

PRESS RELEASE

Semarang, January 31st, 2020

MORATELINDO REGAINS TRUST OF THE LOCAL GOVERNMENT IN PUBLIC SERVICE PROJECT FOR THE CONSTRUCTION OF FIBER OPTIC CABLE LINE AND MICROCELL POLE TOWER

After successfully implementing the West Palapa Ring and East Palapa Ring projects, both of which strategic infrastructure national projects prioritized by the Central Government, PT Mora Telematika Indonesia ("Moratelindo") through KSO BPS-MORATELINDO which is a joint operation formed on December 6, 2019 by and between Moratelindo and PT Bhumi Pandanaran Sejahtera (Perseroda) ("BPS") based on the results of the selection of operating cooperation partners for the Telecommunication Passive Infrastructure Public Service Provision Cooperation Project organized by BPS, successfully regained the trust of the Semarang City Government to cooperate in the project of construction, operation, exploitation and provision passive telecommunication infrastructure services in the Semarang City area with an investment value of Rp. 617 billion.

The project cooperation was marked by the signing of the Semarang City Telecommunication Passive Infrastructure Public Service Provision Cooperation Agreement on Friday, January 31, 2020 at the Semarang City Hall Building by Mr. Resi Y. Bramani and Mr. R. Hendro Prasetyo as Head and Deputy Head of KSO BPS-MORATELINDO with Mr. Hendrar Prihadi as the Mayor of Semarang. The signing ceremony was also attended and witnessed by the Deputy Mayor of Semarang, Mrs. Hevearita Gunaryanti Rahayu, representatives from the Ministry of Home Affairs, representatives from the Ministry Communication and Information Technology, Regional Heads and their representatives, which can be considered as a form of support and special attention from the Central Government and Semarang City Government to the development of telecommunications infrastructure in Semarang City.

The Cooperation for the Provision of Public Services for Passive Telecommunication Infrastructure in Semarang City is a project for the construction of operation, exploitation and provision of U-ditches (ducts made of reinforced concrete with a crosssectional shape of the letter "U") and / or Makroduct (HDPE Highdensity polyethylene pipelines) together used for the placement of fiber optic cables by telecommunications operators so that there are no more aerial fiber optic cables through poles and Microcell poles (cellular telecommunications micro towers) to be used by telecommunications operators, as well as their supporting facilities and devices. Through this project, KSO BPS-MORATELINDO will carry out the construction of joint ducting works with an estimated length of 506,064-meter U-ditch and/or Makroduct and as many as 361 Microcell poles on roads owned by the Semarang city government, the construction of which will be divided into 2 (two) zoning and 6 (six) stages / batches of development. With the implementation of this project, from the perspective of network design and infrastructure aesthetics of a city, it will be able to prepare Semarang City towards a smart city that supports digital economic development. The construction of fiber optic cable infrastructure in almost all cities in Indonesia is not well organized, causing the city to look dull and reducing the beauty of the city. The implementation of this project will certainly present a more beautiful and aesthetic city.

The Cooperation Pattern between Semarang City Government and KSO BPS-MORATELINDO is based on Regional Cooperation with Third Parties (KSDPK) in terms of providing Public Services, with a cooperation period of 20 (twenty) years starting from the Commercial Operation Date where the project construction is expected to be completed by the end of 2021. The investment value of the project is estimated to reach Rp.617 billion where as a form of return on investment, KSO BPSMORATELINDO will lease the Project Assets to telecommunications

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operators for 20 years after the Commercial For more information, please contact: Operation Date.

MORATELINDO AT A GLANCE

Moratelindo is one of the largest telecommunications infrastructure service providers in Indonesia. Currently, Moratelindo has deployed a 36,951 km fiber optic cable network consisting of land and sea fiber optic networks. The fiber optic network covers Java, Sumatra, Kalimantan, West Nusa Tenggara (NTB), East Nusa Tenggara (NTT), Southwest Maluku, Papua, West Papua, Singapore and Malacca.

In 2016, the Government of Indonesia entrusted Moratelindo to carry out national strategic projects by appointing Moratelindo as the winner of the West Palapa Ring and East Palapa Ring tenders. With the Government Cooperation with Business Entities (PPP) scheme, through its subsidiaries, PT Palapa Ring Barat (PRB) and PT Palapa Timur Telematika (PTT), Moratelindo has successfully built a fiber optic network with a total network length of 10,710 km, of which PRB built 2. 256 km of land fiber optic network connecting Riau, Riau Islands, Natuna and Singkawang; and PTT built 8,454 km of fiber optic network which is divided into 50% sea fiber optic network, 45% land fiber optic network and 5% microwave links, connecting NTT, NTB, Maluku, Papua and West Papua. The West Palapa Ring network has been operating since 2018, while the East Palapa Ring network has started operating since 2019.

Moratelindo will continue to build fiber optic networks in all cities in Indonesia until all telecommunications needs of the Indonesian people are fulfilled.

PT Mora Telematika Indonesia

Jl. Panataran No. 9. Proklamasi. Jakarta 10320 Indonesia Tel: (62-21) 3199 8600

Fax: (62-21) 314 2882

Up: Henry R Rumopa - Corporate Secretary

Email: corsec@moratelindo.co.id Website: www.moratelindo.co.id

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