia

Ekshibit E/113

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

43. PERISTIWA SETELAH PERIODE PELAPORAN (Lanjutan)

a. Pencairan pinjaman (Lanjutan)

Fasilitas Pinjaman *Revolving* PT Bank UOB Indonesia

Pada berbagai tanggal dibulan Oktober, November dan Desember 2019, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, telah menarik pinjaman kepada PT Bank UOB Indonesia sebesar Rp 29.100.

b. Pembayaran pinjaman

Pada tanggal 2 Desember 2019, entitas anak telah melunasi sebagian fasilitas pinjaman *Revolving* seri B sebesar US\$ 16.500.000.

c. Rapat Umum Pemegang Saham Luar Biasa ("RUPSLB")

Pada tanggal 8 Oktober 2019, PT Gihon Telekomunikasi Indonesia Tbk, entitas anak, mengadakan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB). RUPSLB ini memberikan persetujuan untuk perubahan anggaran dasar perusahaan dan perubahan susunan direksi dan/atau dewan komisaris.

Pada tanggal 30 Oktober 2019, Perusahaan mengadakan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB). RUPSLB ini memberikan persetujuan sebagai berikut:

- Persetujuan Pemecahan Nilai Nominal Saham dari Rp 100 (nilai penuh) per saham menjadi Rp 20 (nilai penuh) per saham dengan demikian merubah Pasal 4 Anggaran Dasar Perusahaan.
- Persetujuan atas rencana penerbitan surat utang berdenominasi mata uang asing yang akan diterbitkan oleh Perusahaan, melalui penawaran kepada investor diluar wilayah Negara Republik Indonesia, yang merupakan transaksi material berdasarkan Peraturan Otoritas Jasa Keuangan (d/h Bapepam) No. IX.E.2 Lampiran Keputusan Ketua Bapepam & LK No. KEP 614/BL/2011 tanggal 28 November 2011 tentang Transaksi Material dan Perubahan Kegiatan Usaha Utama.
- Persetujuan atas rencana perubahan Pasal 3 Anggaran Dasar Perusahaan mengenai Maksud dan Tujuan serta Kegiatan Usaha Perusahaan berdasarkan Klasifikasi Baku Lapangan Usaha Indonesia Tahun 2017 (KBLI 2017). Berdasarkan Peraturan Pemerintah No. 24 Tahun 2018 tentang Layanan Perizinan Bisnis Terpadu Online.
- Persetujuan atas rencana perubahan Pasal 16 Anggaran Dasar Perusahaan mengenai Tugas dan Wewenang Direksi.
- Laporan Hasil Pembelian Kembali Saham berdasarkan persetujuan RUPS tanggal 27 April 2018.

Exhibit E/113

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

43. EVENTS AFTER THE REPORTING PERIOD (Continued)

a. Loan withdrawal (Continued)

PT Bank UOB Indonesia Revolving Credit Facility

On various dates in October, November and December 2019, PT Gihon Telekomunikasi Indonesia Tbk, a subsidiary, had drawdown with PT Bank UOB Indonesia amounting Rp 29,100.

b. Loan repayment

On 2 December 2019, the subsidiary has repaid a portion of B series Revolving loan facility amounting to US\$ 16,500,000.

c. The Extraordinary General Meeting of Shareholders ("EGMS")

On 8 October 2019, PT Gihon Telekomunikasi Indonesia Tbk, a subsidiary, held the Extraordinary General Meeting of Shareholders (EGMS). The EGMS approved plans for changes in the company's articles of association and changes in the composition of the directors and/or commissioners.

On 30 October 2019, the Company held the Extraordinary General Meeting of Shareholders (EGMS). The EGMS approved plans as follows:

- *Approval of stock split from nominal Rp 100 (full amount) per share to nominal Rp 20 (full amount) per share, which amend the Article 4 of the Company's Articles of Association.*
- *Approval for the plan of the issuance foreign currency denominated bonds or notes to be issued by the Company that will be offered to investors outside of Indonesia that constitutes as a material transaction on the basis of Regulation No. IX.E.2 Annex of the Bapepam & LK Chairman's Decision No. Kep 614/BL/2011 dated 28 November 2011 regarding Material Transactions and Main Business Activity Changes.*
- *Approval of the amendment of Article 3 of the Company's Article of Association related to Company's purpose and objective to the Indonesian Standard Classification of Business Fields (KBLI) 2017. Based on the Government Regulation No. 24 Year 2018 regarding Online Integrated Business Licensing Services.*
- *Approval of the amendment of Article 16 of the Company's Articles of Association related to the Duty and Authority of Board of Directors.*
- *Report on Results of Shares Buyback based on GMS approval dated 27 April 2018.*

Ekshibit E/114

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN INTERIM
UNTUK PERIODE 9 (SEMBILAN) BULAN YANG BERAKHIR
30 SEPTEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)**

43. PERISTIWA SETELAH PERIODE PELAPORAN (Lanjutan)

**c. Rapat Umum Pemegang Saham Luar Biasa ("RUPSLB")
(Lanjutan)**

Perusahaan telah memperoleh persetujuan atas perubahan Pasal 4 ayat 1 dan ayat 2 Anggaran Dasar Perusahaan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan surat keputusan No. AHU-0089482.AH.01.02. TAHUN 2019 tanggal 31 Oktober 2019. Sehubungan dengan ini, pelaksanaan *Stock Split* akan memiliki rasio setiap 1 (satu) saham lama dengan nilai nominal Rp 100 (nilai penuh) per saham akan mendapat 5 (lima) baru saham dengan nilai nominal Rp 20 (nilai penuh) per saham.

Berdasarkan surat PT Kustodian Sentral Efek Indonesia ("KSEI") No. KSEI-23431/JKU/1119 tanggal 18 November 2019, KSEI telah melakukan penyesuaian saham tersebut melalui sistem C-BEST pada tanggal 18 November 2019 (awal hari).

d. Pelunasan Harga Beli Kontinjensi Menara Telekomunikasi

Sesuai dengan *Asset Purchase Agreement* ("APA") tanggal 7 Februari 2012 yang ditandatangani oleh Perusahaan, PT Solusi Menara Indonesia (SMI), entitas anak dan PT Indosat Tbk (Indosat), SMI telah melunasi harga beli kontinjensi menara telekomunikasi milik Indosat sebesar US\$ 18.750.000 pada tanggal 11 Oktober 2019.

e. Pengalihan Surat Sanggup Bayar

Pada 31 Oktober 2019, Perusahaan dan entitas anak telah mengalihkan Surat Sanggup Bayar sebesar Rp 221.425 kepada pihak ketiga (Catatan 7).

44. PENERBITAN KEMBALI LAPORAN KEUANGAN KONSOLIDASIAN

Dalam rangka penerbitan surat utang berdenominasi mata uang asing, Perusahaan telah menerbitkan kembali laporan keuangan konsolidasian interim untuk periode 9 (sembilan) yang berakhir 30 September 2019 dengan beberapa perubahan penyajian dan pengungkapan pada laporan arus kas, Catatan 2b, 7, 12, 13, 16, 23 dan 38 atas laporan keuangan konsolidasian terdahulu.

45. OTORISASI LAPORAN KEUANGAN

Manajemen Perusahaan telah mengotorisasi Laporan keuangan konsolidasian untuk diterbitkan pada tanggal 20 Desember 2019.

Exhibit E/114

**PT TOWER BERSAMA INFRASTRUCTURE Tbk
AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD OF 9 (NINE) MONTHS ENDED
30 SEPTEMBER 2019
(Expressed in million Rupiah, unless otherwise stated)**

43. EVENTS AFTER THE REPORTING PERIOD (Continued)

**c. The Extraordinary General Meeting of Shareholders
("EGMS") (Continued)**

The Company has obtained approval for the amendment to Article 4 paragraph 1 and paragraph 2 of the Company's Articles of Association from the Minister of Law and Human Rights of the Republic of Indonesia with its decision No. AHU-0089482.AH.01.02. YEAR 2019 dated October 31, 2019. In relation to this, the implementation of the *Stock Split* will be at a ratio of every 1 (one) old share with a nominal value of Rp 100 (full amount) per share will get 5 (five) new shares with a nominal value of Rp 20 (full amount) per share.

Based on the letter from PT Kustodian Sentral Efek Indonesia ("KSEI") No. KSEI-23431/JKU/1119 on 18 November 2019, KSEI has adjusted the shares through the C-BEST system on 18 November 2019 (beginning of the day).

d. Settlement of Contingent Purchase Price

In accordance with the *Asset Purchase Agreement* ("APA") dated 7 February 2012 signed by the Company, PT Solusi Menara Indonesia (SMI), the Company's subsidiary and PT Indosat Tbk (Indosat), SMI paid the contingent purchase price of Indosat's telecommunications towers of US\$ 18,750,000 at 11 October 2019.

e. Transfer of the Promissory Notes

As of October 31, 2019, the Company and its subsidiaries have transferred the Promissory Notes amounting to Rp 221,425 to a third party (Note 7).

44. REISSUANCE OF CONSOLIDATED FINANCIAL STATEMENTS

For the issuance of the notes denominated in foreign currency, the Company has reissued the interim consolidated financial statements for the period of 9 (nine) months ended 30 September 2019 with some changes in presentation and additional disclosures in the Statement of Cash Flows, Notes 2b, 7, 12, 13, 16, 23 and 38 of the prior consolidated financial statements.

45. AUTHORIZATION OF FINANCIAL STATEMENTS

The Company's management has authorized to issue these consolidated financial statements on 20 December 2019.

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