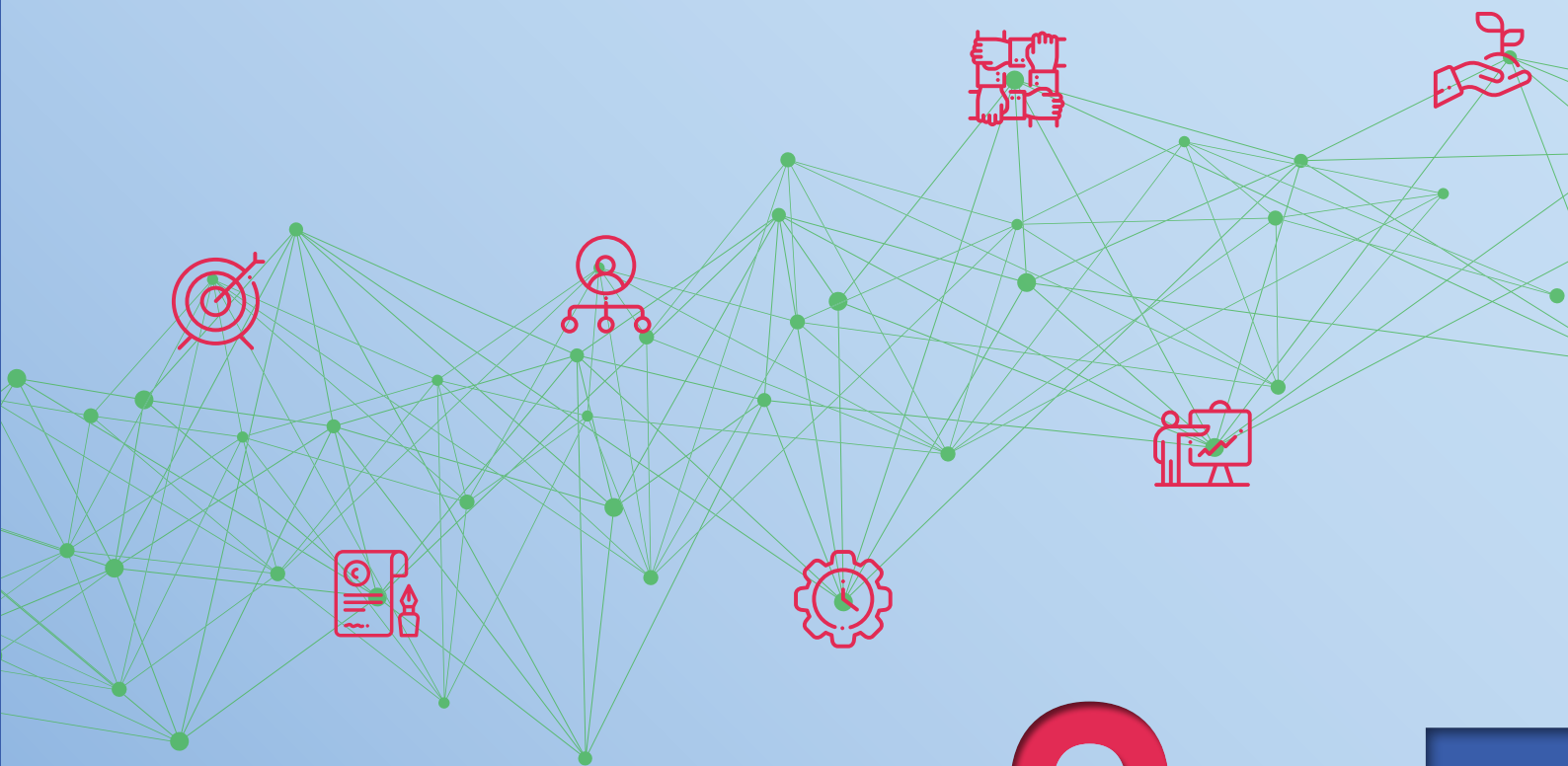


REPOSITIONING FOR THE FUTURE GROWTH



2018

Annual Report 2018

PT Perusahaan Pengelola Aset (Persero)

About Annual Report 2018

PT Perusahaan Pengelola Aset (Persero)'s 2018 Annual Report refers to the prevailing law on information disclosure found in the Annual Report. The 2018 Annual Report adapts the theme "Repositioning for the Future Growth." The theme was selected based on the comprehensive analysis and review on the fact and development of the Company's business in 2018. Furthermore, the theme was chosen by taken into account the projection of the Company's business sustainability.

This Annual Report is prepared as a source of documentation containing various information on the performance of PT Perusahaan Pengelola Aset (Persero) during 2018, including the financial condition, results of operations, policies, projections, plans, strategies and goals of the Company. The Annual Report also contains complete information on the Company's profile, marketing performance, operational and financial performance; also information related to the duties, roles and functions of the Company's

organization structure in line with the prevailing internal and external regulations, as well as the implementation of good corporate governance principles.

Preparation of this Annual Report aims to improve information transparency, both to the internally within the Company as well as externally to other parties, including to the related authorities. Through such disclosure of this Annual Report, shareholders as well as all stakeholders will gain adequate information on various activities that have been and will be performed, and information on the Company's performance and achievements in fiscal year 2018.

The Annual Report is expected to build understanding and trust to PT Perusahaan Pengelola Aset (Persero) through the provision of accurate, balanced and relevant information.

DISCLAIMER

Statements found in this Annual Report are subject to known and unknown risks (prospective) and uncertainties that could cause actual results to differ materially from expected results.

Prospective statements in this Annual Report are prepared based on numerous assumptions concerning current conditions and future events of the Company, and the business environment where the Company conducts business. The Company shall have no guarantee that all the valid documents presented cause specific results as expected.

This Annual Report contains the word "PT PPA" or "the Company" hereinafter refer to PT Perusahaan Pengelola Aset (Persero) by consolidation. The word "we" is at times used to simply refer to PT Perusahaan Pengelola Aset (Persero) in general.

REPOSITIONING FOR THE FUTURE GROWTH



The Company strengthened its existence in 2018 by placing investment as foundation for future development. The theme of “Repositioning for the Future Growth” illustrates the Company’s performance in 2018, as result of investment decision taken in 2017.

Through the “Repositioning for the Future Growth,” the Company presented continuity of our performance between “Optimizing Strengths into Excellence, Enhancing Capacity for Growth” as the theme for 2017’s Annual Report. The use of the term “Growth” consistently show commitment of the Company to drive sustainable growth, that will finally provide added-value for the shareholders in on going basis.

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PERFORMANCE IN 2018



Achievements in 2018



In 2018, revenues achieved Rp6.82 trillion, grew by 7.23% compared to Rp6.36 trillion revenues booked in 2017.

7,23%



Net income achieved Rp428.80 billion or increased by 31.34% compared to Rp326.49 billion in 2017.

31,34%



Key Performance Indicator

assessment score
in 2018 achieved

104,84

with
"Very Good"
qualification



GCG Assessment

score in 2018
achieved

88,13

with
"Very Good"
qualification



The Company's Soundness Index Score and Soundness Classification

in 2018 achieved

93,50

"Healthy"
with
"AA"
soundness
classification

Financial Highlights

in million Rupiah

Description	2018	2017	2016	2015	2014
COMPREHENSIVE STATEMENTS					
Proceed from Asset Management	-	12.722	65.275	57.999	117.665
Deposit to Government	50.297	55.320	4.741	89.798	102.053
Revenues	6.824.001	6.355.757	5.000.360	3.969.614	2.151.805
Operating Income	531.436	572.843	414.169	360.947	150.979
Net Income	428.800	326.485	281.266	170.962	116.893
Net Income Attributable to:					
Owner of the Parent Entity	426.077	324.045	279.466	170.274	116.444
Non-controlling Interests	2.723	2.440	1.800	688	449
Comprehensive Income	490.579	577.453	297.016	130.001	217.167
Total Comprehensive Income (Loss) Attributable to:					
Owner of the Parent Entity	467.878	572.411	295.242	129.337	216.502
Non-controlling Interests	22.701	5.042	1.774	664	665
Net Working Capital	1.839.869	2.299.494	2.195.097	2.407.200	1.119.719
Total Liabilities	6.482.458	4.770.677	3.738.501	3.435.716	2.469.464
Total Equity	5.262.043	4.709.691	4.151.328	3.864.528	2.747.807
Earnings (Loss) Per Share (Full Amount)	142.183	108.134	93.258	85.280	58.318
OPERATING EXPENSES					
Bank Interest Expense	149.891	89.149	60.456	54.978	25.177
Employee	280.170	240.992	247.346	196.575	174.514
Allowance (Reversal) of Receivables Impairment	65.927	(19.652)	(23.373)	19.122	26.589
Construction Services	5.534.321	5.203.415	4.145.503	3.217.813	1.724.742
Rent and Insurance	35.788	35.418	32.640	30.865	24.354
Business Trip	21.299	18.442	15.971	14.798	2.034
Investment	244	8.043	24.364	8.568	1.881
Marketing and Sales	12.857	12.285	11.846	8.318	-
Post-Employment Benefits - Net	6.039	5.673	5.903	13.358	2.443
Office Supplies	51.519	36.287	42.909	3.885	6.772
Depreciation	22.533	26.096	9.994	10.840	5.090
Consultant Services	7.472	6.297	12.070	1.699	865
Others	27.357	62.308	562	27.848	6.365
Total Expenses	6.215.417	5.782.914	4.586.191	3.608.667	2.000.826
Income Before Income Tax Expense	441.660	332.930	283.400	185.888	121.835
Income Tax Expense	12.860	6.445	2.134	14.926	4.942

in million Rupiah

Description	2018	2017	2016	2015	2014
Income for the Year	428.800	326.485	281.266	170.962	116.893
Total Comprehensive Income for the Year	490.579	577.453	297.016	130.001	217.167

**STATEMENTS OF FINANCIAL
POSITION**

Assets	11.744.501	9.480.368	7.889.829	7.300.244	5.217.271
Cash and Cash Equivalents	1.365.617	1.694.156	1.534.252	2.346.889	935.152
Liabilities	6.482.458	4.770.677	3.738.501	3.435.716	2.469.464
Investments in Associated Entities		972	789	592	500
Other Long Term Investment	138.053	41.818	42.535	592	500
Investment In Joint Venture	336.085	348.689	340.884	276.005	455.821
Employee Productivity (Parent)		1.765	1.589	1.012	356
Equity	5.262.043	4.709.691	4.151.328	3.864.528	2.747.807
Fixed Assets – Net of Accumulated Depreciation	1.068.044	716.622	386.165	424.591	370.793
Other Non-current Assets	354.278	336.091	25.276	27.558	30.815

FINANCIAL RATIO (%)

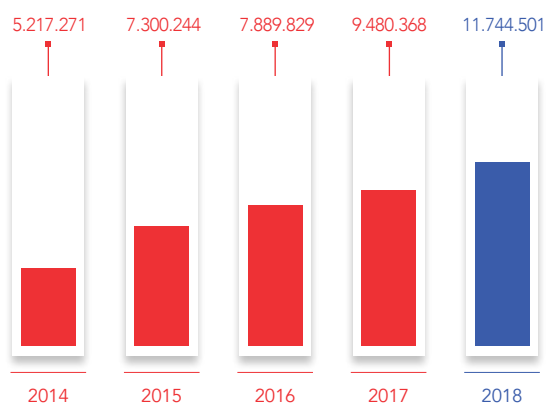
Return on Assets	4	3	4	2	2
Return on Equity	8	7	7	4	4
Net Profit Margin	6	5	6	4	5
Current Ratio	134	163	171	189	157
Debt to Equity Ratio	123	101	90	89	90
Debt to Assets Ratio	55	50	47	47	47

INDUSTRY RATIO

SOEs Restructuring/Revitalization Assignment	100%	100%	100%	100%	100%
Performance Indicators	104,84	102,35	97,9	105,6	98,8
Soundness Index	93,5	94	92,5	92	90

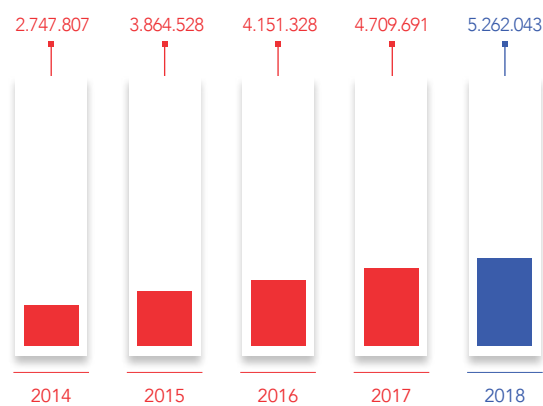
ASSETS

in million Rupiah



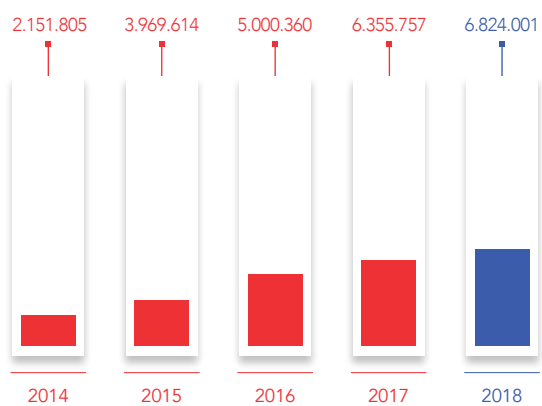
EQUITY

in million Rupiah



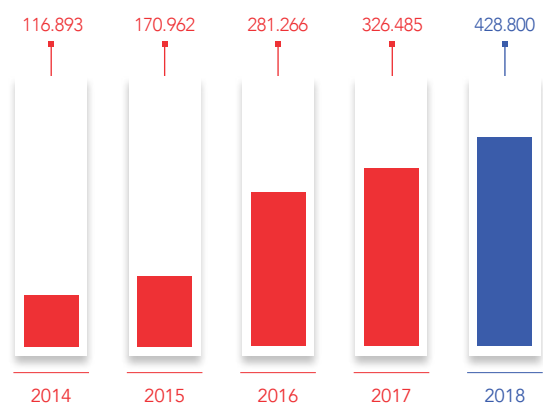
REVENUES

in million Rupiah



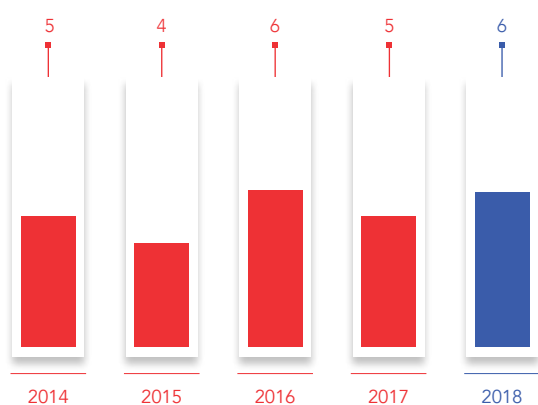
INCOME FOR THE YEAR

in million Rupiah

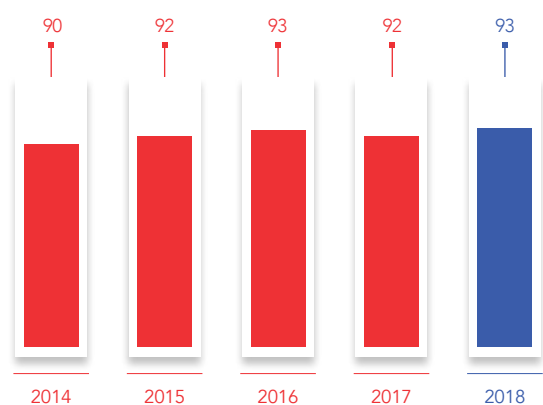


NET PROFIT MARGIN

%



SOUNDNESS INDEX



Shares Highlights

As of December 31, 2018, the Company is a non-listed SOE or not yet listed at Indonesia Stock Exchange, therefore, information about total shares outstanding, market capitalization, highest, lowest and closing shares price and trading volume are unavailable.

Bonds/Sukuk/Converted Bonds Highlights

As of December 31, 2018, the Company has not issued any bonds, sukuk or converted bonds, therefore, information about total bonds, sukuk, or converted bonds outstanding, interest/yield rate, maturity date and bonds/sukuk rating are unavailable.

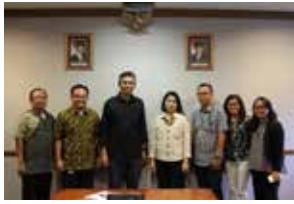
Event Highlights 2018

January	9	15	16
	Town Hall Meeting: Achievements for 2017 and Expectation for 2018	Opening of PT PPA Excellent Performance Assessment Criteria Implementation 2017	Inauguration of PT PPA Board of Directors by Minister of SOE
	16	20	23
	Signing of 90% Shares Trading of PT Pratama Persada Airborne	Visit by the Ministry of SOE to PT Polytama Propindo regarding PMN Proceeds Disbursement Monitoring	Implementation of Company's Budget Plan 2018 Consignment
	24	29	
	General Meetings of Shareholders on Company's Budget Plan in 2018	Focus Group Discussion, Economic Outlook Update & Business Gathering	

March	1	19	28
			
	PT PPA Work Visit with the Ministry of SOE to PT Kertas Leces Plant and Hearing with Employees of PT IGLAS	Signing of Investment Principal Agreement between PT Polowijo and PT PPA	Signing of Investment Cooperation Agreement between PT Wisarada Sarana Aviasi and PT PPA
April	12	12	13
			
	Inauguration of PT PPA Board of Commissioners by Minister of SOE	Signing of Investment Cooperation Agreement between PT PPA Kapital and PT Polowijo Gosari	Inauguration of PT Nindya Beton Board Directors by Shareholders
	23	30	
			
	Benchmark of PT Angkasa Pura I (Persero) to PT PPA	PT PPA PKBL Award in Indonesia Partnership and Community Development Program Appreciation 2018 by Warta Ekonomi	

May	2		3		4	
		PT PPA Annual General Meeting of Shareholders		Signing of BPR Dana Mandiri Bogor Shares Trading Agreement		Meet & Greet: Hospitality Event with Mr. Isa Rachmatarwata (General Director of State Assets)
	9		15		15	
		Signing of Loan Agreement between PT PPA and Bank Mega		Signing of Partnership Program Agreement between PT PPA and PT Bahana Artha Ventura		PT Nindya Karya Annual General Meeting of Shareholders
	30		30		30	
		Signing of Investment Cooperation Signing between PT PPA and PT Gali Terus Sejahtera		Signing of Investment Cooperation Agreement between PT PPA and PT Inti Adhiyasa		Signing of Investment Cooperation Agreement between PT PPA and PT Polowijo Gosari
	31					
		Signing of Investment Cooperation Agreement between PT PPA and PT Niaga Bumi Energi				

June	5	9	9
			
	PT PPA Finance Annual General Meeting of Shareholders	Farewell Ceremony of Bus Mudik Bareng Guyub Rukun 2018 from Ancol	Farewell Ceremony of KM Doloronda Mudik Bareng Guyub Rukun 2018 from Port of Tanjung Priok
	10		
			
	Farewell Ceremony of Bus Mudik Bareng Guyub Rukun 2018 from PT PPA		
July	25		
			
	Signing of Investment Cooperation Agreement between PT PPA and PT Polyrama Propindo		
August	7	15	21
			
	Signing of Investment Cooperation between PT Wisarada Sarana Aviati and PT PPA	Signing of Memorandum of Understanding between Lembaga Pembiayaan Ekspor Indonesia and PT PPA	Blood Donation to Commemorate RI's 73 rd Independence Day

August	23		24		28	
	Coordination Meeting Regarding Establishment of PT PPA Holding		Signing of Investment Cooperation Agreement between PT PPA and PT Bondi Syad Mulia		Signing of PT Magnesium Gosari Internasional Establishment Deed	
	29		29			
	Signing of Self-Funded Loan Agreement between PT PPA and PT Bank Tabungan Negara (Persero) Tbk		Signing of Conditional Capital Investment Agreement between PT Merpati Nusantara Airlines and PT Intra Asia Corpora			
September	7		10		14	
	Signing of Loan Facility Agreement between PT PPA and PT Pratama Persada Airborne		Signing of PT Bondi Syad Mulia's Shares Acquisition Deed by PT PPA Kapital		Company's Work and Budget Plan 2019 Coordination Meeting	
	21		24		26	
	Signing of Loan Agreement between PT PPA and PT Bank Banten Tbk		Signing of PT Sippa Kemasan Internasional Establishment Deed		PT PPA awarded as "Excellent" by Infobank in 9 th BUMN Awards 2018	

September	28			
	 Distribution of Post-Earthquake Donation in West Lombok Municipal by Board of Commissioners and Board of Directors of PT PPA			
October	3	3	11	
	 IBD EXPO 2018 in Surabaya participated by PT PPA	 Investment Cooperation Agreement between PT PPA and PT Pusaka Bumi Transportasi	 Signing of Cooperation Agreement between PT PPA and PT Industri Sandang Nusantara (Persero)	
	16	19	22	
	 Signing of Investment Cooperation Agreement between PT PPA and PT Bina Patria Transmirta	 Signing of Memorandum of Understanding between PT PPA and PT Pupuk Kujang	 Signing of Investment Cooperation Agreement among PT PPA, PT PPA Kapital, PT Matoi Kidung Samudera and PT Matoi Kidung Bahtera	
	23	31		
	 Signing of Investment and Operations Cooperation Agreement between PT PPA and PT Rejeki Intilogam Jaya	 Inauguration of President Commissioner position in PT PPA Finance		

November	11	15	28
			
	Signing of Loan Agreement between PT PPA and PT Bank Mandiri (Persero) Tbk	PT PPA Media Workshop	Signing of Loan Agreement between PT PPA and Lembaga Pembiayaan Ekspor Indonesia
December	12	21	26
			
	Signing of Loan Agreement between PT PPA and PT Bank Shinhan Indonesia	Signing of Receivables Management Cooperation Memorandum of Understanding between PT PPA and PT Bank Tabungan Negara (Persero) Tbk	Inauguration of PT Nindya Karya Board of Commissioners by Minister of SOE
	27	28	28
			
	Distribution of Donation Post-Tsunami Earthquake in Sunda Strait	Signing of Receivables Management Cooperation Agreement between PT PPA and PT Bank Tabungan Negara (Persero) Tbk	Signing of Investment Cooperation Agreement between PT PPA and PT Wintermar
	31	31	
			
	Signing of Receivables Trading Deed between PT PPA and PT Bank Tabungan Negara (Persero) Tbk	Signing of Loan Agreement between PT PPA and PT Bank Tabungan Negara (Persero) Tbk	

Awards



50 Best BUMN

Ranked 37th State-Owned Enterprise 2018
by
Investor Magazine
in October 2018 XX/303 edition



BUMN Rank 2018

Ranked 3rd Financing and Other
Finance category
by
Investor Magazine
in October 2018/XX/303 edition



Rating 119 SOEs 2018

"61 SOEs acknowledged as Excellent"
by
Infobank Magazine
No. 483 September 2018 Vol. XL edition



Best Partnership Program and Community Development in Insurance and Financial Services Category

Indonesia Partnership and Community
Development Appreciation 2018
by
Warta Ekonomi, April 2018





REPORT FROM THE **MANAGEMENT**



Report from Board of Commissioners



PT PPA (Persero) saw 2018 as a historical period that becomes the period where the Company launch new vision and mission, as a Business Group that will be acknowledged for our business activity that are more dominated with investment activities such as acquisition and joint venture in various real sectors development that is expected to gain optimum return.

EDY PUTRA IRAWADY

President Commissioner

Assalamu'alaikum, wr.wb. Our Shareholders and Stakeholders,

The Board of Commissioners would express our highest appreciation to the Board of Directors and all employees to achieve various operational and financial performance indicators, as integrated part of the Company's initiatives to achieve our vision "To Become a Reputable Investment Company and Trusted Partner in Corporate Restructuring," through the activities as illustrated in our mission, "To Provide Sustainable Growth for all Stakeholders through investment, restructuring, assets management and advisory activities."

2018 is a period where the Company's transformation is growing, processed and developed according to the targets as set forth in the RJPP and RKAP. The performance achieved in 2018 is expected to become the foundation to achieve our strategic plan and competitive advantages in on going basis.

Through this Annual Report, the Board of Commissioners has referred to the function to report supervisory duty throughout fiscal year 2018. In line with spirit and commitment of the management and all Company's people, 2018 is also marked with improvement of the economics indicators, including stable economic growth, inflation rate and exchange rate, increasing foreign exchange reserves, investment grade status upgrade from the securities rating agency, and improvement of the stock market performance. As framework that have supported our performance in 2018, we wish the economics indicators will experience another significant growth in the future.

Dear Shareholders and Stakeholders,

We pray to Allah SWT, the Almighty God for blessing us abundantly and enabled us to pass 2018 smoothly followed by the success in achieving the Company's positive performance.

In the midst of sluggish global economy, according to data released by the Central Statistics Bureau ("BPS"), Indonesian economics grew by 5.17% in 2018, higher than growth realization in 2017 that was 5.07%, or even the highest growth for the last 4 years. In terms of production, the highest growth is achieved by Other Services Business Sector with 8.99% growth. In expenditure side, the highest growth is achieved by Consumption Expenditure of Non-Profit Institution that Serves Household (PK – LNPRT) with 9.08 per cent growth.

Furthermore, the BPS reports that based on the contributors, the highest economic growth contributor is from manufacturing industry business sector with 0.91% sector, followed by retail and wholesaler trading, car and motorcycle reparation with 0.61% sector and forestry and fisheries achieving 0.50% growth.

In line with the 5.17% economic growth, BPS also estimates an increment in income per capita side. The income per capita of Indonesian population in 2018 is reported achieving Rp56 million or USD3,927 or higher than Rp51.9 million or USD3,876 in 2017. However, income per capita in 2016 was booked Rp47.9 million or USD3,603. Based on World Bank category, with the income per capita of USD3,927, Indonesia is now classified in upper middle income Country group.

The national macroeconomics condition has generally brought positive impact on national economy and contributed significantly for the Company's performance. The Board of Commissioners also asks all stakeholders to increase performance in all levels altogether to answer the national macroeconomics improvement through hard work and innovation in all business lines to drive improvements in the future.

Assessment on Board of Directors Performance

The Board of Commissioners is a Corporate Organ who performs supervisory (oversight) and advisory functions for the Board of Directors. Various mechanism has been conducted to perform the supervisory function namely through meetings with the Board of Directors, opinion and approval on the proposal submitted by the Board of Directors, and field visit. In addition, the Board of Commissioners has also absorbed various aspirations submitted by the Stakeholders to provide recommendation on the Company's operation run by the Board of Directors.

Based on the Audited Financial Statements for 2018, the Board of Commissioners assumed the Board of Directors has implemented the Company's management very good and well-controlled as reflected from financial performance acquired in fiscal year 2018.

Year of 2018 is an operations transformation period for the Company where the Company successfully increased its financial performance significantly. This is seen from revenues realization achieving Rp6.8 trillion, increased from Rp6.4 trillion booked in 2017. There is

a revenues growth of 7.37% or 88.25% achievement from the The Company's Budget and Plan (RKAP) 2018 target of Rp7.7 trillion.

In terms of profitability, the Company successfully booked income for the year of Rp428.8 billion, increased significantly by 31.34% from Rp326.5 billion booked in previous year or 104.58% achievement from RKAP 2018 target of Rp410 billion.

From the Balance Sheet, as of December 31, 2018, the Company booked total assets of Rp11.7 trillion, grew by 23.88% from amount in previous year that was Rp9.5 trillion or 107.68% achievement from RKAP 2018 target of Rp10.9 trillion. Total Equity reached Rp5.3 trillion, grew by 11.73% from the previous year's achievement of Rp4.7 trillion or 105.48% from RKAP 2018 target that was Rp4.9 trillion. Meanwhile, based on the Company's business characteristics that mostly conducted additional borrowings, total loans reached Rp6.5 trillion, increased significantly by 35.88% from previous year's amount of Rp4.8 trillion or 109.54% achievement from RKAP 2018 target of Rp5.9 trillion.

From financial ratio, the Company successfully booked profit margin of 6.28% and increased from 5.14% booked in previous year. The return on equity (ROE) ratio of the Company stood at 8.15% and increased from previous year that was 6.93%. The Debt to Equity Ratio (DER) stood at 123.19% and increased from 101.29% booked in the previous year.

Based on financial indicators mentioned above, the Board of Commissioners evaluated that the Board of Directors had implemented various performance achievements in 2018 according to the stipulated targets. Those achievements are surely our strength for the Company's future performance in pursuing the sustainable competitive advantages.

View on Business Prospect

The Company is considered as a unique State-Owned Enterprise compared to other State-Owned Enterprise. One of the Company's characteristics that is more acknowledged dominantly by public is the Company's special assignment in Restructuring and Revitalization

activities for SOEs under restructuring process. This activity surely requires sufficient capacity and capability with regards to the Company's operational improvement that is handled in stages and expected to be improved in terms of financial aspect and the Company's soundness indicators.

In line with the Shareholders' expectation and aspiration, in 2018, the Company has a vision that will principally build PT PPA as a group entity with more dominant involvement in activities of our subsidiaries, namely in investment or private equity activities. However, activities that are currently implemented by the Company such as restructuring, assets management and advisory are still implemented.

The change in vision and mission will lead the Company to grow as a business group with number of subsidiaries and affiliated companies. Therefore, the Company's management is expected not only to run a business management focused on Parent Company but also balance management on the Business Group properly, prudent and good governance.

In order to achieve the mission and transformation mentioned above, the management has prepared in the company's budget plan 2018 comprehensively related to several plans for the Company's business development including financing related to investment needs.

The Board of Commissioners assumed that the Company has various business opportunities in the future to encourage the Company to have a very promising business prospect and to develop a sustainable competitive advantages. Therefore, the management is expected to develop an effective financing system for the Company.

Last but not least, the Board of Commissioners suggested that to improve current competitiveness as well as business needs and sustainability in the future, the Management shall establish a governance that regulates relationship among the Parent Company with Subsidiaries, Sub-Subsidiaries and Affiliated Companies. This needs to be done considering the

Company's trend recently does not only perform in terms of operational and financial aspects but must be balanced with Governance performances, such as Good Corporate Governance (GCG), Enterprise Risk Management, Internal Control, Compliance, Disclosure & Transparency, and Stakeholder Engagement. Through this approach, PPA Group will be acknowledged as Good Corporate Citizen in the future.

Corporate Governance Implementation

In its capacity as supervisory and advisory functions, the Board of Commissioners is fully aware importance of GCG implementation for the Company. With the GCG implementation, the Company has a foundation to maintain quality of operational performance, financial performance also to protect interests of all shareholders and stakeholders.

Referring to the regulations applied by the Ministry of SOEs, Management of the Company is committed to perform the managerial and supervision by referring to the Good Corporate Governance principles and Business Ethics.

The Board of Commissioners fully supports the commitment and work program carried out by the Board of Directors related to implementation of Good Corporate Governance principles and Business Ethics, including supporting the efforts to ensure the GCG has been implemented effectively to prevent conflict of interest, submission of Report of State Officials Wealth (LHKPN), Whistleblowing System (WBS) reporting and other activities.

The Board of Commissioners supports all of the Management's initiative to perform GCG dissemination and internalization to all of the Company's People and stakeholders. Going forward, the Company's management is expected to plan completeness of the Company's GCG infrastructure.

WBS Implementation

WBS is a GCG implementation infrastructure that facilitates report from external and internal parties of the Company for various violation indications. An effective WBS will encourage establishment of corporate culture based on GCG principles and ethical business implementation. This system facilitates all parties both Executives, employees and other external parties related to the employees to report every violation indication.

The Board of Commissioners is surely committed to develop and supervise the Company through implementation of GCG principles including implementation of WBS function and mechanism. The Company has been equipped with specific policy and infrastructure on WBS implementation referring to the policy, mechanism and infrastructure based on best practice.

Assessment on Committees Under Board of Commissioners

With regards to the role, function and obligation effectiveness, the Board of Commissioners is entitled to establish supporting organs such as Audit Committee and other Committees. The Board of Commissioners is currently supported by two supporting organs such as Audit Committee and Risk Oversight and GCG Committee.

Audit Committee is a Committee that supports the Board of Commissioners to evaluate internal audit implementation, including in financial, corporate governance and risk management aspects in the Company. Meanwhile, the Risk Oversight and GCG Committee is a Committee that is especially established to perform assessment related to the Board of Commissioners supervision upon the activities related to Enterprise Risk Management and GCG implementation, where the Company's business process is expected has been conducted according to the risk management and mitigation as well as GCG principles and ethical business implementation.

The Board of Commissioners assessed that the Audit Committee and Risk Oversight and GCG Committee have carried out their functions very well and provided effective recommendation for the Board of Commissioners in conducting supervisory and advisory functions for the Board of Directors.

Change in Board of Commissioners Composition

In 2018, there was a change in Board of Commissioners composition after the succession of Mr. Taufik Sukasah and Mr. Dedi Rudaedi whose terms had been ended and replaced with Mrs. Lydia Silvanna Djaman and Mr. Didyk Choiroel. Therefore, as end of 2018, the Board of Commissioners members consist of 4 (four) members composed of:

Name	Position
Edy Putra Irawady	President Commissioner
Tirta Hidayat	Independent Commissioner
Lydia Silvanna Djaman	Commissioner
Didyk Choiroel	Commissioner

Appreciation to Stakeholders

On behalf of the Board of Commissioners, we would express our appreciation to the shareholders for trusting and supporting the Company. To the Board of Directors and all employees, we would give our utmost gratitude for their perseverance, spirit, hard work and commitment both individually and collectively in operating and ensuring implementation of the Company's services.

To our working partners, We would express our most sincere gratitude for their trust and we wish to continuously improve our services to meet the expectation of the service users. To our business partners, we thank your continuous support both in good and hard times. Our appreciation is also addressed to other stakeholders.

As our closing remark, the Board of Commissioners would invite all of the Company's Management to stay optimistic in dealing with every challenge in the future. We believe that with good cooperation, mutual work and hand in hand as well as always preserve our solidarity, every major issue and challenge, Insha Allah, will be overcome completely/easily. May the harmonious relationship and cooperation among all Stakeholders will always be established in the future.

PT Perusahaan Pengelola Aset (Persero)

Jakarta, March 2019

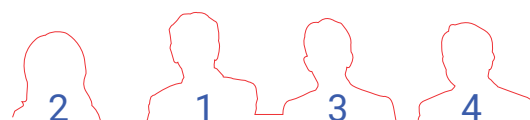
On behalf of Board of Commissioners,



Edy Putra Irawady

President Commissioner





1	Edy Putra Irawady
	President Commissioner

2	Lydia Sylvanna Djaman
	Commissioner

3	Didyk Choeroel
	Commissioner

4	Tirta Hidayat
	Independent Commissioner

Report from Board of Directors



Closing the challenging year of 2018, the Company successfully maintains positive financial performance and delivers added-value for all stakeholders. The positive achievement is reflected in the key financial accounts of the Company in 2018. Total revenues increased in fiscal year 2018 compared to previous year, from Rp6.4 trillion to Rp6.8 trillion or grew by 7.37% or 88.25% from the RKAP 2018 target of Rp7.7 trillion.

In line with the revenues growth, the Company's net income increased around 31.34% from Rp326.5 billion in 2017 to Rp428.8 billion or 104.58% from company budget plan 2018 target of Rp410 billion. Meanwhile, total assets increased by Rp9.5 trillion in 2017 to Rp11.7 trillion or increased around 23.88% or achieved 107.68% if compared to RKAP 2018 that was targeted to achieve Rp10.9 trillion.

HENRY SIHOTANG

President Director

Our Honorable Shareholders and Stakeholders,

First of all, we would pray and grace the Almighty God for every blessing bestowed upon us that enabled the Company to record positive performance in 2018. Throughout 2018, the Company has implemented various working programs according to direction from the Board of Commissioners to always increase the Company's performance.

Despite several challenges in 2018, the Board of Directors attempts to solve and innovate in dealing with the changing condition to achieve optimum performance and deliver values for our stakeholders and shareholders.

Indonesian Economics Review

In 2018, Indonesian economics performance achieved 5.17%, increased from 5.07% level in 2017. However, there was a negative sentiment in the monetary sector that placed Rupiah exchange rate position to USD depreciated and hit the highest level at Rp15,161/US\$ at the fourth quarter of 2018.

Challenges

The Company's management is surely related with the occurred challenges. The Board of Directors and all employees have been working hard to solve every challenge, and bring the Company to achieve the designated performance target. The challenges that were experienced by the Company in 2018 including operations termination and non-bankable conditions of some SOEs that were planned to be restructured by the Company, which means the Company experienced a financing shortage to bridge the Restructuring/Revitalize program (bailout proceeds) and some of the SOEs that will be restructured are classified in bankruptcy or Suspension of Debt Payment Obligations (PKPU) corridors, as well as occurrence of some labor issues. In addition, source of financing also became another major challenge for the Company to place investments. Therefore, it is important for the Company to ensure existing financial capacity to develop the business and seek other financing alternative solutions. Availability of Human Resources (HR) also becomes a challenge that shall be concerned by the Company, therefore, HR competency development shall be conducted to fulfill market requirement standards.

Business Development Strategy

Amidst the challenging economic condition throughout 2018, the Board of Commissioners has provided various directions to the Board of Directors to maintain profitability level and achieve revenues growth, specifically for some business segments of the Company. Therefore, the management has implemented some of strategies by allocating resources and arranged business composition to drive investments.

In 2018, with approval from the Board of Commissioners, the Company has implemented strategic actions to expand investment business segment as a business that will generate recurring income. This composition arrangement becomes an important part of the Company's business development in the future, therefore, the Company will have a consistent and achievable growth level. Strategic initiatives that have been implemented in 2018 are among others:

- **Focusing Business Portfolio and Strengthening the Strategy**

Arrangement on the Company's business composition has been explained in 2018 – 2022 long term plan that is prepared by the Management. The long term plan discloses that the Company will focus on investment business sector. This is surely in line with role of the SOEs as agent of development, where investments placed by the Company have actualize the agent of development function, transform non-productive companies into productive companies and increase manpower absorption as well as state revenues through tax payment. Going forward, the Company will further strengthen the strategy to achieve SOEs Restructuring and Revitalization implementation goals as mandated by the Shareholders and to acquire values from the investments.

- **Change in Organization Structure**

In 2018, the Company has also arranged the organization structure to be in line with the Company's business strategy. Within the arrangement, the Company's organization structure will be more effective and encourage acceleration of execution process based on the strategy and expectation. In the organizational context, the Company will keep concerning conformity with dynamic change in business environment, to ensure the Company will be able to solve every business challenge in the future.

- **Business Model Adjustment**

According to Government Regulation No. 61 of 2008, business activity of the Company is stipulated, namely, (i) management of assets from

the Indonesian Banking Restructuring Agency (IBRA), (ii) SOEs Restructuring and Revitalization, (iii) Investment Activity and (iv) SOE asset management.

As the management of assets from IBRA ended in 2017, to reduce dependency of the Company on Government Investment (PMN) proceeds to perform the Restructuring and/or Revitalization (R/R) duties, as well as to ensure the Company's business sustainability in the future, since 2018, business activity of the Company is focused on investment and R/R activities. This has been disclosed in the long term plan, which direction aims to develop the Company as a reputable investment company and trusted partner in corporate restructuring. Therefore, in 2018, the Company adapts the Annual Report theme "Repositioning for the Future Growth," that illustrates the Company's focus on investment activity to increase growth in the future.

- **Human Resources Quality Improvement**

As foundation for HR development, the Company arranges HR based on competency as well as updates the career planning and development system. In addition, the Company has also adjusted soft competency standard, conduct employee satisfaction and engagement survey, and improve the remuneration system that is adjusted with the Company's financial performance growth.

To support the HR development system, the Company has also conducted arrangement through issuance of Board of Directors Decrees that regulates, namely, position stipulation, competency standard, study assignments, and other issues related to HR aspect. As in previous years, the Company also held various seminars, dissemination and induction programs for new employees. Furthermore, to achieve high HR quality standard, the Company has also conducted professional personnel recruitment to be assigned in specific positions.

Impact from the Company's Strategy Focus

Implementation of the Company's strategies has indicated significant result for the Company's growth. In 2018, the Company booked net income growth of 31.34% compared to previous year and has been ready to advance the growth in the upcoming years. During the same period, the Company managed to improve performance of Subsidiary, PT PPA Kapital (PPAK) from negative into a company with positive value and starts to generate values.

In line with the progress mentioned above, the Company also has sharpened business focus of our Subsidiary in financing sector, PT PPA Finance (PPAF) to penetrate the retail sector.

On the other hand, within the business model transformation and revitalization program, the Company is getting more interested among the creditors that brought greater cooperation opportunity.

Strategic Policy in 2018

- **Assets Management**

Assets Management Agreement between the Company and Ministry of Finance in 2017 where the Ministry of Finance handed over 2 (two) assets to the Company, namely PT Tuban Petro Industries and PT Sejahtera Eka Graha, that has been ended on December 31, 2017 and not extended.

In 2018, the Company has conducted several meetings with the Ministry of Finance to discuss assets optimization cooperation Agreement for properties owned by the Ministry of Finance. The agreement aims to become the legal framework for the Company to support duty of Ministry of Finance through property assets optimization cooperation with mutual beneficiary principle and based on good corporate governance.

The Company has also discussed several agenda with the Ministry of Finance concerning the hand-over of assets, such as land assets in Cikande and Sentul, and as end of December 2018, the issues are still under discussion stage.

- **Restructuring and/or Revitalization (R/R)**

The Company provides restructuring and/or revitalization service based on assignment from the Ministry of SOE with regards to the SOE revitalization to achieve sustainable development and business growth. As of 2018, the Company has implemented restructuring and/or revitalization on PT Boma Bisma Indra (Persero), PT Dirgantara Indonesia (Persero), PT Industri Gelas (Persero), PT Industri Kapal Indonesia (Persero), PT Industri Sandang Nusantara (Persero), PT Istaka Karya (Persero), PT Kertas Kraft Aceh (Persero), PT Kertas Leces (Persero), PT Merpati Nusantara Airlines (Persero), PT PAL Indonesia (Persero) and PT Survai Udara Penas (Persero).

- **Investment**

The Company placed investment in form of financing and equity/securities purchase facilities as short-term investments, operations cooperation as medium-term investment and investments in form of placement and property investment as long-term investments.

In 2018, gain on the Company's investment increased by 67% compared to previous year. The higher yield has motivated the Company to seek investment opportunity in potential sector/industry by continuing the investments placed in the previous years. In addition, the Company also builds synergy with other SOEs to seize investment opportunities.

- **Advisory Service**

The Company provides advisory service namely through preparation of restructuring program review or business review related to revitalization of a company. Demands for the business review

advisory and financial planning services, as well as assistance in form of land/fixed assets utilization in a company also increased in 2018. This is indicated from the market share that is not only limited for SOE companies but also penetrating other private companies.

Performance in 2018

The Management has implemented strategy to give positive direction and prospect for the Company. Although some targets are still below the expectation, overall, the Company and subsidiaries have already had stable operations.

The Company's consolidated total revenues recorded an increment of 7.37% in fiscal year 2018 compared to previous year, from Rp6.4 trillion to Rp6.8 trillion or 88.25% achievement from RKAP 2018 target of Rp7.7 trillion. As the revenues grew, the net income increased approximately by 31.34% from Rp326.5 billion in 2017 to Rp428.8 billion in 2018 or achieved 104.58% from RKAP 2018 target of Rp410 billion. On the other hand, total assets increased by Rp9.5 trillion in 2017 to Rp11.7 trillion in 2018 or increased around 23.88% if compared to RKAP target, the figure reached 107.68% from Rp10.9 trillion targeted. Considering this performance achievement, the Company delivers higher added-values to our stakeholders.

Corporate Governance Practice

The Company is always committed to adapt GCG principles and has equipped various supporting infrastructures for the GCG implementation such as vision, mission and corporate values that have been stipulated since the Company's establishment, Code of Conducts, Whistleblowing System, Code of Good Corporate Governance, Company Regulation, Manual for Board of Commissioners and Board of Directors and various Standard Operating Procedures (SOP).

All of those infrastructures are part of a supporting system to ensure success of GCG implementation in the Company using top-down approach by complying with the prevailing law, best practice and corporate culture. All elements in the Company have been involved starting from preparation, internalization, implementation up to evaluation stages.

Based on result of GCG assessment in 2018 through self-assessment, the Company achieved 88.13 score or "Very Good" predicate. Implementation of GCG principle improved by 0.09 point compared to previous year.

The improvement indicates commitment of the Board of Directors to focus on GCG principle implementation in the Company. Based on assessment by independent assessor or self-assessment, GCG implementation in the Company shows improving trend every year. This proves that GCG has been internalized in the corporate culture of the Company.

Corporate Social Responsibility

As a responsible corporate entity, the Company has developed effective corporate social responsibility program. The programs are implemented based on the Company's confidence that positive performance shall be measured based on financial performance of the Company as well as succeed in implementing responsibility to the society and environment.

Besides focusing on the business, the Company shall also improve its commitment in social and environmental responsibility (Corporate Social Responsibility/CSR) aspect. Through the Partnership and Community Development program, the Company has disbursed total proceeds of Rp12.7 billion in 2018, that has been entirely used for various public welfare improvement initiative under the scope of Partnership and Community Development program activity.

Human Resources Management

HR management strategy in the Company is implemented through several strategic program initiatives, including review and development of organization structure design adjusted with the business model and operations to fulfill business needs both today and in the future. In addition, this is also expected to drive improvement in objective performance assessment system, systematic leadership development program, competitive and fair Reward Management implementation, improvement of integrated HR function operational management system and policy and Corporate Culture development.

Business Prospect

In general, 2019 is marked by General Election both for Executive and Legislative candidates. After the General Election implementation, purchasing power of Indonesian society is expected to increase. In addition, based on observation on the last General Election, the Company is quite optimistic that this year's General Election will be run smoothly and created conducive business climate.

According to the 2019 draft budget presented to the parliament assumption, the economic growth is projected will achieve 5.3% until 5.8% level. The Company views business prospect in 2019 will be better than previous year, particularly in some industries related to the Company's business. This will be mainly driven by increasing infrastructure development and higher purchasing power as the income per capita is also increasing. Going forward, the challenge as main focus of the Company is to optimize financing structure. With better financing structure, the Company will surely have greater opportunity to execute investment and business expansion.

So far, the Company has successfully transformed into a prospective investment company and trusted partner for restructuring and revitalization activities. Approaching 2019, after reviewing work program prepared in the RKAP for the year, the Management believes that the designated work programs and targets have reflected the Company's potential to continuously grow and develop in line with direction as set forth in the Company's Long-Term Plan.

Change in Board of Directors

There is a new Board of Directors member appointed at early 2018 after Mr. Nasrizal Nazir joined as Investment Director, the position was previously served concurrently by Business Advisory and Assets Management Director. As end of 2018, the Board of Directors consists of 4 (four) members with composition, as follows:

Name	Position
Henry Sihotang	President Director
Andi Saddawero	Business Advisory and Assets Management Director
Ajar Setiadi	Finance and Support Director
Nasrizal Nazir	Investment Director

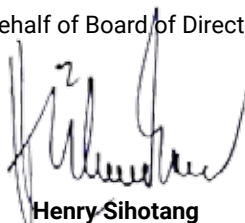
Closing Remarks

Last but not least, the Board of Directors and all employees would thank the Board of Commissioners, Shareholders and Stakeholders for their supports. We wish the performance achieved in 2018 can be maintained and even improved in the upcoming years.

PT Perusahaan Pengelola Aset (Persero)

Jakarta, March 2019

On behalf of Board of Directors,

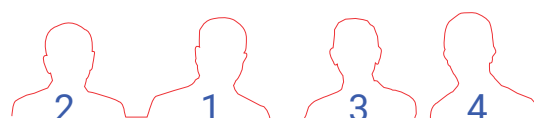


Henry Sihotang

President Director

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1	Henry Sihotang
	President Director

2	Ajar Setiadi
	Finance and Support Director

3	Andi Saddawero
	Business Advisory and Assets Management Director

4	Nasrizal Nazir
	Investment Director



FINANCING ADVISORY



INVESTMENT

RESTRUCTURING

**COMPANY
PROFILE**



Corporate Identity

Company Name	PT Perusahaan Pengelola Aset (Persero)			
Line of Business	• Ex-IBRA Assets Management • SOEs Restructuring/Revitalization (“R/R”) • Investment • SOEs Assets Management			
Date of Establishment	February 27, 2004			
Legal Basis of Establishment	1. Government Regulation Number 10 of 2004 concerning Establishment of Perusahaan Perseroan (Persero) in Assets Management sector dated February 27, 2004. 2. Government Regulation Number 61 of 2008 as Amendment to Government Regulation Number 10 of 2004 concerning Establishment of Perusahaan Perseroan (Persero) in Assets Management sector dated September 4, 2008.			
Authorized Capital	Rp5.000.000.000.000			
Establishment Purpose	Ex-IBRA assets management, SOEs Restructuring and/or Revitalization (R/R), Investment activity, and State-Owned Enterprise assets management activity.			
Subscribed and Fully Paid-in Capital	Rp2.996.688.000.000			
Head Office Address	Sampoerna Strategic Square North Tower 9 th – 12 th Floor Jl. Jend. Sudirman Kav. 45-46 Jakarta 12930 Phone : +62 21 5798 2222 Fax : +62 21 577 2443 Corporate Secretary : Edi Winanto			
Electronic Mail Address	corpsec@ptppa.com			
Website	www.ptppa.com			
Total Employees	171 person			
Listing Date	Non-Listed Company			
Subsidiaries	<table><tr><td>PT PPA FINANCE Sampoerna Strategic Square North Tower 9th Floor Jl. Jend. Sudirman Kav 45-46 Jakarta 12930 Phone : +62 21 5795 1419 Fax : +62 21 5795 1420 Email : customerservice.ppafinance@ptppa.com</td><td>PT PPA KAPITAL Sampoerna Strategic Square North Tower 9th Floor Jl. Jend. Sudirman Kav 45-46 Jakarta 12930 Phone : +62 21 5798 2222 Fax : +62 21 5798 2555</td></tr></table>		PT PPA FINANCE Sampoerna Strategic Square North Tower 9 th Floor Jl. Jend. Sudirman Kav 45-46 Jakarta 12930 Phone : +62 21 5795 1419 Fax : +62 21 5795 1420 Email : customerservice.ppafinance@ptppa.com	PT PPA KAPITAL Sampoerna Strategic Square North Tower 9 th Floor Jl. Jend. Sudirman Kav 45-46 Jakarta 12930 Phone : +62 21 5798 2222 Fax : +62 21 5798 2555
PT PPA FINANCE Sampoerna Strategic Square North Tower 9 th Floor Jl. Jend. Sudirman Kav 45-46 Jakarta 12930 Phone : +62 21 5795 1419 Fax : +62 21 5795 1420 Email : customerservice.ppafinance@ptppa.com	PT PPA KAPITAL Sampoerna Strategic Square North Tower 9 th Floor Jl. Jend. Sudirman Kav 45-46 Jakarta 12930 Phone : +62 21 5798 2222 Fax : +62 21 5798 2555			

Subsidiaries	PT NINDYA KARYA Jl. Letjen MT Haryono Kav 22 Cawang, Jakarta 13630 Phone : +62 21 8093276 Fax : +62 21 8093105 Email : nindyakarya@nindyakarya.co.id Website : www.nindyakarya.co.id	PT NINDYA BETON* Jl. Letjen MT Haryono Kav 22 Cawang, Jakarta 13630 Phone : +62 21 8009070 Fax : +62 21 8009073 Email : info.nindyabeton@gmail.com Website : www.nindyabeton.co.id
	PT DUTA MENTARI RAYA** Sampoerna Strategic Square North Tower 9 th Floor Jl. Jend. Sudirman Kav 45-46 Jakarta 12930 Phone : +62 21 251 2222 Fax : +62 21 5798 2266 Email : rawuh.kuswito.dmr@ptppa.com	PT SIPPA KEMASAN INTERNASIONAL** Sampoerna Strategic Square North Tower 9 th Floor Jl. Jend. Sudirman Kav 45-46 Jakarta 12930 Phone : +62 21 251 2222 Fax : +62 21 5798 2555 Email : netty.ppafinance@ptppa.com
	PT MAGNESIUM GOSARI INTERNASIONAL** Jl. Sekapuk KM 32 RT. 01 RW. 01 Sekapuk Ujung Pangkah Kabupaten Gresik Jawa Timur Phone : 0313949777 Email : andrianobaharudin@gmail.com	PT BONDI SYAD MULIA** Jl. Rungkut Industri Raya II No.35, Kali Rungkut, Surabaya Jawa Timur 60292 Phone : +62 31 8485858 Fax : +62 31 8485858 Email : info@bondigalva.co.id Website : www.bondigalva.co.id
Sector	Assets Management Services, SOEs Restructuring/Revitalization	
Branch Office/ Representative Office	Has no Branch Office or Representative Office	
Company Status	State-Owned Enterprise (SOE)	
Ownership	100% ownership by Government of Republic of Indonesia	
Total Consolidated Assets	Rp11.744.501 million	

*) Indirect ownership through PT Nindya Karya (Persero)

**) Indirect ownership through PT PPA Kapital

The Company

Brief History

With the objective to manage the assets of ex-Indonesian Bank Restructuring Agency (IBRA)'s assets that do not have any legal issue, the Company was established pursuant to the Government Regulation No. 10 dated February 27, 2004. The Company was initially founded with the duration of association of 5 (five) years and can be extended with the approval of the General Meeting of Shareholders (GMS) in accordance with its Articles of Association and validated with the Deed of Meeting Decision No. 7 dated February 27, 2004. This asset management duty of the Company is validated through the signing of Asset Management Agreement dated March 24, 2004, between the Ministry of Finance of the Republic of Indonesia and the Company.

Considering growth of the Company and industry landscape in Indonesia, as well as the Company's status which aims to perform restructuring on various non-litigant ex-IBRA assets, as consideration for the Company's Shareholders to review strategy and reformulate purpose and objectives of the Company to deliver the best for every stakeholders, especially to the Shareholders. Therefore, the Government developed the Company's purposes and objectives by expanding the scope of the new duties for the Company according to Government Regulation No. 61 of 2008 as Amendment to Government Regulation Number 10 of 2004 concerning Establishment of Perusahaan Perseroan (Persero) in Assets Management sector dated September 4, 2008, into as follows:

1. Ex-IBRA Assets Management.
2. SOEs Restructuring and/or Revitalization.
3. Investment Activities, and
4. SOEs Assets Management Activity.

To follow-up the Government Regulation, Shareholders of the Company issued a Shareholder Decree (Circular GMS Resolution) No. KEP-164/MBU/2008 as declared in Deed No. 2 dated September 10, 2008, which amended, among others, the Company's duration of association from 5 (five) years to unspecified time (going concern).

In 2004, after an in-depth review, and in order to support the development of the Company's business plans, the SOE Minister as the Company's GMS determined an amendment to the Company's Articles of Association on February 12, 2014, through letter No. S-68/MBU/2014 concerning Amendment to Articles of Association of PT Perusahaan Pengelola Aset (Persero) as declared in Deeds No. 62 dated February 21, 2014 drafted before Desman, SH., M.Hum, MM., Notary in Jakarta. The amendment then expands the Company's purposes and objectives by also participating in implementation and support the Government's policies and programs in economics, particularly in managing State's assets derived from the Indonesian Bank Restructuring Agency (IBRA) after its termination of tasks and dissolution. The implementation and support from the Company are including:

1. Ex-IBRA Assets Management for and on behalf of Minister of Finance,
2. SOEs R/R.
3. Investment Activities, and
4. SOEs Assets Management Activity.

Besides main business activities mentioned above, the Company is also eligible to perform business activity with regards to the Company's resources optimization, through:

1. Advisory service:
 - a. Business and management;
 - b. Assets sales and/or development;
2. Management of assets owned by: Government excluding Government's Assets from IBRA; Regional Government; Legal Entity that is owned and/or established by Government excluding State-Owned Enterprise; Regional Owned-Enterprise and Private Enterprise, including subsidiaries of SOEs, Joint Ventures, covering following activities:
 - a. Assets trading, including stocks and receivables;
 - b. Assets leasing;
 - c. Receivables restructuring, including receivables collection;
 - d. Corporate restructuring; and
 - e. Assets development and utilization including partnership with other parties.

In line with this progress, competitiveness of the Company is continuously strengthened both in terms of financial and operational aspects up to human resources aspect within strong corporate culture establishment.

Changes in Company's Name

As of 2018, there is no change in the Company's Name.

Milestones

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04

The Company was established with the name PT Perusahaan Pengelola Aset through Government Regulation No. 10 of 2004 dated February 27, 2004 with purpose and objective to manage ex-IBRA assets for and on behalf of the Minister of Finance.

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- Expansion of the Company's purposes and objectives:
 1. Ex-IBRA Asset Management for and on behalf of the Minister of Finance
 2. SOEs Restructuring/Revitalization
 3. Investment
 4. SOE's Asset Management
- Changes to the Company's duration of association, from five years to unspecified time (going concern).

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Establishment of a subsidiary entity, PT PPA Finance.

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As of July 20, 2010, PT Waskita Karya became a subsidiary of the Company under Restructuring/Revitalization Program through the capital investment scheme.

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Establishment of a subsidiary entity, PT PPA Kapital.

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- As of August 13, 2012, PT Nindya Karya became a subsidiary of the Company under Restructuring/Revitalization Program through capital investment scheme.
- Release of PT Waskita Karya as a subsidiary of the Company.

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Development of investment business activity to strengthen the principal tasks in ex-IBRA assets management and SOE Restructuring/Revitalization.

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The Company initiated penetration towards investment market in accordance with the long-term Corporate Plan.

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- Implementation of investment activities.
- Assets management activity by creating investment value in order to support the Company in creating value.
- Implementation of consistent business model according to the vision and mission.

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The Company initiated new business segment development in financial, manufacture and fertilizer industries.

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Establishment of PT Magnesium Gosari International (subsidiary of PPAK), PT SIPPA Kemasan International (subsidiary of PPAK) and acquisition of PT Bondi Syad Mulia by PPAK

Line of Business



Business Activity Based on The Latest Articles of Association

Pursuant to the Deed No. 62 of February 21, 2014, drafted before Desman, S.H., M.Hum, M.M., Notary in Jakarta as stipulated in the BNRI No. 47 dated June 3, 2014, particularly on Article 3 explaining the Company's purposes and objectives are to conduct and support the national development programs and policies in general. To achieve these purposes and objectives, the Company carries out business activities including:

1. The management of state assets derived from the Indonesian Bank Restructuring Agency (IBRA) after the expiration and dissolution of IBRA, for and on behalf of the Ministry of Finance;
2. State-Owned Enterprises (SOE) R/R;
3. Investment Activities; and
4. SOE's asset management activities.

In addition, the Company also carries out the following activities:

1. Direct and indirect investment in the form of:
 - a. Provision of loans to fund projects and/or other business activities.
 - b. Fund placement in a project and/or other business activity.
 - c. Purchasing, development, and/or selling/leasing of assets.
 - d. Temporary Investment (in terms of establishment, purchase of issued/portfolio shares) in company in order to enhance its value for resale.
2. Investment in Marketable Securities in the form of:
 - a. Purchasing of bonds, including quasi-equity listed or not listed on the Stock Exchange.
 - b. Purchasing of stock, warrant, and other derivative products through the Stock Exchange.

Besides the main business activities mentioned above, the Company may conduct other business activities in order to optimize the use of the Company's resources for:

1. Advisory services, in the form of consultation for:
 - a. Business and management;
 - b. Assets sales and/or development.
2. Management of: State-owned assets, Non-IBRA State Assets; Regional Government; legal entities owned and/or established by the State excluded State-Owned Enterprise; Regional-Owned Enterprises and Private-Owned Enterprises, including SOE's subsidiaries, joint ventures, including the following activities:
 - a. Asset trading, including stock and receivables;
 - b. Asset leasing;
 - c. Receivables restructuring, including receivables collection;
 - d. Company restructuring; and
 - e. Asset development and utilization, including cooperation with other parties.

Business Activities

The Company continuously implement strategic policies to effectively improve its business, among others by making use of existing business opportunities through the consistent application of business practices based on prudent and corporate governance principles. To attain optimum performance, the Company prioritizes cooperation with various parties and strategic work partners with the aim to enhance the Company's value for all stakeholders.

Current business lines of the Company are generally as follows:

ASSETS MANAGEMENT	SOE R/R	INVESTMENT	ADVISORY SERVICE
• Conducting asset trading, including stocks and receivables • Assets leasing • Restructuring receivables, including receivables collection • Restructuring companies • Assets development and utilization through partnership with other parties	• Increasing SOE's performance and value in a sustainable/long-term basis by considering commercial and sustainability aspects • SOE to be restructured and revitalized is stipulated by the Minister of SOE after acquiring approval from the Minister of Finance.	• Direct and indirect investment • Investment in the form of marketable securities instruments, including quasi-equity	• Business and management • Assets trading and/or development

Products or Services

Finance

The Company's financing service is generally efficient and flexible by concerning requirements of the clients. Most of the financing is disbursed to SOEs operated in construction, manufacturing and other potential sectors either to support completion of project or investment activities. Scope of business activity including:

- Factoring
- Consumer Financing
- Leasing
- Working Capital Financing
- Project Financing
- Bridge Financing
- Buy Out Financing

Advisory

The Company provides business advisory service by designing strategic initiatives to support the clients expanding and achieving business target. The advisory service includes:

- Business Plan
- Business Valuation & Financial Modelling
- Due Dilligence
- Feasibility Study
- Financial Arranger
- Merger & Acquisition
- Standard Operating & Procedure (SOP) Preparation
- Debt Restructuring
- Sustainability Services and Sustainability Service

Advisory service demand is increasing every year, this also influences type of services provided by the Company, including:

- a. Company restructuring program until the execution phase;
- b. Business Review and Financial Project Development;
- c. Mentoring program in order to utilize land/fixed assets of a company; and
- d. Business Review in relation to the administration and improvement of a company.

Investment

With capability to access broad market and strong institutional relation, the Company provides economic value increase – either short, medium and long-term – through management and development of client/strategic partners' investment. These efforts are carried out in form of funds investment in an assets/project, assets acquisition as well as other investment instruments.

Type of services provided by the Company related to investment namely includes financing and shares/ marketable securities as short-term investment, joint operation as medium-term investment and investment in form of property placement and investment and long-term investment.

In 2018, the Company also continuously seeks opportunity to invest in sector/industry that is suitable with the Company's investment criteria, besides also continuing investments in previous years. The Company also builds synergy with SOE to seize investment opportunity, namely through Operations Cooperation (KSO) with PT Adhi Karya for Bogor Raya Lake area development.

Restructuring and/or Revitalization (R/R)

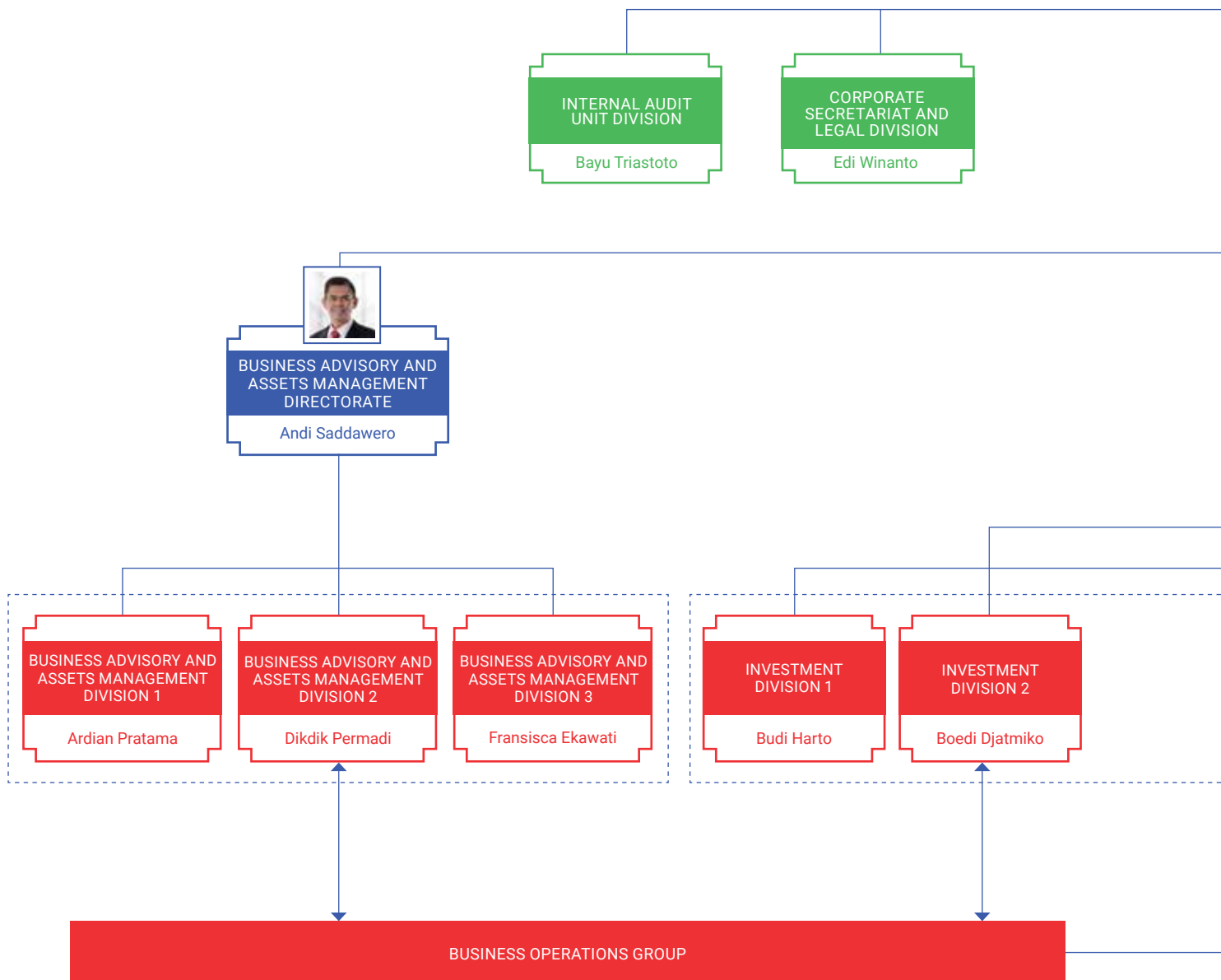
In general, the Company provides restructuring and/or revitalization service to support a Company achieving sustainable business growth and development. In this case, focus of services provided by the Company includes Corporate Restructuring and Debt Restructuring.

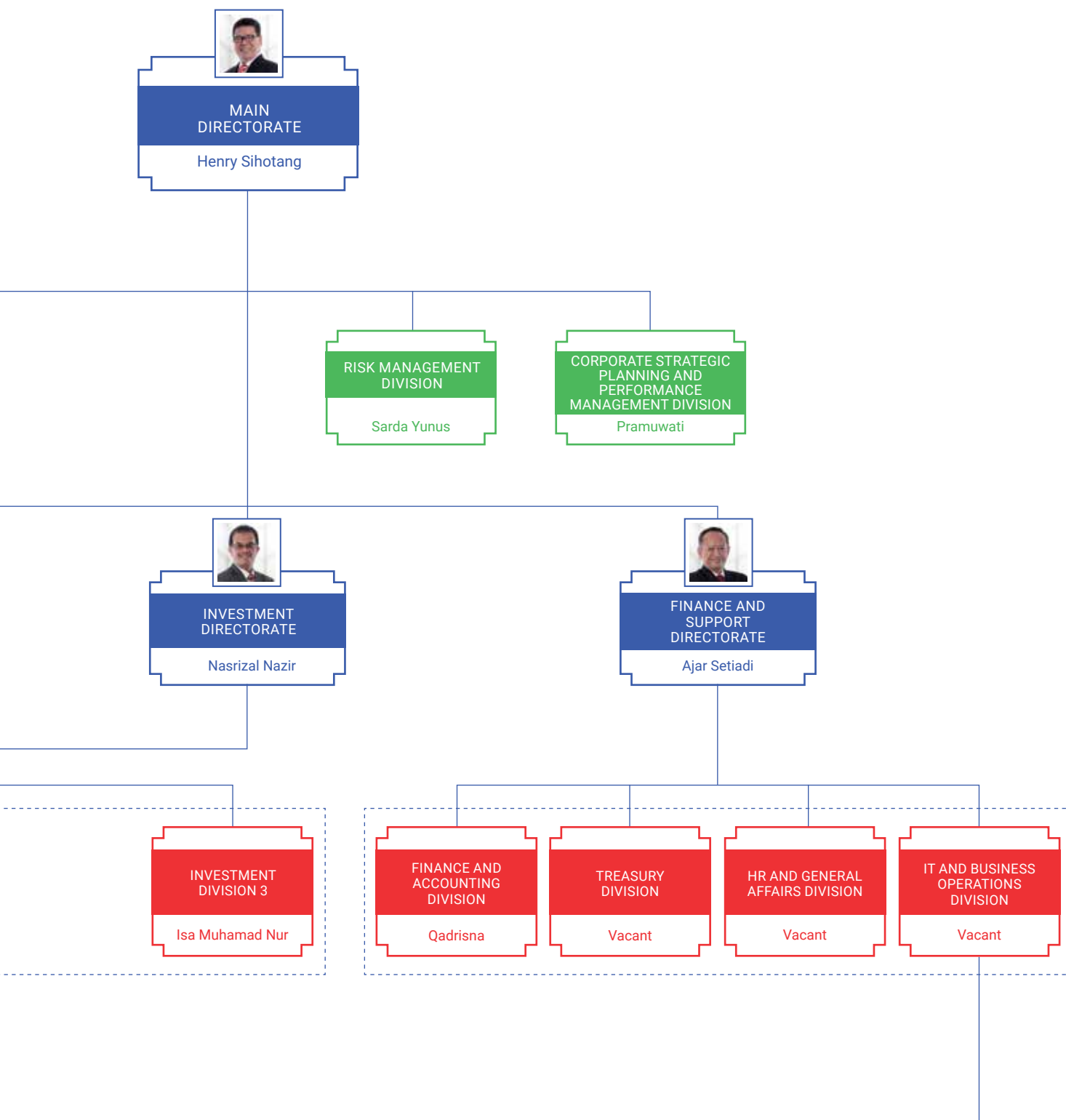
Currently, the Company performed R/R activity for SOEs according to assignment from Minister of SOEs and Non-SOEs Companies. The activity includes:

1. Industrial dispute settlement
2. SOEs potential development
3. Investment disbursement to re-operate/increase performance of the SOEs
4. SOEs performance monitoring

Organization Structure

Below illustrated the Company's organization structure according to Board of Directors Decree No. SK-40/PPA/0718 dated July 9, 2018 concerning Organization Structure of PT PPA.





Vision, Mission and Corporate Values

VISION

To be a leading investment Company and trusted partner in corporate restructuring

MISSION

1. Provide sustainable growth for all stakeholders through investment, restructuring, assets management and advisory activities.
2. Develop personnel with excellent, professional and high-integrity.
3. Implement a transparent management according to good corporate governance principles, risk management and compliance in integrated manner.
4. Contribute to environment and community development.

Vision and Mission Achievement Strategy

In order to achieve vision and mission as mentioned above, the Company has set the objectives in the Strategic Plan for every business segment of the Company, as follows:

1. Investment Activity

Business strategy that is stipulated by the Company in investment sector includes: short-term investment, long-term investment, subsidiary business development, new business development opportunity and strengthening initiation strategy to seize new investment opportunity with strategic partners.

2. Assets Management Activity

Business strategy stipulated by the Company in assets management is divided into two, ex-IBRA and non-IBRA assets management, including:

a. Ex-IBRA assets

Through sales, utilization, leasing, restructuring and/or revitalization, maintenance, security, administration, reporting and service procurement, credit assets restructuring as well as monitoring and review on the Company's performance and corporate action to the companies under management.

Board of Commissioners and Board of Directors Approval on Vision, Mission, Corporate Culture and Values

Entire explanation in the Company's vision, mission and corporate values or philosophy have been agreed and signed by the Board of Commissioners and Board of Directors and declared in the Company's long-term plan 2018 – 2022.

Review on Vision, Mission, Corporate Culture and Values in Five Recent Years

Entire explanation disclosed in the Company's vision, mission and culture or philosophy have been agreed and disclosed in the Company's long-term plan 2018 – 2022, and have been signed by the Board of Commissioners and Board of Directors.

b. Non Ex-IBRA Assets

Through intensive communication and socialization to target market, preliminary research by Research & Development Team, development plan as well as service marketing/assets management product, implementation of assets sales and administration program and cooperation with strategic partners.

3. SOEs Restructuring and/or Revitalization Activity Business

Strategy stipulated by the Company in R/R sector includes: comprehensive restructuring and/or revitalization, approval on R/R loans-receivables settlement and investment, impairment reduction, coordination with Ministry of SOEs, and the Company's investment in companies under management.

4. Advisory Service

Business strategy stipulated by the Company in advisory service includes: intensive communication with all strategic partners, preliminary research and mapping, service/product development and marketing and advisory service provision.

5. Subsidiary

Business strategy stipulated by the Company in subsidiaries includes: monitoring and approval on company's budget plan drafting, regular performance achievement and good corporate governance implementation, early warning system implementation, follow-up on monitoring result and the Company's representative assignment in subsidiaries.

6. Support Activity

Business strategy stipulated by the Company related to working support includes: strengthening brand and partnership with stakeholders, short and long term financing support, cost control implementation, private cloud development, shared-service expansion in subsidiaries, fulfillment of strategic position at business unit, talent pool establishment, stipulation of competitive remuneration structure, implementation of employee competency development based on business growth, regular review on risk management and evaluation on GCG assessment result.

CORPORATE CULTURE

To achieve the Company's Vision and Mission, human resources that are equipped with proper Corporate Culture are required. To that end, the Company continuously and structurally embeds Corporate Core Values, named SEEIT (Stewardship, Entrepreneurship, Excellent, Integrity & Teamwork). Various Core Values internalization programs have been carried out in order to manifest SEEIT in employees' everyday resides, such as:

1. Core Values dissemination.
2. Creating of Core Values gesture.
3. Implementation of Core Values gesture at the beginning of training events, morning briefing for every Division, also employee team building events.
4. Establishment of Core Values Team who are tasked to prepare the corporate values work program to all employees.

CORPORATE VALUES

Corporate Values serve as the foundation and guide for every personnel to work to achieve the Company's goals. The values must be able to motivate all employees to achieve the objectives as reflected on the Company's Vision and Mission.

Corporate values are closely related with the Company's objectives. Therefore, every individual within the Company must truly understand the Company's goals. Through mutual understanding between the management and employees, a conducive and innovative corporate culture can be formed. Hence, work is carried out through high dedication and is results-oriented. The Corporate Values are as follows:



Stewardship

To carry out the stakeholders' mandate and leave a legacy.



Entrepreneurship

Always finding business development opportunities.



Excellence

Provide the best results in every task.



Integrity

Always implementing high ethical standards and consistently fulfilling every commitment.



Teamwork

Commitment to always work together and achieve mutual objectives.

Profile of Board of Commissioners



Edy Putra Irawady

President Commissioner (2016-2021)

Indonesian Citizen, lives in Jakarta.
Born in Kualatungkal on October 5, 1957
and currently 61 years old.

Appointment Decree

Appointed as President Commissioner since 2012 pursuant to Minister of State-Owned Enterprise Decree Number SK-430/MBU/2012 dated December 3, 2012 and has been reappointed through GMS resolutions Number SK-78/MBU/04/2016 dated April 14, 2016 concerning Appointment and Dismissal of President Commissioner at Perusahaan Perseroan (Persero) PT Perusahaan Pengelola Aset for 5 years terms or until 2021.

Education

Graduated Bachelor Degree of Law from Universitas Indonesia (1981), and Master of Arts in International Graduate Transaction (M.A.I.T) from George Mason University, Virginia, United States.

Career History

Prior appointment as President Commissioner, he has served as Commissioner in the Company since 2011 pursuant to GMS Resolutions KEP-92/MBU/2011 dated April 14, 2011. He also serves as Special Staff for Coordinating Ministry for Economic Affairs (November 2017 – now), after appointed as Deputy of Commerce and Industry Coordination Sector (2012 – 2017); Deputy of Industry and Trading Coordination Sector

(2005 – 2012); Act. Assistant Deputy III Coordinating Ministry for Economic Affairs, Agricultural Natural Resources and Livestock Utilization Affairs (2002 – 2004); Assistant Deputy to Coordinating Ministry for Economic Affairs Majoring Marine and Fisheries Affairs (2002 – 2004); and Assistant Deputy to Coordinating Minister of Economic Affairs, Finance and Industry for Manufacturing Industry Affairs (2000 – 2001).

Information on Concurrent Position

He does not serve in other internal position besides serving as President Commissioner of the Company. Meanwhile, outside the Company, he also serves as Special Staff to Coordinative Minister of Economy sector.

Therefore, his dual position is not violating the prevailing Law.

Affiliations

Not having any affiliation with other Board of Commissioners, Board of Directors members and shareholders of the Company.



Tirta Hidayat

Independent Commissioner (2017-2022)

Indonesian Citizen, lives in Jakarta.
Born in Banda Aceh on March 9, 1959 and
currently 59 years old.

Appointment Decree

Appointed as Commissioner in the Company pursuant to Minister of State-Owned Enterprise Decree Number SK-104/MBU/06/2017 dated June 5, 2017 concerning Dismissal and Appointment of Board of Commissioner Member at Perseroan (Persero) PT Perusahaan Pengelola Aset for 5 years terms or until 2022.

Education

Graduated Bachelor Degree of Economics from Universitas Indonesia (1985), and earned Master of Science Degree from Regional Science, Cornell University, New York, USA. In 1991, He earned Doctor of Philosophy (PhD) Degree from Regional Science, Cornell University, New York, USA.

Career History

Serving as Coordinator Assistant to Coordinating Ministry of Economic Affairs, Deputy of Economics, Infrastructure and Marine (2007 – 2017), Head of Research and Development, Ministry of Manpower and Transmigration (2000 – 2002); and worked at National Development Planning Agency as Bureau Head (1993 – 2000).

Information on Concurrent Position

Besides serving as Board of Commissioner Member in the Company, He also serves as Deputy of Economics, Infrastructure and Fisheries, Coordinating Ministry of Economic Affairs.

Therefore, his concurrent position is not violating the prevailing Law.

Affiliations

Not having any affiliation with other Board of Commissioners, Board of Directors members and shareholders of the Company.



Lydia Silvanna Djaman

Commissioner (2018-2023)

Indonesian Citizen, lives in Jakarta.
Born in Samarinda on March 1, 1969 and
currently 49 years old.

Appointment Decree

Appointed as Commissioner in the Company pursuant to Minister of State-Owned Enterprise Decree Number SK-87/MBU/04/2018 dated April 12, 2018 concerning Board of Commissioners Members Dismissal and Appointment in Perusahaan Perseroan (Persero) PT Perusahaan Pengelola Aset for 5 years terms or until 2023.

Education

Graduated Bachelor Degree of Law from Universitas Sebelas Maret (1992), and earned Master of Law from Law School University of Technology Sydney, Sydney, Australia in 1998.

Career History

Serving as Legal and Legislation Deputy of Ministry of State Secretariat (February 2018 – now), Assistant Deputy of Legislation in Economic Sector, Deputy of Legal and Legislation Deputy of Ministry of State Secretariat (2012 – 2018), Expert Staff to Minister of Secretary in Legal and Human Rights Unit (2012), Assistant Deputy of Facilities, Research, Technology and Natural Resources under Economic Deputy, Cabinet Secretariat (2011 – 2012).

Information on Concurrent Position

Besides serving as Board of Commissioners member in the Company, She is also serving as Deputy of Legal and Legislation, Ministry of State Secretariat.

Therefore, her concurrent position does not violate the prevailing Law.

Affiliations

Not having any affiliation with other Board of Commissioners, Board of Directors members and shareholders of the Company.



Didyk Choeroel

Commissioners (2018-2023)

Indonesian Citizen, Lives in Jakarta.
Born in Malang on April 16, 1971 and
currently 47 years old.

Appointment Decree

Appointed as Commissioner in the Company pursuant to Minister of State-Owned Enterprise Decree Number SK-87/MBU/04/2018 dated April 12, 2018 concerning Board of Commissioners Members Dismissal and Appoinment in Perusahaan Perseroan (Persero) PT Perusahaan Pengelola Aset for 5 years terms or until 2023.

Education

Graduated Bachelor Degree of Administration from Sekolah Tinggi Ilmu Administrasi Mataram (1998), He was later graduated from Post-Graduate of Sekolah Tinggi Ilmu Ekonomi Jakarta (2001) and Universitas Gajah Mada (2005).

Career History

Appointed as Director of State Treasury Management, General Directorate of Treasury, Ministry of Finance (2018 – now), Director of Budget Implementation, General Directorate of Treasury (2016 – 2018), Head of Area Office, General Directorate Riau Island Province (2014 – 2016), Head of Organization and Procedure, General Directorate of Treasury (2010 – 2014), Head of Blitar State Treasury Service Office (2008 – 2010).

Information on Concurrent Position

Besides serving as Board of Commissioners members in the Company, He is also serving as Director of State Cash Utilization, General Directorate of Treasury, Ministry of Finance.

Therefore, his concurrent position is not violating the prevailing Law.

Affiliations

Not having any affiliation with other Board of Commissioners, Board of Directors members and shareholders of the Company.

Profile of Board of Directors



Henry Sihotang

President Director (2017-2019)

Indonesian Citizen, lives in Jakarta.
Born in Samosir on April 19, 1961 and
currently 57 years old.

Appointment Decree

Appointed as President Director in the Company since 2017 pursuant to Minister of State-Owned Enterprise Decree Number SK-252/MBU/11/2017 dated November 21, 2017 concerning Dismissal and Appointment and Transfer of Duty among Board of Directors Members at Perusahaan (Persero) PT Perusahaan Pengelola Aset for remaining terms until 2019.

Education

Graduated Bachelor Degree of Finance Management from Faculty of Economics, Universitas Krisnadwipayana, Jakarta (1985). Earned Master Degree of Management majoring Finance from Universitas Satyagama, Jakarta (1988).

Career History

He previously served as Business Advisory and Asset Management Director in the Company (2014 – 2017), Executive Vice President of Bank Mandiri, Corporate Risk II Group (2010 – 2014); Non-Executive Director of Bank Mandiri European Ltd., London (2010 – 2012); Commissioner of PT Pengelola Investama Mandiri (2009 – 2014); Senior Vice President, Credit Recovery II Group (2008 – 2010).

Affiliations

Not having any affiliation with other Board of Commissioners, Board of Directors members and shareholders of the Company.



Andi Saddawero

**Business Advisory and Assets
Management Director (2018-2019)**

Indonesian Citizen, lives in Jakarta.
Born in Ujungpandang on October 8, 1969
and currently 49 years old.

Appointment Decree

Appointed as Business Advisory and Assets Management Director since 2018 pursuant to Minister of State-Owned Enterprise Decree No. SK-14/MBU/01/2018 dated January 16, 2018 concerning Changes in Position, Transfer of Duty and Appointment of Board of Directors Members at Perusahaan Perseroan (Persero) PT Perusahaan Pengelola Aset for remaining terms until 2019.

Education

Graduated Bachelor Degree of Mechanical Engineering from Faculty of Engineering, Universitas Hasanuddin, Makassar (1993). Earned Master Degree of Management majoring Accounting Management from Universitas Indonesia (1995).

Career History

He has worked in the Company since early establishment in 2004. He previously worked in the Company as Investment Director (2014 – 2017), Act. President Director (2013 – 2014); Director (2009 – 2013); President Director of PT Karabha Digdaya (2008 – 2009); Head of Non-Bank Equity Assets Division in the Company (2005 – 2008); General Manager of Special Assets Management at PT Bank Permata Tbk. (2005); Head of Bank Equity Assets Division in the Company (2004 – 2005); and Head of IBRA Bank Restructuring Unit Group (2002 – 2004).

Affiliations

Not having any affiliation with other Board of Commissioners, Board of Directors members and shareholders of the Company.



Ajar Setiadi

Finance and Support Director
(2018-2019)

Indonesian Citizen, lives in Jakarta.
Born in Yogyakarta on November 25, 1967
and currently 50 years old.

Appointment Decree

Appointed as Finance and Support Director in the Company pursuant to GMS Resolutions Number SK-112/MBU/2014 dated 22, 2014 concerning Resolutions of Minister of State-Owned Enterprise as General Meetings of Shareholders of Perusahaan Perseroan (Persero) PT Perusahaan Pengelola Aset for 5 (five) years terms or until 2019.

Education

Graduated Bachelor Degree majoring Nuclear Physics, Faculty of Maths and Natural Science, Universitas Gadjah Mada, Yogyakarta (1992). Earned Master of Economic Development from Universitas Gadjah Mada (2013).

Career History

He has worked in the Company since early establishment in 2004. He was previously appointed as HR and General Affairs Division Head (2010 – 2014); General Affairs Group Head (2004 – 2010); Building Maintenance Group Head, Indonesia Banking Restructuring Agency (1999 – 2004); Manager of General Affairs Group at IBRA (1999 – 2000); HRD and General Affairs Senior Manager PT KIA Timor Motor (1998 – 1999); Personal and General Affairs Head at PT Astra Daihatsu Motor – Engine Plant (1995 – 1998).

Affiliations

Not having any affiliation with other Board of Commissioners, Board of Directors members and shareholders of the Company.



Nasrizal Nazir

Investment Director (2018-2023)

Indonesian Citizen, lives in Jakarta.
Born in Padang on September 12, 1964
and currently 54 years old.

Appointment Decree

Appointed as Investment Director pursuant to Resolutions of Minister of SOE as the GMS of Perusahaan Perseroan (Persero) PT Perusahaan Pengelola Aset Number SK-14/MBU/01/2018 dated January 16, 2018 concerning Changes in Position, Transfer of Duty and Appointment of Board of Directors Members at Perusahaan Perseroan (Persero) PT Perusahaan Pengelola Aset for 5 (five) years terms or until 2023.

Education

Graduated Bachelor Degree from Faculty of Economics, Universitas Gadjah Mada, Yogyakarta (1989) and Master of Business Administration at University of Wisconsin, Milwaukee, USA (1996).

Career History

He previously worked as Chief Financial Officer at PT Polytama Propindo (2016 – 2017); Finance, Risk Management/Finance Director at PT Sarana Multi Infrastruktur (Persero) (2013 – 2016); Associated Director Corporate Planning/Finance PT Wintermar Offshore Marine Tbk (2011 – 2013); Vice President PT Bank Mandiri (Persero) Tbk (2005 – 2011); Assistant Vice President Corporate Banking PT Bank Mandiri (Persero) Tbk (1999 – 2005); Head of Project Financing Team at Bank Pembangunan Indonesia Makassar Branch, South Sulawesi (1996 – 1999).

Affiliations

Not having any affiliation with other Board of Commissioners, Board of Directors members and shareholders of the Company.

Senior Management



Ardian Pratama

Bayu Triastoto

Edi Winanto

Isa Muhammad
Nur

Budi Harto

Fransisca
Ekawati



Pramuwati

Qadrisna

Dikdik Permadi

Boedi Djatmiko

Sarda Yunus

Shareholders Composition

Majority and Controlling Shareholders

Shares ownership of the Company is 100% owned by The Government of the Republic of Indonesia, therefore, the Government of the Republic of Indonesia is the Majority and Controlling Shareholders.



Negara Republik Indonesia



PT Perusahaan Pengelola Aset
(Persero)

Public Shareholders Group with Less Than 5% Shares Ownership

As of December 31, 2018, the Company is a non-listed SOE or not yet listed its shares at Indonesia Stock Exchange, therefore, there is no group/public group with less than 5% shares ownership of the Company.

Board of Commissioners and Board of Directors Shares Ownership

As of December 31, 2018, the Board of Commissioners and the Board of Directors do not have any direct or indirect shares ownership of the Company.

Composition of Public Shareholders

As of December 31, 2018, the Company is a non-listed SOE or not yet listed its shares at Indonesia Stock Exchange, therefore, information about Public Shareholders composition is unavailable as the Company is a SOE whose shares ownership is 100% owned by the Republic of Indonesia.

Shares and Other Securities Listing Chronology

PT Perusahaan Pengelola Aset (Persero) is a Company whose shares are not traded at Indonesia Stock Exchange and not yet issued any bonds. Entire shares of the Company are owned by the Republic of Indonesia.

Subsidiary and Associated Entity

The Company has 8 (eight) operating Subsidiaries and Associated Entities that entirely operated, as follows:

No	Company Name	Line of Business	Date of Establishment/ Acquisition	Shares Ownership Percentage of the Company	Total Assets (in million)	Status
1	PT PPA Finance	- Leasing - Factoring - Consumer Financing	2009	99.999%	963,471	Operating
2	PT PPA Kapital	- Investment - Advisory Services	2012	99.999%	419,288	Operating
3	PT Nindya Karya (Persero)	- General Contractor - Civil Engineering - Property	1961/2012	99,000%	5.691.001	Operating
4	PT Nindya Beton*	Precast Concrete Manufacturing	2013	100.000%	140.486	Operating
5	PT Duta Mentari Raya**	Fabrication	2014	99.997%	114.475	Operating
6	PT Sipra Kemasan Internasional**	Fabrication	2018	99.980%	170.435	Operating
7	PT Magnesium Gosari Internasional**	Fabrication	2018	90.000%	131.234	Operating
8	PT Bondi Syad Mulia**	Fabrication	1981/2018	75.000%	247.512	Operating

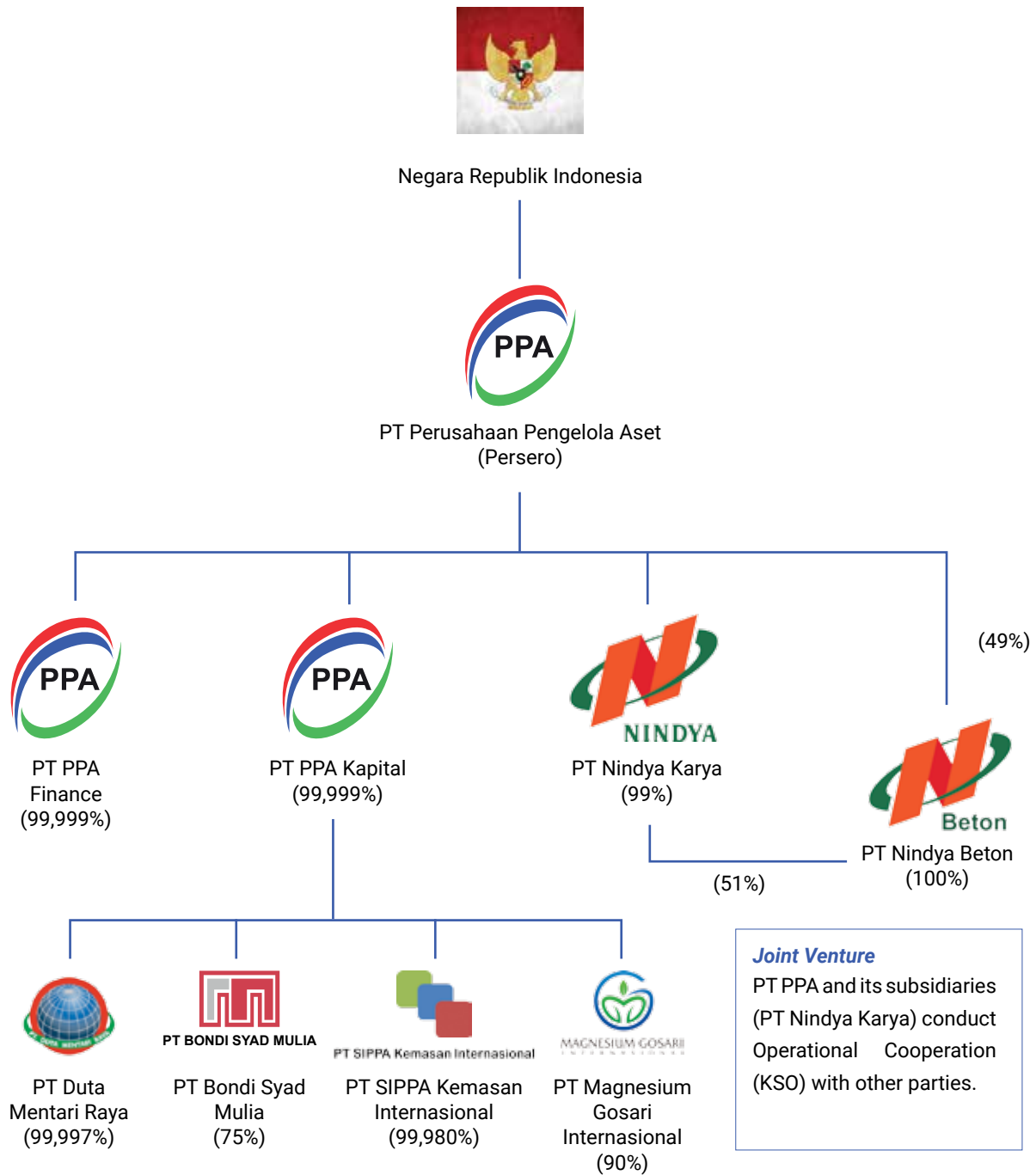
*) Indirect ownership through PT Nindya Karya (Persero)

**) Indirect ownership through PT PPA Kapital

Joint Venture

In 2018, the Company and its subsidiaries engaged in Joint Ventures with other parties reaching to 29 companies with total investment of Rp336.09 billion.

Company Group Structure



Stock Market and Supporting Institutions

Institution and Profession	Name	Address and Phone Number	Services	Period
Securities Administration Bureau and Rating Agency	The Company has not listed its shares at Indonesia Stock Exchange, therefore not hiring any securities administration bureau and rating agency.			
Public Accountant Firm In the Company's financial statements presentation to the Shareholders, the Company hires independent External Auditor service. Appointment of the External Auditor is carried out in GMS by delegating attorney and authority to the Board of Commissioners to appoint Public Accountant Firm.	RSM AAJ Associates	Plaza Asia Jl. Jend Sudirman Kav. 59 Level 10 Jakarta 12910 Telp. +62 21 51401340	Financial Statements Audit	8 th Year
Notary The Company hires Notary service as Public Officer with authority to draft Legal Deeds concerning every action, agreement and stipulation as required under the Law and/or as expected by the Company to be declared in authentic deeds, guarantee assurance of deeds drafting date, deeds administration and providing grosse, copy and summary of the deeds.	Desman, S.H. M.Hum.,M.M	Jl. Muara Karang Raya Nomor 10 Jakarta 14450 Telp. +62 21 6630328	Notary Service	10 th Year

Information on Company's Website



In implementing transparency principle in the Company's management, the Company adapts related prevailing Law. The regulations that are implemented related to transparency in information disclosure in the Company are including Law No. 14 of 2008 dated April 30, 2008 concerning Public Information Disclosure and PT Perusahaan Pengelola Aset Board of Directors Decree No. SK-33/PPA/0516 dated May 25, 2016 concerning Corporate Information Disclosure Policy.

The Company has website addressed at <https://www.ptppa.com>. The Company seeks to enhance the website periodically to be more informative and accessible for the Stakeholders. The Company's website is presented Bilingual in Bahasa and English.

The Company's website also presents information about GCG practice implemented in the Company including Organization Structure and Management Team (current composition of Board of Commissioners and Board of Directors, Shareholders of the Company, Core Values and Governance Structure (including GCG documents, such as GCG Manual, Code of Conducts, Gratification Control Manual, Whistleblowing System Policy Manual, and other policy documents).

Website of the Company generally presents following information:



Phone number:
+6221 5798 2222



E-mail address:
corpsec@ptppa.com



Pencarian



Information	Description
Shareholders information until individual end-shareholders.	Presented in Menu "Company" proceeds to sub menu "performance" and "Annual Report".
Information about Governance including regulations in the Company.	Presented in Menu "Company" proceeds to sub menu "performance", "GCG Governance" and "GCG Code".
Information about General Meetings of Shareholders (GMS) minimum covering agenda discussed in the GMS, summary of GMS minutes, and information about important dates such as GMS announcement date, GMS invitation date, GMS date and date of GMS minutes announcement;	Presented in Menu "Company" proceeds to sub menu "performance" and "Annual Report".
Separated annual report (5 recent years)	Presented in Menu "Company" proceeds to sub menu "Performance" and "Annual Report".
Separated annual financial statements (5 recent years)	Presented in Menu "Company" proceeds to pada sub menu "Performance" and "Financial Statements".
Profile of Board of Commissioners and Board of Directors; and	Presented in Menu "Company" proceeds to sub menu "PPA".
Profile of Board of Commissioners and Board of Directors; and	Presented in Menu "Company" proceeds to sub menu "Performance", "GCG Governance" and menu "Board Manual" and menu "GCG Code" and menu "Board Manual".

Name and Address of Subsidiaries and Associated Entities



PT PPA FINANCE

Line of Business

1. Leasing
2. Factoring
3. Consumer Financing

Address

Sampoerna Strategic Square
North Tower Lantai 9th
Jl. Jend. Sudirman kav. 45-46
Jakarta - 12930
Indonesia
Phone : +6221-57951419
Fax : +6221-57951420
E-mail : customerservice.ppafinance@ptppa.com

PT PPA KAPITAL

Line of Business

1. Investment management service as securities trading (not in the capacity as Investment Manager).
2. Management advisory service.
3. Financial advisory service.

Address

Sampoerna Strategic Square
North Tower Lantai 9
Jl. Jend. Sudirman kav. 45-46
Jakarta - 12930
Indonesia
Phone : +6221-2512222
Fax : +6221-57982555

PT NINDYA KARYA

Line of Business

1. Construction
2. EPC (*Engineering, Procurement, dan Construction*)
3. Investment

Address

Jl. Letjen MT. Haryono Kav. 22 Jakarta 13630,
Indonesia
Phone : +6221-8093276
Fax : +6221-8093105
E-mail : nindyakarya@nindyakarya.co.id
Website : www.nindyakarya.co.id



PT NINDYA BETON*

Line of Business

Precast Concrete Manufacturing

Address

Jl. Letjen MT. Haryono Kav. 22 Jakarta 13630,
Indonesia

Phone : +62 21 8009070

Fax : +62 21 8009073

E-mail : info.nindyabeton@gmail.com

Website : www.nindyabeton.co.id

PT DUTA MENTARI RAYA**

Line of Business

Fabrication

Address

Sampoerna Strategic Square

North Tower 9th Floor

Jl. Jend. Sudirman Kav 45-46

Jakarta 12930

Phone : +62 21 251 2222

Fax : +62 21 5798 2266

E-mail : delirathnasari@gmail.com

PT SIPPA KEMASAN INTERNASIONAL **

Line of Business

Fabrication

Address

Sampoerna Strategic Square

North Tower 9th Floor

Jl. Jend. Sudirman Kav 45-46

Jakarta 12930

Phone : +62 21 251 2222

Fax : +62 21 5798 2555

E-mail : netty.ppafinance@ptppa.com

PT MAGNESIUM GOSARI INTERNASIONAL**

Line of Business

Fabrication

Address

Jl. Sekapuk KM 32 RT. 01 RW. 01

Sekapuk Ujung Pangkah

Kabupaten Gresik Jawa Timur

Phone : 0313949777

E-mail : andianobaharudin@gmail.com

PT BONDI SYAD MULIA**

Line of Business

Fabrication

Address

Jl. Rungkut Industri Raya II No.35, Kali Rungkut,
Surabaya

Jawa Timur 60292

Phone : +62 31 8485858

Fax : +62 31 8485858

E-mail : info@bondigalva.co.id

Website : www.bondigalva.co.id

*) Indirect ownership through PT Nindya Karya
(Persero)

**) Indirect ownership through PT PPA Kapital





BUSINESS SUPPORT REVIEW

Human Resources



The Company takes strategic action by continuously improve human resources development to fulfill growing demand in the industry sector. The Company views that Human Resources (HR) is not only asset of the Company but also Strategic Partner with important role in optimizing business growth.

Human Resources Policy

HR management policy in the Company is regulated based on Board of Directors Decree SK-35/PPA/0614 concerning Employee Career Management Policy.

Human Capital Division designed HR development plan in the Company that is in line with Long-term Corporate Plan (RJPP) 2018 – 2022 and policies related to

employment that is in line with the RJPP. This is done to build synergy between the Company's objectives with HR requirements.

The main duty of Human Capital Division is to implement HR policy preparation, development and management, with functions, as follows:

1. Compile Employee affairs policies;
2. HR development and coaching system preparation and implementation;
3. Fulfillment of HR requirements from the Company's internal and external talents;
4. Implementation of employment regulation socialization and internal communication related to employment sector;
5. Employment activity and administration; and

6. Implementation of employee remuneration and benefit payments (including Article Tax 21 payment and reporting, pension funds payment and Social Insurance Program).

Human Resources Activity

Throughout 2018, activities that are carried out by the Company through Human Capital Division related to employment policy to achieve the Company's vision and mission as disclosed in Long-term Corporate Plan 2018 – 2022 are as follows:

1. Employee assignment;
2. Approval to employee position change and mutation;
3. Board of Directors members candidate nomination process in Subsidiaries;
4. Standard Operating and Procedure System (SOP) Formulation;
5. Preparation of Man Power Planning and Training Plan;
6. Employee Promotion Approval and Position Appointment in Working Unit;
7. Approval to Mandatory Manpower Report; and
8. Approval to Company Regulation 2018 – 2020.

Human Capital Division also organizes employee activity such as religious and sport activities as well national day ceremonies.

Employee Recruitment

Human Capital Division coordinates new employees recruitment and selection. In 2018, the employee recruitment/termination is as follows below:

Description	Total
New Employees	11 employees
Employees who entered normal retirement age	3 employees
Employees whose employment are terminated after resignation	16 employees
Employees whose employment are terminated after resignation end of fixed-term employment contract	5 employees

As of December 31, 2018, the total number of employees in the Company is 171 employees, a decrease by 6.6% from the total number of employees in 2017 which was 183 employees. The number is compose of 162 employees, 4 Board of Directors members, 4 Board of Commissioners members and Secretary to Board of Commissioners. Throughout 2018, the Company also accepted 27 school/university students to undergo their internship.

Human Resources Composition

Composition of the Company's HR in the last two years is as follows:

Total Employees Based on Directorate				
Directorate	2018		2017	
	Total	%	Total	%
Board of Commissioners	4	2	4	2
Secretary to Board of Commissioners	1	1	1	1
Board of Directors	4	2	3	2
Main Directorate	33	19	41	22
Investment Directorate	32	19	30	16
Business Advisory & Assets Management Directorate	36	21	39	21
Finance & Support Directorate	61	36	65	36
Total	171		183	

Total Employees Based on Organization Level

Organization Level	2018		2017	
	Total	%	Total	%
Board of Commissioners	4	2	4	2
Secretary to Board of Commissioners	1	1	1	1
Director	4	2	3	2
Division Head	10	6	11	6
Group Head	23	13	24	13
Unit Head	41	24	44	24
Officer	59	35	49	27
Secretary	9	5	27	15
Staff	8	5	9	5
Assignment	12	7	11	6
Total	171		183	

Total Employees Based on Age

Usia	2018		2017	
	Total	%	Total	%
> 55 years old	6	4	9	5
46-55 years old	78	46	69	38
36-45 years old	33	19	40	22
26-35 years old	42	25	44	24
<25 years old	12	7	21	11
Total	171		183	

Total Employees Based on Education

Education	2018		2017	
	Total	%	Total	%
Posgraduate/Ph. Degree	1	1	1	1
Postgraduate/Master Degree	44	26	52	28
undergraduate/Bachelor Degree	110	64	110	60
Diploma	8	5	8	4
High School	8	5	12	7
Total	171		183	

Total Employees Based on Employment Status

Employment Status	2018		2017	
	Total	%	Total	%
Permanent	165	96	168	92
Temporary	6	4	15	8
Total	171		183	

Human Resources Training and Development

Training Needs Analysis and Realization in 2018

In order to develop competency of the employees and to motivate the employees to increase performance in 2018, various educations and trainings, both internally and externally have been conducted. Training implementation in 2018 is as follows:

Public Training

No.	Directorate	Number of Subjects	Total Participants	Budget (Rp)
1	Board of Directors, Board of Commissioners, Secretary to Board of Commissioners and Committees	6	9	125.885.478
2	Main Directorate	25	31	248.214.226
3	Business Advisory & Assets Management Directorate Management	4	6	24.228.500
4	Investment Directorate	9	18	87.010.953
5	Finance & Support Directorate	61	87	583.469.714
Total		105	151	1.068.808.871

Inhouse Training

No.	Name of Training	Date (2018)	Total
1	Credit Analysis Refreshment	13 -14 March	37
2	Capacity Building	06 - 07 March	36
3	Financial Statement Analysis	24 - 25 April	26
4	Basic English	23 May - 07 June	8
5	Forecasting Techniques and Financial Modeling for Valuation & Credit Analysis	30 May - 06 August	10
6	Basic Financial Model for Feasibility Study and Valuation	08 - 14 November	20
7	The 7 Habits of Highly Effective People	30 November - 02 December	8
8	Interepretasi KPKU BUMN	13 - 15 December	16
9	FGD BOD, BOC dan GM PT PPA	07 December	25
Total			186

Sharing Session / Friday Afternoon

No.	Topic	Date (2018)
1	Parenting Class "Love vs Discipline"	26 February
2	Weaving Class	16 March
3	Healthtalk on Cancer Disease Early Detection and Threat and Health Insurance Socialization	13 April
4	Mandiri Inhealth Inpatient Socialization	04 May
5	Beauty Class	04 May
6	Friday Afternoon Customer Digital Behavior	25 May
7	Mistake in Risk Management Implementation	20 July
8	Painting on Bisque	31 August
9	Personal & Family Financial Planning	11 December

Summary

Realization of training budget in 2018 amounted Rp1,612,253,110,-.

No.	Topic	Budget (Rp)
1	Public Training	1.068.808.871
2	Inhouse Training	391.764.567
3	Friday Afternoon/Sharing Session	60.479.072
4	Scholarship	86.400.000
5	Membership	4.800.000
Total		1.612.253.110

Declaration of Rights Equality

The Company consistently provides equal opportunities to all employees in terms of competency either to be involved in the competency development programs or to have career path. The Company also fulfills other rights of all employees, e.g. basic salary, allowances, health benefit, etc. These things ascertain that there are no discriminatory practices in the Company.

The Company guarantees that there is no discrimination in the Company so that fair, honest, and transparent treatment may be created among employees in order to support them in executing their work properly and optimum manner according to their respective positions and tasks to help achieve the Company's vision and mission.

Human Resources Services

The Company conducts activities of HR services in order to establish good communication among work units as well as between the management and employees with regard to the employee-related policies. These services include:

1. Introducing new employees and orientation for new employees;
2. Announcement of employees' childbirth, obituary, new employees, employee transfer/changes of employment data and the termination of employment;
3. Preparation of employees who will retire;
4. Reporting of new Report of State Officials Wealth (LHKPN) mandatory reports;
5. Announcement related to services of health, life, and accident insurances as well as tax reporting; and
6. Regular leaders meeting held once a month attended by General Managers/Division Heads to routinely share/update various matters including making reviews as input for the Board of Directors to consider in making strategic decision for the Company.

Employment Activity and Administration

Employment administration activity includes:

1. Administration and reporting of attendance and leave;
2. Administration of new employees, transferred employees, employees in probation period, promotions, and arrange employee positions in work unit, changes/extension of fixed-term employment agreement and employees terminating the employment relations;
3. Administration of employee loan application through PT PPA Finance;
4. Administration of employee reference letter for the purposes of immigration, visa, bank, etc.;
5. Flowers/gifts for employees who gave birth, hospitalized, married, and in mourning;
6. Administration of application for internship and research; and
7. Administration for employee activities, i.e. Sports and Arts Activities as well as Religious Activities and Religious Holidays.

Remuneration Strategy

Remuneration strategies are required to improve the HR development and increase the employees' engagement to the Company in which one of them is competency-based remuneration. Employee competencies will support the Company's growth rate as each employee will give their best work to pave the way for the Company's business measures. These employee competencies will start from the performance assessment of employees in carrying out their tasks based on the current rules and regulations.

These Remuneration strategy and system will be reviewed on a regular basis to adjust to the market condition and the Company's financial capability. Pursuant to the Company Regulation, level and salary structure, components of employee remuneration are as follows:

Salary

Monthly salary for employees will be reviewed based on:

1. Consideration on inflation rate with impact on real value of employee's salary (Cost of Living Adjustment);
2. Performance of the employees during the working period (merit system); and
3. Amount of the appraisal is adjusted with the Company's financial capability.

Religious Holiday Allowance (THR)

The Company provides Religious Holiday Allowance as much as one month salary. The Religious Holiday Allowance is paid to employees who have passed three months or more working period in the Company according to established employment regulation.

Annual Leave Allowance

Annual leave allowance is provided for employees who have worked in the Company for three months or longer as much as one month salary.

Long Leave Allowance

The Company provides great long leave allowance for employees as much as two months salary after passing 6 (six) consecutive years working period and multiple periods or during the 7th, 13th, 19th and next multiple years. Employees who are eligible for long leave allowance are no longer entitled to annual leave allowance.

Position, Communication, Fuel , Driver and Utility Allowances

These allowances are provided for employees with specific position/grade in the Company.

Social Insurance

The Company provides range of insurances to employees through Social Insurance according to prevailing regulations, including:

1. Social insurance for workers (BPJS Ketenagakerjaan).
2. Life Insurance;
3. Occupational Accident Insurance;
4. Retirement Insurance;
5. Pension Benefit; and
6. Social health insurance (BPJS Kesehatan.)

Performance Appreciation/Rewards

The Company provides appreciation as performance rewards to employees based on Company's budget plan achievement, performance assessment and working period indicators.

Health and Insurance Facilities

These facilities are provided for employees comprised of outpatient facilities, inpatient insurance, life insurance and occupational accident insurance.

Industrial Relation

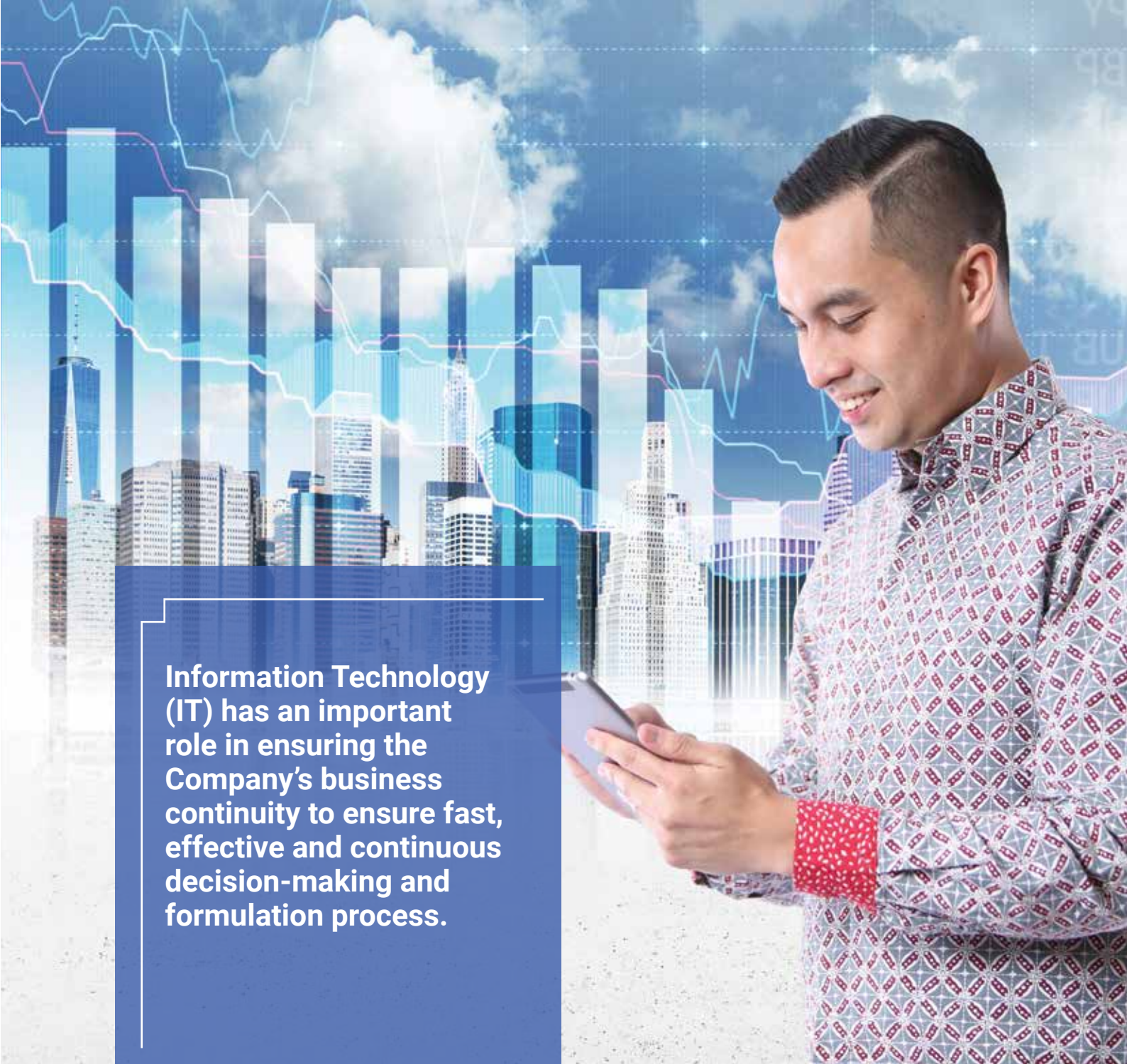
The Company builds industrial relation based on prevailing employment regulation. Every issue related to employees and the Company is regulated as disclosed in Company Regulation updated every two years and distributed to all employees.

The Company engages in communication with employees to improve good industrial relationship through following initiatives:

- Involving employees in discussing company regulation.
- Participation in employee's issues with handling and settlement.
- Implementation of employees activity such as religious, social and sport activities.

With good communication between the Company and employees, optimum performance synergy is expected to be developed optimally and support the Company's to achieve its target. In 2018, the Company reported there was no violation in terms of freedom to create a union in the Company.

Information Technology



Information Technology (IT) has an important role in ensuring the Company's business continuity to ensure fast, effective and continuous decision-making and formulation process.

Through effective Information Technology (IT) implementation, this will provide significant competitive advantage for the Company. Therefore, the Company believes by utilizing technology efficiently, timely and cost effective, will create high-quality, reliable and safety products and services. In addition, use of technology will also support business sustainability as well as efficient operational activity and quality of services delivered to the customers.

The purpose of IT development in the Company among others to support Company's management strategically; provide and develop efficient and effective business process by always considering suitability with the Company's objectives; ensure robust and comprehensive IT risk management process; ensure provision of high-quality service based on reliable and innovative information technology; support as well as driving factor for the Company's business development.

Responding to industrial and technology dynamics, the Company always develop information technology system in the Company in well-directed and measured ways to support the Company's business strategy. This also becomes one of the ways to implement Good Corporate Governance (GCG) principles. In its practice, IT application and development in the Company adapts a governance system as disclosed in Information Technology Master Plan for 2015 – 2019 period , developed as synergy among SOEs.

Information Technology Development Implementation

As a fundamental requirement in running operational activities; the Company optimizes IT applications in entire organization line so that business operations can run faster and more accurate. In IT development, the Company also considers long-term interest and benefit based on requirements of the Company's business segments in the field as well as the Company's future working plan.

As part of sustainable development plan, IT Group has designed working program based on 2018 Company's budget plan and Information Technology Master plan for 2015 – 2019. Another prevailing framework is Board of Directors Decree No. SK-18/PPA/0315 dated March 24, 2015 concerning Information and Communication Technology Governance Policy and Standard Operating Procedure (SOP).

During its development throughout 2018, the IT service development is dedicated for people all over the Company's. Moreover, the IT group also continues development up to project level for Financial Performance Dashboard implementation as well as PPA Cloud development to support mobile business unit in supporting corporate information and data accessibility.

On the other hand, the development for applications is done optimally and continuously to support the Company's business growth. Other regular developments are also well-executed including Service Excellence service – IT Helpdesk, data center and disaster recovery center operation, network and communication infrastructures management, provision of working facilities and infrastructures for new employees and corporate website (<http://www.ptppa.com>) and intranet (PPAWorld) management.

Information Technology Governance

In answering a fiercer and more competitive business competition, good governance implementation is also carried out by the Company on IT development. In its practice, the Company always performs periodic monitoring and compliance with regulations as disclosed in SOEs IT Management Formulation Manual according to Ministerial Regulation PER-2/MBU/2013 concerning Guideline on Information Technology Management Blueprint at State-Owned Enterprise issued on February 18, 2013.

To ensure implementation is as scheduled, the Company has prepared Information Technology Masterplan as IT Development Blue Print for 2015 – 2019. The masterplan formulation is aligned with Long-

term Corporate Plan (RJPP) to determine the Company's business strategy towards sustainable growth. With a solid Information and Communication Technology support, the Company wishes to provide added-value to Stakeholders in the future.

IT Organization Structure and Function

Information and Communication Technology (ICT) Management in the Company is under IT & Support Division, Finance & Support Directorate. According to SK-39/PPA/0809 Article 236, the main duty of the Information Technology Group is to provide and optimize support from information and technology infrastructure, application system and data management.

In performing the duties, the Information Technology Group exercises function, as follows:

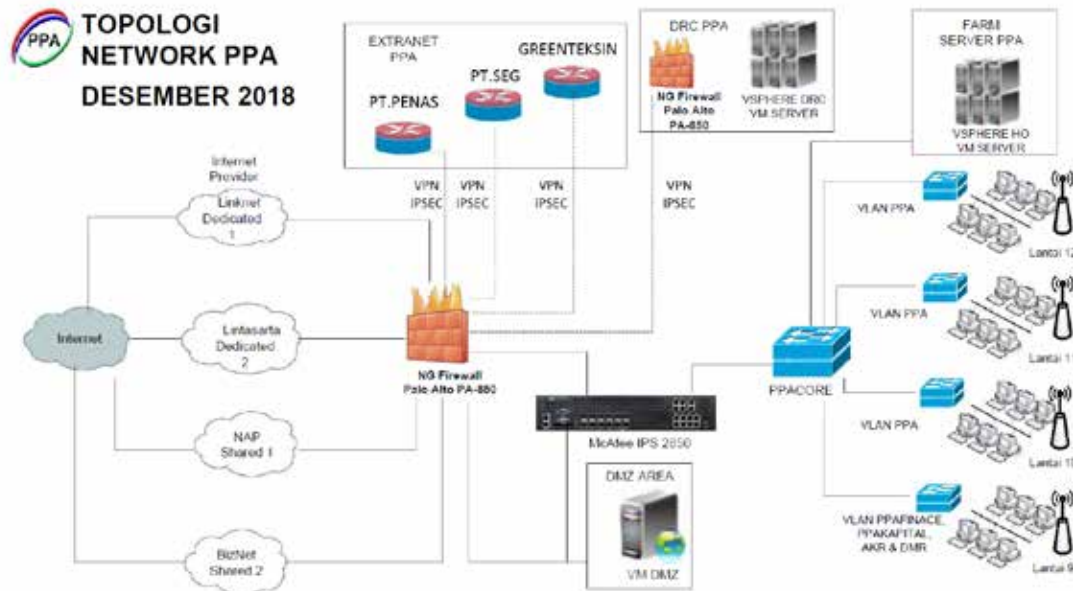
1. Preparing policies related to provision and optimization of information and communication technology, application system and data management;
2. Implementation of information and communication technology infrastructure support provision and optimization;
3. Implementation of application system provision and development as well as information technology and communication research and development;
4. Provision and implementation of information and communication technology infrastructure security through data security and duplication (back up) process periodically and alleviation of disaster recovery plan mechanism.

Information Technology Group Organization Structure is illustrated below:



ICT Infrastructure Architecture

The Company's ICT infrastructure in 2018 is illustrated below:



The Company's ICT infrastructure condition in 2018 is explained below:

- The Company has a data center located on the 10th floor of Sampoerna Strategic Square building and used as main source of information management for the Company.
- Network service has applied Cisco Campus Network, network topology standard with Virtual Trunking Protocol that distributes network segmentation (VLAN) that is designed based on organization structure in the Company. This segmentation guarantees more optimum security system.
- The Company's network security uses two devices, which are Intrusion Prevention System (IPS) and Next Generation Firewall with function to protect internal computer network from cyber attack, protecting Virtual Private Network (VPN) with data encryption to DRC network and partner as well as improve quality of IP telecommunication using Quality of Service (QoS) that prioritizes VoIP data.
- Minimum user computer network bandwidth comprises of 19 Mbps international dedicated and 220 Mbps local dedicated as well as 500 Mbps shared internet for local and international access.
- Current servers of the Company are mostly less than 5 years old, however, some of the servers are still older than 5 years. For core application operations servers less than 5 years old are used while the servers older than 5 years old are used for supporting applications.
- Domain Controller uses Microsoft Windows Server 2016 where network performance, network security and maintenance accessibility are well-maintained.
- e-Mail system uses Microsoft Exchange 2016 that supports smart device with sufficient security.
- Implementation of wireless connection (WiFi) uses up-to-date technology that integrates one hotspot with another (SID: Single ID) enabling device connection to stay connected in the Company's office area.
- Communication system using Unified Communication technology that integrates voice over IP, video telephony, video conferencing, fax and e-mail.
- Server virtualization technology uses VMWARE 5.5 supported with Veeam Backup technology feature.
- The Company has Disaster Recovery Center (DRC) located in Jatiluhur. The DRC is required as a back-up system storage location and also recovery center during disaster condition as well as part of Business Continuity Plan.

ICT Service Portfolio

The Company's ICT service portfolio in 2018 is as follows:

TYPE OF SERVICE	ACTIVITY
SUPPORT	
Unified Communication & Work Facility	Providing email service, mobile devices, video conference, Unified Communication, virtual private network, dealing room and working facilities for employees to support corporate activities.
Data center and DRC	Providing and operating data center and disaster recovery center to maintain availability and reliability of the Company's information.
Activity Supporting Application	Providing secretariat applications that are integrated with Paperless Office project and corporate activity reporting application to support green environment.
TIK (Teknologi Informasi dan Komunikasi) Service Center	Providing integrated TIK service and offering on time solution for entire issues related to TIK use by providing Single Point of Contact (SPOC), including ICT operational support at Subsidiaries.
KEY OPERATIONAL	
Document Management Application	Availability of electronic document management application to create, review, approve and publish document and easy information access.
Corporate Communication	Availability of Company's website as corporate information publication channel Corporate, intranet as internal communication channel for employees.
Financial Application	Providing financial applications (advance money request, payment order, petty cash, collection), Investment information system (stocks and bonds) and treasury leading to ERP application (Oracle E-business Suites).
STRATEGIC	
Assets Management	Availability of integrated assets management application for property assets, claim rights, stocks and securities.
Restructuring and Revitalization	Microsoft Project implementation and executive summary reporting for every SOE at PPAWorld to support SOEs restructuring and revitalization implementation and monitoring.
Performance Report	Availability of Company's performance reporting system via PPAWorld to support the management in monitoring the Company's performance.
IT Shared Services and Due Dilligence TIK	Providing shared services for Subsidiaries and ICT Due Dilligence related to business advisory activity.
SOEs and Ministry of SOEs Forum	Active Involvement in SOEs Information Tehnology Forum (FORTI) and coordinating the filling of Portal BUMN.

Information Technology Activity Implementation 2018

1. IT Shared Service 2018

In 2018, the Company who hired the IT Shared Services are as follows:

- a. PT PPA Finance
- b. PT Survai Udara Penas
- c. PT PPA Kapital
- d. PT Sejahtera Eka Graha
- e. PT Duta Mentari Raya
- f. PT Pratama Persada Airborne

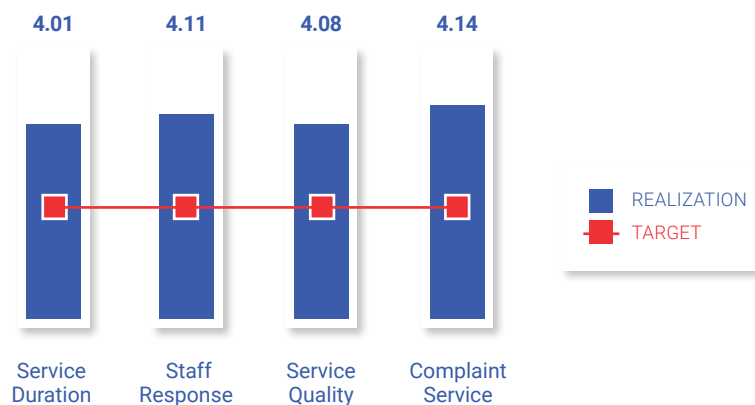
Meanwhile, the services provided by the Company's IT for shared service are tabulated below:

	Data Center Service	IT Helpdesk Service	E-mail Service	PABX (phone) Service	Secretariat Service	Data Center Room Installation	LAN (Workstation and Wifi) Installation	Payroll Application Service	CCTV Surveillance Service
PT PPA Finance	✓	✓	✓	✓	✓				
PT PPA Kapital	✓	✓	✓	✓	✓				
PT Survai Udara Penas	✓	✓	✓	✓	✓	✓			
PT Sejahtera Eka Graha	✓	✓	✓	✓	✓	✓	✓	✓	✓
PT Duta Mentari Raya	✓	✓	✓	✓	✓	✓			
PT Pratama Persada Airborne	✓	✓	✓	✓					

In November 2018, IT service user satisfaction survey on shared service covering following aspects:

- Communication
- Work Quality
- Business Suitability
- Customer Complaint

Result of the survey is as follows:



2. IT Activity to Support Business Unit

In order to support the business units, IT Group is actively involved in activities, as follows :

- Involved in some assets management projects for Educational, Research and Social Counseling Agencies in Ministry of Social Affairs related to application with Geographic Information System (GIS) feature.
- Business Operations core system application development to support credit administration from the Company's debtors.

- Air video production using a drone and 3D/360 Virtual Reality for on going project and potential partnership project. The locations include Jakarta, Karawang, Bekasi and Pekalongan.
- Preparation of social media, exhibition, support for website and other activities in Digital Marketing team for Green Teksin, Cempaka Hijau and Riscon property projects.
- Video production from the air related to the Mini Hydro Power Plant project in Bengkulu..
- Smart Meeting Room construction to help the working units in arranging meetings using up-to-date technology and gadget.

3. Financial Performance Dashboard

The management is able to monitor the Company's financial performance anywhere and anytime using dashboard facility to accelerate decision-making process, which includes:

- Cash Management
- Key Performance KPI
- Soundness Level KPI
- Profit or Loss
- Income and Expenses

4. Digital Community

Activities in Digital Community is observing new technology and idea to be implemented in the Company to have more effective and efficient working process in the Company.

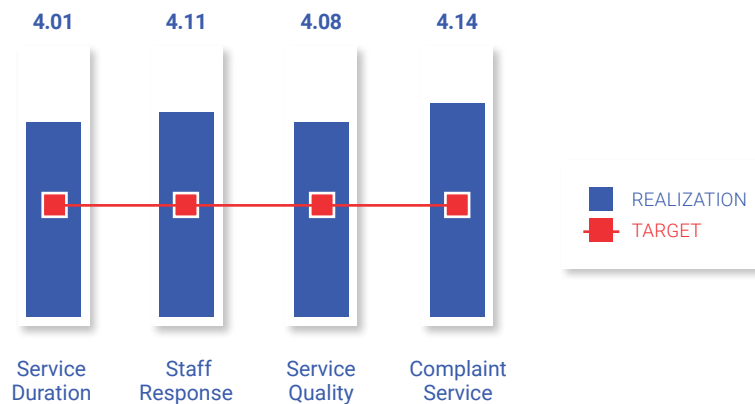
5. IT Group Regular Activity 2018

Regular activity of the Company's IT Group is including follow-up of employee's issue and complaint, such as employee's issue and complaint in IT application, data center and disaster recovery center operation, Disaster Recovery Center rehearsal, monitoring data and phone networks quality, completing data for Ministry of SOE's website, provision of working facilities and infrastructures for new employees, scanning activity coordination, corporate website (www.ptppa.com) and intranet (PPAWorld) management.

6. In November 2018, internal IT service user satisfaction survey had been conducted covering following aspects:

- Service Duration
- Staff Response
- Service Quality
- Complaint Service

Result of the survey is as follows:



Information Technology Strategy and Development Plan

IT Group KPI achievement in 2018 is 100%. However, evaluation on the IT project roadmap designed in early 2015 will be continued up to 2019 according to Information Technology Master Plan documents, as follows:

No	Project	Explanation for 2018
1	Business intelligence application development	Performance and assets growth dashboard up to division level.
2	Human Resources Information System (HRIS) development	HRIS development for Performance management and training modules have been completely developed and implemented.
3	Customer Relationship Management (CRM) development	Initiation of CRM development has not been done because many on going projects still experienced lack of resources to execute the projects.
4	Investment Application Development	Initiation of CRM development has not been done because unavailability of standardized pattern.
5	IT advisory development	IT Advisory has been initiated since 2014 and continued to 2018. In 2018, IT Group was involved in Assets Database Development Project for Ministry of Social Affairs and formulation of policy and SOP for PT Angkasa Pura 1.
6	Enterprise private cloud development (interface channeling)	The Enterprise Private Cloud has been implemented partly for or cloud file sharing and will be continuously developed.
7	Security management system development (including encryption appliance, security device update)	Network security device is continuously updated according to IT development. New feature is added in form of URL Filtering.
8	Unified communication development towards multimedia integration (including handset and server devices update)	Unified Communication development using Cloud Video Conference third party Zoom for interconnecton with various media and updating device.
9	Shared Services Implementation	Shared service has been conducted in 2018 for PT Pratama Persada Airborne.
10	Knowledge Management	Electronic Filing Implementation

Information Technology Development Roadmap

CODE	PROJECT	Priority	2015	2016	2017	2018	2019
A	Funding management system development						
B	Business intelligence application development						
C	HRIS development (career path, performance management, development, e-learning)	✓					
D	Marketing management system development (branding, digital marketing, sales plan)	✓					
E	CRM development	✓					
F	Investment application development	✓					
G	ERP Oracle E-business suites development (subsidiary entity and FA consolidation)	✓					
H	IT advisory development	✓					
I	Enterprise private cloud development (interface channeling)						
J	IT infrastructure development at new building (updating infrastructure, iots, data center tier 2 and fiber optic)optic)						
K	Security management system development (including encryption appliance, security device update)	✓					
L	Unified communication development towards multimedia integration (including handset and server devices update)						
M	Shared Services Implementation	✓					
N	Knowledge Management	✓					





MANAGEMENT DISCUSSION AND ANALYSIS

Operations Review by Business Segment

The Company's business activity aims to perform and support the Government's policy and agenda related to the economic and national development programs in general.

To achieve its aims and objectives, the Company performs business activities including management of Government assets from the Indonesian Bank Restructuring Agency (IBRA), restructuring and revitalizing (R/R) state-owned enterprises, investment activities and other assets management activities.

In addition, the Company also performs activities, as follows:

1. Direct and Non-Direct Investment, in form of:
 - a. Loans to finance project and/or other business activities.
 - b. Funds placement in a project and/or other business activities.
 - c. Assets purchase, development, and/or sales/lease.
 - d. Place investment (for establishment purpose, purchasing shares issued or portfolio) in a company that is temporary or to enhance values for resale.
2. Investment with Marketable Securities, in form of:
 - a. Purchase of Bonds including quasi equities that are listed or not listed at the Stock Exchange.
 - b. Purchase of stocks, warrants and other derivative products through the Stock Exchange.

Aside from the mentioned main business activities, the Company is also eligible to carry out other business activities in order to optimize the utilization of its resources through:

1. Advisory services, including advisory services for:
 - a. Business and management;
 - b. Sales and/or development of assets.

2. Management of State-owned assets excluding the assets acquired from IBRA; Regional Government; legal entities owned and/or established by the State which are non-state-owned enterprises; regional government and private enterprises, including subsidiaries of state-owned enterprises and joint-ventures, covering the following activities:

- a. Conducting the sales of assets including stocks and receivables
- b. Conducting lease of assets
- c. Restructuring the receivables including receivables collection
- d. Conducting corporate restructuring
- e. Developing and utilizing assets including through cooperation with other parties.

To support those business activities, the Company classified its business segment, as follows:

1. Assets Management Segment
2. SOE Restructuring/Revitalization Segment
3. Investment Segment
4. Advisory Service Segment

Throughout 2018, the Company recorded performance and operational achievements from each business segments as comprehensively explained below:

Assets Management Segment

The main activity of the Asset Management business segment is to manage government assets derived from the Indonesian Bank Restructuring Agency (IBRA). Gradually, the Company also manages other government assets. The aim of managing government assets is to increase efficiency and effectiveness of the assets as well as to create added-value of the assets through asset sales, usage, lease, restructuring and/or revitalization.

The Asset Management Agreement in 2017 between the Company and Ministry of Finance disclosed the Ministry of Finance transferred management of 2 (two) assets to the Company, which are PT Tuban Petro Industries ("TPI") and PT Sejahtera Eka Graha ("SEG"), has ended on December 31, 2017.

In 2018, the Company has arranged meetings with Directorate of State Assets and Information System Management ("PKNSI") to discuss assets optimizing cooperation plan for properties owned by the Ministry of Finance. The agreement is aimed to be the legal framework for the Company to support duties of PKNSI through the property assets optimization cooperation with mutual beneficiary principle and based on good governance principles.

The Company has conducted discussions with PKNSI regarding the assets that will be transferred, including land assets in Cikande and Sentul that are under discussion process as of December 2018.

Assets Management Segment Revenues in 2018

In 2018, the Company did not book revenues from Assets Management segment considering the state assets management assignment from IBRA has been completed.

SOE Restructuring and/or Revitalization ("R/R") Segment

The Company also operates business in State-owned enterprise (SOE) R/R segment. As the implementation of SOE R/R throughout 2018, the Company has implemented the following activities:

1. Implement collection plan and initiatives to encourage the SOEs under R/R program to settle past-due liabilities to the Company;
2. Perform monitoring on the R/R program implementation covering production process, production facilities, efficiency, marketing and project implementation; and
3. Implement R/R by cooperating with strategic partners.

SOE Restructuring/Revitalization Activity

In accordance with the Company's establishment purpose, the Company has implemented R/R activity for SOEs assigned by the Minister of SOE. As of December 31, 2018 position, the SOEs under restructuring and/or revitalization program in 2018 are 11 SOEs, remained the same with the previous year, as follows:

No	SOEs	R/R Activity Implementation Framework
1	PT Dirgantara Indonesia (Persero)	Minister of SOEs Letter No. S-452/MBU/2011 dated August 8, 2011
2	PT Industri Kapal Indonesia (Persero)	Minister of SOEs Letter No. S-365/MBU/2012 dated July 13, 2012
3	PT PAL Indonesia (Persero)	Minister of SOEs Letter No. S-776/MBU/2009 dated October 19, 2009
4	PT Merpati Nusantara Airlines (Persero)	Minister of SOEs Letter No. S-133/MBU/03/2015 dated March 18, 2015 Minister of SOEs Letter No. S-690/MBU/10/2015 dated October 19, 2015 Minister of SOEs Letter No. S-107/MBU/02/2016 dated February 3, 2016
5	PT Kertas Kraft Aceh (Persero)	Minister of SOEs Letter No. S-133/MBU/03/2015 dated March 18, 2015
6	PT Kertas Leces (Persero)	Minister of SOEs Letter No. S-497/MBU/09/2017 dated September 5, 2017
7	PT Industri Sandang Nusantara (Persero)	Minister of SOEs Letter No. S-133/MBU/03/2015 dated March 18, 2015
8	PT Industri Gelas (Persero)	Minister of SOEs Letter No. S-133/MBU/03/2015 dated March 18, 2015
9	PT Survai Udara Penas (Persero)	Minister of SOEs Letter No. S-133/MBU/03/2015 dated March 18, 2015
10	PT Boma Bisma Indra (Persero)	Minister of SOEs Letter No. S-721/MBU/2009 dated October 6, 2009
11	PT PANN (Persero)	Minister of SOEs Letter No. S-498/MBU/09/2017 dated September 9, 2017

R/R activity implementation may be also followed by loan facilities for the SOEs, allocated from government investment (PMN) through the Company or from the Company's internal funds of the Company.

The R/R activities done by the Company in 2018 are as follows:

PT Dirgantara Indonesia (Persero) ("PT DI")

Handling activity related to R/R program implementation in PT DI throughout 2018 period, as follows:

- Periodic monitoring on RR program implementation as well as operational and financial performances after 9th (Ninth) Amendment of PT Dirgantara Indonesia (Persero) Corporate Financing Agreement No. PP-23/PPA/1218 dated December 26, 2018.
- The Company performed monitoring periodically on PT DI namely through Quarter Report submission and site visit to PT DI, which the last visit was scheduled on 4 – 5 December 2018.
- The Company and PT DI has conducted addendum on PT Dirgantara Indonesia (Persero) Corporate Financing Agreement through:
 - The 8th (Eighth) Addendum on PT Dirgantara Indonesia (Persero) Corporate Financing Agreement No. PP-03/PPA/0318 dated March 28, 2018;
 - The 9th (Ninth) Addendum on PT Dirgantara Indonesia (Persero) Corporate Financing Agreement No. PP-23/PPA/1218 dated December 26, 2018, that has generally extended the agreement maturity up to December 31, 2010.
- The Company has signed non-disclosure agreement with PT Garuda Maintenance Facility Aero Asia Tbk. to perform due diligence on PT Nusantara Turbin & Propulsi. .

PT Merpati Nusantara Airlines (Persero) ("PT MNA")

Handling activity related to R/R program implementation for PT MNA throughout 2018 period, as follows:

- Employee handling program:
The Company has assisted PT MNA in R/R Agreement Facilities Loans disbursement to pay normative rights of PT MNA's employees through the Company's government investment proceeds that was allocated for PT MNA R/R activity.

2. Strategic partners disbursement and debt restructuring program through Suspension of Payment (PKPU) process.

After PT MNA's Suspension of Payment status, the Company assisted PT MNA to seek strategic partners with capability to support preparation of peace proposal to the creditors to achieve homologation decision.

After the homologation decision is achieved, the Company assisted PT MNA in fulfilling preliminary requirements for strategic partners to be shareholders of PT MNA and the peace agreement that has been agreed by the creditors can be implemented.

PT Survei Udara Penas (Persero) ("PT Penas")

Handling activity related to R/R program implementation in PT Penas throughout 2018 period, as follows:

1. Supporting PT Penas and subsidiary in completing the mapping projects.

The Company has provided loans to PT Penas and subsidiaries (PT Pratama Persada Airborne).

2. PT Penas R/R Approval Process monitoring in Ministry of Finance

Through General Directorate of State Assets (DJKN), throughout 2018, the Ministry of Finance conducted internal review. The DJKN Team has arranged several meetings with the Company's team, the latest meeting on December 10, 2018.

3. Handling activity related to R/R program implementation in PT Penas throughout 2018 period in form of R/R program implementation, as follows:

- HR Restructuring: PT Penas successfully laid-off 91% of its employees, 71 out of 78 employees. Meanwhile, 5 employees cannot be contacted and 2 employees have liabilities with PT Penas.

- Financial Restructuring: PT Penas debt restructuring has been implemented.
- Organization and Management Restructuring: Acquisition process on 90% shares of PT Pratama Persada Airborne has been approved by Ministry of SOE as the GMS through letter S-762/MBU/12/2017 dated December 29, 2017.

PT PAL Indonesia (Persero) ("PT PAL")

Handling activity related to R/R program implementation in PT PAL throughout 2018 period is as follows:

1. Periodic monitoring on R/R program implementation as well as operational and financial performance on Debt Restructuring Agreement No. 47 dated December 30, 2015.
2. The Company performed monitoring periodically on PT PAL namely through Quarter Report submission and site visit to PT PAL that was conducted on September 27, 2018 and December 14, 2018.

PT Industri Kapal Indonesia (Persero) ("PT IKI")

Handling activity related to R/R program implementation in PT IKI throughout 2018 period, as follows:

1. Periodic monitoring on R/R program implementation as well as operational and financial performance on Debt Restructuring Agreement No. 42 dated December 27, 2016.
2. The Company performed monitoring periodically on PT IKI namely through Quarter Report submission and site visit to PT IKI that was conducted on 1 – 3 February 2018.

PT Industri Gelas (Persero) ("PT Iglas")

Handling activity related to R/R program implementation in PT Iglas throughout 2018 period, as follows:

1. Monitoring and loans proceeds disbursement related to PT Iglas assets maintenance and security.

2. Support appeal process of PT Iglas on Ngagel Assets case verdict at State Court, where PT Iglas was declared lost in the trial. Memorandum of appeal has been submitted by PT Iglas to the High Court in November 2018. As end of December 2018, PT Iglas is still waiting for counter memorandum of appeal from Surabaya Local Government.
3. Signing of the 4th Addendum on Loans Facility Agreement and 1st Addendum on PT Iglas Restructuring Loans Agreement.
4. The Company disbursed bailout for PT Iglas 1st phase severance pay settlement to the employees amounted Rp10 billion in May 2018.
5. By the end of 2018, the Company submitted PT Iglas R/R Review to the Minister of SOE where the next stage of handling PT Iglas is Gresik assets development into warehouse is as explained in highest best use review prepared by the Company.
6. In order to support Judicial Review that will be submitted by PT KL to the Supreme Court, on October 23, 2018, the Company and PT Waskita Karya (Persero) Tbk. ("Waskita") have signed Memorandum of Understanding number MOU-12/PPA/1018 and L 55/MOU/WK/2018 concerning Operations Cooperation for Paper Mill of PT Kertas Leces (Persero) (Under Bankruptcy Status).
7. As of December 2018, the verdicts on the Judicial Review filled by management of PT KL is not yet available, and Curator Team from PT KL continued to run the PT KL bankruptcy process, including the possibility for auction of PT KL's factory assets. During the bankruptcy process, on December 20, 2018 a meeting was held between the Curator Team, the Company and Waskita, with the meeting agenda was the Company and Waskita planned to re-operate the PT KL factory with the conditions of PT KL's management review granted by the Supreme Court as disclosed in the signed Memorandum of Understanding.

PT Kertas Leces (Persero) ("PT KL")

1. Performed asset settlement on assets at Jl. Cimanuk No. 29 – 31, Surabaya on March 1, 2018 valued at Rp27.5 billion to pay part of the Company's liabilities and normative rights obligation to ex-employees of PT KL.
2. According to the deed of sale, payment of partly trading price of Surabaya Asset has been compensated from PT KL's payables to the Company, which occurred from the bailout provided by the Company to PT KL amounted Rp16.1 billion.
3. In the event of investors seeking assistance implementation, the Company has provided several assistances to some prospective investors. However, as end of December 2018, the prospective investor seeking process is still on process.
4. In supporting initiatives of PT KL not to be declared bankrupt, the Company has sent statements of proof and acted as expert witness in PT KL settlement plan Revocation Claim trial.
5. Pursuant to Judge Panel verdict at Surabaya Commercial Court on September 25, 2018 Number 1/Pdt.Sus.Pembatalan Perdamiaan/2018/PN Niaga Sby. Jo No. 5/Pdt.Sus-PKPU/2014/PN Niaga Sby, PT Kertas Leces is declared bankrupt. Regarding the bankrupt status, the management attempts to submit Judicial Review to the Supreme Court.

PT Kertas Kraft Aceh (Persero) ("PT KKA")

Handling activity related to R/R program implementation in PT KKA throughout 2018 period, as follows:

1. Performed monitoring on payment for gas procurement working capital bailout loans interest.
2. Provide assistance and advice related to re-operation of PT KKA paper mill, namely:
 - Provided advisory related to selection of prospective investors for PT KKA including reviewing business plan of the prospective investors and preparation of Memorandum of Understanding between PT KKA and prospective investors;
 - Performed preparation for establishment of Joint Venture (JV) in Forest Management that will be established under SOE synergy with Regional Government.
 - Appointment of PT Energy Management Indonesia (Persero) as supporting consultant in PT KKA revitalization program and production facility quality improvement.

3. Exploring PT KKA kraft paper market potential as cement bag packaging for PT Semen Indonesia.

PT Industri Sandang Nusantara (Persero) ("PT ISN")

1. Handling activity related to R/R program implementation in PT ISN throughout 2018 period in form of updating government investment Proceeds Restructuring and Utilization Review.

The Company has submitted the Additional Government investment Utilization and PT ISN Restructuring and Revitalization Recommendation Review Update to the Minister of SOE through Letter No. S-3092/PPA/DU/0718 dated July 26, 2018. As end of December 2018, the case can not be decided yet due to unavailability of government investment proceeds utilization request letter from PT ISN.

As end of December 2018, PT ISN was currently reviewing the optimum government investment proceeds utilization. This is related to:

- Employee severance pay obligation has been settled using proceeds from State Securities issuance and Patal Tohpati assets execution auction.
- Assets optimization program is still constrained by the difficulty in finding strategic partner who is ready to develop assets of PT ISN amid sluggish property industry. On the other hand, assets optimization requires huge funds. In the case where the optimization is conducted autonomously by PT ISN, the available government investment proceeds allocation is insufficient.

2. Working Capital Financing/Funding Program

The Company has processed raw material procurement investment cooperation agreement with limit of Rp50 billion. Due to particular reason, the scheme was failed to be executed and transferred into a financing scheme. The facility disbursement was aimed to fulfill working capital needs for trading and garment production business development of PT ISN. However, PT ISN has not yet performed any withdrawal until today considering PT ISN can not provide collateral for the loans, which will be disbursed.

3. Providing Advisory Service on PT ISN Company Long Term Plan Preparation

In 2018, PT ISN was requested by the Ministry of SOE to prepare the newest RJPP. Considering the limited resources, PT ISN plans to request assistance from the Company. Related to this condition, the Company has submitted the project proposal draft. As end of December 2018, the Company has not yet received any response from management of PT ISN related to the project proposal draft.

PT Boma Bisma Indra (Persero) ("PT BBI")

Implementation of BBI activity throughout 2018 period was focused on PT BBI Secured Promissory Notes (SPN) loans settlement, which had been matured. The activities done by the Company are as follows:

At early 2018, the Company and PT BBI has discussed the SPN loans settlement scheme with Debt to Equity Swap scheme as well as joint discussion with the Ministry of SOE. However, the settlement scheme has not yet implemented due to the loans conversion does not allocate majority ownership for the Company. However, the Company is still allowed to claim collection to PT BBI. From the initiatives done throughout 2018, the Company received interest payment of Rp400 million.

The Company and PT BBI continuously engaged in intensive discussion to achieve optimum Secured Promissory Notes loans settlement scheme. In December 2018, PT BBI and the Company has achieved agreement and followed-up with Secured Promissory Notes Loans Restructuring Agreement signing and disclosed in the Loans Restructuring Agreement Deed No. 84 dated December 21, 2018. Within the credit restructuring, in the first and second year, the Company will receive liabilities payment of Rp1.8 billion per year, and will increase gradually in the upcoming years.

After the Loans Restructuring Agreement signing, PT BBI has settled payment on December 28, 2018. The PT BBI Secured Promissory Notes Loans restructuring scheme is designed by adjusting with PT BBI cash flow capability. The Secured Promissory Notes debt restructuring is expected to help PT BBI's business improvement in the future and capability to pay its liabilities to the Company according to the provisions.

PT PANN (Persero) ("PT PANN")

As end of December 2018, the Company is under finalization process for PT PANN R/R review preparation.

Revitalization and Restructuring Segment Revenues in 2018

As of December 31, 2018, the Company has accepted payments from the SOEs properly, both as fulfillment on loans penalty, interest and principal liabilities amounted Rp32.88 billion, or lower than Rp112.28 billion revenues booked in 2017, or decreased by 70.72%.

In 2018, the Company also has disbursed loans to SOEs. The proceeds were acquired from PMN proceeds with borrowings outstanding at end of 2018 amounted Rp1.644 trillion, was 0.31% higher than Rp1.639 trillion outstanding at end of 2017. However, disbursement of the Company's proceeds as bailout funds booked balance of Rp525.79 billion by the end of 2018, was 27.84% higher from Rp411.28 billion balance at the end of 2017.

In 2019, the Company has set revenues target from SOEs R/R activity to achieve Rp57.28 billion.

The revenues is expected to be contributed from loans interest income in R/R activity such as interest income from PT Dirgantara Indonesia, PT PAL Indonesia, PT Industri Kapal Indonesia, PT Kertas Kraft Aceh, PT Survai Udara Penas, PT Industri Sandang Nusantara and PT Iglas.

Business strategy that will be implemented for SOEs R/R segment in 2019 are among others:

- Perform activities in SOEs revitalization through R/R assignment;
- Provide short-term/long-term financing, both through banking sector, strategic investor or other financial instrument;
- Perform collection, seek to reduce impairment and loans restructuring related to R/R activity.

Investment Segment

The Company's investment activity includes:

1. Direct and indirect investments, in the form of:
 - a. Loans facilities for project financing and/or other business activities;
 - b. Funds placement in a project or other business activities;
 - c. Asset purchases, development and/or sales/rental;
 - d. Temporary investment (in terms of establishment, purchase of issued/portfolio shares) in a company in order to enhance its value for resale.
2. Investment in Marketable Securities instrument, in form of:
 - a. Purchasing of bonds, including quasi-equity listed or not listed on the Stock Exchange; and
 - b. Purchasing of stock, warrant, and other derivative products through the Stock Exchange.

Throughout 2018, the Company's investment activity has been carried out by either its subsidiaries or other companies in the form of business-to-business, as well as portfolio investment.

Investment activities that were implemented in 2018 were changed from previous year. While in 2016 and 2017 the Company's investment activity was mainly allocated in the property, fertilizer and manufacturing sectors, in 2018, the Company expanded the investment portfolio to galvanizing and heavy equipment sectors.

Investment activities done by the Company are as follows:

a. Tegal 1 Asset (Green Teksin Residence, Tegal, Central Java)

The Company and PT Nindya Karya (PT NK) has signed Memorandum of Understanding to execute Tegal Project that has been implemented since September 2015. As end of 2018, 103 of 119 units available house/shophouses have been sold.

b. Tegal 2 Asset (Non-Green Teksin Residence)

The Company has optimized Tegal 2 Assets by leasing the houses around the asset.

c. Paledang Assets (Cempaka Hijau Residential, Bandung, West Java)

As end of 2018, 69 house units had been sold from 77 available units.

d. PT Sejahtera Eka Graha ("SEG") – Property Investment

On November 1, 2016, Memorandum of Understanding between PPA, SEG and PT Adhi Karya ("Adhi") has been signed concerning Land Development in Danau Bogor Raya Area.

Based on result of reassessment in September – December 2018, the Company, Adhi and PT Adhi Commuter Property have reviewed the land development project in Danau Bogor Raya Area, including discussion on Principal Agreement for Property Project Development Cooperation in Danau Bogor Raya Area covering ±11.5 hectare as Head of Agreement and Cooperation Agreement 1st Phase for development of land covering ±3,8 with types including apartment, condotel, shophouses/ SOHO and hotel development. The two agreements are expected to be executed at the first quarter of 2019.

e. Ministry of Finance Assets (Karawang Ricefield)

Refers to rice field assets owned by the Ministry of Finance located at Jl. Raya Kosambi, Telagasari, Benge Village, Majalaya District, Karawang Regency, West Java ("Karawang Assets") with total area of 42 hectare. Related to Karawang assets

optimization plan, the Company has appointed PT Prima Kelola IPB to perform feasibility study, and result of most optimum study will be developed for seed cultivation.

Based on result of the study, the Company is currently under further discussion process with PT Prima Kelola IPB to finalize Karawang Rice Field development plan.

f. Cooperation with PT Polytama Propindo ("Polytama")

Throughout 2018, performance of Polytama showed positive result on utilization of government investment proceeds amounted Rp200 billion, as follows:

1. The Total Polypropylene production in 2018 achieved 196,511 MT from total capacity of the production machine of 240,000 MT, this means Polytama managed to optimize its production up to ±82% from total machine capacity. In 2019, Polytama plans to upgrade production capacity up to 300,000 MT.
2. The production upgrade will be in line with increasing sales of Polypropylene, a product of Polytama. In 2018, Polytama was able to sell polypropylene both pallet and granule types with total amount of ±198,080 ton or USD245.90 million or equal to Rp3.44 trillion (exchange rate assumption at Rp14,000). The increase affected the value of Polytama's stocks as an asset owned by the Ministry of Finance Republic of Indonesia.

Throughout 2018, the Company has provided 2 (two) working capital facilities for Polytama with total outstanding amounted Rp192.80 billion as of December 31, 2018. In terms of this facilities, Polytama is capable to fulfill the principal obligation payment consistently every 3 (three) months. Total revenues (net cash-in) booked by the Company in 2018 from all loans facilities provided for Polytama amounted Rp21.33 billion.

g. Cooperation with PT Artha Bangun Persada ("ABP")

Cooperation between the Company and ABP is property development plan on 16 hectare land owned by ABP located in Bekasi City. As of 2018, the Company has provided bailout loans with total limit of Rp27.83 billion. Related to the future project development plan, the Company is currently under negotiation stage with other ABP's shareholders.

h. Cooperation with PT Gali Terus Sejahtera ("GTS")

The Company cooperates with GTS in natural gas production facility procurement project implementation located at Rayu Utara Gas Field, South Sumatera.

The Company has provided investment loans facilities with total limit of Rp35.10 billion.

i. Cooperation with PT Riscon Duta Sarana ("RDS")

Cooperation between the Company and RDS is Bukit Hijau residence project development in Ciomas, Bogor Regency.

As end of 2018, 68 of 70 house units and 2 units shophouses available had been sold.

j. Cooperation with PT Inti Adhiyasa ("PT IA")

Cooperation between the Company and IA is modest house construction financing for residential project in Kahuripan City, Purwakarta, where the Company provides financing facility amounted to Rp50 billion. As end of December 2018, 48 of 135 house units available had been sold.

k. Cooperation with PT Tropisindo Sumber Energi ("TSE")

The Company and TSE cooperate in mini-hydro power plant project development located in Bengkulu.

l. Cooperation with PT SIG Asia ("SIG")

The Company cooperates with SIG in tuna fish processing and frozen business in Bitung, North Sulawesi. The Company provides loans to SIG amounted Rp15 billion since February 2017 that was used for working capital needs and Rp35 billion for production capacity upgrade investment.

m. Cooperation with Polowijo Gosari ("PG")

The Company provides working capital loans for PG in form of dolomite-based and compound fertilizers production procurement project financing amounted Rp93 billion.

In addition, the Company also provides short-term loans in form of working capital to PG to finance outspread solid landfill project at Teluk Lamong Terminal Container Yard construction project.

n. Cooperation with PT National Utility Helicopters ("NUH")

The Company cooperates with NUH by providing short-term loans of Rp25 billion that is used to purchase Bell 412 EP Helicopter Reg. PKK-URA and other main supporting needs.

o. Cooperation with PT Pusaka Bumi Transportasi ("PBT")

The Company cooperates with PBT in form of Truck and Heavy Equipment Procurement and Financing Cooperation with investment value of Rp500 billion.

p. Cooperation with PT Bina Patria Transmirta ("BPT")

The Company cooperates with BPT in form of loans facility to purchase heavy equipment and working capital for sand procurement project to PT Adhimix Precast Indonesia valued Rp24.5 billion.

q. Cooperation with PT Rejeki Inti Logam ("RIL")

The Company cooperates with RIL in form of loans facility to re-operate in got aluminum plant valued Rp6 billion.

Investment Segment Revenues in 2018

In 2018, realization of investment income reached Rp223.40 billion an increase by 67.48% from Rp133.69 billion in 2017.

In 2019, the Company has prepared business strategies, as follows:

- Investment through financing, capital investment, cooperation and trading schemes;
- Cooperation in maintaining NPL of Government/Private Bank and its affiliated parties;
- Investment cooperation with SOEs, Subsidiary of SOEs, ROE and Private Enterprises to finance the contracted projects;
- Investment cooperation in form of Joint Venture, Joint Operations and others.

Business Advisory Service Business Segment

Advisory services operated by the Company are as follows:

1. Business and Management Advisory Service, including:
 - Due diligence
 - Business Valuation and Financial Modeling
 - Business Plan
 - Merger and Acquisitions
 - Feasibility Study
 - Standard Operating Procedures (SOP) Drafting
 - Loan Restructuring
2. Assets Sales and/or Optimization Advisory Service, including:
 - Assets Sales and/or Utilization
 - Assets Profiling Service
 - Assets Development Service

The companies who hired our advisory service increased to six companies from four companies in the previous year. The advisory service is also diversified from previous year after additional business review

service with regards to the loans settlement and feasibility business study service on shares acquisition plan.

a. Advisory Service for PT Pupuk Kujang ("PT PK")

The Company provides advisory service in form of business review related to arrangement and revitalization plan for PT Sintas Kurama Perdana ("PT SKP"), (a subsidiary of PT Pupuk Kujang).

From this project, the Company received fee amounted Rp320,000,000.

b. Advisory Service for PT PK

The Company performed business review to anticipate changing fertilizer subsidy policy from PT PK with fee amounted Rp720,000,000.

c. Business Review Service for PT Multi Nitrotama Kimia (PT MNK)

The Company provides advisory service to settle receivables of PT MNK to PT PK with fee amounted Rp300,000,000.

d. Joint Operational Feasibility Study Service for PT Perkebunan Mitra Ogan ("PT PMO")

The Company provides advisory service in preparing Joint Operational feasibility study at PT PMO with fee amounted Rp475,000,000.

e. Debt Restructuring, PKPU, Bankruptcy and Dismissal Review for PT Multi Nitrotama Kimia ("PT MNK")

The Company provides advisory service in preparing suspension of payment, bankruptcy and dismissal review for PT MNK with fee amounted Rp440,000,000.

f. PT Clariant Kujang Catalyst ("PT CKC") Shares Divestment Plan Feasibility Study

The Company provides advisory service in preparing feasibility study on PT CKC minority shares divestment plan with fee amounted Rp440,000,000.

g. Shares Acquisition Plan Feasibility Business Review for PT Sintas Kurama Perdana (PT SKP)

The Company provides advisory and shares acquisition plan feasibility business review services for PT SKP with fee amounted Rp320,000,000.

h. Catalyst Plant Construction Plan Feasibility Study for PT Pupuk Kujang ("PT PK")

The Company provides advisory service in preparing feasibility study on PT PK catalyst plant construction plan with amount valued Rp450,000,000.

i. Advisory Service and Assistance for Prospective Investor In Cooperation of Non-Plant Area Assets Utilization Owned by PT PK.

The Company provides advisory and assistance services to seek prospective investors in cooperation of Non-Plant Area Assets Utilization owned by PT PK with fee amounted Rp3,250,000,000.

j. Advisory Service for PT Krakatau Steel (Persero) Tbk. ("PT KS") Fixed Assets Utilization Cooperation SOP Draft Preparation and Assistance for PT KS Land Utilization 2nd Phase

The Company provides PT KS fixed assets utilization cooperation SOP draft preparation with fee amounted Rp1,025,000,000 and PT KS land utilization implementation 2nd Phase with total fee amounted Rp900,000,000.

k. Pertamina Foundation ("PF") Assets Selling Program

The Company provides sales program implementation service for land assets owned by PF located at Kalideres, West Jakarta with fee amounted Rp500,000,000..

l. Financial Advisory Service for PT Hotel Indonesia Natour (Persero) ("PT HIN")

The Company provides advisory service as financial advisor for PT HIN.

Business Advisory Segment Revenues in 2018

In 2018, advisory service income reached Rp41.75 billion, or increase by 233.75% if compared to Rp17.86 billion in 2017.

The largest advisory service revenues is contributed from fee from PT Wisarada Sarana Aviassi, R/R Service for PT Merpati Nusantara Airlines, management fee from PT Carpediem, advisory Service for PT Duta Cipta Pakarperkasa, and advisory service for PT Pupuk Kujang.

Business strategies that will be implemented in advisory service in 2019 are as follows:

- Engage in intensive communication with existing client to acquire new project (repeat order);
- Advisory service mapping and development that will be provided to the prospective clients;
- Advisory service need analysis from potential clients.

Performance of Subsidiaries

1. PT PPA FINANCE ("PPAF")

Subsidiary	Domicile	Activity	Ownership Percentage	Year of Operation	Total Assets in 2018 (in million Rupiah)	Total Revenues in 2018 (in million Rupiah)
PT PPA Finance	Jakarta	Financing	99.999	2009	963.471	120.738

PPAF commenced operation since December 21, 2009 in accordance to the Minister of SOE Approval Letter No. S-360/MBU/2009 dated May 27, 2009. Based on the letter, the Company established PPAF with 99.999% shares ownership. Main business line of PPAF is financing with business activity covering:

1. Leasing – Investment Financing;
2. Factoring – Working Capital Financing;
3. Consumer Financing – Multipurpose Financing.

Performance in 2017

Throughout 2018, Financing Outstanding amounted Rp907.64 billion, increased by Rp128.39 billion or 16.48% from Rp779.26 billion value booked in 2017.

Financing Outstanding in 2018

Client	Financing			Total
	Investment	Multi Purpose	Working Capital	
Related Parties	74,016,982,330	16,102,157,391	851,450,758	90,970,590,479
Third Parties	667,141,264,138	17,703,355,406	131,829,681,204	816,674,300,748
Total	741,158,246,468	33,805,512,797	132,681,131,962	907,644,891,227

To support financing in 2018, PPAF also had acquired financing from banking sector and also financial instruments issuance. As of December 31, 2018, PPAF loans outstanding achieved Rp660.66 billion, comprising of:

1. Banking Loans amounted Rp360.66 billion.
2. Medium Term Notes (MTN) amounted Rp300 billion.

Financial Highlights

In terms of financial performance, PPAF's revenues achieved in 2017 amounted to Rp92.20 billion or achieved 89.76% from Rp102.83 billion targeted in the Work Plan and Budget 2017. However, if compared to total revenues amounted to Rp87.59 billion booked in 2016, the revenues booked in 2017 increased by 5.26%. In 2017, operating expense achieved Rp74.94 billion that was 6.29% higher than Rp70.51 billion in 2016. Accordingly, net income realization in 2017 amounted Rp14.51 billion or grew by 13.18% from Rp12.82 billion net income booked in 2016.

Target for 2019

In 2019, PPAF has set net income target of Rp34.34 billion with revenues of Rp266.61 billion. To achieve the target, PPAF primary activity program is to disburse financing amounted Rp1,192.39 billion with composition, as follows:

1. Factoring is targeted to achieve Rp338.64 billion or 28.40% of total financing funds disbursement.
2. Leasing is targeted to achieve Rp665.32 billion or 55.80% from total financing funds disbursement.
3. Consumer Finance is targeted to achieve Rp110.97 billion or 9.31% from total financing funds disbursement.
4. Other financing is targeted to achieve Rp77.74 billion or 15.10% from total financing disbursement proceeds.

Source of financing to support the financing will utilize loans from banking and financial instrument in form of Medium Term Notes.

2. PT PPA KAPITAL ("PPAK")

Subsidiary	Domicile	Activity	Ownership Percentage	Year of Operation	Total Assets in 2018 (in million Rupiah)	Total Revenues in 2018 (in million Rupiah)
PT PPA Kapital	Jakarta	Asset Management and Financing Advisory	99.999	2012	897.697	54.803

PPAK was established since December 17, 2011 after obtaining approval from the State Minister of SOE through letter Number: S-372/MBU/2011 dated June 22, 2011 with the Company's shares ownership of 99.996%. Total paid-in capital of PPAK amounted Rp100 billion. The main business activity of PPAK is asset management and financial advisory services. In running the main business activity, PPAK provides financial advisory services to engage in investment and funds placement activities in other companies both domestically and overseas.

Performance in 2018

At early 2018, PPAK has divested the entire shares ownership at PT Pratama Persada Airborne ("PPAi") to PT Survei Udara Penas. The shares divestment refers to investment grand strategy and restructuring of PT Survei Udara Penas by the Company. Divestment on PPAK placement with PPAi for ±14 months gained profits of ±Rp1.9 billion from the initial shares investment of Rp10 billion.

At early 2018, PPAK has transformed a new business model in form of investment activity focusing on capital investment in a company or joint venture, which initiation process utilizes cooperation/synergy with the Company and advisory or business project arranger activity to increase revenues in form of fee-based income. The synergy becomes a form of realization of PPAK company's budget plan in 2018 as well as part of overall PPA Group investment scenario realization.

In 2018, PPAK executed acquisition of some companies and subsidiaries, as follows:

1. PT Magnesium Gosari Internasional, operated in dolomite-based fertilizer production business.
2. PT Bondi Syad Mulia, operated in steel and galvanizing industries.
3. PT SIPPA Kemasan Internasional, operated in plastic packaging industry.

Financial Highlights

In 2018, realization of PPAK's revenues achieved Rp54.80 billion or fulfilled 37% of the RKAP 2018 that targeted Rp148.90 billion. Compared to the realization in 2017, the revenues increased by 128% from Rp42.90 billion previously booked. In 2018, general and administrative expenses booked Rp75.41 billion or increased by 132% from previous year that booked Rp57.11 billion. Net income realization in 2018 achieved Rp30.98 billion, an increase if compared to net loss of Rp51.5 billion in 2017, or achieved 352% from company's budget plan 2018 that targeted Rp8.8 billion.

Target for 2019

In 2019, PPAK targeted consolidated net income realization to achieve Rp101.2 billion with revenues of Rp1.3 trillion and to achieve the target, PPAK activity program is projected, as follows:

1. Continue investment activity focusing on shares investment in industries, such as mining, manufacture, agriculture, plantation and other sectors that are considered providing investment added-value.
2. Subsidiary development, as follows:
 - a. Re-operation of PT Duta Mentari Raya palm oil plant at the 1st Quarter of 2019.
 - b. Completion of PT Magnesium Gosari Internasional of a third dolomite machine train construction and will commence operation at 3rd Quarter of 2019.
 - c. Completion of PT Bondi Syad Mulia in Gresik second plant construction and will commence operation at 3rd Quarter of 2019.
 - d. Operations of PT Sippa Kemasan Internasional plant at 3rd Quarter of 2019.
3. Improve advisory services.

3. PT NINDYA KARYA (PERSERO) ("NK")

NK operated since 1961. In accordance to the Republic of Indonesia Government Regulation Number 69 dated August 13, 2012, the Company placed investment to NK amounted to Rp499,997,421 or 99% from subscribed and fully paid-in capital. The main business activity of NK is construction service with significant operational scope in various regions across Republic of Indonesia territory.

Subsidiary	Domicile	Activity	Ownership Percentage	Year of Operation	Total Assets in 2018 (in million Rupiah)	Total Revenues in 2018 (in million Rupiah)
PT Nindya karya (Persero)	Jakarta	Construction	99.00%	1961	5.691.001	6.226.911

Performance in 2018

Throughout 2017, NK attempted optimally to earn some projects while implementing prudent principle, as indicated from total successful tender acquisition of 30.00% from total tender participated in 2018 amounted to Rp33,322.14 billion. The realization is higher from 29.96% realization in 2017.

The total available contract is a combination of old and new contracts, also recorded significant growth. In 2018, the nominal value of available contracts recorded Rp18,476.13 billion or increased by 14.91% from realization in 2017 amounted Rp16,079.01 billion. Total available contract in 2018 successfully achieved 75.38% from Rp24,512.21 billion targeted.

Investment realization only achieved Rp178.13 billion or 18.04% from Rp987.59 billion targeted for 2018. However, the amount increased by Rp118.26 billion or 297.51% from investment realization in 2017 that was Rp59.87 billion.

In line with improving financial performance, NK also increase the number of hired employees. In 2018, total number of NK's employees is 997 employees, increased if compared to 981 employees in 2017, however the number is still below the set target of 1,112 employees.

Financial Highlights

As of December 31, 2018, total NK's assets amounted to Rp5,691 billion, increase by Rp961.12 billion or 20.32% from Rp4,729.88 billion booked in 2017. NK revenues in 2018 also increased from previously was Rp5,875.14 billion in 2017 to Rp6,226.91 billion in 2018, or increased by 5.99%. Similar positive trend was also followed by increasing net income that grew by Rp27.91 billion to Rp272.18 billion if compared to Rp244.27 billion booked in 2017. Financial ratio, such as liquidity, earnings, solvency and net profit margin, booked by NK in 2018 were successfully exceeded the set targets. This indicated that NK managed to improve its financial performance positively in 2018.

Description	Realization in 2018	Target 2018 (RKAP)	Realization in 2017	Changes (yoy)	Percentage
	(in million Rupiah)				
Total Tenders (participated)	33.322,14	46.035,36	25.736,65	7.585,49	129,47%
Total Tenders (Appointed)	9.990,51	11.508,84	7.709,98	2.280,05	129,65%
Available Contracts	18.476,13	24.512,21	16.079,01	2.399,12	114,92%
Operating Income	6.218,59	6.979,88	5.875,14	351,77	105,99%
Net Income	272,18	281,74	244,27	27,91	111,42%
Investment	178,13	987,60	59,87	118,26	297,53%
Total Employees	997	1.112	981	16	101,63%
Assets	5.691,00	4.820,17	4.729,88	961,12	120,32%
Financial Ratio Liquidity	126,18%	162,09%	129,15%	-2,97%	97,70%

Description	Realization in 2018	Target 2018 (RKAP)	Realization in 2017	Changes (yoy)	Percentage
	(in million Rupiah)				
Solvency	1.36	1.38	1,36	-	100,00%
Net Profit Margin	4,38%	4.04%	4,16%	0.22%	105,29%
Soundness Index	HEALTHY (AA)	HEALTHY (AA)	HEALTHY (AA)		

Target for 2019

In 2019, PT Nindya Karya (Persero) targeted net income realization to achieve Rp339.62 billion with revenues to achieve Rp7,770.2 billion, to achieve these targets, working programs of PT Nindya Karya (Persero) are as follows:

Marketing Working Program in 2019

1. Market penetration in EPC (Oil & Gas, renewable energy) projects, Performance Base Contract and Investment.
2. International Market penetration, primarily the Southeast Asia countries such as Timor Leste and Philippines.
3. Increasing project size (average $\geq$ Rp200 billion) to improve effectiveness and pursue growth $> 20\%$ per year.
4. More aggressive in acquiring design and build projects.

Production Working Program in 2019

1. Improving efficiency and "Competitive Advantage" through:
 - Project completion acceleration.
 - Project implementation method innovation that has been evaluated by Engineering unit.
 - Implementation of Supply Chain Management through e-Procurement in goods and services procurement process.
2. Enterprise Resource Planning Nindya implementation for project controlling.
3. Enforcement of Health, Safety, Environment (HSE):
 - SM-MK3L Socialization at work units/projects.
 - Increasing HSE implementation commitment based on the Manual Book.
 - Implementation of SIM HSE in every project.

Development Working Program in 2019

1. Utilize assets owned by the Company and other parties in form of SOE synergy for business development in property/realty sector.
2. Establish or acquire companies into subsidiaries to support and strengthen the Company's core business in construction services.
3. Engage in cooperation with other parties, including with Education Agency/University in Research & Development (R&D) program for business development in: Energy (power plant), property/realty (Residential, Flats, Apartment, Hotel, Office Rental, Condotel), manufacture and toll road industries.

Finance Working Program in 2019

1. Issuance of long-term loans instruments such as MTN/Bonds to finance investment projects and working capital.
2. Speed-up project claim disbursement and tax restitution.
3. Prepare Cash Loan facilities maximum amounted Rp2.1 trillion from Bank and Non-Bank Institutions and Non-Cash Loan Facilities maximum amounted Rp7 trillion to support the Company's operations.
4. Engage in cooperation with some potential vendors to finance the projects under Back to Back Payment scheme.
5. ERP Nindya implementation for financial process speed and accuracy.

Accounting Working Program in 2019

1. Integrate accounting, finance and taxation system, and Enterprise Resource Planning (ERP) program implementation.
2. SIM Akuntansi Ventura Bersama implementation.

HR Working Program in 2019

1. Training and competency development through Nindya Learning Center in on going basis.
2. Certification for expert and technical staffs.
3. Improvement of HR systems including Work Load Analysis, Man Power Planning, Talent Pool, Career Management and Succession Planning.
4. Knowledge Management System development.

System and IT Working Program in 2019

1. ERP Nindya development including e-procurement.
2. Implementation of KPU as reference to upgrade corporate systems.
3. Improvement of working policy, procedure and instruction.
4. Sucofindo Surveillance Audit, such as ISO 9001:2015, ISO 14001:2015 & OHSAS 18001:2007/ISO 45001: 2018.

Financial Performance

The following financial performance refers to Consolidated Financial Statements for year ended on December 31, 2018 and 2017 found in this Annual Report. The Consolidated Financial Statements has been audited by Public Accountant Firm (KAP) Amir Abadi Jusuf, Aryanto, Mawar & Partners (RSM Indonesia), through Audit Report No. 00172/2.1030/AU.1/10/0499-4/1/III/2019 dated March 13, 2019, and acquired an unqualified opinion from all material aspects including the consolidated financial position of PT Perusahaan Pengelola Aset (Persero) and subsidiary on December 31, 2018 and 2017, including operation results, change in equity and cash flows for years ended on the date in accordance to Indonesian Financial Accounting Standards.

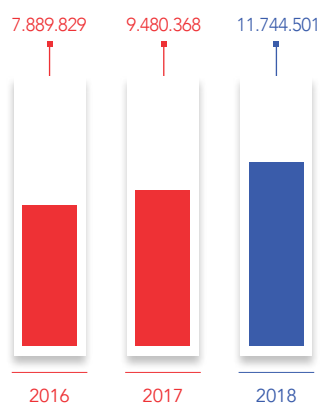
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

TABLE OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION IN 2018, 2017 AND 2016 (in million Rupiah)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
ASSETS					
Current Assets	7.280.098	6.015.024	5.296.363	1.265.074	21,03
Non-Current Assets	4.464.403	3.465.344	2.593.466	999.059	28,83
TOTAL ASSETS	11.744.501	9.480.368	7.889.829	2.264.133	23,88
LIABILITIES					
Current Liabilities	5.440.230	3.715.530	3.109.266	1.724.700	46,42
Non-Current Liabilities	1.042.228	1.055.147	629.235	(12.919)	-1,22
TOTAL LIABILITIES	6.482.458	4.770.677	3.738.501	1.711.781	35,88
EQUITY					
Equity Attributable to Owner of the Parent Entity	5.144.431	4.698.844	4.145.523	445.587	9,48
Non-Controlling Interest	117.612	10.847	5.805	106.765	984,28
TOTAL EQUITY	5.262.043	4.709.691	4.151.328	552.352	11,73
TOTAL LIABILITIES AND EQUITY	11.744.501	9.480.368	7.889.829	2.264.133	23,88

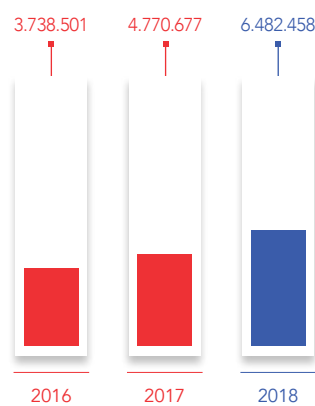
TOTAL ASSETS

in million Rupiah



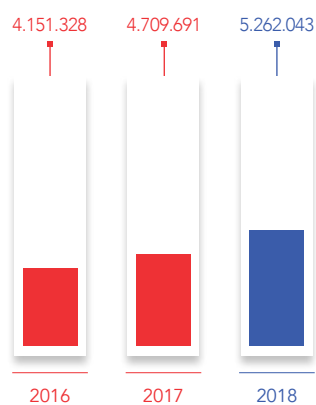
TOTAL LIABILITIES

in million Rupiah



TOTAL EQUITY

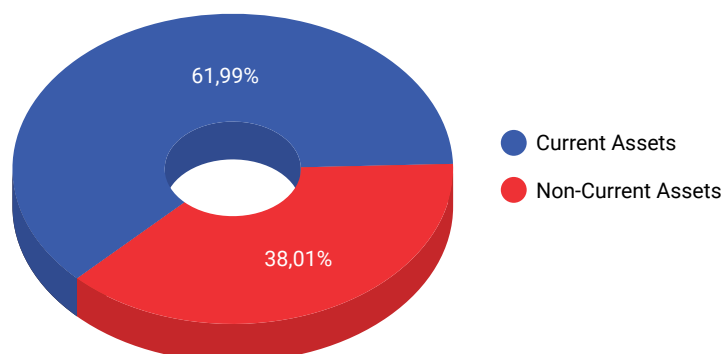
in million Rupiah



ASSETS

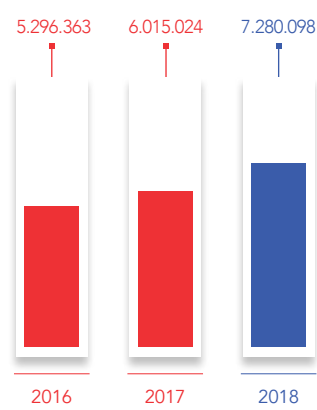
As of December 31, 2018, the Company's assets realization achieved Rp11.74 trillion with composition of 61.99% current assets and 38.01% non-current assets. The realization grew by Rp2.26 trillion or 23.88% from Rp9.48 trillion booked as of December 31, 2017. The growth was acquired from increasing current assets by Rp1.27 trillion or 21.03% and non-current assets of Rp999.06 billion or 28.38% compared to December 31, 2017. The increasing current assets shared the largest contribution to total assets growth.

COMPOSITION OF ASSETS IN 2018



CURRENT ASSETS

in million Rupiah



NON-CURRENT ASSETS

in million Rupiah

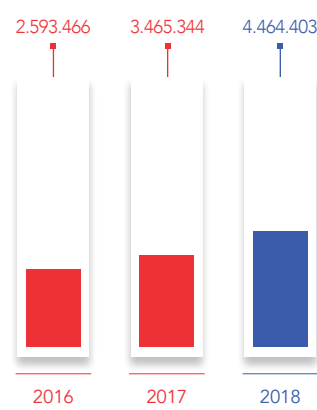


TABLE OF CURRENT ASSETS IN 2018, 2017 AND 2016 (in million Rupiah)

CURRENT ASSETS	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Cash and Cash Equivalents	1.365.617	1.694.156	1.534.252	(328.539)	-19,39
Short-Term Investment Loans					
Related Parties	22.069	13.776	15.489	8.293	60,20
Third Parties	423.195	275.168	34.252	148.027	53,79
Held for Trading Financial Assets					
Related Parties	79.632	80.921	90.354	(1.289)	-1,59
Third Parties	1.588	2.314	5.536	(726)	-31,36
Accounts Receivable					
Related Parties	269.725	315.566	285.126	(45.841)	-14,53
Third Parties	906.628	901.693	722.983	4.935	0,55

TABLE OF CURRENT ASSETS IN 2018, 2017 AND 2016 (in million Rupiah)

CURRENT ASSETS	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Retention Receivables					
Related Parties	65.087	87.760	48.440	(22.673)	-25,84
Third Parties	101.736	129.206	90.083	(27.470)	-21,26
Joint Venture Construction Receivables	277.862	189.408	246.190	88.454	46,70
Loans Receivable - Bailout					
Related Parties	215.581	207.115	219.215	8.466	4,09
Gross Amount Due From Customers					
Related Parties	564.551	347.956	484.320	216.595	62,25
Third Parties	1.653.814	945.766	775.384	708.048	74,87
Inventories	154.278	170.160	116.762	(15.882)	-9,33
Advances and Prepaid Expenses	154.751	104.468	171.475	50.283	48,13
Prepaid Taxes	691.610	474.896	359.238	216.714	45,63
Other Current Assets	332.374	74.695	97.264	257.679	344,97
Total Current Assets	7.280.098	6.015.024	5.296.363	1.265.074	21,03

Current Assets

As of December 31, 2018, current assets amounted Rp7.28 trillion, consisted of cash and cash equivalents, short-term investment loans, held for trading financial assets, accounts receivables, retention receivables, joint venture construction receivables, loans receivable – bailout, gross amount due from customers, inventories, advances and prepaid expenses, prepaid taxes and other current assets. The realization increased by Rp1.27 trillion or 21.03% compared to Rp6.02 trillion as of December 31, 2017. The increment was mainly contributed from short-term investment loans, gross amount due from customers, and prepaid taxes.

Cash and Cash Equivalents

As of December 31, 2018, cash and cash equivalents amounted Rp1.37 trillion, decreased by Rp328.54 billion or 19.39% compared to Rp1.69 trillion as of December 31, 2017. The decrease was mainly due to decreasing time deposits placement at Bank BNI amounted Rp355 billion.

Short-Term Investment Loans

Short-term investment loans are loans facility related to the Company's business activity. The loans were provided to related parties and third parties. As of December 31, 2018, short-term investment loans with related parties amounted Rp22.07 billion, increased by Rp8.29 billion or 60.20% compared to Rp13.78 billion as of December 31, 2017. The increase was mainly due to disbursement of new investment loans to PT Artha Bangun Pratama.

Short-term investment loans with third parties amounted Rp423.20 billion as of December 31, 2018, increased by Rp148.03 billion or 53.70% compared to Rp275.17 billion as of December 31, 2017. The increase was mainly due to disbursement of top 3 (three) new investment loans to PT Polowijo Gosari, PT Polytama Propindo and PT Duta Cipta Pakar Perkasa amounted Rp87.71 billion, Rp34.50 billion and Rp32.26 billion, respectively.

Most of the short-term investment loans were disbursed to third parties that reached 95.04% from total short-term investment loans as of December 31, 2018.

Held for Trading Financial Assets

Financial assets are classified as held for trading if acquired or held for trading or repurchase in short-time or portion of specific financial instrument that is jointly managed with evidence of actual current profit-taking scheme, or derivative, except the derivative that is stipulated and effectively used as hedging-value instrument. The financial assets are acquired from related parties and third parties.

Held for trading financial assets with related parties amounted Rp76.93 billion as of December 31, 2018, decreased by Rp1.29 billion or 1.59% compared to Rp80.92 billion as of December 31, 2017. The decrease was due to release of traded sales of the related parties.

Next, held for trading financial assets with third parties amounted Rp1.59 billion as of December 31, 2018, decreased by Rp726 million or 31.36% compared to Rp2.31 billion as of December 31, 2017. The decrease was due to release of traded sales of the third parties.

Most of the held for trading financial assets were in form of secured promissory notes with related parties that were 86.51% of total held for trading financial assets as of December 31, 2018.

Accounts Receivables

As of December 31, 2018, the Company booked accounts receivables (net of allowance for impairment) amounted Rp1.18 trillion, decreased by Rp40.91 billion or 3.36% compared to Rp1.22 trillion position as of December 31, 2017.

The accounts receivables was booked from transactions with related parties and third parties. The accounts receivables with related parties amounted Rp269.73 billion as of December 31, 2018, decreased by Rp45.84 billion or 14.53% compared to Rp315.57 billion as of December 31, 2017. The decrease was due to decreasing construction services receivable, consumer financing receivables and monitoring and interest receivables.

Meanwhile, as of December 31, 2018, accounts receivables with third parties amounted Rp906.63 billion, decreased by Rp4.94 billion or 0.55% compared to Rp901.69 billion as of December 31, 2017, the decrease was mainly due to decreasing construction services receivable.

Allowance for receivables impairment amounted Rp106.51 billion as of December 31, 2018, increased by Rp19.66 billion or 22.64% compared to Rp86.85 billion as of December 31, 2017.

The Management believes that the allowance for impairment losses is adequate to cover possible losses that may arise from uncollectible receivable.

Retention Receivables

Retention receivables was booked from transaction between PT Nindya Karya with customers from both related parties and third parties to be repaid after completion of the contract or fulfillment of condition as mentioned in the contract.

As of December 31, 2018, the Company booked net retention receivables (net of allowance for impairment) of Rp166.82 billion, decreased by Rp50.14 billion or 23.11% compared to Rp215.97 billion as of December 31, 2017.

Retention receivables with related parties – net amounted to Rp65.09 billion as of December 31, 2018, decreased by Rp22.67 billion or 25.48% compared to Rp87.76 billion as of December 31, 2017.

The decrease was mainly due to repayment of receivables from PT Pelabuhan Indonesia IV (Persero) amounted Rp15.70 billion and repayment of receivables from PT Semen Padang amounted Rp 6.57 billion.

Retention receivables with third parties net amounted Rp101.74 billion as of December 31, 2018, decreased by Rp27.47 billion or 21.26% compared to Rp129.21 billion as of December 31, 2017. The decrease was mainly due to repayment of receivables with General Directorate of Bina Marga amounted Rp15.58 billion, repayment of receivables with Balai Besar Pelaksanaan Jalan Nasional II amounted Rp4.49 billion and repayment of receivables with Ministry of Health amounted Rp4.38 billion.

As of December 31, 2018, allowance for receivables impairment losses on the retention receivables amounted Rp27.53 billion, increased by Rp8.28 billion or 43.03% compared to Rp19.25 billion as of December 31, 2017.

The Management believes that the allowance for impairment losses is adequate to cover possible losses that may arise from uncollectible receivable.

Joint Venture Construction Receivables

Joint Venture (JV) for material purchase, bank fee, overhead and other costs paid by the Company for Joint Venture purposes. As of December 31, 2018, joint venture construction receivables amounted Rp277.86 billion, increased by Rp88.45 billion or 46.70% compared to Rp189.41 billion as of December 31, 2017. The increase was mainly due to increasing joint venture receivables, such as Nindya – Rudy Jaya, Nindya- Bumi Karsa, Nindya – Sacna, and Nindya- Cipuga.

Loans Receivables – Bailout

The Company is eligible to disburse loans in form of bailout to third parties in SOEs Restructuring and/or Revitalizing ("RR") activity. The bailout loans facility is

recognized and booked as the Company's receivables. The bailout loans administration treatment is equal with loans receivable.

The entire loans receivables – bailout as of December 31, 2018 were provided to related parties, refer to total (principal and interest) amounted Rp295.73 billion, decreased by Rp8.04 billion or 2.65% compared to Rp303.77 billion as of December 31, 2017. The decrease was mainly due to receivables payment by PT Kertas Leces (Persero) and PT Survai Udara Penas (Persero).

As of December 31, 2017, allowance for impairment losses has been allocated for total loans receivables – bailout amounted Rp80.15 billion, decreased by Rp16.50 billion or 17.07% compared to Rp96.65 billion as of December 31, 2017. The decreasing total net allowance for loans receivables – bailout impairment losses increased by Rp8.47 billion or 4.09% from Rp207.17 billion as of December 31, 2017 to Rp215.58 billion.

The Management believes that the allowance for impairment losses is adequate to cover possible losses that may arise from uncollectible receivable.

Gross Amount Due from Customers

Gross amount due from clients (customers) is receivables of the Group from construction project contract which the project is under construction. The gross amount is presented as mismatch between expense added with booked profit net after booked loss and installment.

As of December 31, 2018, total gross amount due from customers amounted Rp2.22 trillion, increased by Rp924.64 billion or 71.47% compared to Rp1.29 trillion as of December 31, 2017. The increase was mainly due to higher number of construction contract projects.

Gross amount due from customers with related parties amounted Rp564.55 billion as of December 31, 2018, increased by Rp216.60 billion or 62.25% compared to Rp347.96 billion as of December 31, 2017.

Next, gross amount due from customers with third parties amounted Rp1.65 trillion as of December 31, 2018, increased by Rp708.05 billion or 74.87% compared to Rp945.77 billion as of December 31, 2017.

Gross amount due to customers with third parties shared the largest component of 74.55% from total gross amount due to customers.

The management believes there is no indication of gross amount impairment and all of the gross amount can be collected, so that there will be no allocating allowance for impairment losses.

Inventories

As of December 31, 2018, the Company booked inventories as of Rp154.28 billion, decreased by Rp15.88 billion or 9.33% compared to Rp170.16 billion as of December 31, 2017. The decrease was mainly due to decreasing construction material and fertilizer inventories.

Most of the inventories are placed as construction material inventory that reached 77.46% from total inventories.

Based on review of the inventories condition on December 31, 2018, Management believes that the inventories are not impaired, as well as obsolete inventories, therefore management does not do the impairment allowance of inventories.

Advances and Prepaid Expenses

Advances with third parties is advances to suppliers and sub-contractors, meanwhile, prepaid expenses refer to expense for building rental and insurance.

As of December 31, 2018, the Company booked total advances of Rp138.02 billion, increased by Rp63.53 billion or 94.83% compared to Rp74.67 billion as of December 31, 2017.

Meanwhile, prepaid expenses amounted Rp16.73 billion as of December 31, 2018, decreased by Rp13.06 billion or 43.84% compared to Rp29.80 billion as of December 31, 2017.

Prepaid Taxes

As of December 31, 2018, prepaid taxes amounted Rp961.61 billion, increased by Rp216.71 billion or 45.63% compared to Rp474.90 billion as of December 31, 2017. The increment was driven by increasing prepaid taxes for VAT of the Company and subsidiaries.

Prepaid taxes for subsidiaries shared the largest component by 89.10% of total prepaid taxes.

Other Current Assets

As of December 31, 2018, the Company booked total other non-current assets of Rp332.37 billion (net of allowance for receivables impairment), increased by Rp257.68 billion or 344.97% compared to as of December 31, 2017.

The increment was mainly due to the guaranteed assets related to receivables purchase transaction of PT Bank Tabungan Negara by PT PPA, that was occurred in 2018. Meanwhile, after the ex-IBRA Assets Management Agreement with the Ministry of Finance is no longer applicable asset management funds is now unavailable.

Allowance for receivables impairment on other current assets was booked Rp9.64 billion as of December 31, 2018, increased by Rp5.47 billion or 131.22% compared to Rp4.17 billion as of December 31, 2017.

TABLE OF NON-CURRENT ASSETS IN 2018, 2017 AND 2016 (in million Rupiah)

NON-CURRENT ASSETS	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Available for Sale Financial Assets	95.989	114.858	125.710	(18.869)	-16,43
Loans Receivable – Restructuring and/or Revitalization					
Related Parties	1.388.273	1.356.385	1.351.876	31.888	2,35
Long-Term Investment Loans					
Related Parties	265.053	134.375	8.000	130.678	97,25
Investment Property	786.809	395.901	292.585	390.908	98,74
Deferred Tax Assets	25.569	20.605	20.435	4.964	24,09
Investment in Associates	336.085	348.689	340.884	(12.604)	-3,61
Other Long-Term Investments	138.053	41.818	42.535	96.235	230,13
Property, Plant and Equipment	1.068.044	716.622	386.165	351.422	49,04
Other Non-Current Assets	354.278	336.091	25.276	18.187	5,41
Total Non-Current Assets	4.464.403	3.465.344	2.593.466	999.059	28,83

Non-Current Assets

As of December 31, 2018, non-current assets amounted Rp4.46 trillion consists of available for sale financial assets, loans receivable – Restructuring/ revitalization, long-term investment loans, investment properties, deferred tax assets, investment in associates, other long-term investment, property, plant and equipment and other non-current assets. The realization increased by Rp999.06 billion or 28.83% compared to Rp3.47 trillion as of December 31, 2017. The increment was mainly contributed from increasing investment properties, property, plant and equipment and long-term investment loans.

Available for Sale Financial Assets

Available for sale financial assets consists of investment in shares and investment via fund manager. As of December 31, 2018, available for sale financial assets amounted Rp95.99 billion, decreased by Rp18.87 billion or 16.34% compared to Rp114.86 billion as of December 31, 2017. The decrease was due to decreasing total shares of the Company from investment in shares with PT Waskita Karya (Persero).

In 2018, redemption on investment done via PT Bahana TCW (fund manager) with total yields of Rp5.00 billion, therefore, the investment value via PT Bahana TCW amounted Rp52.55 billion as of December 31, 2018 with Net Asset Value (NAV) of Rp50.55 billion. The value is 52.67% from total available for sale financial assets as per December 31, 2018.

Loans Receivable – Restructuring and/or Revitalization

In implementing SOEs Restructuring/Revitalization under loans receivable scheme from the Company, the loans is recognized as the Company's receivables. The loans receivables is recognized during the disbursement in amount of the loans principal and presented as total due receivables outstanding of the Company net after allowance of loans impairment.

As of December 31, 2018, loans receivable – restructuring and/or revitalization with related parties – net amounted Rp1.39 trillion, increased by Rp31.89 billion or 2.35% compared to Rp1.36 trillion as of December 31, 2017. The increment was mainly attributable from loans provided for PT Survai Udara Penas (“SUP”) where in 2017 did not book any loans outstanding to PT SUP.

On the other hand, PT PAL (Persero) and PT IKI (Persero) paid part of the loans principal outstanding (installment).

The Company has allocated allowance for impairment on the Loans Receivable – Restructuring/Revitalization amounted Rp461.15 billion as of December 31, 2018, increased by Rp74.37 billion or 19.23% compared to Rp386.78 billion as of December 31, 2017. The increment was due to new allowance for loans receivable to PT SUP.

Long-Term Investment Loan

As of December 31, 2018, long-term investment loan amounted Rp265.05 billion, increased by Rp130.68 billion or 97.25% compared to Rp134.38 billion as of December 31, 2017. The increment was due to some new investment loans with third parties and related parties.

As of December 31, 2018, allowance for impairment on the investment loans has been reserved in amount of Rp13.90 billion, increased by 100% if compared as of December 31, 2017 as the Company has not allocated allowance for long-term investment loans impairment on the date.

Investment Property

Investment property includes property (land, building or part of a building or both) managed by the owner or tenant under financing lease to generate fee or higher value for both parties, and not to be used for production or goods or services procurement or administrative purpose; or sold in daily activity.

Investment property is recognized as an asset if and only if having high future economic benefit related to investment property to be disbursed to the entity; and

acquisition cost of the investment property can be measured with reliable measurement.

As of December 31, 2018, book value of investment property amounted Rp786.81 billion, increased by Rp390.91 billion or 98.74% compared to Rp395.90 billion as of December 31, 2017. The increment was due to increasing land and building acquisition costs and accumulated change in investment property fair values in 2018.

Deferred Tax Assets

As of December 31, 2018, deferred tax assets amounted Rp25.57 billion, increased by Rp4.96 billion or 24.90% compared to Rp20.61 billion as of December 31, 2017. The increasing deferred tax assets value was mainly contributed from subsidiary, amounted Rp4.84 billion.

Investment in Associates

As of December 31, 2018, investment in associates amounted Rp336.09 billion, decreased by Rp12.60 billion or 3.61% compared to Rp348.69 billion as of December 31, 2017. The decrease was mainly due to decreasing investment in associates by PT Nindya Karya.

Other Long-Term Investments

Other long-term investments (net of allowance for impairment losses) amounted Rp138.05 billion as of December 31, 2018, increased by Rp96.24 billion or 230.13% compared to Rp41.82 billion as of December 31, 2017. The increment was mainly driven by account receivables transferring transaction on collateral assets of PT Super Eksim Sari (ex-debtor of PT PPA Finance) to PT SKI, and new investment in form of converted bonds with PT Matoa Kidung Bahtera and PT Matoa Kidung Samudera.

As of December 31, 2018, the Company has allocated allowance for impairment losses on the other long-term investments amounted Rp50.53 billion, increased by Rp35.53 billion or 236.86% compared to as of December 31, 2017. The allowance was mainly allocated for impairment of Loans proceeds by PT Super Eksim Sari.

Property, Plant and Equipment

As of December 31, 2018, property, plant and equipment (net of accumulated depreciation) amounted Rp1.07 trillion, increased by Rp351.42 billion or 49.04% compared to Rp716.22 billion as of December 31, 2017. The increment was due to acquisition of assets valued Rp419.37 billion mainly in form of lands and project equipments.

As of December 31, 2018, accumulated depreciation was charged to the property, plant and equipment of Rp189.14 billion, increased by Rp67.95 billion or 56.07% compared to Rp121.19 billion as of December 31, 2017.

The building and vehicle are insured with of coverage value amounting to Rp46,284 against the risk of fire accident and others. The Management believes that insurance coverage is adequate to cover possible losses on the assets insured.

Based on Management review, there are no events or changes in circumstances indicating impairment of fixed asset, the Management does not provide allowance for impairment of property plant and equipment as of December 31, 2018 and December 31, 2017.

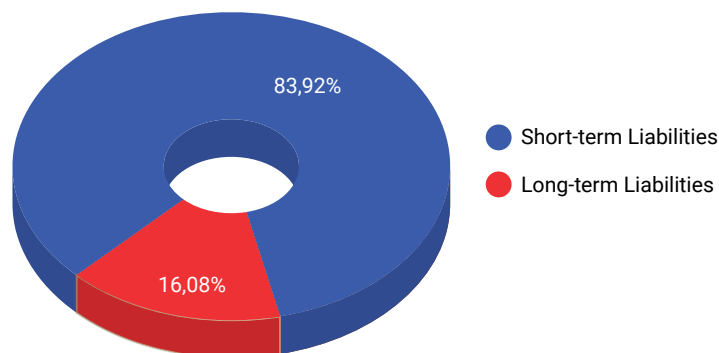
Other Non-Current Assets

Other non-current assets consists of deposit guarantee, restricted fund, time deposits as collateral, intangible assets, software, undeveloped land, and others. As of December 31, 2018, other non-current assets amounted Rp354.28 billion, increased by Rp18.19 billion or 5.41% compared to Rp336.09 billion as of December 31, 2017. The increment was mainly due to recognition of restricted funds as of December 31, 2018 from accounts at PT Bank Negara Indonesia (Persero) Tbk. that is restricted by the authorized parties related to Sabang Loading Port Construction Project in Nanggroe Aceh Darussalam (NAD).

LIABILITIES

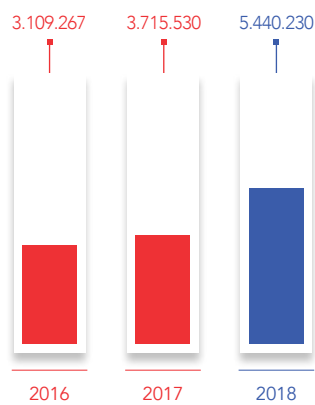
As of December 31, 2018, the Company booked liabilities of Rp6.48 trillion with composition 83.92% current liabilities and 16.08% non-current liabilities. The value increased by Rp1.71 trillion or 35.88% compared to Rp4.77 trillion as of December 31, 2017. The increase was mainly contributed from increasing current liabilities by Rp1.72 trillion or 46.42% as of December 31, 2017.

COMPOSITION OF LIABILITY IN 2018



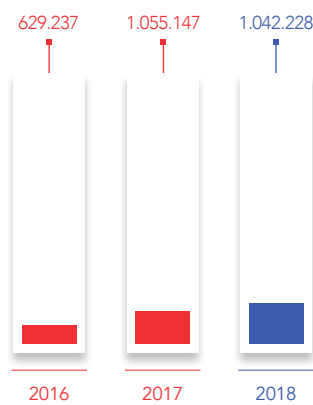
SHORT-TERM LIABILITIES

in million Rupiah



LONG-TERM LIABILITIES

in million Rupiah



Current Liabilities

As of December 31, 2018, current liabilities amounted Rp5.44 trillion comprising of accounts payable, bank and financial institution loans, current maturities of long-term loans, gross amount due to third parties, short-term advances from customers, taxes payable, accrued expenses and other payables, unearned revenues and proceeds from assets management for remittance. The amount increased by Rp1.72 trillion or 46.42% compared to Rp3.72 trillion as of December 31, 2017. The increase was mainly contributed from accounts payable, bank and financial institution loans and accrued expenses and other payables.

TABLE OF CURRENT LIABILITIES IN 2018, 2017 AND 2016 (in million Rupiah)

CURRENT LIABILITIES	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Accounts Payable					
Related Parties	92.420	71.476	1.501	20.944	29,30
Third Parties	2.031.571	1.526.517	1.335.669	505.054	33,09
Bank and Financial Institution Loans					
Related Parties	852.130	399.340	130.822	452.790	113,38
Third Parties	1.128.699	550.677	397.907	578.022	104,97
Current Maturities of Long-Term Loans					
Related Parties	83.555	59.551	23.518	24.004	40,31
Third Parties	17.969	33.992	3.587	(16.023)	-47,14
Gross Amount Due to Third Parties	686.680	628.457	618.204	58.223	9,26
Short-Term Advances from Customers					
Related Parties	14.630	31.867	24.575	(17.237)	-54,09
Third Parties	272.019	178.928	265.530	93.091	52,03

TABLE OF CURRENT LIABILITIES IN 2018, 2017 AND 2016 (in million Rupiah)

CURRENT LIABILITIES	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Taxes Payable	50.297	55.320	53.925	(5.023)	-9,08
Accrued Expenses and Other Payables	194.668	141.754	194.212	52.914	37,33
Unearned Revenue	15.592	24.929	9.189	(9.337)	-37,45
Proceeds from Assets Management for Remittance	-	12.722	50.627	(12.722)	-100,00
Total Current Liabilities	5.440.230	3.715.530	3.109.267	1.724.700	46,42

Accounts Payable

As of December 31, 2018, the Company booked total accounts payable of Rp2.12 trillion, increased by Rp525.95 billion or 32.92% compared to Rp1.60 trillion as of December 31, 2017.

Accounts payable is recognized from transactions with related parties and third parties. As of December 31, 2018, accounts payable with related parties amounted Rp92.42 billion, increased by Rp20.94 billion or 29.30% compared to Rp71.48 billion as of December 31, 2017. Accounts payable with third parties amounted Rp2.03 trillion as of December 31, 2018, increased by Rp505.05 billion or 33.09% compared to Rp1.53 trillion as of December 31, 2017.

Bank and Financial Institution Loans

As of December 31, 2018, the Company booked total bank and financial institution loans of Rp1.98 trillion, increased by Rp1.03 trillion or 108.50% compared to Rp950.01 billion as of December 31, 2017.

Bank and financial institutional loans with related parties amounted Rp852.13 billion as of December 31, 2018 or 113.38% compared to Rp399.34 billion as of December 31, 2017. The increase was mainly due to increasing loans acquired by the Company from Bank BTN.

Next, bank and financial institution loans with third parties amounted Rp1.13 trillion as of December 31, 2018, increased by Rp578.02 billion or 104.97% compared to Rp550.68 billion. The increase was mainly contributed from new loans acquired by the Company from Bank Mega and Indonesia Eximbank, as well as increasing loans acquired by the Company from PT Bank China Construction Bank Indonesia Tbk.

Current Maturities of Long-Term Loan

As of December 31, 2018, the Company booked current maturities of long-term loan of Rp101.52 billion, increased by Rp7.98 billion or 8.35% compared to Rp93.54 billion as of December 31, 2017.

Current maturities of long-term loan with related parties amounted Rp83.56 billion as of December 31, 2018, increased by Rp24 billion or 40.31% compared to Rp59.55 billion as of December 31, 2017. The increment was mainly due to increasing current maturities of long term loan from PT Bank Tabungan Negara (Persero) Tbk and PT Bank Rakyat Indonesia (Persero) Tbk.

Next, current maturities of long-term loan with third parties amounted Rp17.97 billion as of December 31, 2018, decreased by Rp16.02 billion or 47.14% compared to Rp33.99 billion as of December 31, 2017. The decrease

was due to repayment of loans with maturity to Bank Muamalat Indonesia Tbk.

Gross Amount Due to Third Parties

Gross amount due to third parties represents uncertificated subcontractor working progress, either from subcontractor or materials which are recognized as progress since it has not fulfilled the certain payment condition as stated in the contract. As of December 31, 2018, gross amount due to third parties amounted Rp686.68 billion, increased by Rp58.22 billion or 9.26% compared to Rp628.46 billion as of December 31, 2017. The increment was due to increasing recognized sub-contractor projects, primarily for PT Nindya Karya Region I.

Short-Term Advances from Customers

As of December 31, 2018, the Company booked short-term advances from customers of Rp286.65 billion, increased by Rp24.61 billion or 9.39% compared to Rp262.04 billion as of December 31, 2017.

Short-term advances from clients (customers) is recognized from transactions with related parties and third parties. Short-term advances from customers with related parties amounted Rp14.63 billion as of December 31, 2018, decreased by Rp17.24 billion or 54.09% compared to Rp31.87 billion as of December 31, 2017. The decrease was mainly due to decreasing advances from PT Pelindo III, PT PGN, PT Krakatau Steel and Joint Venture Nindya – Surya.

Next, short-term advances from customers with third parties amounted Rp272.02 billion as of December 31, 2018, increased by Rp93.09 billion or 52.03% compared to Rp178.93 billion as of December 31, 2017.

Taxes Payable

As of December 31, 2018, taxes payable amounted Rp50.30 billion, decreased by Rp5.02 billion or 9.08% compared to Rp55.32 billion as of December 31, 2017. The decrease was due to decreasing VAT payable in subsidiaries amounted Rp4.97 billion.

Accrued Expenses and Other Payables

As of December 31, 2018, accrued expenses and other payables amounted Rp194.67 billion, increased by Rp52.91 billion or 37.33% compared to Rp141.75 billion as of December 31, 2017. The decrease was mainly due to increasing salary and wages accrual as well as project operational payable and other payables.

Projects operational payables are joint venture payable that occurred over the temporary loans to projects that cooperated. These debts will be calculated with a profit or loss experienced by each of the joint venture, after the project was finished and ventura joint closed.

Unearned Revenue

As of December 31, 2018, unearned revenue amounted Rp15.59 billion, decreased by Rp9.34 billion or 37.45% compared to Rp24.93 billion as of December 31, 2017.

Proceeds from Assets Management for Remittance

Based on ex-IBRA Assets Management Agreement between the Company and Minister of Finance on August 23, 2017, proceeds from Assets Management net of Assets Costs, Assets Management Fee, Performance Fee (if any) and Value-Added Tax as State Revenues that shall be paid to the Country quarterly. Assets Management that is unpaid can be managed by the Company and paid altogether with the interest according to the designated schedule.

Proceeds from Assets Management for Remittance decreased by 100% as of December 31, 2018 compared to Rp12.72 billion as of December 31, 2017. The decrease was due to settlement of the entire Assets Management payment obligation to the Government.

Non-Current Liabilities

As of December 31, 2018, non-current liabilities amounted Rp1.04 trillion, comprising of employee benefit liabilities, long-term bank loans, deferred tax liabilities, long-term advances from customers and other long-term liabilities. The amount decreased by Rp12.92 billion or 1.22% compared to Rp1.06 trillion as of December 31, 2017. The decrease was mainly contributed from long-term bank loans and employee benefit liabilities, long-term advances from customers and other long-term liabilities.

TABLE OF NON-CURRENT LIABILITIES IN 2018, 2017 AND 2016 (in million Rupiah)

NON-CURRENT LIABILITIES	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Employee Benefit Liabilities	22.766	27.897	22.556	(5.131)	-18,39
Long-Term Bank Loans					
Related Parties	190.362	232.878	153.354	-42.516	-18,26
Third Parties	633.513	686.918	342.316	-53.405	-7,77
Long-Term Advances from Customers					
Related Parties	60.501	-	7.028	60.501	100,00
Third Parties	135.086	107.454	103.981	27.632	25,72
Total Non-Current Liabilities	1.042.228	1.055.147	629.237	(12.919)	-1,22

Employee Benefit Liabilities

As of December 31, 2018, employee benefit liabilities amounted Rp22.77 billion, decreased by Rp5.13 billion or 18.39% compared to Rp27.90 billion as of December 31, 2017. The decrease was mainly due to adjustment of actuarial appraisal on post-employment benefit liabilities at PT Nindya Karya (Persero).

The Company and subsidiaries paid minimum post-employment benefit to the eligible employees according to Law Number 13 of 2003 on Employment.

Long-Term Bank and Financial Institution Loans

As of December 31, 2018, the Company booked long-term bank and financial institution loans amounted Rp823.88 billion, decreased by Rp95.92 billion or 10.43% compared to Rp919.80 billion as of December 31, 2017.

Long-term bank loans with related parties amounted Rp190.36 billion as of December 31, 2018, decreased by Rp42.52 billion or 18.26% compared to Rp232.88 billion as of December 31, 2017. The decrease was mainly due to decreasing loans outstanding at PT Bank Negara Indonesia (Persero) Tbk. and PT Sarana Multi Infrastruktur (Persero).

Long-term bank loans with third parties amounted Rp633.51 billion as of December 31, 2018, decreased by Rp53.41 billion or 7.77% compared to Rp686.92 billion as of December 31, 2017. The decrease was mainly due to repayment to Bank Muamalat and PT Bank Pembangunan Daerah Banten.

Long-Term Advances from Customers

As of December 31, 2018, the Company booked long-term advances from customers of Rp195.59 billion, increased by Rp88.13 billion or 82.02% compared to Rp107.45 billion as of December 31, 2017.

Long-term advances from customers is recognized from transactions with related parties and third parties. Long-term advances from customers with related parties amounted Rp60.50 billion as of December 31, 2018, increased by 100% compared to position as end of December 2017, in form of advances from PT Pelabuhan Indonesia II (Persero).

Long-term advances from customers with third parties amounted Rp135.09 billion as of December 31, 2018, increased by Rp27.63 billion or 25.72% compared to Rp107.45 billion as of December 31, 2017. The increments were derived from advances from Jembaran Municipal Government, and increasing advances from the Ministry of Public Works and Public Housing.

EQUITY

As of December 31, 2018, the Company recorded equity of Rp5.26 trillion. The value increased by Rp552.35 billion or 11.73% from Rp4.71 trillion as of December 31, 2017. The increase was attributable from profit realization in 2018 accumulated in unappropriate/unsorted retained earnings of Rp376.42 billion. The equity consists of:

- Equity attributable to owner of parent entity reached Rp5.14 trillion, increased by Rp445.59 billion or 9.48% from Rp4.70 trillion as of December 31, 2017; and
- Equity attributable to non-controlling interest reached Rp117.61 billion, increased by Rp106.77 billion or 984.28% from Rp10.85 billion as of December 31, 2017.

TABLE OF EQUITY 2018, 2017 AND 2016 (in million Rupiah)

EQUITY	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Equity Attributable to Owner of the Parent Entity					
Share capital – Rp1,000,000 par value per share – Authorized Capital 5,000,000 shares					
Issued and Fully Paid as of December 31, 2018, 2017 and 2016 amounted 2,996,688, 2,996,688 and 1,996,688, respectively	2.996.688	2.996.688	2.996.688	-	-
Additional Paid-in Capital	(308.059)	(305.768)	(305.768)	(2.291)	0,75
Retained Earnings:					
Appropriated	171.528	141.353	141.353	30.175	21,35
Unappropriated	1,780.757	1.404.335	1.103.641	376.422	26,80
Unrealized Gain (Loss) on Available for Sale Securities - Net	25.628	44.279	53.443	(18.651)	-42,12
Revaluation Surplus of Property, Plant and Equipment	477.889	417.957	156.166	59.932	14,34

TABLE OF EQUITY 2018, 2017 AND 2016 (in million Rupiah)

EQUITY	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Total Equity Attributable to Owner of the Parent	5.144.431	4.698.844	4.145.523	445.587	9,48
Non-Controlling Interest	117.612	10.847	5.805	106.765	984,28
TOTAL EQUITY	5.262.043	4.709.691	4.151.328	552.352	11,73

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

TABLE OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME IN 2018, 2017 AND 2016 (in million Rupiah)

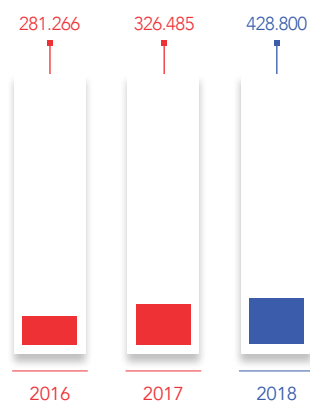
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
REVENUES	6.824.001	6.355.757	5.000.360	468.244	7,37
OPERATING EXPENSE	(6.292.565)	(5.782.914)	(4.586.191)	(509.651)	8,81
OPERATING INCOME	531.436	572.843	414.169	(41.407)	(7,23)
Interest Income	15.514	10.785	11.618	4.729	43,85
Gain on Sales of Property, Plant and Equipment	-	-	98.181	-	NA
Interest Expense and Financial Charge	(76.004)	(65.334)	(103.880)	(10.670)	16,33
Increase in Fair Value of Investment Property	75.448	11.977	3.273	63.471	529,94
Final Tax Expense	(174.168)	(168.337)	(137.840)	(5.831)	3,46
Share of the Profit of Joint Venture	106.821	133.038	63.283	(26.217)	(19,71)
Other Income (Expense)	(37.387)	(162.042)	(65.404)	124.655	(76,93)
INCOME BEFORE TAX	441.660	332.930	283.400	108.730	32,66
INCOME TAXES					
Current Tax Benefit (Expenses)	(17.213)	(6.576)	(6.321)	(10.637)	161,75
Deferred Tax Benefit (Expenses)	4.353	131	4.187	4.222	3.222,90
Total Income Tax Expense	(12.860)	(6.445)	(2.134)	(6.415)	99,53
INCOME FOR THE YEAR	428.800	326.485	281.266	102.315	31,34
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to Profit or Loss:					
Property, Plant and Equipment Revaluation Surplus	79.910	264.436	-	(184.526)	(69,78)
Actuarial Gain (Loss) from Defined Benefit Liabilities	520	(4.304)	(2.667)	4.824	(112,08)

TABLE OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME IN 2018, 2017 AND 2016 (in million Rupiah)

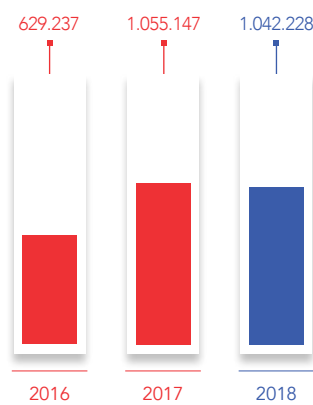
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Items that will be Reclassified Subsequently to Profit or Loss					
Available for Sale Financial Assets	(18.651)	(9.164)	18.417	(9.487)	103,52
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	490.579	577.453	297.016	(86.874)	(15,04)
INCOME FOR THE YEAR ATTRIBUTABLE TO:					
Owner of the Parent Entity	426.077	324.045	279.466	102.032	31,49
Non-Controlling Interests	2.723	2.440	1.800	283	11,60
TOTAL	428.800	326.485	281.266	102.315	31,34
TOTAL COMPREHENSIVE INCOME FOR THE YEAR					
ATTRIBUTABLE TO:					
Owner of the Parent Entity	467.878	572.411	295.242	(104.533)	(18,26)
Non-Controlling Interests	22.701	5.042	1.774	17.659	350,24
TOTAL	490.579	577.453	297.016	(86.874)	(15,04)
EARNINGS PER SHARE (in Full Amount)	142.183	108.134	93.258	34.049	31,49

INCOME FOR
THE YEAR

in million Rupiah

TOTAL COMPREHENSIVE
INCOME FOR THE YEAR

in million Rupiah



REVENUES

The Company's revenues amounted Rp6.82 trillion in 2018, grew by Rp468.24 billion or 7.37% from Rp6.36 trillion revenues in 2017.

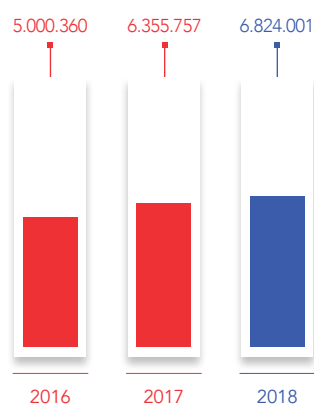
Construction service revenues shared the largest revenues component with 89.06% contribution from total revenues in 2018. The construction service revenues also becomes the largest revenues growth contributor in 2018 with Rp309.18 billion realization.

TABLE OF REVENUES IN 2018, 2017 AND 2016 (IN MILLION RUPIAH)

REVENUES	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Construction Services Revenues	6.077.796	5.768.613	4.658.086	309.183	5,36
Revenue from Interest and Provision of Loans	210.458	203.674	175.756	6.784	3,33
Revenue from Investment	223.398	133.686	135.232	89.712	67,11
Manufacturing Income	144.629	89.988	-	54.641	60,72
Sales	120.611	62.015	-	58.596	94,49
Revenue from Consultancy Fee	41.745	17.859	13.378	23.886	133,75
Property Income	3.031	4.561	-	(1.530)	(33,55)
Revenue from Rent Equipment	1.455	-	-	1.455	100,00
Revenue from Reimbursable Cost	878	26.667	2.029	(25.789)	(96,71)
Revenue from Assets Management Fee	-	13.444	13.879	(13.444)	(100,00)
Mapping	-	-	2.000	-	-
Total	6.824.001	6.355.757	5.000.360	468.244	7,37

REVENUES

in million Rupiah



Construction Service Revenue

Revenue from construction services are recognized when part of the work has been completed and are determined based on stage of completion of the contract activity at the end of reporting period (percentage of completion method). Construction percentage of completion is determined based on surveys of work performed.

In 2018, construction service revenue grew by Rp309.18 billion or 5.36% from Rp5.77 trillion in 2017 to Rp6.08 trillion. The growth was driven by increasing volume of the construction projects.

Revenue from Interest and Provision of Loans

In 2018, provision of loans grew by Rp6.78 billion or 3.33% from Rp203.67 billion in 2017 to Rp210.46 billion.

Revenue from Investment

In 2018, revenue from investment grew by Rp89.71 billion or 67.11% from Rp133.69 billion in 2017 to Rp223.40 billion.

Manufacturing Income

In 2018, manufacturing income grew by Rp54.64 billion or 60.72% from Rp89.99 billion in 2017 to Rp144.63 billion.

Sales

In 2018, sales grew by Rp58.60 billion or 94.49% from Rp62.02 billion in 2017 to Rp120.61 billion.

Revenue from Consultation Fee

In 2018, revenue from consultation fee grew by Rp23.89 billion or 133.75% from Rp17.86 billion in 2017 to Rp41.75 billion. The growth was mainly contributed from PT Wisarada Sarana Aviassi project fee.

Property Income

In 2018, property income decreased by Rp1.53 billion or 33.55% from Rp4.56 billion in 2017 to Rp3.03 billion.

Revenue from Rent Equipment

In 2018, revenue from rent equipment grew by 100% from 2017 to Rp1.46 billion.

Revenue from Reimbursable Cost

In 2018, revenue from reimbursable cost decreased by Rp25.79 billion or 96.71% from Rp26.67 billion in 2017 to Rp878 million.

OPERATING EXPENSES

In 2018, operating expense grew by Rp509.65 billion or 8.81% from Rp5.78 trillion in 2017 to Rp6.29 trillion. The growth was mainly contributed from increasing project expenses by Rp330.91 billion or 6.36%.

TABLE OF OPERATING EXPENSE IN 2018, 2017 AND 2016 (in million Rupiah)

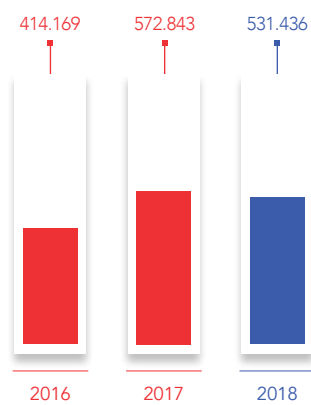
OPERATING EXPENSES	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Construction Services	5.534.321	5.203.415	4.145.503	330.906	6,36
Employee	280.170	240.992	247.346	39.178	16,26
Interest Expenses	149.891	89.149	60.456	60.742	68,14
Cost of Goods Sold	77.148	58.161	-	18.987	32,65
Impairment (Recovery) of Receivables	65.927	(19.652)	(23.373)	85.579	(435,47)
Office Supplies	51.519	36.287	42.909	15.232	41,98
Rent and Insurance	35.788	35.418	32.640	370	1,04
Depreciation	22.533	26.096	9.994	(3.563)	(13,65)
Business Travelling	21.299	18.442	15.971	2.857	15,49
Sales and Marketing	12.857	12.285	11.846	572	4,66
Consultant Fees	7.472	6.297	12.070	1.175	18,66
Employees Benefit - Net	6.039	5.673	5.903	366	6,45
Investment	244	8.043	24.364	(7.799)	(96,97)
Others (below Rp1 billion)	27.357	62.308	562	(34.951)	(56,09)
Total Operating Expense	6.292.565	5.782.914	4.586.191	509.651	8,81

OPERATING INCOME

Operating income is the difference between revenues and operating expense. With this calculation, the Company booked operating income of Rp531.44 billion in 2018, the realization is lower than Rp572.84 billion in 2017. A decrease of Rp41.41 billion or 7.23% was contributed operating expense growth that was higher compared to the operating income growth.

OPERATING INCOME

in million Rupiah



Interest Income

Interest income is recognized based on actual period of the interest rate or effective interest rate. Interest income grew by Rp4.73 billion or 43.85% in 2018 from Rp10.79 billion in 2017 to Rp15.51 billion.

Interest Expense and Financial Charge

Interest expense and financial charge increased by Rp10.67 billion or 16.33% from Rp65.33 billion in 2017 to Rp76.00 billion in 2018. The increase was due to decreasing outstanding loans.

Increase in Fair Value of Investment Property

In 2018, increase in fair value of investment property grew by Rp63.47 billion or 529.94% from Rp11.98 billion in 2017 to Rp75.45 billion. The growth was attributable from appraisal on investment property assets market value by the Public Appraiser Office.

Final Tax Expense

In 2018, final tax expense grew by Rp5.83 billion or 3.46% from Rp168.34 billion in 2017 to Rp174.17 billion.

Share of the Profit of Joint Ventures

Share of the profit of joint ventures represents income (loss) from joint venture projects with other companies. Share of the profit of joint ventures decreased by Rp26.22 billion or 19.71% from Rp133.04 billion in 2017 to Rp106.82 billion.

Other Income (Expenses)

Other expenses decreased by Rp124.66 billion or 76.93% in 2018 from other expenses of Rp162.04 billion in 2017 to Rp37.39 billion.

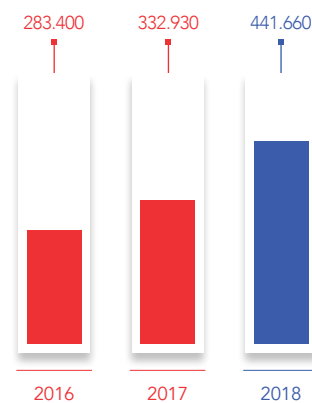
INCOME BEFORE TAX

Income before tax is the income for the year before deducting total income tax expense. With this, the Company booked the total income before tax of Rp441.66 billion in 2018, the achievement was higher

compared to Rp332.93 billion in 2017. A growth of Rp108.73 billion or 32.66% was driven by increasing revenues booked by the Company.

INCOME BEFORE TAX

in million Rupiah



INCOME TAX EXPENSE

Income tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax. Current tax and deferred tax are recognized in profit or loss, except for income tax arising from transactions or events that are recognized in other comprehensive income or directly in equity. The Company booked income tax expense of Rp6.42 billion in 2018, a growth by Rp6.42 billion or 99.53% from Rp6.45 billion in 2017. The growth was driven by increasing taxable income booked by the Company.

NET INCOME

Net income represents income booked in the current year after deducting income tax expense. With this calculation, the Company booked net income of Rp428.80 billion in 2018, the realization is higher than Rp326.49 billion in 2017. A growth of Rp102.32 billion or 331.34% was mainly driven by increasing revenues. The income for the year consists of:

- Income for the year attributable to owners of the parent entity that reached Rp426.08 billion, grew by Rp102.03 billion or 31.49% from Rp324.05 billion in 2016; and
- Income for the year attributable to non-controlling interest that reached Rp2.72 billion, grew by Rp283 million or 11.60% from Rp2.44 billion in 2017.

OTHER COMPREHENSIVE INCOME

Other comprehensive income represents income and expenses, including adjustment of unrecognized reclassification in profit or loss accounts in the statements of profit or loss and other comprehensive income for the year. The Company recognized balance in the other comprehensive income account as required under Financial Accounting Standards (SAK) that reached Rp61.78 billion, decreased by Rp189.19 billion or 75.38% from Rp250.97 billion in 2017.

COMPREHENSIVE INCOME FOR THE YEAR

The Company booked total comprehensive income for the year of Rp490.58 billion in 2018, lower than Rp577.45 billion in 2017. A decrease of Rp86.67 billion or 15.04% was driven by decreasing total other comprehensive income. The comprehensive income for the year consists of:

- Comprehensive income for the year attributable to owners of the parent entity that reached Rp467.88 billion, decreased by Rp104.53 billion or 18.26% from Rp572.41 billion in 2017; and
- Comprehensive income for the year attributable to non-controlling interest reached Rp22.70 billion, grew by Rp17.66 billion or 350.24% from Rp5.04 billion in 2017.

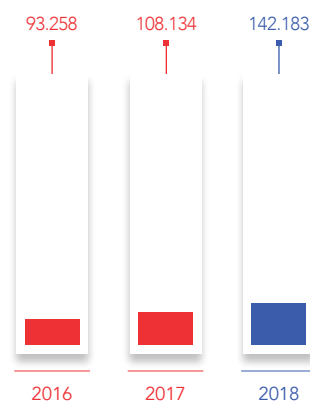
EARNING PER SHARE

Basic earnings per share is counted by dividing the profit or loss attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the period. With this,

the Company booked earning per share of Rp142,183 in 2018, higher than Rp108,132 in 2017. A growth of Rp34.049 or 31.49% was driven by increasing income for the year attributable to owners of the parent entity.

EARNING PER SHARE

in million Rupiah



CONSOLIDATED STATEMENTS OF CASH FLOWS

Cash is the most liquid asset that determines the Company's financial continuity. Statements of cash flows consists of information about impact of cash from operating, investing and financing activities and net increase or decrease in cash of a company in one period.

By the end of 2018, cash and cash equivalents reached Rp1.37 trillion, decreased by Rp328.54 billion or 19.39% from Rp1.69 trillion cash and cash equivalents at the end of 2017. The decrease was mainly due to increasing property, plant and equipment acquisition amount to Rp425.95 billion.

TABLE OF CONSOLIDATED CASH FLOWS IN 2018, 2017 and 2016 (in million Rupiah)

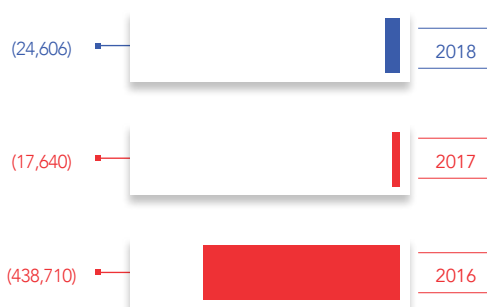
CONSOLIDATED STATEMENTS OF CASH FLOWS	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Receipts from Customers	5.930.344	6.016.633	4.144.611	(86.289)	(1,43)
Disbursement of Financing	(566.485)	(374.397)	(185.208)	(192.088)	51,31
Cash Receipt from Tax Refund	18.656	-	10.207	18.656	NA
Proceeds from SOEs' Asset Management	-	13.444	13.879	(13.444)	(100,00)
Proceeds from Loan Receivables Interest	70.923	47.924	84.570	22.999	47,99
Reimbursable Cost of Assets	1.558	243	1.984	1.315	541,15
Payment of Operating Expenses	(4.944.868)	(5.497.316)	(4.426.592)	552.448	(10,05)
Payment of Interest Expenses	(228.358)	(182.201)	(147.820)	(46.157)	25,33
Tax Paid	(226.442)	(204.179)	(139.716)	(22.263)	10,90
Proceeds of Investment	165.248	126.300	142.974	38.948	30,84
Receipt from Trading Securities	638	4.341	49.717	(3.703)	(85,30)
Management of Loan to Employee	-	(1.204)	(2.062)	1.204	(100,00)
Additional of Other Current Assets	(290.918)	-	-	(290.918)	NA
Other Income	45.098	32.772	14.746	12.326	37,61
Net Cash Used in Operating Activities	(24.606)	(17.640)	(438.710)	(6.966)	39,49
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of Property, Plant and Equipment	(478.776)	(52.827)	(112.138)	(425.949)	806,31
Acquisition of Investment Property	(106.653)	(3.015)	(3.135)	(103.638)	3.437,41
Proceeds from Disposal of Property, Plant and Equipment	1.087	9	251.563	1.078	11.977,78
Proceed from Divestment	11.000	-	-	11.000	NA
Placement of Deposit Guaranteed	-	(316.000)	-	316.000	(100,00)
Investment in Associates	(53.148)	-	(10.000)	(53.148)	NA
Acquisition of Intangible Assets	-	(669)	-	669	(100,00)
Proceed from Available-for-Sale Securities	17.779	3.970	10.543	13.809	347,83
Placement of Investment in Subsidiary	(37.000)	-	-	(37.000)	NA
Placement of Advance of Investment	(6.250)	-	-	(6.250)	NA
Additional Other Long-Term Investments	-	(133)	(247)	133	(100,00)
Disbursement of Loans	(553.325)	(577.989)	(327.484)	24.664	(4,27)
Net Cash Used in Investing Activities	(1.205.286)	(946.654)	(190.898)	(258.632)	27,32
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipt from Bank and Financial Institution Loan	13.202.721	15.245.645	7.111.093	(2.042.924)	(13,40)
Payment for Bank and Financial Institution Loan	(12.311.859)	(14.462.358)	(7.283.906)	2.150.499	(14,87)
Receipt from Medium Term Notes	-	500.000	-	(500.000)	(100,00)
Payment for Medium Term Notes	-	(140.000)	-	140.000	(100,00)
Dividend Payment	(20.175)	(19.089)	(10.216)	(1.086)	5,69
Dividend Receipt	20.925	-	-	20.925	NA

TABLE OF CONSOLIDATED CASH FLOWS IN 2018, 2017 and 2016 (in million Rupiah)

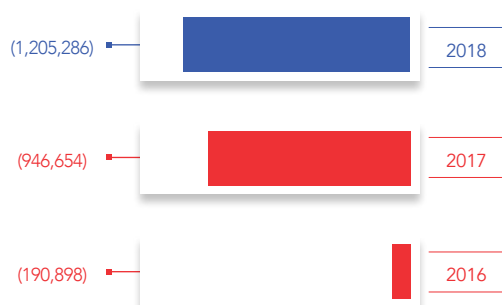
CONSOLIDATED STATEMENTS OF CASH FLOWS	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Receipt from Related Parties	25.000	-	-	25.000	NA
Net Cash Provided by Financing Activities	916.612	1.124.198	(183.029)	(207.586)	18,47
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(313.280)	159.904	(812.637)	(473.184)	(295,92)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1.694.156	1.534.252	2.346.889	159.904	10,42
CASH ON DISPOSAL OF SUBSIDIARY	(16.926)	-	-	(16.926)	NA
ADDITIONAL CASH FORM ACQUISITION OF SUBSIDIARY	1.667	-	-	1.667	NA
CASH AND CASH EQUIVALENTS AT END OF YEAR	1.365.617	1.694.156	1.534.252	(328.539)	(19,39)

CASH FLOWS FROM
OPERATING ACTIVITIES

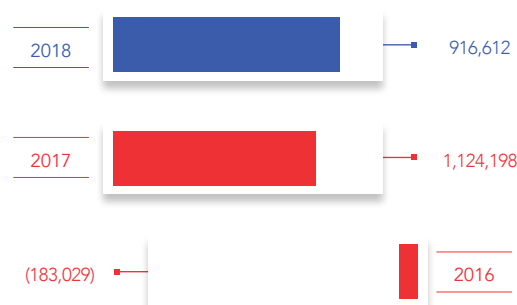
in million Rupiah

CASH FLOWS FROM
INVESTING ACTIVITIES

in million Rupiah

CASH FLOWS FROM
FINANCING ACTIVITIES

in million Rupiah



CASH FLOWS FROM OPERATING ACTIVITIES

By the end of 2018, net cash used in operating activities reached (Rp24.61) billion, increased (increment of utilization) by Rp6.97 billion or 39.49% from (Rp17.64) billion by the end of 2017. The increment was mainly driven by additional other current assets in 2018.

CASH FLOWS FROM INVESTING ACTIVITIES

By the end of 2018, net cash used in investing activities reached (Rp1.21) trillion, increased by Rp258.63 billion or 27.32% from (Rp946.65) billion by the end of 2017. The increasing utilization was mainly due to addition of property, plant and equipment acquisition.

CASH FLOWS FROM FINANCING ACTIVITIES

By the end of 2018, net cash provided by financing activities reached Rp916.61 billion, decreased by Rp207.59 billion or 18.47% from Rp1.12 trillion by the end of 2017. The decrease was mainly due to unavailability of proceeds from Medium Term Notes issued in 2018 that was previously booked in 2017.

FINANCIAL RATIO

TABLE OF FINANCIAL RATIO IN RECENT 3 YEARS

FINANCIAL RATIO	2018	2017	2016
Liquidity Ratio			
Cash Ratio	25,10%	45,60%	49,34%
Current Ratio	133,82%	161,89%	170,34%
Profitability Ratio			
Gross Profit Margin	7.79%	9.01%	8.28%
Income Before Tax Margin	6.47%	5.24%	5.67%
Net Profit Margin	6.28%	5.14%	5.62%
Return on Assets	3.65%	3.44%	3.56%
Return on Equity	8.15%	6.93%	6.78%
Solvency Ratio			
Debt to Assets Ratio	55.20%	50.32%	47.38%
Debt to Equity Ratio	123.19%	101.29%	90.06%
Receivables Activity Ratio			
Collection Period (days)	62.92	69.91	73.59
Growth ratio			
Revenues	7.37%	27.11%	25.97%
Income For The Year	31.34%	16.08%	64.52%

TABLE OF FINANCIAL RATIO IN RECENT 3 YEARS

FINANCIAL RATIO	2018	2017	2016
Comprehensive Income for The Year	-15.04%	94.42%	128.47%
Assets	23.88%	20.16%	8.08%
Liabilities	35.88%	27.61%	-208.81%
Equity	11.73%	13.45%	7.42%
Industry Ratio			
SOEs Restructuring/Revitalization Assessment or Special Assignments	100	100	100
Performance Indicators	104.84	102.35	97.9
Soundness Index	93,5	94	92.5

Profitability Ratio

The Company's capability in generating profit is measured from profitability ratio. Profitability ratio of the Company is indicated from Profit Margin, Return on Assets (ROA) and Return on Equity (ROE). In 2018, gross profit margin stood at 7.79%, lower than previous year. However, net income margin ratio stood around 6.28%, higher than previous year.

In 2018, ROA stood at 3.65%, was slightly higher than 3.44% booked in previous year. Meanwhile, ROE stood at 8.15%, was increasing from previous year. This indicated that capability of the profit in generating assets and equity was relatively stable.

Growth Ratio

Growth of primary financial performance indicators is positive, including, total assets, liabilities and profit that are higher than previous year. The growing equity and revenues are also positive although the growth is lower than previous year's growth.

The liquidity, solvency and activity ratio will be discussed in Solvency and Receivables Collectability sections.

SOLVENCY

Measurement of solvency is done by calculating liquidity ratio and solvency ratio. Liquidity ratio is applied to measure capability in fulfilling current liabilities, meanwhile, solvency ratio is applied to measure capability in fulfilling all liabilities. Measurement of liquidity ratio consists of cash ratio and current ratio. Based on the calculation result, the Company's capability in fulfilling current liabilities is very well despite lower than 2017. This was due to increasing current liabilities to support the Company's operational activity.

TABLE OF LIQUIDITY RATIO IN 2018, 2017 AND 2016 (in %)

LIQUIDITY RATIO	2018	2017	2016	INCREASE/DECREASE	
1	2	3	4	5 = (2-3)	6 = (5:3)
Cash and Cash Equivalents	1.365.617	1.694.156	1.534.252	(328.539)	-19,39%
Total Current Assets	7.280.098	6.015.024	5.296.363	1.265.074	21,03%
Total Current Liabilities	5.440.230	3.715.530	3.109.267	1.724.700	46,42%
Current Ratio	133,82%	161,89%	170,34%	(0,28)	-17,34%
Cash Ratio	25,10%	45,60%	49,34%	(0,20)	-44,95%

Condition of the Company's liquidity is decreasing both in terms of current ratio and cash ratio. Cash ratio is calculated by dividing the Company's cash and cash equivalents to total current liabilities, and current ratio is calculated by dividing total current assets to total current liabilities.

In 2018, current ratio and cash ratio were decreasing from 2017 to 133.82% and 25.10%, respectively. However, the current ratio still exceed 100% indicating the Company is still capable to fulfill current liabilities with current assets as source of payment. Therefore, the Company's solvency to short-term loans is still very good.

TABLE OF SOLVENCY RATIO IN 2018, 2017 AND 2016 (in %)

SOLVENCY RATIO	2018	2017	2016	INCREASE/DECREASE	
1	2	3	4	5 = (2-3)	6 = (5:3)
Total Liabilities	6.482.458	4.770.677	3.738.956	1.711.781	35,88%
Total Equity	5.262.043	4.709.691	4.151.328	552.352	11,73%
Debt to Assets Ratio	55,20%	50,32%	47,39%	0,05	9,69%
Debt to Equity Ratio	123,19%	101,29%	90,07%	0,22	21,73%

Condition of the Company's solvency from 2017 until 2018 period can be measured by debt to total assets ratio by dividing total liabilities to total assets and debt to equity ratio by dividing total assets to total equity.

If compared to solvency ratio achieved in 2017, there was an increase of 55.20% for debt to equity ratio and 123.19% for debt to equity ratio, respectively. This indicated that the Company is capable to fully repay all debts with its equity.

RECEIVABLES COLLECTABILITY

TABLE OF RECEIVABLES COLLECTABILITY (in million Rupiah)

RECEIVABLES ACTIVITY	2018	2017	2016	INCREASE/DECREASE	
1	2	3	4	5 = (2-3)	6 = (5:3)
Accounts Receivable	1,176,353	1.217.259	1.008.109	(40.906)	-3,36%
Revenues	6.824.001	6.355.757	5.000.360	468.244	7,37%
Average Collection Duration (days)	63	70	74	(7)	-9,99%
Receivable Turnover Ratio (times)	5,80	5,22	4,96	0,58	11,10%

To measure receivables collection period, the Company calculates the Company's collectability ratio. Based on the calculation, the Company's collection period is improving from previous year. The receivables collectability achieved 63 days in 2018 from 70 days in 2017, or 7 days faster in 2018.

The acceleration was in line with better collection strategy despite the increasing number of completed project contracts. However, the receivables turn over ratio increased from 5.22 times to 5.80 times in 2018. This indicated improving capability of the receivables in generating revenues.

Total account receivables based on maturity (days) is as follows:

	2018 Rp	2017 Rp
< 12 Months	530,758	766,232
> 12 - 24 Months	187,609	175,087
> 24 Months	564,492	362,786
Allowance For Receivables Impairment Losses	(106,506)	(86,846)
Total	1,176,353	1,217,259

CAPITAL STRUCTURE

Composition of the Company's capital structure in 2018 comprised of 55.20 % Liabilities and 44.80% Equity, the composition was changed compared to 2017. The capital structure composition from Liabilities increased by 35.88% while Equity decreased by 11.73% compared to Liabilities and Equity position in the previous year.

TABLE OF CAPITAL STRUCTURE IN 2018, 2017 AND 2016 (in million Rupiah)

Capital Structure	2018		2017		2016		INCREASE/DECREASE	
	Amount	%	Amount	%	Amount	%	DIFFERENCE	%
1	2	3	4	5	6	7	8 = (2-4)	9 = (8:4)
LIABILITIES	6.482.458	55,20%	4.770.677	50,32%	3.738.956	47,39%	1.711.781	35,88%
EQUITY	5.262.043	44,80%	4.709.691	49,68%	4.151.328	52,62%	552.352	11,73%
ASSETS	11.744.501	100,00%	9.480.368	100,00%	7.889.830	100,01%	2.264.133	23,88%

CAPITAL STRUCTURE POLICY

The Company monitors the capital based on debt to adjusted capital ratio. This ratio is calculated as the following: net debt is divided with total equity. Net debt is comprised of deduction of total debts (as stated in the financial position statements) with cash and cash equivalent.

The objectives of the Company and subsidiaries in managing capital is to protect the Company's ability to maintain business continuity, therefore the entity can continue to provide returns for shareholders and benefits for other stakeholders and to manage the optimal capital structure to minimize the cost of capita effectively.

Basis of the Capital Structure Policy

In regards to business development in 2018, the Company implemented capital structure policy through additional liabilities of Rp1.71 trillion or 35.88% and additional equity of Rp552.35 billion or 11.73% that were mainly derived from accumulated retained earnings.

TABLE OF CAPITAL STRUCTURE IN 2018, 2017 AND 2016 (in million Rupiah)

CAPITAL STRUCTURE MANAGEMENT	2018	2017	2016	INCREASE/DECREASE	
				DIFFERENCE	%
1	2	3	4	5 = (2-3)	6 = (5:3)
Capital Management					
Total Liabilities	6.482.458	4.770.677	3.738.956	1.711.781	35,88%
Deducting:					
Cash and Cash Equivalents	1.365.617	1.694.156	1.534.252	(328.539)	-19,39%
Net Liabilities	5.116.841	3.076.521	2.204.704	2.040.320	66,32%
Total Equity	5.262.043	4.709.691	4.151.328	552.352	11,73%
Net Debt to Equity Ratio	0,97	0,65	0,53	0,32	48,86%

MATERIAL COMMITMENT FOR CAPITAL EXPENDITURE

As end of 2018, there was no material commitment on capital expenditure investment, therefore, information related to purpose of the commitment, source of expected funds to fulfill the commitment, denominated currency and initiatives to protect related foreign exchange position (hedging) risk are irrelevant to be presented in this annual report.

CAPITAL EXPENDITURE

The Company's placed capital expenditure investment in form of property, plant and equipment, as follows:

No.	Investment	Investment Purpose	Investment Value Rp Million
1	Land	Operational support	188.522
2	Building	Building facilities upgrade	59.062

No.	Investment	Investment Purpose	Investment Value Rp Million
3	Motor Vehicle	Transportation fleet capacity upgrade	2.174
4	Project Equipment	Operational support	130.244
5	Office Equipment	Operational support	(7.097)
6	Public Infrastructure	Operational support	1.872
7	Assets under Construction	Operational support	44.592
TOTAL			419.369

COMPARISON BETWEEN TARGET AT EARLY FISCAL YEAR WITH REALIZATION AND TARGET OR PROJECTION FOR NEXT ONE YEAR

LEGAL FRAMEWORK OF RKAP PREPARATION

Legal framework of the Company's work and budget Plan (RKAP) 2017 is as follows:

1. Law Number 19 of 2003 concerning State-Owned Enterprise (Republic of Indonesia State Gazette of 2003 Number 70, Appendix of Republic of Indonesia State Gazette Number 4297).
2. Law Number 40 of 2007 concerning Limited Liability company (Republic of Indonesia State Gazette of 2007 Number 106, Appendix of Republic of Indonesia State Gazette Number 4756).
3. Government Regulation Number 45 of 2005 concerning Establishment, Management, Supervision and Dismissal of State-Owned Enterprise (Republic of Indonesia State Gazette of 2005 Number 117, Appendix of Republic of Indonesia State Gazette Number 4556).
4. Minister of State-Owned Enterprise Decree Number KEP-100/MBU/2002 dated June 4, 2002 concerning Soundness Index Assessment for State-Owned Enterprise.
5. Minister of State-Owned Enterprise Decree Number KEP-101/MBU/2002 dated June 4, 2002 concerning Preparation of State-Owned Enterprise Budget Plan.
6. Minister of State-Owned Enterprise Regulation Number PER-01/MBU/2011 dated August 1, 2011 concerning Good Corporate Governance Implementation in State-Owned Enterprise as amended under Minister of State-Owned Enterprise Regulation Number PER-09/MBU/2012 dated July 6, 2012.
7. Minister of State-Owned Enterprise Regulation Number PER-09/MBU/07/2015 dated July 3, 2015 concerning Partnership and Community Development Program in State-Owned Enterprise.
8. Minister of SOE Letter S-513/MBU/08/2016 dated August 30, 2016 concerning Submission of Shareholders/ Capital Owner Aspiration for the Company's Budget Plan 2017 Preparation.

PT PPA (CONSOLIDATED)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	REALIZATION IN 2018 (Rp million)	RKAP 2018 TARGET (Rp million)	ACHIEVEMENT	RKAP 2019 TARGET (Rp million)
ASSETS				
Current Assets	7.280.099	4.879.396	149,20%	7.431.942
Non-Current Assets	4.464.403	6.027.492	74,07%	8.694.188

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	REALIZATION IN 2018 (Rp million)	RKAP 2018 TARGET (Rp million)	ACHIEVEMENT	RKAP 2019 TARGET (Rp million)
TOTAL ASSETS	11.744.502	10.906.889	107,68%	16.126.130
LIABILITIES				
Current Liabilities	5.440.230	2.716.751	200,25%	3.846.824
Non-Current Liabilities	1.042.228	3.201.255	32,56%	6.630.976
TOTAL LIABILITIES	6.482.458	5.918.006	109,54%	10.477.800
EQUITY	5.262.043	4.988.883	105,48%	5.648.331
TOTAL LIABILITIES AND EQUITY	11.744.501	10.906.889	107,68%	16.126.130

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

ASSETS

As of December 31, 2018, the Company booked total assets realization of Rp11.74 trillion, achieved 107.68% from Rp10.91 trillion targeted in RKAP 2018, this was mainly driven by high short-term investment loans realization and gross amount due to employers that achieved 164.62% and 242.79% from the Company's work and budget plan 2018's target.

LIABILITIES

As of December 31, 2018, the Company booked total liabilities realization of Rp6.48 trillion, achieved 109.54% from Rp5.92 trillion targeted in work plan and budget 2018. This was mainly due to high accounts payable realization that achieved 262.61% from the 2018 Company's work and budget plan target.

EQUITY

As of December 31, 2018, the Company booked total equity of Rp105.48 trillion, achieved 105.48% from Rp4.99 trillion targeted in work plan and budget 2018. This was mainly driven by increasing unappropriated retained earnings and fixed assets revaluation surplus that increased by 101.20% and 248.12%.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	REALIZATION IN 2018 (Rp million)	RKAP 2018 TARGET (Rp million)	ACHIEVEMENT	RKAP 2019 TARGET (Rp million)
Revenues	6.824.001	7.732.597	88,25%	9.815.755
Operating Expenses	(6.292.565)	-7.099.157	88,64%	(8.895.707)
Operating Income	531.436	633.440	83,90%	920.048
Other Income (Expenses)	(89.776)	-209.552	42,84%	(328.603)
Income Before Tax	441.660	423.888	104,19%	591.445
Income Tax	(12.860)	-13.880	92,65%	(71.445)
Income For The Year	428.800	410.008	104,58%	520.000
Other Comprehensive Income	61.779	-	-	-

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	REALIZATION IN 2018 (Rp million)	RKAP 2018 TARGET (Rp million)	ACHIEVEMENT	RKAP 2019 TARGET (Rp million)
Comprehensive Income For The Year	490.579	410.008	119,65%	520.000

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME REVENUES

In 2018, revenues realization achieved Rp6.82 trillion, achieved 88.25% from Rp7.73 trillion targeted in work plan and budget 2018, this was mainly due to realization of revenues from Subsidiaries entity was below the target in 2018.

INCOME FOR THE YEAR

In 2018, income for the year realization reached Rp428.80 billion, achieved 104.58% from Rp410.01 billion targeted in work plan and budget 2018, this was mainly contributed from gain on acquisition of subsidiary, PT Bondi Syad Mulia (BSM) in 2018.

CONSOLIDATED STATEMENTS OF CASH FLOWS	REALIZATION IN 2018 (Rp million)	RKAP 2018 TARGET (Rp million)	ACHIEVEMENT	RKAP 2019 TARGET (Rp million)
Cash Flows from Operating Activities	(24.606)	183.389	-13,42%	34.251
Cash Flows from Investing Activities	(1.205.286)	-2.951.444	40,84%	(4.896.097)
Cash Flows from Financing Activities	916.612	2.302.230	39,81%	4.588.007
Net Increase (Decrease) In Cash and Cash Equivalents	(313.280)	-465.825	67,25%	(273.839)
Cash and Cash Equivalents at Beginning of Year	1.694.156	1.175.797	144,09%	1.164.385
Receipt from PPAirborne (Divestment of PPAirborne)	-16.926	-	-	-
Cash on Disposal of Subsidiary	1.667			
Cash and Cash Equivalents at End of Year	1.365.617	709.973	192,35%	890.546

CASH FLOWS

In 2018, realization of cash and cash equivalents balance reached Rp1.37 trillion, achieved 192.35% from work and budget plan 2018's target of Rp709.97 billion, this was mainly driven by realization from loans disbursement that only achieved Rp553.32 billion or 32.5% from the work and budget plan 2018's target of Rp1.7 trillion.

BUSINESS OUTLOOK

Global economy is projected to slow down in 2019 compared to 2018. IMF projected the global economic growth will reach 3.5% in 2019, lower than 3.7% in 2018. The decelerating global economic growth in 2019 is also projected by the World Bank, corrected by 0.1%, from 3% in 2018 to 2.9% in 2019. The condition is estimated as the impact of decreasing global trading volume after changing trading tariff policy between China and United States, economic and political tension in European Union related to Brexit, and slowing China's economic growth. However, economic growth in the Developing Countries is projected to remain stable around 4.2% level.

At National level, in the 2019 State Budget, the Government forecasts domestic economic growth will reach 5.3%, inflation rate will stand at 3.5%, Rupiah exchange rate to US Dollar will achieve Rp15,000 per US dollar and the quarterly-Government Bonds (SPN) interest rate is set at 5.3% per annum.

Household consumption will still become the major growth contributor, in addition to Government expenditure in human resource development and infrastructure development sectors, which are continuously driven to increase competitiveness and connectivity. Government commitment in accelerating the regional and infrastructure developments will continue to drive growth in the construction, transportation and warehousing sectors.

Considering the global and domestic economic projections mentioned above, the Company will embrace a more challenging conditions in achieving the Company's goals and targets in 2019. As in 2018, the Company will advance implementation of our growth strategy, particularly through investment and advisory activities, while also continue to implement the SOEs restructuring/ revitalization and the ex-IBRA assets management duties. In the investment sector, the Company will continue to develop investments that have been placed and will be more proactive in initiating new investment opportunities. Meanwhile, in the advisory field, the Company seeks to strengthen our position by utilizing the Company's access to the market. In asset management segment, the Company will engage in joint operations on the Government's assets development and management. Next, in the SOEs restructuring/ revitalization, the Company will perform the SOEs restructuring/revitalization settlement and monitoring activities towards the implementation of the related SOEs restructuring/revitalization program.

MARKETING ASPECT

In 2018, the Company actively launched a number of marketing strategies by instilling public understanding on the Company's business activities. In addition, the Company actively establishes relationship with potential parties to provide inputs for the Company in expanding its marketing scope. As a company that engages in asset management, the Company strives to expand its access for financing sources, including establishing strategic cooperation with SOEs, Regional Owned Enterprises, government and private Institutions to accelerate all business activities which have been and will be developed by the Company.

Despite the asset management becomes one of the Company's main business lines, the Company also prioritizes the development of other business segments, such as consultation, restructuring/ revitalization activities and short-term and long-term investment to empower business foundation in the future. Therefore in 2017, the Company strives to conduct several marketing strategies to develop its business segments. Such strategies are implemented through increasing brand awareness and establishing relationship with prospective customers.

Marketing Strategy

In line with the Company's business to leverage capital provided by the Government and private enterprises, the Company seeks to drive initiative and explore various business development and increase the Company's financing capacity, with strategies, among others:

1. Implementing non-organic growth strategy through acquisition and/or joint venture establishment, both at parent company and subsidiaries.
2. Perform value creation in the owned and/or managed assets/companies including the subsidiaries.
3. Implementing on time, accurate and on amount exist strategy.
4. Expand market, especially in assets management, restructuring and advisory segments.

Market Share

Focus of business sector that is managed and financed by the Company namely includes property and manufacture.

SUBSEQUENT MATERIAL INFORMATION AND FACT AFTER ACCOUNTANT REPORTING DATE

The Company does not have any subsequent material information and fact after accountant reporting date on December 31, 2018. Therefore, information about impact on the future performance and business risk is unavailable.

DIVIDENDS

DIVIDENDS	Fiscal Year		
	2017	2016	2015
Income from Previous Year	326.49	281,27	170,96
Cash Dividend Payment (Rp billion)	20,00	19,09	10,22
Dividend Per Share (Rupiah full amount)	6.674	6.370	3.409
Payout Ratio	6,13%	6,79%	5,98%
Announcement Date	May 20, 2018	May 18, 2017	May 31, 2018
Payment Date	May 31, 2018	June 16, 2017	June 30, 2016

Dividend Policy

Basis of the Company's dividend policy is General Meetings of Shareholders (GMS). Total average weighted shares outstanding is 2,996,668 shares for December 31, 2017 and 2016 period.

Based on the minutes of the General Meeting of Shareholders dated May 20, 2018 and May 18, 2017, Shareholders have decided to the shareholders decided to form reserves of Rp35,175 billion and Nil, respectively, and distributed cash dividends of Rp20.00 and Rp19.09 respectively.

EMPLOYEE AND/OR MANAGEMENT STOCK OPTION PLAN (ESOP/MSOP)

As of December 31, 2018, the Company has not had any employee and/or rmanagement stock option plan. The 2018 Annual Report will not present information related to the program such as information about total shares, terms, requirements for eligible employees and/or management as the information are considered irrelevant.

REALIZATION OF PUBLIC OFFERING PROCEEDS

As of the publication of 2018 Annual Report, the Company has not been listed at stock exchange or executing Initial Public Offering so that information about realization of Public Offering Proceeds is irrelevant to be presented in this Annual Report.

MATERIAL INFORMATION ON INVESTMENT, EXPANSION, DIVESTMENT, BUSINESS MERGER/JOINT, ACQUISITION, AND DEBT/CAPITAL RESTRUCTURING

- Based on Notarial Deed Wiwik Yuliati, S.H., M.Kn., No. 8 dated September 10, 2018, the Company through its subsidiary PT PPAK, purchase 35,260 shares of PT BSM from third party amounting to Rp29,502 billion and conducted through the conversion of debt amounting to Rp7,497 billion, so that PT PPAK's ownership in PT BSM was 75%. This deed has been approved with the Decree of the Minister of Law and Human Rights of the Republic of Indonesia in Decree No. AHU-AH.01.03-024-4714 dated September 20, 2018. Upon the acquisition transaction recognized gain amounting to Rp68,856.
- PT Magnesium Gosari Internasional (MGI) was established from the results of the cooperation between PT PPAK and PT Polowijo Gosari (Polowijo), based on the Deed of Establishment No. 189 dated August 29, 2018 by Notary Rully Maharany, S.H., M. Kn., domiciled in Gresik, East Java. This deed has been approved with the Decree of the Minister of Law and Human Rights of the Republic of Indonesia in the Decree Number. AHU-0041562.AH.01.01 Year 2018, dated September 3, 2018. PT MGI was formed with the intent and purpose to produce Dolomite based fertilizers. This Subsidiary was consolidated by the PT PPAK on September 10, 2018. The PT PPAK made capital deposits through 2 stages. Stage 1, PT PPAK made a capital deposit of 45,000 shares with a nominal value of Rp45 billion and Polowijo deposited 5,000 shares with a nominal value of Rp5 billion, with the composition of PT PPAK amounting to 90% and Polowijo amounting to 10 %.
- PT Sipka Kemasan Internasional (SKI) was established based on the Deed of Establishment No. 38 dated September 28, 2018 made in the presence of Notary Lenny Janis Ishak, S.H., domiciled in South Jakarta. PT SKI was formed with the intent and purpose in the field of plastic packaging industry. To achieve this goal, PT SKI will conducts industrial activities for integrated plastic packaging manufacturers. This deed has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decree Number: AHU-0045333.AH.01.01 Year 2018. PT PPAK owned 3,250 shares worth Rp3,250 (ownership of 65%). Based on Share Sale and Purchase Agreement No. PPS-001/PPAK/0918 dated December 27, 2018, PT PPAK purchase 1,749 shares of PT SKI from Kopkar PPA with a transaction value of Rp1,827. For the sale and purchase of shares, the ownership of PT PPAK in PT SKI became 99.98%.
- PT PPAK has 99.99% shares on Subsidiary on December 31, 2016 in PT Pratama Persada Airborne ("PT PPAI"). PT PPAI was established by Deed of Establishment No. 39 dated December 29, 2016 under a Notary Nurhasanah, S.H., MKn. on December 29, 2016. PT PPAI is established with the intent and purpose to engage in trade and services. To achieve these objectives, PT PPAI carries on business in general trade and air survey and mapping services. The Deed is agreed with the Decree of Minister of Justice and Human Rights of the Republic of Indonesia in the Decree No. AHU-0058316.AH.01.01 Year 2016 dated December 30, 2016. Based on Deed Number 12 dated January 16, 2018 before Notary Laurensia Siti Nyoman, S.H., the sale and purchase of shares of PT PPAI, related party to PT Survai Udara Penas (Persero) totaling 9,009 shares with a transaction value of Rp11 billion. Difference between transaction value to Rp2,29 billion recorded as additional paid in capital (difference in value restructuring under common control entities).

INFORMATION ON MATERIAL TRANSACTION WITH CONFLICT OF INTEREST AND/OR TRANSACTION WITH AFFILIATED PARTY

Table of Related Party and Nature of Relationship

Related parties are defined as companies and individuals with direct and non-direct ownership or managerial relation with the Company. Related parties include subsidiaries, controlling and majority shareholders, parent of majority shareholders and final shareholders.

A government-related entity is an entity that is controlled, jointly controlled or significantly influenced by government. Government refers to government, government agencies and similar agency whether local, national or international. Government related entity can be an entity which is controlled or significantly influenced by the Ministry of Finance or Local Government that representing as the shareholders of the entity or an entity controlled by the Government of Republic of Indonesia, represented by the Ministry of State-owned enterprises as a shareholder's representative.

All significant transactions and balances with related parties are disclosed as follows:

Related Parties	Relationship	Transaction
PT Bank Negara Indonesia (Persero) Tbk	Control by the Central Government of the RI	Cash and Cash Equivalents, Bank and Financial Institution Loans
PT Bank Mandiri (Persero) Tbk	Control by the Central Government of the RI	Cash and Cash Equivalents
PT Bank Rakyat Indonesia (Persero) Tbk	Control by the Central Government of the RI	Cash and Cash Equivalents, Bank and Financial Institution Loans
PT Bank Tabungan Negara (Persero) Tbk	Control by the Central Government of the RI	Cash and Cash Equivalents, Bank and Financial Institution Loans
PT Boma Bisma Indra (Persero)	Control by the Central Government of the RI	Financial Assets Held For Trading
PT Survai Udara Panas (Persero)	Control by the Central Government of the RI	Financial Assets Held For Trading
PT Industri Sandang Nusantara (Persero)	Control by the Central Government of the RI	Financial Assets Held For Trading
PT Istaka Karya (Persero)	Control by the Central Government of the RI	Financial Assets Held For Trading
PT Kertas Kraft Aceh (Persero)	Control by the Central Government of the RI	Bailout, Loans Receivables Restructuring/Revitalization
PT Kertas Leces (Persero)	Control by the Central Government of the RI	Loans Receivables - Bailout
PT Industri Sandang Nusantara (Persero)	Control by the Central Government of the RI	Loans Receivables - Bailout
PT Boma Bisma Indra (Persero)	Control by the Central Government of the RI	Loans Receivables - Bailout
PT Survai Udara Panas (Persero)	Control by the Central Government of the RI	Loans Receivables - Bailout
PT Artha Bangun Pratama	Control by the Central Government of the RI	Loans Receivables - Bailout
PT Djakarta Lloyd (Persero)	Control by the Central Government of the RI	Loans Receivables - Bailout
PT Merpati Nusantara Airlines (Persero)	Control by the Central Government of the RI	Loans Receivables - Bailout, Loans Receivables Restructuring/Revitalization
PT Penataran Angkatan Laut Indonesia (Persero)	Control by the Central Government of the RI	Loans Receivables - Bailout, Loans Receivables Restructuring/Revitalization
PT Dirgantara Indonesia (Persero)	Control by the Central Government of the RI	Loans Receivables Restructuring/Revitalization
PT Iglas (Persero)	Control by the Central Government of the RI	Loans Receivables Restructuring/Revitalization

Related Parties	Relationship	Transaction
PT Industri Kapal Indonesia (Persero)	Control by the Central Government of the RI	Loans Receivables Restructuring/ Revitalization
PT Sarana Multi Infrastruktur (Persero)	Control by the Central Government of the RI	Bank and Financial Institution Loans
Lembaga Pembiayaan Ekspor Indonesia	Control by the Central Government of the RI	Bank and Financial Institution Loans
PT ASDP Indonesia Ferry (Persero)	Control by the Central Government of the RI	Accounts Receivables, Gross Amount Due from Customers, Short-Term Advances
PT Adhi Karya (Persero) Tbk	Control by the Central Government of the RI	Account Receivables, Retention Receivables
PT Angkasa Pura II (Persero)	Control by the Central Government of the RI	Accounts Receivables, Gross Amount Due from Customers
PT DOK & Perkapalan Surabaya (Persero)	Control by the Central Government of the RI	Accounts Receivables
PT Pelabuhan Indonesia II (Persero)	Control by the Central Government of the RI	Retention Receivables, Gross Amount Due from Customers
PT Pelabuhan Indonesia III (Persero)	Control by the Central Government of the RI	Accounts Receivables, Gross Amount Due from Customers, Short-Term Advances
PT Pertamina (Persero)	Control by the Central Government of the RI	Gross Amount Due from Customers
PT Bukit Asam (Persero) Tbk	Control by the Central Government of the RI	Gross Amount Due from Customers
PT Perusahaan Gas Negara (Persero)	Control by the Central Government of the RI	Loans Receivables - Bailout
PT Berdikari (Persero)	Control by the Central Government of the RI	Loans Receivables - Bailout
PT Pertani (Persero)	Control by the Central Government of the RI	Short-Term Investment Loans

Table of Number of Material Transaction with Related Parties

Detail information of items related to transactions with related parties:

Table of Number of Material Transaction with Related Parties				
	2018 Rp	2017 Rp	2018 %	2017 %
Assets				
Cash and Cash Equivalents	735,265	1,029,827	6.22%	10.86%
Account Receivables	389,831	358,623	3.30%	3.78%
Retention Receivables	70,006	90,323	0.59%	0.95%
Loans Receivables - Bailout	215,581	207,115	1.82%	2.18%
Gross Amount Due from Customers	564,551	1,293,722	4.78%	13.65%
Loans Receivables Restructuring or Revitalization	1,388,273	1,356,385	11.74%	14.31%
Liabilities				
Accounts Payable	92,421	71,476	0.78%	0.75%
Bank and Financial Institution Loans	1,126,047	691,769	9.53%	7.30%
Short-Term Advances from Customers	14,630	24,575	0.12%	0.26%
Revenues				
Revenues	125,391	121,939	1.98%	1.92%

The percentage is the total assets, total liabilities, and total income.

Explanation on Transaction Fairness

All of the transactions with related parties have complied with policies as well as terms and condition agreed by both parties, therefore, the Company considers that every transaction is under fairness limit according to Indonesian Financial Accounting Standards No. 7 on Related Party Disclosure. This indicates that the Company has conducted transaction with related parties fairly.

Reason of the Transaction

The affiliated party transactions are done based on reciprocal business and professional principles that are beneficiaries for both parties.

Company's Policy Related to Review Mechanism on Transaction

Review mechanism on transaction with related parties through audit process both conducted by internal and external auditors. As an effort to ensure level of the transaction fairness and compliance with accounting standard that is generally applied in Indonesia, the affiliated transaction report disclosed above has been audited by the auditor.

CHANGES IN REGULATION WITH SIGNIFICANT IMPACT TO THE COMPANY

As end of 2018, the Company did not experience any change in legislation with significant impact to the Company.

CHANGES IN ACCOUNTING POLICY IMPLEMENTED IN RECENT FISCAL YEAR

As of December 31, 2018 period, there is no change in accounting policy applied by the Company, therefore, there is no available information about the impact on the Company's financial performance.

INFORMATION ON BUSINESS CONTINUITY

Macroeconomic condition which is affected by both the global and domestic economic conditions, directly and indirectly gives impact on the business performance of the Company during 2018. In addition, the Company also encounters various obstacles with the potential to afflict the Company's business continuity.

In the SOE restructuring/ revitalization segment, the Company experiences several issues, among others:

1. Some of the revitalized SOEs have suspended their operations.
2. SOE that will be revitalized are generally under a non-bankable condition and there is a limitation of the Company's financing capability to bridge the restructuring/ revitalization program (bailout funds); and
3. Some of the revitalized SOEs are classified in bankruptcy or Suspension of Payment (PKPU) corridors, and occurrence of some labor issues.

In the investment field, sources of funding are one of the essential factors to determine the success of an investment. Tight competition in the advisory service with earlier established companies is a challenge for the Company to improve its service quality given to the clients. Meanwhile, in the field of ex-IBRA asset management service, the amount and value of assets that are handed over to be managed by the Company are declining along with the well completed task implementation by the Company.

The Company is optimistic that the continuity of all business sectors will run well in line with the implementation of Corporate Long-Term Plan (RJPP) of 2018 – 2022 which aims to make the Company as an investment company. The Corporate Long-Term Plan of five years consists of three phases: Consolidation (2018), Rapid Growth (2019 – 2021) and Sustainable (2022). So far, the management considers that the Company has successfully driven transformation according to the Corporate Long-Term Plan 2018 – 2022. Therefore, the Company's future business continuity is believed to be better due to the improvement in company's performance through the optimum utilization of business potential and measured risk management.

Issues With Significant Potential Impact on Business Continuity

The Company has not experience any issue with significant impact on the business continuity up to 2018. The Company's operational and financial performance growth in recent five years as disclosed in the Key Financial and Operational Highlights sections that reflect the Company's condition that succesfully maintained its business continuity.

Management's Assessment on Issues With Significant Impact on Business Continuity

The Management has conducted assessment on the Company's capability to continue its business continuity. The Company's resources to continue its business in the future is assessed sufficiently. In addition, management of the Company does not view any material uncertainty that may cause significant hesitation towards the Company's capability to continue its business. During the last five years, the Company has acquired opinion from the Public Accountant Firm declaring the financial statements has been presented fairly in all material aspects, including the financial position, financial performance and cash flows of the Company.

Assumption Applied by the Management in the Assessment

The Management applies assumptions from various resources, both internal and external resources, including economic growth and its indicators such as GDP, inflation rate, exchange rate and future projection and Government's policy. Next, achievement in the financial performance aspect that is supported by capital adequacy ratio, liquidity and earnings ratio as well as effectiveness of Corporate Long-Term Plan and the Company's work and budget Plan implementation also become aspects that are considered by the Company's Management.

CONTRIBUTION TO THE COUNTRY

Paying tax is one of the obligation to the country as well as contribution and participation of the taxpayers to directly and altogether fulfill taxation obligation on state financing and national development. The Company's commitment to the country is manifested in fulfillment of the Company's obligation as taxpayer and tax withholder. This contribution is higher in line with the Company's growth.

As of December 31, 2018, the Company's total tax liabilities reached Rp50.30 billion, decreased by Rp5.02 billion or 9.98% compared to previous year.

in Million Rupiah		
Type of Tax	2018	2017
Corporate		
Income Tax Article 21	4,147	3,624
Income Tax Article 22	6	187
Income Tax Article 23	943	923
Income Tax Article 4 point 2	40	16
	5,136	4,750
Subsidiary		
Value Added Tax	19,004	23,975
Income Tax Article 21	4,922	4,987
Income Tax Article 22	3,101	5,129
Income Tax Article 23	2,215	2,802
Income Tax Article 25	150	517
Income Tax Article 29	10,407	2,423
Income Tax Article 4 point 2	5,362	10,738
	45,161	50,570
Total	50,297	55,320

SOUNDNESS INDEX

Summary of the Company's soundness index evaluation result for fiscal year 2018 is explained in tables below:

No	Description	Target (RKAP 2018)	Score Target	Achievement	Score
1	Financial Aspect				
1.1	Return on Equity (ROE)	5.8%	6	8.1%	7
1.2	Yield on Investment (YOI)	8.0%	10	8.1%	10
1.3	Operating Cost to Operating Income	92.0%	8	92.2%	8
1.4	Total Equity to Total Assets	45.7%	8.5	44.8%	8.5
	Total Financial Aspect		32.5		33.5
2	Operational Aspect				
2.1	RR Review/Special Assignment Completion	100%	10	100%	10
2.2	Number of New Services/Product	4 Proyek	15	12 Proyek	15
2.3	Realization of ex-IBRA assets management working program based on Assets Management Agreement	100%	10	100%	10
2.4	Man Power Productivity (Rp Million)	2,103	10	2,508	10
	Total Operational Aspect		45		45
3	Administrative Aspect				
3.1	Annual Calculation Report Submission	31/5/2018	3	27/2/2018	3
3.2	RKAP Draft Submission	31/10/2018	3	29/10/2018	3

No	Description	Target (RKAP 2018)	Score Target	Achievement	Score
3.3	Quarter Management Report Submission	<30 Hari	3	< 30 hari	3
3.4	PKBL Implementation				
3.4.1	Effectiveness of Partnership Program Disbursement	>80 %	2	95.65%	2
3.4.2	Effectiveness of Community Development Program Disbursement	>80 %	2	99.90%	2
3.4.3	Collectability Ratio of Partnership Program	>80 %	2	97.15%	2
Total Administrative Aspect			15		15
Total			92,5		93,5

Pursuant to Minister of SOE Resolutions No. KEP-100/MBU/2002 dated June 4, 2002, with total score of 93.5, the Company is a "healthy" SOE with "AA" Soundness Index.

Key Performance Indicators (KPI)

According to the Company's Budget Plan (RKAP) 2018 and Management Contract as stipulated in General Meetings of Shareholders (GMS) on Budget Plan (RKAP) 2018 ratification as disclosed in the Minutes of Meeting dated January 24, 2018, the Key Performance Indicators (KPI) has been determined as follows:

No	Description	Target (RKAP 2018)	Score Target	Achievement		Score
				Amount	%	
1	Financial and Market Aspect					
1.1	Return on Equity (ROE)	5.8%	6	8.1%	> 100%	7.20
1.2	Return on Asset (ROA)	3.4%	6	3.7%	> 100%	6.44
1.3	Operating Expense to Operating Income (BOPO)	92.0%	6	92.2%	> 100%	5.99
1.4	Yield on Investment (YOI)	8.0%	6	8.1%	> 100%	6.06
Total			24			25.69
2	Customer Focus Aspect					
2.1	Customers Satisfaction Index	3	8	3.76	> 100%	8.4
2.2	Strategic Partners Satisfaction Index	3	8	4.4	> 100%	8.4
Total			16			16.8
3	Product & Process Effectiveness Aspect					
3.1	Number of New Services/Product	4 Proyek	20	12 Proyek	> 100%	21.0
3.2	Government's Assignment (RR/ Review/Special Assignment Completion)	100%	10	100%	> 100%	10.0
Total			30			31.0
4	Man Power Focus Aspect					
4.1	Employee Productivity (Rp million)	2103	10	2508	> 100%	10.50
4.2	Employee Satisfaction Index	3	5	3.7	> 100%	5.25
Total			15			15.75
5	Leadership, Governance & Social Responsibility Aspect					

No	Description	Target (RKAP 2018)	Score Target	Achievement		Score
				Amount	%	
5.1	GCG Score (Score)	87	4	88.132	> 100%	4.05
5.2	On-Time SOE Electronic Regular Report Submission	80%	3	100%	> 100%	3.15
5.3	Partnership and Community Development Program Implementation					
5.3.1	a. Effectiveness of Partnership Program Disbursement	80%	2	95.7%	> 100%	2.10
5.3.2	b. Effectiveness of Community Development Program Disbursement	80%	2	99.9%	> 100%	2.10
5.3.3	c. Collectability Ratio of Partnership Program	80%	2	97.2%	> 100%	2.10
5.4	SOEs Synergy	5 SOEs	2	14 SOEs	> 100%	2.10
Total			15		> 100%	15.60
Total			100			104,84

According to the Company's Budget Plan (RKAP) 2018 and Management Contract as stipulated in General Meetings of Shareholders (GMS) on Budget Plan (RKAP) 2017 ratification as disclosed in the Minutes of Meeting dated January 24, 2018, the Company's achieved total score of 104.84 on the Key Performance Indicators (KPI).

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GOOD CORPORATE
PERUSAHAAN

Good Corporate Governance

The Company is committed to implement GCG practices to optimize corporate value, encourage more professional management of the Company that is done continuously and beyond compliance with the law and regulation, while also maintaining balance between interests of the Shareholders and other Stakeholders.

The commitment has become a culture in behaving that is actualized by always consistently performing follow-up on the assessment result recommendation that is conducted by independent assessor and doing regular review, as well as updating the data required on prevailing GCG policy to always be relevant with current condition.

GCG principles in the Company includes Transparency, Accountability, Responsibility, Independency, Fairness and Equality. Implementation of the GCG principles in the Company is reflected on implementation, as follows:

GCG Principle	Implementation
Transparency	Transparency in decision-making process, and transparency in disclosing material and relevant information about the Company.
Accountability	Clarity of function, implementation and accountability of the organs to implement management of the Company effectively.
Responsibility	Conformity in the Company's management with the law and regulation as well as sound corporate principles.
Independency	The condition where the Company is managed professionally without any conflict of interest and influence/pressure from any party that may violate the law and sound corporate principles.
Fairness and Equality	Fair and equal treatment in fulfilling rights of the stakeholders both rights of the shareholders and other stakeholders occurred based on agreement and law as well as fairness principle in running the business.

Objectives of GCG Implementation

In order to support achievement of the stipulated vision and mission, the Company is committed to implement and develop Good Governance for the objectives, as follows:

1. To support achievement of the Company's sustainability through management based on transparency, accountability, responsibility, independency as well as fairness and equality;
2. To build Check and Balances mechanism between Corporate structure and other Stakeholders, to encourage the Company's performance achievement and communication between Corporate Structures and other Stakeholders.
3. To increase trusts of the stakeholders as well as corporate image and reputation to encourage improvement of the Company's business relation and performance;
4. To optimize Shareholders' value by improving transparency, accountability, trusted, responsibility and fairness principles so that the Company has strong competitiveness;
5. To support professional, transparent and efficient management of the Company and empower function and improve independency of the Company's structure;

6. To support the Company's structure to take decision and action based on high moral value and compliance to prevailing Law as well as social awareness and responsibility of the Company to the Stakeholders as well as environmental conservation particularly in the Company's operational area;
7. To contribute for national economy that is achieved through SOEs R/R, Ex-IBRA and SOEs assets management and investment activities; and
8. To support national investment climate improvement through the implemented program/activity.

Legal Framework

The Company has full commitment and consistently enforcing GCG principles implementation by referring to formal regulation as framework of the Company in GCG principles implementation, as follows:

1. Law of Republic of Indonesia, among others:
 - a. Law of Republic of Indonesia No. 20 of 2001 as Amendment on Law of Republic of Indonesia No. 31 of 1999 concerning Corruption Crime Eradication.
 - b. Law of Republic of Indonesia No. 15 of 2002 concerning Money Laundering Crime as Amended under Law of Republic of Indonesia No. 25 of 2003 as Amendment on Law Number 15 of 2002 concerning Money Laundering Crime
 - c. Law of Republic of Indonesia No. 19 of 2003 concerning State-Owned Enterprise.
 - d. Law of Republic of Indonesia No. 14 of 2008 concerning Information Disclosure.
 - e. Law of Republic of Indonesia No. 14 of 2008 concerning Information Disclosure.
 - f. Law of Republic of Indonesia No. 11 of 2008 concerning Electronic Information and Transaction.
2. Minister of State-Owned Enterprise Regulation, among others:
 - a. Minister of State-Owned Enterprise Regulation No. PER-05/MBU/2006 concerning Audit Committee for State-Owned Enterprise.
 - b. Minister of State-Owned Enterprise Regulation No. PER-02/MBU/02/2015 concerning Board of Commissioners Members Appointment and Procedure in State-Owned Enterprise.
 - c. Minister of State-Owned Enterprise Regulation No. PER-12/MBU/2012 concerning Supporting Structure of Board of Commissioners/ Supervisory Board in State-Owned Enterprise.
 - d. Minister of SOE Regulation No. PER-03/MBU/02/2015 concerning Board of Directors Members Appointment and Dismissal Requirements and Procedure in State-Owned Enterprise.
 - e. Minister of State-Owned Enterprise Regulation No. PER-01/MBU/2011 concerning Good Corporate Governance Implementation in State-Owned Enterprise with the latest Amendment under No. PER-09/MBU/2012 concerning Amendment to Minister of State-Owned Enterprise Regulation No. PER-01/MBU/2011 concerning Good Corporate Governance Implementation in State-Owned Enterprise.
 - f. Minister of State-Owned Enterprise Regulation No. PER-04/MBU/2014 concerning Board of Directors, Board of Commissioners and Supervisory Board Remuneration Procedure in State-Owned Enterprise with the latest amendment through the Minister of SOE Regulation No. PER-06/MBU/06/2018 as the Third Amendment on Minister of State-

Owned Enterprise Regulation Number PER-04/MBU/2014 concerning Board of Directors, Board of Commissioners and Supervisory Board Remuneration Procedure in State-Owned Enterprise.

Other Regulations

Secretary to Minister of SOE Decree No. SK-16/S.MBU/2012 dated June 6, 2012 concerning Assessment and Evaluation on Good Corporate Governance Implementation Indicators/Parameters in SOE.

The Company always fulfills provisions in the GCG principles orderly. Various efforts have been conducted throughout 2018 and were illustrated as commitment building, up to corporate culture development by actualizing business ethics and GCG principles a foundation in running the Company's business activity, therefore, GCG has become daily conduct of all the Company's people.

Corporate Governance policy and Structure

The Company has a firm mechanism in GCG implementation. The mechanism is designed in form of policy, guideline, procedure and clear relationship between the Board of Commissioners and Board of Directors in decision-making based on their duty, function and responsibility.

The Company always reviews and enhances the GCG soft-structure periodically to ensure the GCG implementation in line with business process requirements or prevailing regulation.

The Company has Good Corporate Governance Code, Code of Conducts, working Guideline/Charter for the Company's structure for the Board of Directors and the Board of Commissioners as well as Board of Commissioners supporting structures. Therefore, implementation of GCG principles will contribute significant impact in long-term basis if has been adapted as culture and manifested in daily attitude.

Good Corporate Governance Code (GCG Code)

On January 31, 2017, the Board of Directors and Board of Commissioners have signed GCG Code as part of GCG Manual. The GCG Code is designed as framework for GCG principles implementation in the Company so that duty and authority of the Board of Directors, Board of Commissioners and Shareholders as well as mechanism that covers the supporting structures can be implemented efficiently, effectively and consistently. The Company is committed to implement GCG principles (transparency, accountability, responsibility, independency as well as fairness and equality) in every business activity that is expected to establish harmony in achieving the Company's vision, mission and target.

The Company's GCG Code explains aspects, as follows:

1. Background of GCG principles implementation with purpose and objectives referring to prevailing law as legal basis;
2. Vision, Mission and Corporate Values, and prevailing policies in the Company with mutual relation and supports the Company's business activity;
3. GCG principles to always be implemented as perspective in every policy making and its implementation. This means every formulated policy and then implemented shall concern transparency, accountability, responsibility, independency as well as fairness and equality principles;
4. Company's structures such as General Meetings of Shareholders, Board of Commissioners and Board of Directors in carrying out healthy relationship based on GCG principles;

5. The Code is prepared with purpose to support performance of the Company's structure. The stated code includes on Board of Commissioners side, covering the Audit Committee, Risk Oversight and GCG Committee and Board of Commissioners Secretary. Meanwhile, on Board of Directors side includes Internal Audit, Corporate Secretary, Risk Management, Internal Control System, Information Technology Governance and External Auditor;
 6. Information that are managed in terms of access, confidentiality and transparency;
 7. The Company shall ensure that the Company's assets, business location and other facilities have complied to prevailing law related to environmental conservation, occupational health and safety;
 8. The Company develops and maintains relationship with the stakeholders such as employees, related Government institution, other State-Owned Enterprises, creditors, vendors, society and other stakeholders.
 9. The Company manages business attitude that promotes business ethic values and fair business competition including avoiding corruption, collusion and nepotism as well as arrange donation both in the Company's internal and external circumstances; and
 10. The Company always evaluates GCG principles implementation based on periodic assessment and review to be considered as area of improvement in carrying out the business.
2. Board of Directors is part of the Company's structure with full authority and responsibility on the Company's management for the Company's interest, according to purpose and objective of the Company and represents the Company on and off the court according to provisions in the Articles of Association.
 3. Board of Commissioners is part of the Company's Structure with duty to perform general and/or specific supervision according to Articles of Association and provide advice to the Board of Directors.
- GCG implementation in the Company refers to optimization of role and relationship among the Company's Structures including General Meetings of Shareholders, Board of Commissioners and Board of Directors. In the actual condition, those three structures require support from Corporate Governance additional infrastructures both system/mechanism (softstructure) and working unit (hardstructure). GCG implementation in the Company also refers to provisions in the law, Articles of Association and other regulations based on the principle that each structure has independency in carrying out the duty, function and responsibility for the Company's interest.
- The GMS, Board of Directors and Board of Commissioners respect each others' duty, responsibility and authority according to the law and Articles of Association of the Company.

Corporate Governance Structure

According to law number 40 of 2007 concerning limited Company law Chapter I on General Regulation Article 1, Structure of the Company consists of General Meetings of Shareholders, Board of Directors and Board of Commissioners.

1. General Meetings of Shareholders, or later stated as GMS is the Company's Structure with distinctive authority that is neither delegated to the Board of Directors or Board of Commissioners in limit as set forth in the law and/or Articles of Association.

In carrying out the Company's managerial duty, the Board of Directors is assisted by Corporate Secretary and Internal Audit as well as other working units who performs the Company's managerial function.

In carrying out the supervisory duty, the Board of Commissioners may establish committee with one member or more appointed from the Board of Commissioners members and being responsible to the Board of Commissioners.

The Board of Commissioners has established Committees, as follows:

1. Audit Committee

Committee that is established by the Board of Commissioners to help the Board of Commissioners in fulfilling its duty and obligation to review effectiveness of internal control system, external and internal auditor's duty implementation, as well as to review and grant approval on every information and recommendation that is prepared and proposed by other parties such as Financial Statements, Government Investment Proceeds Realization Report and Annual Report of the Company.

2. Risk Oversight and GCG Committee

Committee that is established by the Board of Commissioners to help the Board of Commissioners' duty and function to regularly oversee and recommend improvement on GCG and risk management implementation that are carried out and developed by the Company.

Corporate Governance Mechanism

Governance mechanism is a GCG implementation mechanism that is reflected in a strong system. This is important as the GCG implementation will be not sufficient if only relying on governance structure pillar but also requiring clear regulation as a mechanism.

Governance mechanism can be defined as a clear rule of the game, procedure and relationship between the decision-maker with controlling (supervisor) of the policy.

Governance mechanism of the Company is among others:

- **Good Corporate Governance Code (GCG Code)**

Good Corporate Governance Code (GCG Code) formulation aims to provide reference for GCG principle implementation in the Company's circumstances so that duties of main GCG structures such as GMS, Board of Commissioners and Board of Directors as well as working mechanism among those three structures can be carried out efficiently,

effectively and consistently as well as concerning GCG principles (transparency, accountability, responsibility, independency as well as fairness and equality).

- **Board Manual**

Board Manual formulation aims to support duty and authority of the Board of Directors and Board of Commissioners as well as working mechanism between the two structures to be efficient, effective and consistent as well as complies with the GCG principles.

- **Code of Conducts**

Code of Conducts is prepared based on a consideration that besides complying with the law and Regulation, management of the Company shall also uphold norms and ethical values. The Code of Conducts is also minimum standard to be complied by the Company's people in implementing their daily duties.

- **Charter of Committees under the board of Commissioners**

Charter of Committees under the Board of Commissioners aims to provide direction to the Audit Committee and Risk Oversight and GCG structures in their duty implementation as Board of Commissioners supporting structure. Characteristic of the Committee Charter is flexible and based on requirements.

- **Internal Audit Charter**

Internal Audit Charter has a role to improve integrated controlling function in the Company's scope and ensure operational activity of the Company has been carried out according to prevailing regulation.

Assessment on GCG Principles Implementation

The Company performs assessment on GCG principles implementation. Through the assessment process, the Company has the objectives to:

- Assess and evaluate GCG principles implementation through elaboration of GCG implementation condition and comparison with the stipulated assessment indicators and parameters.

- Provide illustration on result of assessment through scoring on GCG principles implementation, altogether with the proposed improvement recommendation, to reduce the gap between practical level with the assessment indicators and parameters.
- Monitor the consistency of the application of GCG principles in the Company's organizational environment, as well as to obtain input for the improvement and development of GCG policies.
- Encourage more professional, transparent and efficient management of the Company and empower the function and increase independency of the Company's Organ.

Evaluation on the Company's GCG practice refers to the Secretary to Minister of SOE Decree Number SK-16/S.MBU/2012 dated June 6, 2012 concerning Good Corporate Governance Implementation Assessment and Evaluation Indicators/Parameters in State-Owned Enterprise that consists of 6 (six) aspects, 43 (forty three) indicators of Corporate Governance implementation and 153 (one hundred and fifty three) assessment parameters.

1. Commitment on Sustainable Governance Implementation

The Company generally has good commitment to implement GCG continuously, namely supported by availability of Code of Corporate Governance and Code of Conduct. The Company has issued additional policies and guidelines, such as Board Manual for Board of Directors and Board of Commissioners, Whistleblowing System Management Policy, Gratification Guideline, Goods and Services Procurement Guideline, Partnership and Environmental Guidance Program Policy and other supporting policies. As manifestation of the GCG implementation commitment, the Company always implements transparency principle in information disclosure, accountability on law enforcement, accountability of responsibility division, professional independency without conflict of interest, and fairness in fulfillment of stakeholders' rights in the Company as well as management of Whistleblowing System and State Apparatus Wealth Report submission.

2. Shareholders and GMS/Capital Owner Aspects

The Company attempts to consistently ensures rights of the Capital Owner/Shareholders are fulfilled as regulated in the Company's Articles of Association and Corporate Policy. Fulfillment of the Capital Owner/Shareholders's rights are done namely through provision of up-to-date information on the Company's condition, decision-making in the GMS and Board of Commissioners as well as the supporting organs (the Committees and Secretary) to perform supervisory function over the business and operational activities.

3. Board of Commissioners Aspect

Supervisory function is done with purpose to ensure more efficient and effective management of the Company according to interests of all stakeholders. Background of the Board of Commissioners members with competency and qualification (technical and regulatory background) based on the Company's business line are sufficient to provide added-value for the Company, namely through recommendation submission to the Company's Management.

4. Board of Directors

Board of Directors holds the executive/manager function who is in charge in daily activities to achieve the Company's vision and mission. Commitment of the Board of Directors altogether with the Management on the GCG implementation is seen appropriate by creating corporate culture and ethics, structure, process and performance.

5. Information Disclosure and Transparency Aspect

The Company attempts to establish corporate information and data access convenience by providing information media such as intranet and website.

6. Other Aspects

The Company ensures the Annual Report preparation aspects based on regulation.

The latest GCG assessment was done by the Company in 2018 internally through Self-Assessment using the criteria and methods as stipulated by the Minister of

State-Owned Enterprise Number: SK-16/S.MBU/2012 concerning Good Corporate Governance Implementation Assessment and Evaluation Indicators/Parameters in State-Owned Enterprise dated June 6, 2012. The assessment aims to evaluate the Corporate Governance implementation in the Company through review covering 6 (six) principal aspects. The Company obtained score of 88.13 from maximum score of 100 or equivalent with 88.13% or achieved "Very Good" qualification. Explanation of the score achievement is as follows:

NO	ASPECTS	WEIGHT	SCORE	% ACHIEVEMENT
1	Commitment on Sustainable Corporate Governance Implementation	7,00	6,550	93,57
2	Shareholders and GMST	9,00	8,481	94,23
3	Board of Commissioners	35,00	32,291	92,26
4	Board of Directors	35,00	31,869	91,05
5	Information Disclosure and Transparency	9,00	6,441	71,57
6	Others Aspects	5,00	2,500	50,00
TOTAL SCORE		100,00	88,132	88,13
Classification of GCG Implementation Quality		Very Good		

The GCG assessment score achievement in 2018 is improved if compared with GCG assessment score in 2017 that was 88.04.

Recommendation and Follow-Up of GCG Assessment in 2017

From all of the recommendation from GCG assessment in 2017, the Company has conducted the follow-up, as follows:

Commitment on Sustainable Corporate Governance Implementation

No	Recommendation	Follow-Up	Follow-Up Status
1	The Decree concerning Appointment of Director as Person in Charge for Good Corporate Governance shall mention explanation about duty and responsibility of the appointed Executive.	In SK-41/PPA/0718 concerning Stipulation of Position and Division of Duty and Authority Among the Board of Directors, the Decree has explained description of duty and responsibility of the appointed Executive.	On follow-up process
2	Signing of Integrity Pact on Code of Conducts compliance shall be carried out by all of the Company's People periodically.	All of the Company's employees have signed Integrity Pact on Code of Conducts compliance and will be conducted annually.	Has been completely followed-up
3	Regulation on Board of Commissioners position prohibition in the Board Manual shall be adjusted with the Minister of SOE Regulation Number: Per-02/MBU/02/2015.	Has been declared materially in the Board Manual as of January 31, 2017 concerning Concurrent Position of the Board of Commissioners by referring to Per-02/MBU/02/2015	Has been completely followed-up

Shareholders and GMS

No	Recommendation	Follow-Up	Follow-Up Status
1	Shall disclose Independent Board of Commissioners stipulation explicitly in the appointment decree for at least 20% of total Board of Commissioners members.	According to the SK-87/MBU/04/2018 dated April 12, 2018 Independent Board of Commissioners in PPA has been appointed.	Has been completely followed-up
2	Shall grant Company's long term plan ratification on time according to the regulation.	Will be come concern of the shareholders for follow-up.	On follow-up process
3	The Board of Directors and Board of Commissioners individual performance assessment shall be done at least including key performance indicators and achievement criteria.	Will be come concern of the shareholders for follow-up.	On follow-up process

Board of Commissioners

No	Recommendation	Follow-Up	Follow-Up Status
1	Shall disclose to the Corporate Secretary regarding implementation of orientation program for new Board of Commissioners not only to be presented as documents submission, but also in form of presentation and discussions that are related to the Company or, if deemed necessary, may be also done through site visit.	Implementation of orientation program for new Board of Commissioners has been conducted through presentation and discussions related to the Company. Implementation of field visit will be scheduled later based on time availability of each Executive.	Has been completely followed-up
2	Shall prepare report or submit result of trainings participated by Board of Commissioners members in the Board of Commissioners meetings as internal dissemination media.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
3	Shall utilize Board of Commissioners training program.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
4	Shall stipulate policy/manual related to Board of Commissioners information requirements that shall be fulfilled by the Board of Directors and Board of Commissioners, including: type of information disclosure both regularly and incidentally, submission standard and information submission mechanism.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
5	<i>Shall disclose Board of Commissioners opinion on Work plan and budget submission due date to GMS in the Board Manual.</i>	Will be come concern of the Board of Commissioners' Supporting Organ to be discussed with DSPH concerning Board of Commissioners opinion on Work plan and budget submission due date.	On follow-up process
6	Shall provide direction concerning vision and mission of the Company if related to changing business environment of the Company.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
7	Shall provide recommendation to strengthen internal control system in the Company based on review upon: - Result of evaluation on internal control effectiveness at entity level; and - Internal control report that is submitted by the management.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process

No	Recommendation	Follow-Up	Follow-Up Status
8	Shall participate active role from Audit Committee in reviewing HR management policy and its implementation in the Company.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
9	Shall provide direction to strengthen risk management of the Company, that is carried out based on review on: • Sufficiency and quality of enterprise risk management infrastructure as mentioned in the enterprise risk management policy and design as well as Risk Management Division work plan, and • Risk potential disclosed in the Work plan and budget draft submitted by the management altogether with the mitigation alternative.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
10	Shall provide direction concerning compliance of the Board of Directors in implementing provisions of the prevailing law, which is conducted based on: - Result of risk and legal review upon business initiative, policy and work plan that will be carried out by the Company; • Performance of litigation and non-litigation cases settlement activities/initiatives; and • Legal opinions on action plan and issues related to compliance with prevailing law or regulation.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
11	Shall perform evaluation on effectiveness of external audit based on conformity between audit report and quality of recommendation from the external audit.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
12	Shall mention supervision over management of the subsidiaries in the Board of Commissioners work and budget plan.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
13	Shall perform assessment on Board of Directors performance based on fulfillment of keyperformance indicators, target and criteria as included in the individual Board of Directors Management Contract.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
14	Shall attach Integrity Pact on Board of Directors recommendation that requires recommendation from the Board of Commissioners.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up. However, some integrity Pacts have been signed in the case where PPA executed corporate action.	On follow-up process
15	Shall perform evaluation on achievement of Board of Commissioners members' individual performance.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
16	Shall revise Board Manual for Board of Commissioners, to also mention: • Implementation of previous meeting resolutions follow-up evaluation; and • Discussion/review on Board of Directors recommendation and/or GMS direction/resolutions related to the Board of Directors' recommendation.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
17	Secretary to the Board of Commissioners shall disclose following information in the minutes of meeting: • Dissenting comments; • Meeting dynamics; and • Meeting resolutions	Although practically the implementation of Board of Commissioners and Board of Directors Joint Meetings are always started with agenda to discuss follow-up evaluation implementation.	On follow-up process.

No	Recommendation	Follow-Up	Follow-Up Status
18	Shall propose to Shareholders to appoint Independent Commissioner of PT PPA (Persero).	The Shareholders has appointed Independent Commissioner of PT PPA.	Has been completely followed-up
19	To request Audit Committee and Risk Oversight and GCG Committee to plan and perform self-assessment on their performance achievement periodically.	According to SK-87/MBU/04/2018 dated April 12, 2018, appointment Independent Board of Commissioners member in PPA has been conducted.	On follow-up process.
20	To request Audit Committee and Risk Oversight and GCG Committee to perform the Committee meetings periodically and prepare minutes of the meetings.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
21	To request Audit Committee and Risk Oversight and GCG Committee to perform the Committee meetings periodically and prepare minutes of the meetings.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process
22	To request Audit Committee and Risk Oversight and GCG Committee to disclose comparison between activity implementation realization with annual work plan, altogether with activity result substance and recommendation in the Quarter and Annual Report of Audit Committee and Risk Oversight and GCG Committee.	Will be come concern of the Board of Commissioners' Supporting Organ for follow-up.	On follow-up process

Board of Directors

No	Recommendation	Follow-Up	Follow-Up Status
1	To request Corporate Secretary to provide introduction program not only in form of documents submission, but also presentation and discussion related to the Company or, if deemed necessary, also including site visit.	Implementation of orientation program for new Board of Commissioners members have been done in form of presentation and discussion related to the Company. Implementation of site visit will be scheduled later according to time availability of each Executive.	Has been completely followed-up
2	Shall stipulate Board of Directors training program policy in the Board Manual and Board of Directors Work Manual as media to upgrade the Board of Directors' capacity.	Will become concern of the Board of Directors.	On follow-up process
3	To submit Company's long term plan draft to the Board of Commissioner soon time according to the regulation, this is before 30 th September in every current year to ensure sufficient time is available for the Board of Commissioners to perform objective review over the Company's strategic plan.	Will become concern of the Board of Directors.	On follow-up process
4	To submit Work plan and budget draft to the Board of Commissioner soon time according to the regulation, this is before 15 th September in every current year to ensure sufficient time is available for the Board of Commissioners to perform objective review over the Company's strategic plan.		Has been completely followed-up
5	To assign vacant position in the Company's organization structure, or re-adjust the Company's organization structure with current internal capacity.	Vacant position assignment in the organization structure is attempted by considering operational requirements priority, financial condition and business growth of the Company.	On follow-up process
6	Shall immediately finish preparation of employee competency profile in the Company that will be functioned namely as foundation for succession planning for every position in the organization structure.	Formulation of employee competency profile is on preparation process and is targeted to be completed by the end of December 2018.	On follow-up process

No	Recommendation	Follow-Up	Follow-Up Status
7	Shall submit collegial and individual Board of Directors performance achievement report that are evaluated based on result of performance audit by KAP altogether with submission of performance audit report from KAP to the Board of Commissioners.	Will become concern of the Board of Directors.	On follow-up process
8	Shall perform evaluation/review on sufficiency of the Company's internal control system infrastructure altogether with the implementation, and report to the Board of Directors in the Internal Control Report published by the Company.	Will become concern of SPI Division to include in the next year's audit plan.	On follow-up process
9	Shall disclose measurement of procurement fairness and transparency level in the suppliers' satisfaction survey, and the survey implementation by independent surveyor (internal auditor or external consultant) to ensure objectiveness of the implemented survey.	Will become concern of SPI Division to include in the next year's audit plan.	On follow-up process
10	Shall stipulate policy that regulates employee satisfaction survey method.	Formulation of policy that regulates employee satisfaction survey method is currently on preparation process and is targeted to be completed by end of December 2018. The employee satisfaction survey was previously done annually through questionnaire concurrently with KPKU assessment.	On follow-up process
11	Increase the Company's performance based on the stipulated KPI.	Will become concern of SPI Division to include in the next year's audit plan.	On follow-up process
12	Board of Directors shall submit Quarter Management Report to the Board of Commissioners according to provisions in PT PPA (Persero) Board Manual, the latest within 17 (seventeen) work days after end of every quarter.		Has been completely followed-up
13	Shall equip contents of Management Report according to Kep-211/M-PBUMN/1999, by disclosing achievement of the Company's ten key performance indicators based on KPKU in the Company's Quarter Report (according to article 3 point 1 letter e).		Has been completely followed-up
14	Shall perform Board of Directors Meeting minimum 1 (once) every month according to the designated work plan.		Has been completely followed-up
15	Shall perform evaluation on implementation of previous Board of Directors meeting resolutions and mention in the Board of Directors minutes of meeting.		Has been completely followed-up
16	Shall adjust number of auditor personnel with the position requirement based on current Internal Audit Division work load, to ensure effectiveness of internal audit function implementation.	In 2018, the Internal Audit Division has recruited 2 auditor personnel. Recruitment of 1 Unit Head personnel is on process by the end of 2018 and has been completed by mid-January 2019.	Has been completely followed-up
17	Shall request the Internal Audit Division to evaluate level of conformity between program objectives and target compared with current operational activity and organization goals.	Achievement of the organization goals has been currently applied as basis in preparing annual audit plan and audit assignment.	Has been completely followed-up

No	Recommendation	Follow-Up	Follow-Up Status
18	Shall request Corporate Secretary to keep Special List of the Board of Directors and Board of Commissioners.		Has been completely followed-up
19	Shall request Corporate Secretary to ensure the Minutes of Meeting has included: • Dissenting commitments against the Board of Directors meeting resolutions; • Meeting dynamics; • Result of evaluation on previous meeting's resolutions; and • Previous meeting's resolutions.		Has been completely followed-up
20	GMS invitation shall be submitted the latest 14 (fourteen) days before the GMS implementation date.	Will become concern of the Board of Directors.	Has been completely followed-up

Information Disclosure and Transparency

No	Recommendation	Follow-Up	Follow-Up Status
1	The Company shall publish bulletin/magazine in the future as information media about the Company's activities.	Will become concern of the Board of Directors.	On follow-up process
2	The Annual Report shall be presented in Indonesian and English languages side by side.	The Annual Report is not presented bilingual but in separated books for practical purpose.	Has been completely On follow-up
3	The Annual Report shall also disclose: • Liquidity level of the Company; • Discussion and analysis that are reported and contained extraordinary event; • Discussion on impact of price change on the Company's net sales or revenues as well as the Company's operating income for 2 (two) years or since the Company commenced its operation, if the business is less than 2 (two) years. • Discussion on corporate social responsibility and commitment on consumer protection does not disclose the implementation budget. • Discussion on social responsibility in environmental sector does not disclose the implementation budget. • Discussion on activity and budget allocated related to corporate social responsibility does not discuss any implementation of community development program.	Will become concern of the Board of Directors.	On follow-up process
4	The Company shall fulfill completeness of Annual Report presentation based on recommendation from Annual Report Award Steering Committee.	Will become concern of the Board of Directors.	On follow-up process

No	Recommendation	Follow-Up	Follow-Up Status
5	Discussion on corporate social responsibility related to environmental aspect does not mention the implementation budget.		Has been completely followed-up
6	Discussion on activity and budget allocated related to corporate social responsibility does not discuss any implementation of community development program.		Has been completely followed-up
7	Achievement of Annual Report score in Annual Report Award (ARA) 2016 is not yet improved from previous year.		Has been completely followed-up
8	The Company shall participate in CSR, Information Disclosure and other awards.		Has been completely followed-up

Other Aspects

No	Recommendation	Follow-Up	Follow-Up Status
1	The Company has segment/area as best practices in its industry or benchmark destination for other companies (both SOEs and private enterprises). The segment/area includes products, process, supporting function, organizational performance, and strategy.		Has been completely followed-up
2	Level of parameter fulfillment on this indicator is classified in good category. There is no occurrence of Good Corporate Governance principles violation in the Company throughout 2017.	There is no occurrence of Good Corporate Governance principles violation in the Company throughout 2018.	Has been completely followed-up

The GCG assessment score achieved by the Company is always improving that indicates improvement initiatives and evaluation over the GCG implementation in the Company. Result of GCG assessment from previous years using assessment parameters indicators according to the Secretary to Ministry of SOE Decree Number: SK-16/S. MBU/2012 dated June 6, 2012 are explained below :

Year	Assessor	GCG Assessment Score
2013	PT Kharisma Insani Manajemen (Independen)	78,03
2014	Self Assessment	81,73
2015	PT Sinergi Daya Prima (Independen)	85,96
2016	Self Assessment	87,47
2017	PT Icon Global Solusi (Independen)	88,04
2018	Self Assessment	88,13

Parent and Subsidiary Governance (Group Governance)

All of the Company's GCG policies are also applied for the subsidiaries, where assessment on GCG implementation also becomes one of performance indicators for subsidiaries. Purpose of the Company to establish Subsidiaries is to synergize activity of the parent company and all Subsidiaries to pursue a greater performance leap. Therefore, in the Company and Subsidiaries management working relation also aligns the Articles of Association, Company's long term plan and Work plan and budget.

However, every Subsidiary in the PPA Group is a separated and autonomous legal entity in implementing business policy based on each Articles of Association, Company's long term plan and Work plan and budget. As an autonomous enterprise, management authority and policy of each Subsidiary are held by the Board of Directors and Board of Commissioners in each Subsidiary. The Company is eligible to provide direction to the Subsidiaries through shares ownership channel that is carried out in GMS mechanism, therefore, will always comply with provisions of the law and GCG principles.

To ensure that the Company and Subsidiaries management governance takes place in GCG framework, the Company has issued several policies, as follows:

1. SK – 61/PPA/0916 concerning Subsidiaries Management Policy that also includes mechanism of the Company's approval on the subsidiaries' activity, both related to Work plan and budget preparation and approval, as well as reviewing corporate action of the Subsidiaries, and also regulates appointment and assignment of the Company's representatives in the subsidiaries, and Subsidiaries monitoring mechanism, where the Subsidiaries are obliged to submit monthly, quarter, semester and annual reports. Therefore, control on the Subsidiaries management can be implemented effectively.
2. SK – 69/PPA/1118 concerning Management Appointment Policy in Subsidiaries and Sub-Subsidiaries. In this decree, the Company regulates provisions of management appointment in Subsidiaries and Sub-Subsidiaries, to generate assurance and determination in the management appointment mechanism based on merit system.

Based on the internal regulation, the Company has implemented governance mechanism between the Company and Subsidiaries as well as Sub-Subsidiaries based on GCG principles, both in the monitoring mechanism over the Subsidiaries operations, Board of Directors and Board of Commissioners assignment in Subsidiaries as well as other Executives assignment mechanism in the Subsidiaries.

General Meetings Of Shareholders

General Meeting of Shareholders (GMS)

As one of the Company's Structure, and according to law no. 19 year 2003 regarding State-Owned Enterprises, law no. 40 year 2007 regarding limited liability companies, and Regulation of the Minister of SOEs no: Per-01/MBU/2011 regarding Implementation of Good Corporate Governance in State-Owned Enterprise, as amended with Regulation of the Minister of SOEs number: Per-09/MBU/2012 regarding Amendment to Regulation of the Minister of SOEs number: Per-01/MBU/2011 regarding Implementation of Good Corporate Governance in State-Owned Enterprises.

GMS Authority

GMS Authority is, among others, as follows:

1. To appoint and dismiss Board of Directors and Board of Commissioners members. The Board of Commissioners and Board of Directors members who are appointed in the GMS shall be appointed from fit and proper candidates for the Company.
2. To determine the limit of Board of Directors' authority based on the number and/or period of certain activities as stated in the Articles of Association
3. To approve for transfer of more than 50% of the Company's net assets as collateral as per the Board of Directors' suggestions/demands;
4. To reduce the limit on Board of Directors' actions as regulated in the Articles of Association or to determine other limit on the Board of Directors outside the stipulations in the Articles of Association;
5. To determine the division of duties and authority of the Board of Directors' members;
6. Approval for the annual report and the utilization of Company's net profit in the Annual General Meeting Shareholder
7. To give approval for the Company's budget plan and the Company's long term plan; and
8. To determine the external auditor by considering opinion from the Audit Committee submitted to the Board of Commissioners.

The authorities shall be implemented fairly and transparently by concerning necessary aspects to maintain the Company's long-term business interest.

Rights of Shareholders

In the paradigm of GCG implementation, the capacity of Shareholders is not limited only to capital aspect, Shareholders as regulated in law no. 40 year 2007 regarding limited liability Companies are provisioned with rights as a form of reciprocal interest. Scope of right of Shareholders consists of capital benefit acceptance, supervision of the course of operational activities carried out by the Board of Directors, and other rights.

Provision of principal rights of Shareholders is explained in Article 52 of law no. 40 year 2007 regarding limited liability Companies consists of:

1. Attend and vote in GMS.
2. Receive dividend payment and the remaining wealth from liquidation.

3. Exercise other rights as disclosed in limited liability Company law no. 40 of 2007 concerning limited liability Company and Articles of Association.

Information Access for Shareholders

Information access for shareholders provides guarantee on equal information access to all Shareholders. The Company's access to be reachable by the Shareholders includes:

1. Audited Annual Financial Statements;
2. Annual Report;
3. Quarter Management Report; and
4. Publication of Corporate Activity Report through Mass Media and website of the Company.

Shareholders Relation Policy

The Company's shares ownership is 100% held by Government of Republic of Indonesia through Ministry of State-Owned Enterprise, the relationship policy between the Company and Shareholders is regulated under Article 14 law number 19 of 2003 on State-Owned Enterprise and the provisions as disclosed in Minister of SOEs Regulation number PER-01/MBU/2011 concerning Good Corporate Governance in State-Owned Enterprise.

Shareholder Composition

Shareholder of the Company is the Republic of Indonesia with 100% ownership.

Employee Stock Option Plan

The Company does not have policy yet on management or employee stock option plan as 100% of the Company's share allocation is currently held by the Republic of Indonesia.

GMS Implementation, GMS Announcement and Attached notes in the AGMS/eGMS Invitation

Pursuant to the Company's Articles of Association, GMS' provisions are as follows:

1. All General Meetings of Shareholders are convened on the location of the Company or on which the Company's operations within the territory of the Republic of Indonesia;
2. If in the GMS all shareholders attend and/or are represented, and all shareholders approved for the GMS convention, then the GMS can be convened at any place within the territory of the Republic of Indonesia;
3. GMS shall make a resolution if it has been approved unanimously;
4. The Board of Directors convenes AGMS and EGMS by conducting summons first for GMS;
5. GMS can be convened upon the request from: a) one or more shareholders who represent, at the least, 1/10 (one tenths) of total outstanding shares of the Company with valid voting rights; or b) Board of Commissioners;
6. Such request for held GMS is proposes to the Board of Directors with a registered letter stating the reason.
7. The registered letter is submitted to the shareholders and forwarded to the Board of Commissioners;
8. The reasons for the request for held GMS are, but not limited to the following: a) the Board of Directors does not convene a Annual GMS pursuant to the prevailing regulations; b) the tenure of members of Board of Directors and/or Board of Commissioners will expire; or c) in the event the Board of Directors is absent or there is a dissenting opinion or conflict of interest among the Company's Board of Directors;

9. The Board of Directors is obliged to announce summons for GMS within the period of 15 (fifteen) days since the date of the request for GMS convention is received, at the latest;
10. In the event the Board of Directors does not make the summons, then: a) the requested for GMS convention by the shareholders is request to the Board of Commissioners; or b) the Board of Commissioners makes the summons;
11. The Board of Commissioners is obliged to announce summons for GMS within the period of 15 (fifteen) days since the date of the request for GMS convention is received, at the latest;
12. GMS convened by the Board of Directors shall discuss only the issues related to the agenda of the Board of Directors and other agenda deemed significant by the Board of Directors;
13. GMS convened by the Board of Commissioners shall discuss only the issues related to the agenda of the Board of Commissioners.
14. In the event that neither the Board of Directors nor the Board of Commissioners does not make the summons for GMS within period of 15 (fifteen) days since the date of the request for GMS convention is received, the shareholders demanding the convention of GMS may make the summons after decree approval from the head of the District Court whose legal area covers the location of the Company;
15. GMS' summons is conducted within the period of 14 (fourteen) days prior to the convention date of GMS, excluding the date of summons and the date of GMS;
16. Summons for GMS is announced through registered letter and/or advertisement in newspaper;
17. In the announcement, the date, place and agenda of the GMS shall be disclosed, and that the material to be discussed in the GMS is available at the Company's office since the summons date of GMS until the date of GMS convention;
18. The Company is obliged to provide the copy of GMS' material; to the Shareholders freely upon demand; and
19. In the event that the summons is not made in accordance with the provisions of time limit and contents in the above-mentioned media or that the summons is not made in accordance with the prevailing requirements, GMS is able to make valid resolutions if all shareholders with valid voting rights attend or are represented in the GMS and the resolution is made unanimously.

GMS on The Company's Budget Plan Fiscal Year 2018

Pursuant to the Company's Articles of Association Article 17, the GMS is held to discuss at least mission, business target, business strategy, corporate policy, working program, corporate budget, financial projection of the Company and subsidiaries and other issues requiring approval in the GMS. The Company held GMS on The Company's Budget Plan for fiscal year 2018 with detail as follows :

Date of Resolutions	GMS 2018 Agenda	GMS 2018 Resolutions
January 24, 2018	Approval and Legalization of The Company's Budget Plan (RKAP) 2018 and Partnership and Community Development Program Budget Plan for 2018.	1. The meeting approved and legalized Budget Plan for 2018. 2. The Meeting approved and legalized Partnership and Community Development Program Budget Plan for 2018 with concern to Minutes of Discussion Meeting with Assistant to Social and Environment Responsibility Deputy Number: RIS-79/D7.MBU.3/01/2018 dated January 23, 2018.
January 24, 2018	Stipulation of Operational Aspect Indicators for The Company's Soundness Index Assessment in 2018	The Meeting has stipulated Operational Aspect Indicators for The Company's Soundness Index Assessment in 2018

Date of Resolutions	GMS 2018 Agenda	GMS 2018 Resolutions
January 24, 2018	Approval and legalization of Key Performance Indicators (KPI) as disclosed in Management Contract 2018 between Board of Directors and Board of Commissioners with Shareholders.	The Meeting approved and legalized Board of Commissioners Key Performance Indicators (KPI) for 2018 as disclosed in the Management Contract 2018 between Board of Directors and Board of Commissioners with Shareholders.
January 24, 2018	Approval and legalization of Resolutions on Board of Commissioners Key Performance Indicators (KPI) 2018.	The Meeting approved and legalized Board of Commissioners Key Performance Indicators (KPI) for 2018.

GMS on Performance Fiscal Year 2017

GMS on Annual Report Approval and Financial Statements Legalization for 2017 ("Annual GMS 2016")

The Company held Annual GMS 2017 referring to Articles of Association Article 18, to report the Company's Annual Report to the Shareholders including Financial Statements, Statements of Profit or Loss, Corporate Activity Report, Salary, Allowance/Facility for the Board of Directors and Board of Commissioners. The Annual GMS Agenda and Resolutions include the Company's Performance and held on May 2, 2018, as follows :

Date of Resolutions	GMS 2018 Agenda	GMS 2018 Resolutions	Follow-Up
May 2, 2018	Approval on Annual Report Fiscal Year 2017 and Board of Commissioners Supervisory Duty Report in Fiscal Year 2017.	Approved Annual Report for fiscal year 2017 and Board of Commissioners Supervisory Report for Fiscal Year 2017.	100%
	Legalization on Financial Statements Fiscal Year 2016 and Partnership and Community Development Program Financial Report Fiscal Year 2017, as well as full responsibility dismissal and discharge (volledig acquit et decharge) to the serving Board of Commissioners Members upon the Company's supervisory and managerial actions implemented in fiscal year 2017.	1. Legalization on: a. Financial Statements Fiscal Year 2017 audited by Public Accountant Firm Amir Abadi jusuf, Aryanto, Mawar & Partners based on report R/029.AGA/sat.3/2018 dated February 20, 2018 with opinion that the Financial Statements has fairly presented, in all material aspects. b. Partnership and Community Development Program Financial Report for Fiscal Year 2017 audited by Public Accountant Firm Amir Abadi jusuf, Aryanto, Mawar & Partners based on report No. R/025.AGA/sat.3/2018 dated February 20, 2018, with opinion that the financial report has fairly presented, in all material aspects	100%

Date of Resolutions	GMS 2018 Agenda	GMS 2018 Resolutions	Follow-Up
May 2, 2018		2. Granted full responsibility dismissal and discharge (volledig acquit et decharge) to the Board of Directors members upon the Company's managerial action and to the Board of Commissioners upon the Company's supervisory action, as well as upon management and supervision of Partnership and Community Development Program implemented in Fiscal Year 2017, as long those actions have been presented in the Company's Financial Statements and PKBL Financial Report and not violating the law and regulation.	
May 2, 2018	Stipulation of the Company's net income for fiscal year 2017.	The meeting approved stipulation on realization of net income attributable to Owner of Parent Entity for Fiscal Year 2017.	100%
	Stipulation of Incentives and Remuneration for Board of Directors and Board of Commissioners for 2018.	The meeting approved incentives on performance for fiscal year 2017 as well as Board of Directors and Board of Commissioners remuneration for 2018 to be stipulated separately.	100%
	Appointment of Public Accountant Firm (KAP) to audit the Company's Financial Statements and Partnership and Community Development Program Financial Report for fiscal year 2018.	Appointment of KAP to audit the Company's Financial Statements and Partnership and Community Development Program Financial Report will be stipulated separately after the Board of Commissioners submitted recommendation to the General Meetings of Shareholders.	
	Accountability Report on Additional Government capital 2015 Proceeds Realization as of 1st Quarter until 4th Quarter of 2017 period.	The meeting approved Accountability Report on Additional Government capital 2015 Proceeds Realization as of 1st Quarter until 4th Quarter of 2017 period.	100%

Information on Previous Year's GMS

The Company consistently monitors follow-up and status GMS resolutions and briefing realization and periodically reports to the Shareholders. Follow-up on resolutions and aspiration of Annual Report Approval and Financial Statements Legalization for 2017 is as follows :

GMS Resolutions and Aspiration	Realization of GMS Resolutions and Aspiration	Status
GMS on Annual Report Approval and Financial Statements Legalization for 2017.	6 (six) agenda and 6 (six) resolutions and aspirations have been completely followed-up.	100%

Board of Commissioners

Board of Commissioners is a Company Organ with collective duty and responsibility to perform general and/or specific supervisions in line with the Company's Articles of Association and provide advise to the Board of Directors as well as ensure the Company to perform GCG in all organization lines or level. The Board of Commissioners has clear authority and responsibility according to each function, as mandated in the Articles of Association and prevailing law and regulation.

Regulatory Framework

The Company implements sustainable GCG, in stipulating the duty, authority and obligation, the Board of Commissioners refers to manual and policy, as follows:

1. Law No. 19 of 2003 concerning State-Owned Enterprise in Article 6 that obliges the Board of Commissioners to implement GCG principles, such as Transparency, Accountability, Responsibility, Independency, Fairness and Equality.
2. Law No. 40 of 2007 on Limited Liability Company in Articles 108 until 121 that regulates all aspects about Board of Commissioners in Limited Liability Company.
3. Articles of Association.

Board Of Commissioners Appointment And Dismissal

Board of Commissioners Members are appointed and dismissed by General Meeting of Shareholders by concerning prevailing law and through a transparent process.

- a. Not serving as Board of Commissioners member in the Company for 2 (two) consecutive periods;
- b. Healthy physically and mentally, not suffering any disease that may constraint duty implementation as Board of Commissioners member proven with health certificate from Public Hospital.

Board Of Commissioners Appointment Process

Board of Commissioners is appointed based on a mechanism stipulated by Controlling Shareholders. The Board of Commissioners Member shall pass several selection stages before nominated by the Shareholders in General Meeting of Shareholders

Board Of Commissioners Fit And Proper Test

All of the Board of Commissioners members shall pass Fit and Proper Test by Shareholders prior being appointed as a member of Board of Commissioners in the Company. Table of Board of Commissioners Fit and Proper Test Status in 2018 is as follows:

Table of Board of Commissioners Fit and Proper Test

Name	Domicile	Status	Fit & Proper Test Provider
Edy Putra Irawady	Jakarta	Passed in 2016	Ministry of SOE
Taufik Sukasah	Jakarta	Passed in 2013	Ministry of SOE
Dedi Rudaedi	Jakarta	Passed in 2013	Ministry of SOE
Tirta Hidayat	Jakarta	Passed in 2017	Ministry of SOE
Lydia Silvanna Djaman	Jakarta	Passed in 2018	Ministry of SOE
Didyk Choeroel	Jakarta	Passed in 2018	Ministry of SOE

All of Board of Commissioners Members is declared have passed Fit and Proper Test by Shareholders.

Board Of Commissioners Dismissal

Based on the Board Manual, Board of Commissioners member can be dismissed any time under General Meeting of Shareholders resolutions. Reason of the Board of Commissioners member dismissal is among others :

1. Not being capable to perform the duty appropriately;
2. Not complying with provisions of the law and/or Articles of Association,
3. Involved in action that caused loss to the Company and/or Country;
4. Implement any action that violates ethics and/or appropriateness that shall be respected as Board of Commissioners member;
5. Declared guilty under permanent legal force Court Sentence;
6. Submitted resignation.

Besides reason of Board of Commissioners members dismissal mentioned above, referring to Minister of SOEs Regulation number PER-02/MBU/02/2015, the Board of Commissioners member can be dismissed by the Ministry, as General Meeting of Shareholders, based on other reasons that are considered appropriate by the Minister as General Meeting of Shareholders on behalf of the SOEs' interest and objectives, such as but not limited to:

1. Restructuring the Company;
2. Entering retirement age of Civil State Apparatus, for the Board of Commissioners/Supervisory Board assigned by Technical Ministry or other Government Institutions.

Board Of Commissioners Member Resignation

A Board of Commissioners member is eligible to resign from his/her position by submitting written notification with regard to the intention to the Company with copy sent to the Shareholders, other Board of Commissioners and Board of Directors members, maximum 30 days prior the resigned date. If the resignation letter states effective resignation date is less than 30 days since the later is received, the letter is considered not mentioning the effective resignation date.

If until the date requested by respective Board of Commissioners member or within 30 days since the acceptance of resignation letter is received, in the case of not mentioning effective resignation date, there is no General Meeting of Shareholders resolutions, the Board of Commissioners member is automatically resigned on the requested date as mentioned above or after passing 30 days since the date of resignation letter accepted without requiring GMS approval.

Board Of Commissioners Orientation Program

The Company has a Board of Commissioners Orientation Policy as regulated in Board Manual. The Board of Commissioners orientation program is dedicated for Board of Commissioner who is newly appointed. This program aims to provide illustration on business activity, future corporate plan, working guideline as well as more knowledge to the new Board of Commissioners member related to the Company's organization and operations. In the Board of Commissioners orientation program, the person in charge is Corporate Secretary.

The material presented in Minutes of Meeting of Company's Orientation Program to the Board of Directors that is signed directly by Corporate Secretary and Board of Commissioners, as follows:

1. Provision of Articles of Association, Board Manual, GCG Code, Risk Management Manual, WBS Manual, Code of Conducts, Board of Directors Decree on GCG Code and implementation, GCG Assessment report and Annual Report;
2. Illustration about the Company related to purpose, nature, scope of activity, financial and operational performance, strategy, short-term and long-term business plan, competitive position, risk and other strategic issues.
3. Implementation of GCG principles by the Company;
4. Explanation related to delegated authority, internal and external audits, internal control system and policy as well as duty and role of Audit Committee and other Committees established by the Board of Commissioners;
5. Explanation on Board of Commissioners and Board of Directors' duty and responsibility.

The provided orientation program includes presentation, meeting or visit to the Company's facility or other programs.

Throughout 2018, there was a change in Board of Commissioners composition pursuant to Minister of SOE No. SK-87/MBU/04/2018 dated April 12, 2018 concerning Board of Commissioners Members Appointment and Dismissal in Perusahaan Perseroan PT PPA, to dismiss Taufik Sukasah and Dedi Rudaedi and transferred Tirta Hidayat into Independent Commissioner and appointed Lydia Silvanna Djaman and Didyk Choeroel as Board of Commissioners Member in PT PPA. Later on May 14, 2018, Board of Commissioners orientation program was done by the Corporate Secretary and Secretary to Board of Commissioners.

Board of Commissioners Composition

Board of Commissioners composition for January – April 2018 period as stipulated in Shareholders Resolutions Statements Deed No. 117 dated June 21, 2017 as accepted and registered by the Ministry of Law and Human Rights through Company Data Changes Information Acceptance Letter No. AHU-AH.01.03.0151562 dated July 11, 2017.

Board of Commissioners Composition January – April 2018

Name	Position	Dasar Pengangkatan	Periode Jabatan
Edy Putra Irawady	President Commissioner	SK-78/MBU/04/2016 14 April 2016	2016 – 2021 (Second)
Taufik Sukasah	Commissioner	SK-219/MBU/2013 12 April 2013	2013 – 2018 (First)
Dedi Rudaedi	Commissioner	SK-357/MBU/2013 19 September 2013	2013 – 2018 (First)
Tirta Hidayat	Commissioner	SK-104/MBU/06/2017 5 June 2017	2017 – 2022 (First)

For May – December 2018 period, there was a change in the Board of Commissioners composition as disclosed in Deed No. 17 dated May 8, 2018 as accepted and registered by the Ministry of Law and Human Rights through Company Data Changes Information Acceptance Letter No. AHU-AH.01.03-0185932 dated May 9, 2018.

Komposisi Dewan Komisaris Mei – Desember 2018

Nama	Jabatan	Dasar Pengangkatan	Periode Jabatan
Edy Putra Irawady	President Commissioner	SK-78/MBU/04/2016 14 April 2016	2016 – 2021 (Second)
Tirta Hidayat	Independent Commissioner	SK-104/MBU/06/2017 5 June 2017	2017 – 2022 (First)
Lydia Silvanna Djaman	Commissioner	SK-87/MBU/04/2018 12 April 2018	2018 – 2023 (First)
Didyk Choiroel	Commissioner	SK-87/MBU/04/2018 12 April 2018	2018 – 2023 (First)

Board Of Commissioners Diversity Policy

In determining Board of Commissioners composition, the Company has considered diversity aspects, including age, education, career history and gender. within these diversities, the Board of Commissioners is expected to perform good supervision over the business activity in achieving the Company's target and performance. The Board of Commissioners composition diversity is explained in the following table:

Board of Commissioner	Latest Education			Career Experience (Years)		Age		Gender	
	S1	S2	S3	<20	>20	< 50	>50	L	P
Edy Putra Irawady		✓			✓		✓	✓	
Tirta Hidayat			✓		✓		✓	✓	
Lydia Silvanna Djaman		✓			✓	✓			✓
Didyk Choiroel		✓			✓	✓		✓	

Assessment on Each Committee Under the Board of Commissioners and Basis of the Assessment

Board of Commissioners has issued Decree No. PER-01/KOM/PPA/IX/2015 concerning Annual Performance Evaluation Method Indicators for Committees of Perusahaan Perseroan (Persero) PT PPA.

The Board of Commissioners has evaluated performance of Audit Committee and Risk Oversight and GCG Committee in 2018. Assessment on Board of Commissioners' Committee performance is based on realization and completion of working program as prepared in annual work plan and budget, suggestion, recommendation and advise provided by the Board of Commissioners' Committee and meeting attendance level. Result of the assessment is as follows:

1. Audit Committee Member, based on assessment result, achieved average score of 98.93 or "very Good" criteria. Detail assessment is presented on Audit Committee Chapter, Audit Committee Performance Assessment Sub-Chapter.
2. Risk Oversight and GCG Committee members achieved average score of 97.60 with "very Good" criteria based on assessment result. Detail assessment is presented on Risk Oversight and GCG Committee Performance Assessment Chapter.

Board Manual for Board of Commissioners

In carrying out supervisory duty, the Board of Commissioners has a guideline as disclosed in Board Manual. The Board Manual is prepared based on prevailing law and regulation and always be reviewed and updated periodically. legal framework as Board Manual's reference is as follows:

1. Law Number 19 of 2003 concerning State-Owned Enterprises;
2. Law number 40 of 2007 on limited liability Company;
3. Articles of Association;
4. GCG Code.

Board Manual regulates various aspects with regard to the Board of Commissioners, among others:

1. Board of Commissioners, including:
 - General provision of Board of Commissioners position.
 - Board of Commissioners duty and authority.
 - Board of Commissioners responsibility.
 - Board of Commissioners decision-making principles.
 - Board of Commissioners ethics.
 - Board of Commissioners Meeting.
 - Board of Commissioners Supporting Structure.
2. Board of Commissioners and Board of Directors working Relation, including:
 - Formal Meeting.
 - Non-Formal Meeting.
 - General Meetings of Shareholders Implementation.
 - Company's Orientation Program.
 - Periodic Report.

Board of Commissioners and Board of Directors Working Relation

Board of Commissioners and Board of Directors working relation is based on basic principles, as follows:

1. Board of Commissioners respects duty and authority of the Board of Directors in managing the Company as regulated in the law and Articles of Association.
2. Board of Directors respects the duty and authority of the Board of Commissioners to supervise and provide advise the Company's managerial policy as regulated in the law and Articles of Association.
3. Every working relation between the Board of Commissioners and Board of Directors is a formal institutional relation based on standardized working relation mechanism or accountable correspondence.

4. Board of Commissioners has a right to acquire corporate information accurately, completely and on time.
5. Board of Directors is responsible on accuracy, completeness and punctuality of Company's information submission to the Board of Commissioners.
6. Working relation among structures under the Board of Commissioners with structures under the Board of Directors is based on agreement between Board of Commissioners and Board of Directors.
7. Working relation between Board of Commissioners and Board of Directors is check and balances relation with final purpose to develop and improve the Company's soundness index. The Board of Commissioners and Board of Directors have a shared commitment to carry out each duty and achieve the Company's long-term business sustainability as reflected from:
 - a. Good implementation of internal control and risk management.
 - b. Optimum return for Shareholders.
 - c. Fair protection on Stakeholders' interest.
 - d. Implementation of fair leadership succession for the management's continuity in all organization lines of the Company.
 - e. Fulfillment of GCG implementation in the Company consistently.

Duty and Responsibility of Board of Commissioners

In carrying out its function, the Board of Commissioners upholds its responsibility and the entire functions are coordinated by President Commissioner. The Board of Commissioners' responsibility includes:

1. The Board of Commissioners is responsible for the implementation of supervisory and advisory duties to the Board of Directors for the Company's interest in accordance with purpose and objective of the Company;
2. Every member of the Board of Commissioners is responsible personally for the Company's loss if the concerned is guilty or negligent in carrying out his/ her duties;
3. In the event of the Board of Commissioners consists of 2 (two) or more members, responsibility as mentioned in point 2) prevails is carried out jointly and severally for each member of the Board of Commissioners;
4. Members of the Board of Commissioners cannot be accounted for on loss as mentioned on point 2) if they can prove that he/she:
 - a. Has carried out supervision with good will and prudence for the Company's interest and in accordance with purpose and objective of the Company;
 - b. Does not have personal interest, both directly and indirectly on management action of the Board of Directors that causes loss; and
 - c. Has advised the Board of Directors to prevent the occurrence or continuity of the loss.

Duty and responsibility of the Board of Commissioners as mentioned above are implemented by dividing the duty and responsibility internally according to Board of Commissioners duty and responsibility Number BA-01/PPA/KOM/0518 dated May 28, 2018, as classified into 3 (three) scope of duties, among others:

1. Implementation of Board of Commissioners' duty as regulated in the Company's Articles of Association and GMS resolutions:

Name	Position	Supervisor Duty
Edy Putra Irawady	President Commissioner	- Provide advice to the Board of Directors in running the Company's management. - Observe and review and sign the Company's long-Term Plan (Corporate Plan) and Budget Plan as prepared by the Board of Directors. - Provide recommendation and suggestion to the General Meetings of Shareholders with regard to the Corporate Plan (RJPP) and Budget Plan (RKAP) concerning reason of the Board of Commissioners in signing the RJPP and RKAP
Tirta Hidayat	Board of Commissioners Member	- Follow the Company's activity progress; provide opinion and recommendation to the general meetings of shareholders concerning every issue that is considered necessary for the Company's management. - Report immediately to the General Meetings of Shareholders if there is any indication of the Company's performance decrease. - Submit supervisory duty report as done in recent fiscal year to the General Meetings of Shareholders. - Supervise implementation of General Meetings of Shareholders (GMS) Resolutions and Aspiration on RKAP legalization and GMS on Annual Report Approval.
Lydia Silvanna Djaman	Board of Commissioners Member	- Provide explanation, opinion and suggestion to the GMS regarding the Annual Report, if requested. - Prepare Annual Work Program to be included in the Company's Work plan and budget.
Didyk Choiroel	Board of Commissioners Member	- Observe and review periodic and annual reports prepared by the Board of Directors and Sign the Annual Report. - Establish Audit Committee. - Submit Public Accountant Recommendation to the GMS. - Perform other obligations in the event of the supervisory and advisory duties as long not violating the law, Articles of Association and/or GMS resolutions.

2. Monitoring Achievement of Board of Commissioners Key Performance Indicators (KPI):

No	Board of Commissioners KPI	Target	Person in Charge
1.	Supervisory and Advisory Aspect		
	Review/analysis on the Company's monthly performance	12x	Didyk Choiroel
	Advise/recommendation to the Board of Directors	12x	Edy Putra Irawady
	Monitoring follow-up of internal/external audit findings/findings	6x	Didyk Choiroel
	Monitoring on GCG Assessment recommendation follow-up	2x	Tirta Hidayat
	Monitoring on Assets under management or company that is restructured and/or revitalized by the Company through periodic visit	3x	Didyk Choiroel
2	Reporting Aspect		
	Preparation and submission of Annual working Program	1x	Lydia Silvanna Djaman
	Submission of report/opinion/recommendation to the Shareholders/GMS	7x	Tirta Hidayat
	Submission of Supervisory Duty Report	4x	Tirta Hidayat
3	Dynamic and Other Aspects		
	Competency development (every Board of Commissioners member)	1x	Lydia Silvanna Djaman
	Preparation and submission of recommendation on RKAP/RJPP	1x	Edy Putra Irawady

3. Coordination related to advisory to the Board of Directors in implementing the Company's management:

No	Name	Scope of work
1.	Edy Putra Irawady	Coordinator of the Board of Commissioners members, and supervising aspects related to organizations and Corporate Strategic Planning and Monitoring.
2.	Tirta Hidayat	Coordination related to Business Advisory and Assets Management Directorate and Risk Management.
3.	Lydia Silvanna Djaman	Coordination related to Investment Directorate, and Legal & Corporate Secretary unit.
4.	Didyk Choiroel	Coordination related to Finance and Work Support Directorate and Internal Auditor Division

Authority of Board of Commissioners

Based on the Articles of Association, the Board of Commissioners is authorized to:

1. Peruse books, letters and other documents, examine the Company's cash for verification needs and other securities and inspect the Company's assets;
2. Enter into the Company's environment, building and offices;
3. Ask explanation from the Board of Directors and/or other executive official regarding all issues in the Company's management;
4. understand all explanation and action that have been and will be carry out by the Board of Directors;
5. Ask the Board of Directors and/or other executive officials under the Board of Directors, with acknowledgement from the Board of Directors, to attend Board of Commissioners' meetings;
6. Appoint and dismiss the Secretary to the Board of Commissioners, if considered necessary;
7. Temporarily dismiss members of Board of Directors in accordance with the Articles of Association;
8. Establish committees other than Audit Committee, if deemed necessary, by taking into account the Company's capacity;
9. Employ expert service for certain matters and within certain period of time at the expense of the Company, if deemed necessary;
10. Perform the Company's management function in a certain condition and for certain period in accordance with the provisions in Articles of Association.
11. Attend Board of Directors meetings and provide opinion on the matters discussed;
12. Conduct other supervisory authority as long as the authority does not violate the laws and regulations, Articles of Association and/or Resolutions of GMS;

Board of Commissioners Independency

Every Board of Commissioners member shall act independently. Independency is an aspect that shall be concerned to minimize conflict of interest potential. The Board of Commissioners carries out the duty solely for the Company's interest and not being influenced by parties who have different conflict of interest with the Company.

The Board of Commissioners members' independency in 2018 is as follows:

Independency Criteria	Edy Putra Irawady	Taufik Sukasah*	Dedi Rudaedi*	Tirta Hidayat	Lydia Silvanna Djaman	Didyk Choiroel
Not being member of the Company's Management	✓	✓	✓	✓	✓	✓
Free from business affiliation and other affiliations that may influence decision-making process	✓	✓	✓	✓	✓	✓
Not being the Company's majority shareholders or employees who is directly engaged with majority Shareholders of the Company	✓	✓	✓	✓	✓	✓
Not being an employee or working as Executive in the Company or member of Affiliated Company, at least 3 (three) years prior appointed as Board of Commissioners member	✓	✓	✓	✓	✓	✓
Not being main advisor or consultant who is material for the Company or Affiliated Company, or employee who is directly engaged with vendors, at least (three) years prior appointed as Board of Commissioners member	✓	✓	✓	✓	✓	✓
Not being a main supplier or customer of the Company or Affiliated Company or employees from/or directly or indirectly engaged with main supplier or customers	✓	✓	✓	✓	✓	✓

* Serving Until April 2018

Board of Commisssioners Affiliations with Board of Directors or Board of Commissioners Members and Shareholders

Throughout 2018, affiliations among the Board of Commissioners members, with the Board of Directors members and Shareholders is explained in table below:

Name	Position	Family Affiliation with						Financial Affiliation in Other Companies					
		Board of Directors		Board of Commissioners		Shareholders		Board of Directors		Board of Commissioners		Shareholders	
		Yes	No	Yes	No	Yes	No	Ya	Tidak	Ya	Tidak	Ya	Tidak
Edy Putra Irawady	President Commissioner	✓		✓		✓		✓		✓		✓	
Tirta Hidayat	Board of Commissioners Member/ Independent Commissioner	✓		✓		✓		✓		✓		✓	
Lydia Silvanna Djaman	Board of Commissioners Member	✓		✓		✓		✓		✓		✓	
Didyk Choiroel	Board of Commissioners Member	✓		✓		✓		✓		✓		✓	
Taufik Sukasah*	Board of Commissioners Member	✓		✓		✓		✓		✓		✓	
Dedi Rudaedi*	Board of Commissioners Member	✓		✓		✓		✓		✓		✓	

* Serving Until April 2018

Board of Commissioners Shares Ownership

The Company regulates the Board of Commissioners to disclose shares ownership, either in the Company or other companies that is affiliated and has a potential to cause conflict of interest with the Company in a Special list that shall be updated every year.

Name	Position	Shares Ownership					
		Company		Subsidiary		Other Companies	
		Yes	No	Yes	No	Yes	No
Edy Putra Irawady	President Commissioner		✓		✓		✓
Tirta Hidayat	Board of Commissioners Member/ Independent Commissioner		✓		✓		✓
Lydia Silvanna Djaman	Board of Commissioners Member		✓		✓		✓
Didyk Choiroel	Board of Commissioners Member		✓		✓		✓
Taufik Sukasah*	Board of Commissioners Member		✓		✓		✓
Dedi Rudaedi*	Board of Commissioners Member		✓		✓		✓

* Serving until April 2018

Board of Commissioners Concurrent Position

All of the Board of Commissioners does not serve in concurrent position that is prohibited under prevailing law related to GCG implementation.

Board of Commissioners concurrent position is tabulated below:

Name	Position in the Company	Position in Other Companies/Institution
Edy Putra Irawady	President Commissioner	Deputy of Commerce and Industry Coordination Sector, Coordinative Ministry of Economics.
Tirta Hidayat	Board of Commissioners Member/Independent Commissioner	Deputy of Economics, Infrastructure and Marine, Coordinative Ministry of Economics.
Lydia Silvanna Djaman	Board of Commissioners Member	Deputy of Law and Legislations, Ministry of State Secretariat.
Didyk Choiroel	Board of Commissioners Member	Direct of Budget Implementation, General Directorate of Treasury, Ministry of Finance.
Taufik Sukasah*	Board of Commissioners Member	Secretary to Ministry of State Secretariat.
Dedi Rudaedi*	Board of Commissioners Member	None

* Serving until April 2018

Board of Commissioners Work and Budget Plan (RKA)

In order to fulfill the Company's Articles of Association and as guideline to implement Board of Commissioners duties in 2018, the Board of Commissioners has prepared Board of Commissioners Work and Budget Plan for 2018. The Board of Commissioners RKA has been submitted to the Shareholders as integrated part of the Company's 2018 Work and Budget Plan Draft that was submitted by the Board of Directors to the Minister of SOE according to Board of Commissioners Letter Number S-45/PPA/KOM/1017 dated October 9, 2017 concerning Submission of Board of Commissioners Work and Budget Plan for Fiscal Year 2018 as well as Board of Commissioners Recommendation Letter on the Company's Work and Budget Plan for 2018 concerning Opinion and Suggestion on Work and Budget Plan Fiscal Year 2018 through Letter Number S-49/PPA/KOM/1017 dated October 30, 2017. The Board of Commissioners Work and Budget Plan have been approved by the Company's GMS in GMS on RKAP dated January 24, 2018.

Board of Commissioners RKA discloses division of duties among the Board of Commissioners, Board of Commissioners work program prognosis in 2018, Board of Commissioners work program in 2018, Board of Commissioners Budget and work program of Committees under the Board of Commissioners.

Board of Commissioners Work and Budget Plan Realization

Board of Commissioners has reported supervisory duty every month as regulated in the GMS RKAP 2018. The Supervisory activity carried out by the Board of Commissioners referred to Board of Commissioners Work and Budget Plan in 2018, including:

1. To supervise and provide advise in State-Owned Enterprises Restructuring and/or Revitalization ("R/R") business.
2. To supervise and provide advise in Assets Management.
3. To supervise and provide advise in investment business (including treasury activity)
4. In subsidiary management, the Board of Commissioners will analyze performance of the subsidiary regularly and submit the report as key advise and recommendations to the Board of Directors for improvement.
5. In order to identify and stipulate new initiatives program (according to business environment dynamics), the Board of Commissioners will seek to provide recommendation on new programs initiated by the Board of Directors, and strives to provide recommendation (suggestion and advise) concerning supervisory and reporting opportunities on business implementation which is possible to be managed/carried out by the Company.
6. To supervise and report implementation of Government capital proceeds business plan from State Budget Fiscal year 2015.

Board of Commissioners Competency Development Program

Throughout 2018, the Board of Commissioners Members participated in training, seminar or workshop programs, as follows:

Training Topic	Date	Location	Participants	Provider
Forum Group Discussion ("FGD") on Challenges in PT PPA Business Development including Legal Aspect, business and Group Governance Discussion.	December 7, 2018	Hotel Borobudur – Jakarta	Board of Commissioners and Board of Directors	PT PPA

Board of Commissioners working visit in 2018:

No	Activity	Remarks
1	Board of Commissioners Visit to PT Nindya Karya - Badung and Apron of Ngurah Rai Airport – Denpasar – Bali.	March 22 – 24, 2018
2	Board of Commissioners Visit to Green Mutiara Java Regency Smart Home Project– Yogyakarta.	October 26 – 28, 2018
3	Board of Commissioners Visit to PT Bondi Syad Mulia, PT PAL and PT Polowijo Surabaya.	December 13 – 16, 2018

Board of Commissioners Meeting

Board of Commissioners holds meetings regularly both internal and joint meetings (management meetings) with the Board of Directors. According to the Company's Articles of Association, the Board of Commissioners meeting implementation shall be held minimum 1 (once) in a month. The Board of Commissioners written meeting invitation is sent by the President Commissioner or other Board of Commissioners members appointed by the President Commissioner and delivered maximum 3 (three) days prior the meeting schedule or faster, under urgent matters, by not calculating date of the meeting invitation and implementation.

The Board of Commissioners meeting is chaired by President Commissioner, if the President Commissioner is absent, the Board of Commissioners meeting will be chaired by another Board of Commissioners member appointed by the President Commissioner. A Board of Commissioner member may be represented in the meeting only by another Board of Commissioner member under a written attorney letter. A Board of Commissioners member is only eligible to represent another Board of Commissioners member.

Board Of Commissioners Meeting Agenda, Meeting Frequency And Attendance Level

In 2018, the Board of Commissioners held 25 meetings, consisting 11 Board of Commissioners internal meetings and 14 Board of Commissioners and Board of Directors joint meeting (Management Meeting), the meeting discussion agenda, attendance frequency and attendance level are explained below :

Board of Commissioners Internal Meeting Agenda			
No	Date	Agenda	Attendance
1.	January 24, 2018	Board of Commissioners internal meeting: 1. Evaluation on Meeting in Desember 2017; 2. Business Activity Plan in work and budget plan 2018; 3. Review on Progress of GCG Assesment in the Company; and 4. Others.	• Edy Putra Irawady • Taufik Sukasah • Dedi Rudaedi • Tirta Hidayat
2.	February 27, 2018	1. Evaluation on Previous Month Meeting; 2. Evaluation on Performance and Cash Flows as of January 2018; 3. Board of Directors Performance Evaluation and Remuneration Proposal; 4. Discussion on Independent Commissioner Proposal Related to GCG Regulation Follow-Up. 5. The Minister Letter Related to Board of Directors and Board of Commissioners Terms of Office; and 6. Long-term plan for 2018 – 2022.	• Taufik Sukasah • Dedi Rudaedi • Tirta Hidayat
3.	March 22 – 24, 2018	1. Consignment Between Board of Commissioners and Supporting Organs; 2. Discussion on Implementation of Board of Commissioners Work Plan for 2018.	• Edy Putra Irawady • Taufik Sukasah • Dedi Rudaedi • Tirta Hidayat
4.	March 28, 2018	1. Evaluation on Previous Month Meeting; 2. Evaluation on Performance and Cash Flows as of February 2018; 3. Result of GCG Self Assessment in 2017; 4. Discussion on PT PPA Annual Report Fiscal Year 2017; 5. PT PPA Kapital and PT PPA Finance Business Activity Management.	• Edy Putra Irawady • Taufik Sukasah • Dedi Rudaedi • Tirta Hidayat

Board of Commissioners Internal Meeting Agenda

No	Date	Agenda	Attendance
5.	May 28, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of April 2018; 3. Evaluation on Policies implementation in Goods and Services Procurement Aspect and Quality and Services Policy; 4. Evaluation on Policies Implementation in GCG and Risk Management Sectors.	• Edy Putra Irawady • Tirta Hidayat • Lydia Silvanna Djaman • Didyk Choirel
6.	June 28, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of May 2018; 3. Progress of Blue Skies Program as in work and budget plan 2018; 4. Evaluation on Accounting Policy Implementation and Financial Statements Preparation.	• Edy Putra Irawady • Tirta Hidayat • Lydia Silvanna Djaman • Didyk Choirel
7.	July 31, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of 2 nd Quarter of 2018; 3. PT Nindya Karya Business Activity Management; and 4. Implementation of Government capital Business Plan in 2015 as of 2 nd Quarter of 2018.	• Edy Putra Irawady • Tirta Hidayat • Lydia Silvanna Djaman • Didyk Choirel
8.	September 29, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of August 2018; 3. PT PPA Kapital Business Activity Management; and 4. Others.	• Edy Putra Irawady • Tirta Hidayat • Lydia Silvanna Djaman • Didyk Choirel
9.	October 24, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of 3 rd Quarter of 2018; 3. Implementation of Government capital Business Plan in 2015 as of 3 rd Quarter of 2018; 4. Discussion of PT PPA RKAP Fiscal Year 2019.	• Edy Putra Irawady • Tirta Hidayat • Lydia Silvanna Djaman • Didyk Choirel
10.	November 30, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of October 2018; 3. Evaluation on Policies Implementation in GCG and Risk Management Aspects; 4. Evaluation on Policies Implementation in Information Technology Aspect; and 5. Others.	• Edy Putra Irawady • Tirta Hidayat • Didyk Choirel
11.	December 17, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of November 2018; 3. Evaluation on Blue Skies Program in RKAP 2018; 4. GMS on work and budget plan Fiscal Year 2019 Agenda; and 5. Others.	• Edy Putra Irawady • Tirta Hidayat • Lydia Silvanna Djaman

Board of Commissioners and Board of Directors Joint Meetings Agenda (Management Meeting)

No.	Date	Agenda	Attendance
1.	January 23, 2018	PT PPA work and budget plan 2018 Business Plan Consignment Meeting.	• Edy Putra Irawady
2.	January 24, 2018	1. Evaluation on Meeting in December 2017; 2. Business Activity Plan in the 2018 work and budget plan; 3. Review of GCG Assessment Progress; and 4. Others.	• Taufik Sukasah • Dedi Rudaedi • Tirta Hidayat
3.	February 27, 2018	1. Evaluation on Previous Month Meeting; 2. Evaluation on Performance and Cash Flows as of January 2018; 3. Evaluation of Board of Directors Performance and Remuneration Proposal; 4. Sinergi BUMN Program in 2018; and 5. Long-term plan For 2018 – 2022	• Taufik Sukasah • Dedi Rudaedi • Tirta Hidayat
4.	March 7 – 8, 2018	1. PT PPA long-term plan for 2018 – 2022 Discussion Consignment; 2. SOE Investment Plan.	• Edy Putra Irawady • Taufik Sukasah • Dedi Rudaedi • Tirta Hidayat

Board of Commissioners and Board of Directors Joint Meetings Agenda (Management Meeting)

No.	Date	Agenda	Attendance
5.	March 26, 2018	Discussion on SOEs under PT PPA Restructuring and Revitalizing Program.	- Edy Putra Irawady - Taufik Sukasah - Dedi Rudaedi
6.	March 28, 2018	1. Evaluation on Previous Month Meeting; 2. Evaluation of Performance and Cash Flows as of February 2018; 3. Result of GCG Self Assessment in 2017; 4. Discussion on PT PPA Annual Report Fiscal Year 2017; 5. PT PPA Kapital and PT Finance Business Activity Management.	- Edy Putra Irawady - Taufik Sukasah - Dedi Rudaedi - Tirta Hidayat
7.	April 11, 2018	Discussion on HR issue in PT PPA.	- Edy Putra Irawady - Taufik Sukasah - Dedi Rudaedi - Tirta Hidayat
8.	May 28, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of April 2018; 3. Evaluation of Policies Implementation in Goods and Services Procurement Aspect and Quality and Services Policy; 4. Evaluation of Policies Implementation in GCG and Risk Management Aspects.	- Edy Putra Irawady - Tirta Hidayat - Lydia Silvanna Djaman - Didyk Choirel
9.	June 28, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of May 2018; 3. Progress of Blue Skies Program as in the 2018 work and budget plan; 4. Evaluation on Accounting Policy Implementation and Financial Statements Preparation.	- Edy Putra Irawady - Tirta Hidayat - Lydia Silvanna Djaman - Didyk Choirel
10.	July 31, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of 2 nd Quarter of 2018; 3. PT Nindya Karya Business Activity Management; and 4. Implementation of Government Capital Business Plan in 2015 as of 2 nd Quarter of 2018.	- Edy Putra Irawady - Tirta Hidayat - Lydia Silvanna Djaman - Didyk Choirel
11.	August 21, 2018	Investment (Work Program and Performance Evaluation of Investment Directorate in 2018)	- Edy Putra Irawady - Tirta Hidayat - Didyk Choirel
12.	September 29, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of August 2018; 3. PT PPA Kapital Business Activity Management; and 4. Others.	- Edy Putra Irawady - Tirta Hidayat - Lydia Silvanna Djaman - Didyk Choirel
13.	October 24, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of 3 rd Quarter of 2018; 3. Implementation of Government Capital Business Plan in 2015 as of 3 rd Quarter of 2018; 4. Discussion of PT PPA Work and budget plan Fiscal Year 2019.	- Edy Putra Irawady - Tirta Hidayat - Lydia Silvanna Djaman - Didyk Choirel
14.	November 30, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of October 2018; 3. Evaluation on Policies Implementation in GCG and Risk Management Aspects; 4. Evaluation on Policies Implementation in Information Technology Aspect; and 5. Others.	- Edy Putra Irawady - Tirta Hidayat - Didyk Choirel
15.	December 17, 2018	1. Evaluation on Previous Meeting's Resolutions Follow-Up; 2. Evaluation on Performance and Cash Flows as of November 2018; 3. Evaluation on Blue Skies Program in Work and budget plan 2018; 4. GMS on RKAP Fiscal Year 2019 Agenda; and 5. Others.	- Edy Putra Irawady - Tirta Hidayat - Lydia Silvanna Djaman

Board of Commissioners Attendance Frequency in Internal Meeting

Name	Position	Number of Meetings	Board Of Commissioners Meeting Attendance	Attendance Percentage (%)
Edy Putra Irawady	President Commissioner	11	10	91
Taufik Sukasah*	Board of Commissioners Member	4	4	100
Dedi Rudaedi*	Board of Commissioners Member	4	4	100
Tirta Hidayat	Board of Commissioners Member/ Independent Commissioners	11	11	100
Lydia Silvanna Djaman**	Board of Commissioners Member	7	6	86
Didyk Choiroel**	Board of Commissioners Member	7	6	86

* Serving Until April 2018

** Appointed Since May 2018

Board of Commissioners Attendance Frequency in Board of Commissioners and Board of Directors Joint Meetings

Name	Position	Number of Meetings	Board Of Commissioners Meeting Attendance	Attendance Percentage (%)
Edy Putra Irawady	President Commissioner	15	14	94
Taufik Sukasah*	Board of Commissioners Member	7	7	100
Dedi Rudaedi*	Board of Commissioners Member	7	7	100
Tirta Hidayat	Board of Commissioners Member/ Independent Commissioners	15	14	94
Lydia Silvanna Djaman**	Board of Commissioners Member	8	6	75
Didyk Choiroel**	Board of Commissioners Member	8	7	88

* Serving Until April 2018

** Appointed Since May 2018

Minutes of meeting shall be made for every Board of Commissioners meeting. The minutes is signed by meeting chairman and all Board of Commissioners members who attending the meeting. Original copy of the Board of Commissioners Minutes of Meeting is submitted to the Board of Directors to be archived and documented, and the Board of Commissioners keeps the copy. The Board of Commissioners Members who did not attend the meeting signed attorney letter with regards to GCG in terms of decision-making assurance in every meeting.

Board of Commissioners Resolutions, Opinion and Approval

Board Of Commissioners Resolutions

Throughout 2018, the Board of Commissioners has provided resolutions related to supervisory and advisory aspects on the Company's business management, as follows:

No	Number of Decree	Attn.
1.	S-12/PPA/KOM/0318	Board of Commissioners Supervisory Report 2017
2.	S-30/PPA/KOM/0418	Board of Commissioners Supervisory Report as of 1 st Quarter of 2018
3.	S-46/PPA/KOM/0818	Board of Commissioners Supervisory Report as of 2 nd Quarter of 2018
4.	S-61/PPA/KOM/1018	GMS Resolutions on KAP as Financial Statements Auditor for Fiscal Year 2018
5.	S-67/PPA/KOM/1118	Board of Commissioners Supervisory Report as of 3 rd Quarter of 2018

Board Of Commissioners Opinion And Approval

Besides regular supervision and advise, throughout 2017, the Board of Commisioners also provided approval and opinion to be concerned by the Board of Directors, as follows:

No	Date	Attn.
1.	February 27, 2018	Disclosure of Risk Profile and Mitigation in Quarter Management Report.
2.	February 27, 2018	Performance Appreciation/Incentive for 2017 and Salary Adjustment/Appraisal in 2018 for employees of PT PPA (Persero)/"PT PPA"
3.	February 27, 2018	Board of Commissioners Opinion on Board of Directors Proposal concerning Additional Government's Investment ("PMN") in PT Perusahaan Pengelola Aset (Persero) in APBN 2019.
4.	February 27, 2018	Board of Commisisoners Opinion on Board of Directors Proposal concerning PT Tuban Petrochemical Industries ("TPI") Group Settlement Plan.
5.	March 13, 2018	Board of Commissioners Opinion on the Company's Cooperation Plan Recommendation.
6.	April 5, 2018	Board of Commissioners Opinion on President Director and Board of Commissioners Members Re-Appointment in PT PPA Finance ("PT PPAF") after End of the First Terms of Office.
7.	April 10, 2018	Board of Commissioners Opinion on 1 (one) Board of Directors Member Candidate Appointment in PT PPA Kapital Approval Recommendation proposal.
8.	April 10, 2018	Board of Commissioners Opinion on Management Recommendation in Joint Venture Company operating in Forest Management Sector
9.	~May 14, 2018	Board of Commissioners Opinion Proposal to Place the Company's Assets as Collateral More Than 50% of Total Net Assets of the Company.
10.	May 17, 2018	Board of Commissioners Opinion Proposal for Approval of Government Investment Proceeds Utilization and PT KKA Paper Mill Operations Review Submission.
11.	June 28, 2018	Board of Commissioners Opinion Proposal on Bridging Financing Disbursement Plan from PT PPA to PT Kertas Kraft Aceh ("PT KKA") and Perusahaan Daerah Pembangunan Aceh ("PDPA").
12.	July 9, 2018	Board of Commissioners Opinion Proposal for PT PPA Finance Additional Capital Proposal.
13.	July 9, 2018	Board of Commissioners Opinion Proposal on Board of Directors Members Replacement and Succession Plan in PT NK.
14.	July 13, 2018	Board of Commissioners Opinion on 1 (one) Board of Directors Member Candidate Appointment Approval Proposal in PT PPA Kapital.
15.	July 23, 2018	Board of Commissioners Opinion on Additional Government Investment Proceeds Utilizaiton and RR Proposal for PT ISN.
16.	August 6, 2018	Board of Commissioners Opinion on Approval Proposal for Public Accountant Firm (KAP) Service Procurement Process To Audit PT PPA Consolidated Financial Statements and PKBL Implementation and Owner Estimate ("OE").
17.	August 21, 2018	Board of Commissioners Opinion on 1 (one) Board of Directors Member Appointment Proposal in PT PPA Kapital ("PPAK").
18.	August 29, 2018	Follow-Up of Public Accountant Firm ("KAP") Service Procurement to Audit PT PPA Consolidate Financial Statements and PKBL Implementation for Fiscal Year 2018.
19.	September 13, 2018	Approval on Appointment of Acting Internal Audit Unit Division Head.
20.	October 8, 2018	Board of Commissioners Opinion on Board of Directors Proposal to Apply Loans from External Party Amounted Rp3 trillion and Place the Company's Assets More Than 50% of Total Net Assets of the Company.
21.	October 23, 2018	Approval on PT PPA's Fixed Assets and Non-Assets (Office Inventories) Write-Off and Foreclosure in 2018.
22.	October 30, 2018	Board of Commissioners Opinion on PT Perusahaan Pengelola Aset (Persero) ("PT PPA") Letter of Statements Signing Proposal as Ultimate Controlling Shareholders of PT PPA Finance.
23.	November 7, 2018	Board of Commissioners Opinion on Board of Commissioners Written Opinion Proposal on PT Merpati Nusantara Airlines (Persero) Debt Payment Settlement Scheme (under PKPU) to PT PPA in Peace Treaty Proposal.

Board Of Commissioners Performance Assessment

Board of Commissioners strives to improve supervisory performance based on annual evaluation and assessment results. Assessment on the Board of Commissioners performance is done collegially by the Shareholders in General Meeting of Shareholders. In addition, the Board of Commissioners also conducts assessment on supervisory performance realization collegially based on work and budget plan in the KPI every year and independently. However, related to fulfillment of Board of Commissioners performance assessment, had been done through GCG assessment particularly in Board of Commissioners aspect.

Board of Commissioners Performance Assessment Policy

The Company has Board of Commissioners performance assessment policy as disclosed in Management Contract Board of Commissioners key Performance Indicators section referring to:

1. Law Number 40 of 2007 on Limited Company;
2. Articles of Association;
3. Minutes of Board of Commissioners Members Division of Duty for 2017.

Assessor on Board of Commissioners Performance Assessment

In 2018, Board of Commissioners performance assessment is done collegially by the Shareholders in the General Meeting of Shareholders. The Board of Commissioners also performed independent assessment on achievement of the performance assessment indicators. Meanwhile, fulfillment of Board of Commissioners aspect in GCG Assessment 2018 was done by the Internal Audit Division.

Results of the Board of Commissioners Performance Assessment

Board of Commissioners KPI

Overall, realization of Board of Commissioners KPI achievement in 2018 is very good, achieving 126,15% . Detail realization of Board of Commissioners KPI achievement in 2018 is as follows:

Aspect and Parameter in Board of Commissioners KPI Perspective	Weight (%)	Final Score (%)
Supervisory and Advisory Aspect	50	67,82
Reporting Aspect	30	38,93
Dynamic Aspect/Others	20	20,14
Total	100	126,89

GCG Assessment for Board of Commissioners Aspect

Through assessment on GCG implementation based on the parameter as in Minister of SOEs Secretary Decree Number SK-16/S.MBU/2012 dated June 6, 2012, the Board of Commissioners has a distinctive portion related how far the Board of Commissioners fulfills GCG implementation standard.

Result of GCG assessment in 2018 carried out through self-assessment, GCG implementation for Board of Commissioners has achieved 32.791 score from maximum score of 35 or 92.26 % achievement with "Very Good" predicate. The achievement is based on assessment indicators, as follows:

GCG Assessment Score for Board of Commissioners Aspect 2018

Assessment Aspect/Indicators - Board of Commissioners	Indicators Fulfillment (%)
Board of Commissioners/Supervisory Board implemented continuous training/learning program.	
Board of Commissioners/Supervisory Board arranged division of duty and stipulated factors required to support implementation of the Board of Commissioners/Supervisory Board duties	2,127
Board of Commissioners/Supervisory Board granted approval on long-term plan and work and budget plan drafts proposed by the Board of Directors.	2,904
Board of Commissioners/Supervisory Board provided recommendation to the Board of Directors over implementation of corporate plan and policy.	8,492
Board of Commissioners/Supervisory Board supervised the Board of Directors over implementation of corporate plan and policy.	6,191
Board of Commissioners/Supervisory Board supervised implementation of subsidiary/joint venture company management policy.	1,294
Board of Commissioners/Supervisory Board participated in Board of Directors members' nomination, Board of Directors performance assessment (individual and collegial) and proposed performance bonus/incentive according to prevailing law and considering performance of the Board of Directors.	2,316
Board of Commissioners/Supervisory Board took action on related conflict of interest potential	0,571
Board of Commissioners/Supervisory Board supervised and ensured that Good Corporate Governance principles have been implemented effectively and continuously.	1,413
Board of Commissioners/Supervisory Board held effective Board of Commissioners/Supervisory Board and attended the meeting according to the prevailing law and regulation.	1,089
Board of Commissioners/Supervisory Board has Secretary to Board of Commissioners/Supervisory Board to support Secretariat Duty of the Board of Commissioners/Supervisory Board.	2,513
Board of Commissioners/Supervisory Board has effective Committees under the Board of Commissioners/Supervisory Board	2,033

Result of GCG assessment on Board of Commissioners aspect parameter and criteria fulfillment concluded that achievement of parameters in some categories have achieved best practice or very good, such as:

- Board of Commissioners implemented continuous training/learning program.
- Board of Commissioners arranged division of duty and stipulated factors required to support implementation of the Board of Commissioners duties.
- Board of Commissioners granted approval on Long-term plan and work and budget plan drafts proposed by the Board of Directors.
- Board of Commissioners provided recommendation to the Board of Directors over implementation of corporate plan and policy.
- Board of Commissioners performs supervision over the Board of Directors on the corporate plan and policy implementation.
- Board of Commissioners performs supervision over subsidiary/joint ventures management policy implementation.
- Board of Commissioners participated in Board of Directors members nomination, Board of Directors performance assessment (individual and collegial) and proposed performance bonus/incentive according to prevailing law and considering performance of the Board of Directors.

- Board of Commissioners administers initiative on related conflict of interest potential.
- Board of Commissioners supervised and ensured that Good Corporate Governance principles have been implemented effectively and continuously.
- Board of Commissioner held effective Board of Commissioners/Supervisory Board and attended the meeting according to prevailing Law and regulation.
- Board of Commissioner Secretary to Board of Commissioners to support Secretariat Duty of the Board of Commissioners.
- Board of Commissioners has effective Committees under the Board of Commissioners.

Recommendation of GCG Assessment 2018 for board of Commissioners Aspect

In the GCG assessment 2018 implementation, the Company generated recommendation for development of GCG implementation in the Company, in general, the recommendations for Board of Commissioners aspect are as follows:

- Completeness of framework in providing guidance to strengthen internal control system in the Company
- Board of Commissioners policy concerning supervisory and advisory activities on: enterprise risk management policy; information technology system; career development; accounting and financial statements preparation according to standards that are generally applied; goods and services procurements; quality and services; and compliance of Board of Directors in implementing prevailing law and regulation and agreement with third parties
- Board of Commissioners assessment on effectiveness of external audit
- Board of Commissioners policy on supervisory and advisory activity over subsidiaries/joint ventures management policy and implementation of the policy.
- Written stipulation by the Board of Commissioners concerning Board of Directors and Board of Commissioners appointment in subsidiaries/joint ventures
- Follow-up of the Board of Commissioners on area of improvement of the GCG assessment/review result under its authority.
- Completeness of Board of Commissioners meeting guideline/regulation.
- Completeness of Board of Commissioners minutes of meeting documentation.
- Stipulation of Independent Board of Commissioners member as Chairman of Committee under the board of Commissioners.
- Completeness of working program under the Board of Commissioners Committees.
- Completeness of Activity Report and Assignment Report by the Committees under the Board of Commissioners.

Board of Directors

Board of Directors is Company's Organ with collective duty and responsibility to perform the Company's management as well as perform GCG in all organization levels or lines.

The Board of Directors is responsible in preparing and implementing business strategy and policy, budget and master plan, Corporate Long-Term Plan (RJPP) and Work and Budget Plan (RKAP), business risk mitigation according to the Company's Vision and Mission as well as ensure achievement of business target and goals. Every Board of Directors member is eligible to perform the duty and decision-making based on the division of duty and authority.

Board Of Directors Composition and Board Of Directors Diversity

Board of Directors composition in the Company has 4 (four) members comprising of 1 (one) person as President Director and 3 (three) person as Directors including Investment Director, Business Advisory and Assets Management Director and Finance and Support Director.

Complete composition of the Company's Board of Directors for January – December 2018 period as stipulated pursuant to the Company Shareholders Resolutions Statements Deed No. 33 dated February 12, 2018, as accepted and registered by the Ministry of Law and Human Rights through Company Data Changes Information Acceptance Letter No. AHU-AH.01.03-0082216 dated February 26, 2018:

No	Name	Position	Appointment Decree
1	Henry Sihotang	President Director	SK-252/MBU/11/2017 dated November 21, 2017
2	Andi Saddawero	Business Advisory and Assets Management Director	SK-38/MBU/2014 dated February 21, 2014
3	Ajar Setiadi	Finance and Support Director	SK-112/MBU/2014 dated May 22, 2014
4	Nasrizal Nazir	Investment Director	SK-14/MBU/01/2018 dated January 16, 2018

Board Of Directors Composition Diversity Policy

The Company has a Board of Directors background diversity policy in terms of education, age, and career history.

In terms of education, each member of the Company's Board of Directors has varied educational background from various reputable domestic and international universities. In addition, the field of study of each Director is also varied, such as finance, management and economic development. Such variation certainly brings color to the Company's management.

In terms of age, the varied composition is indicated form 2 (two) members of Board of Directors are relatively young, while the 2 (two) other Directors are senior officers that have extensive career working at various institutions

Meanwhile, in terms of work experience, the Board of Directors of the Company has diverse and extensive career history. Prior to serving as a Director in the Company, each member of the Board of Directors has held strategic positions at their institutions. 2 (two) of the Company's Directors are career director who have been with the Company since its establishment, while the remaining Directors previously served as the Company's Business Advisory and Assets Management Director and as the Executive vice President of Bank Mandiri

Board of Directors Composition Diversity

Board Of Directors Composition Diversity							
Direksi Board of Directors	Latest Education			Career Experience		Age	Gender
	Bachelor Degree	Master Degree	Ph D Degree	<20	>20		L
Henry Sihotang		✓			✓	57 Year	Male
Andi Saddawero		✓			✓	49 Year	Male
Ajar Setiadi		✓			✓	51 Year	Male
Nasrizal Nazir		✓			✓	54 Year	Male

Affiliations Between Board of Commissioners and Board of Directors

Name	Affiliation with :					
	Board Of Commisioners		Board of Direcrtors		Shareholders	
Board Of Commisioners	Yes	No	Yes	No	Yes	No
Edy Putra Irawady		✓		✓		✓
Taufik Sukasah*		✓		✓		✓
Dedi Rudaedi*		✓		✓		✓
Tirta Hidayat		✓		✓		✓
Lydia Silvanna Djaman		✓		✓		✓
Didyk Choeroel		✓		✓		✓

Serving until April 2018

Name	Affiliation with :					
	Board Of Commisioners		Board of Direcrtors		Shareholders	
Board of Direcrtors	Yes	No	Yes	No	Yes	No
Henry Sihotang		✓		✓		✓
Andi Saddawero		✓		✓		✓
Ajar Setiadi		✓		✓		✓
Nasrizal Nazir		✓		✓		✓

Independency Declaration and Conflict of Interest Potential

In carrying out every managerial activity in the Company or relationship with other parties, the Board of Directors shall be independent without intervention from any party or violating the law and Articles of Association of the Company that has material potential to interfere objectiveness and independency of the Board of Directors' duties that are implemented solely for the Company's interest. Pursuant to the Company's Articles of Association, among the Board of Directors members and between the Board of Directors and Board of Commissioners members are prohibited to have family affiliations until third degree both vertically and horizontally including relationship by marriage.

Shares ownership of board of Directors and Their families in the Company

The Board of Directors, altogether with their families, do not have any shares ownership in the Company that may influence their independency.

Board of Directors Duty and Authority

Board of Directors Duty

Pursuant to Board Manual for Board of Directors, duties of the Board of Directors are to carry out all actions related to management of the Company for the interest of the Company and to represent the Company, both in and out of the court on all matters and events with limitations as regulated in the laws and regulations, Articles of Association and/or Resolutions of General Meeting of Shareholders.

In conducting its duties, the Board of Directors shall devote its energy, thought, attention, and dedication entirely to duties, responsibilities, and achievement of objectives of the Company in which all members of the Board of Directors shall comply with the Company's Articles of Association and the laws and regulations, and shall implement the principles of professionalism,

efficiency, transparency, independency, accountability, responsibility, and fairness.

Each member of the Board of Directors shall implement its duties responsibly and good faith for the interest and business of the Company by complying with the prevailing laws and regulations.

Every Board of Directors member is personally responsible if the concerned is guilty or negligent in carrying out its duties for interest and business of the Company, unless the concerned can prove that:

1. The loss is not caused by his/her negligence;
2. He/she has carry out the management with good faith and prudence for the Company's interest and in accordance with purpose and objective of the Company;
3. Not having conflict of interest, both directly and indirectly on management action which cause loss; and
4. Has taken actions to prevent the occurrence or continuity of the loss.

Authorities of the Board of Directors

The Board of Directors holds the authority to:

1. Determine the Company's management policy;
2. Manage the delegation of the Board of Director's authority to an individual or several individuals of the Board of Directors to make decision on behalf of the Board of Directors or represent the Company on and off the court;
3. Manage the delegation of the Board of Director's authority to an employee or several employees, both individually and jointly or to other individual, to represent the Company on and off the court;
4. Regulate provisions on employment, including determination of remuneration, salary, pension or post-employment insurance, and other income for employees based on the prevailing laws and regulations, with provisions of salary determination, pension or post-employment insurance, and other income for employees who exceed the obligations determined by the laws and regulations, shall obtain approval from GMS;
5. Appoint and dismiss employees of the Company pursuant to the Company's employee regulations and the prevailing laws and regulations;

6. Appoint and dismiss Corporate Secretary.
7. Take any action and other actions on management and ownership of the Company's assets, bind the Company with other parties and/or other parties with the Company, and represent the Company in and out of the court on any matters and events with limitations as regulated in the laws and regulations, Articles of Association and/or Resolutions of General Meeting of Shareholders.

Delegation of Authority

In order to implement management policy of the Company, if does not stated otherwise by the Board of Directors, the President Director is entitled and authorized to act and on behalf of the Board of Directors as well as to represent the Company with provision that all of the said actions of the President Director have been approved by the Board of Directors meeting.

In the event of the President Director is absent or unavailable due to any reason whatsoever, of which it is not necessary to be proven to third party, then the Board of Director member with the longest tenure is authorized to act for and on behalf of the Board of Directors and carries out duties of the President Director. If the President Director or Board of Director member with the longest tenure is absent or unavailable due to any reason whatsoever, of which it is not necessary to be proven to third party, then one of Director appointed by the President Director is authorized to act on behalf of the Board of Directors.

In the event of a member of the Board of Directors aside from the President Director is absent due to any reason whatsoever, of which it is not necessary to be proven to third party, then other members of the Board of Directors appoint a member of the Board of Directors to carry out duties of the absent Board of Directors.

Board of Directors Individual Duty and Responsibility

In carrying out managerial function, the Board of Directors has arranged division of duties according to Board of Directors Decree Number SK-41/PPA/0718 dated July 9, 2018 concerning Stipulation of Position and Division of Duty and Authority among the Board of Directors Members, the Board of Directors Division of Duty that each supervises 4 (four) directorate functions, is as follows:

Position	Main Duty
President Director	1. Planning, determining, directing, communicating, evaluating directives and strategies of the Company, as well as leading the course of the Company in order to achieve the vision and mission of the Company. 2. Represent the Company in specific subsidiaries development and performance monitoring that is divided based on Board of Directors approval.
Investment Director	1. Planning, determining, approving, communication, directing, and evaluating the implementation of investment activity, advisory, and asset management in accordance with targets and strategies of the Company in order to achieve the vision and mission of the Company. 2. Represent the Company in specific subsidiaries development and performance monitoring that is divided based on Board of Directors approval.
Business Advisory and Asset Management Director	1. Planning, determining, approving, communicating, and evaluating the implementation of restructuring/revitalizing SOEs, Asset Management, Advisory and Investment in accordance with targets and strategies of the Company in order to achieve the vision and mission of the Company. 2. Represent the Company in specific subsidiaries development and performance monitoring that is divided based on Board of Directors approval.
Finance and Support Director	1. Planning, determining, approving, communicating, and evaluating the implementation of the Company's fund management, accounting and financial systems, management of human resources, information technology, goods and services procurement, and provision of facilities and infrastructures for office operations in accordance with targets and strategies of the Company in order to achieve the vision and mission of the Company. 2. Represent the Company in specific subsidiaries development and performance monitoring that is divided based on Board of Directors approval.

Board of Directors Competency Development

Board Manual has regulated implementation of Orientation and Training Program for Board of Directors. The Board of Directors is regulated to participate in competency development program activity to develop knowledge, expertise and professionalism, therefore, the Company facilitates the Board of Directors members to participate in training as well as competency and skill development programs for the Board of Directors. Throughout 2018, the Board of Directors has participated in training, seminar, workshop and presentation activities, as follows:

Board of Directors	Type of Training/Seminar	Date	Provider
Henry Sihotang	Focus Group Discussion related to Challenges in PPA Future Business Development, Discussion of Legal Aspect and Financial Governance of the Business Group.	December 7, 2018	PT PPA
Andi Saddawero	Focus Group Discussion related to Challenges in PPA Future Business Development, Discussion of Legal Aspect and Financial Governance of the Business Group.	December 7, 2018	PT PPA
Ajar Setiadi	Focus Group Discussion related to Challenges in PPA Future Business Development, Discussion of Legal Aspect and Financial Governance of the Business Group.	December 7, 2018	PT PPA
Nasrizal Nazir	Focus Group Discussion related to Challenges in PPA Future Business Development, Discussion of Legal Aspect and Financial Governance of the Business Group.	December 7, 2018	PT PPA

Corporate Orientation Program for Board of Directors

Corporate orientation program is provided for newly-appointed Board of Directors member. The division in charge for the Corporate Orientation Program is the Corporate Secretary and Legal division.

The material as disclosed in Minutes of Corporate Orientation Program for the Board of Directors as signed by Corporate Secretary is as follows:

1. Distribution of Articles of Association, Board Manual, GCG Code, Risk Management Manual, WBS Manual, Code of Conducts, Board of Directors Decree on GCG Code and Implementation, GCG Assessment Report and Annual Report;
2. Explanation about the Company related to purpose, nature, scope of activity, financial and operational performance, strategy, short-term and long-term plan, competitive position, risk and other strategic issues;
3. Implementation of GCG principles by the Company
4. Explanation related to delegated authority, internal and external audits, internal control system and policy
5. Explanation about duty and responsibility of Board of Commissioners and Board of Directors.
6. The orientation program may be given as prentation, meeting or visit to the Company's facilities or other programs.

In 2018, the Company conducted orientation program for new Director, Nasrizal nazir who is appointed pursuant to Minister of SOE Decree No. SK-14/MBU/01/2018 dated January 16, 2018.

Board Manual for Board of Directors

In carrying out the duties, the Board of Commissioners and Board of Directors refer to Board Manual. The Board Manual discloses guideline on the Board of Commissioners and Board of Directors working procedure and explains the activity stages in a well-structured, systematic, easy to be understood and practicable ways consistently as reference for the Board of Commissioners and Board of Directors in carrying out their duties according to GCG principle standard to achieve the Company's vision mission.

Board Manual is drafted based on corporate law principle, Articles of Association, prevailing law, Shareholders aspiration and GCG best practice.

Purpose of Board Manual is to ease the Board of Commissioners and Board of Directors in understanding regulation related to Board of Commissioners and Board of Directors working mechanism. Provisions that are regulated in the Board Manual are among others:

1. General Provision on Board of Directors Member Position.
2. Board of Directors duty and authority.
3. Board of Directors obligation.
4. Board of Directors members duty and authority division.
5. Position Ethics.
6. Implementation of Company's managerial duties by the Board of Directors.
7. Board of Directors decision making principles.
8. Board of Directors Meeting.
9. Board of Directors Supporting Structure:
 - Internal Audit Division
 - Corporate Secretary
10. Relationship with Subsidiaries
11. Conflict of Interest

In addition, in carrying out the duties, the Board of Directors also refers to Board Manual for Board of Directors as stipulated in Board of Directors Decree no. SK-58/PPA/1215 dated December 10, 2015 disclosing provisions, as follows:

1. General Provision.
2. Board of Directors Meeting.
3. Decisions taken outside Board of Directors Meeting
4. Communication of Board of Directors Resolutions.
5. Other Provisions.
6. Closing Provision.

Board of Directors Meeting

Throughout 2018, the Board of Directors held 59 meetings chaired by President Director or other Board of Directors member if the President Director is absent. Meeting resolutions are decided by upholding collective consensus and disclosed in written minutes of meeting as well as well- documented.

Name	Total Meetings	Attendance	Attendance Level (%)
Henry Sihotang	59	58	98
Andi Saddawero	59	59	100
Ajar Setiadi	59	58	98
Nasrizal Nazir*	58	58	100

* Appointed since January 16, 2018

Below are recapitulations of meeting frequency and attendance level of each Director as well as discussion agenda in the Board of Directors Meetings:

No	Tanggal	No. MoM	Agenda	Kehadiran
1	9-Jan-2018	MOM-01/ PPA/ BOD/0118	1. Stipulation of Vendor Candidates for PPA Video Profile. 2. Discussion of Board of Commissioners Letter related to HR issues and PPA Website. 3. Discussion of PPAK Progress. 4. Discussion of PPAF Management structure.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi
2	18-Jan-2018	MOM-02/ PPA/ BOD/0118	1. Project of Investment Directorate. 2. Selection of Vendor Candidates for Video Profile	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
3	5-Feb-2018	MOM-03/ PPA/ BOD/0118	1. Financial Statements as of January 2018 position. 2. Follow-Up on SOEs R/R Handling. 3. Tuban Petro MYB Settlement	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
4	13-Feb-2018	MOM-04/ PPA/ BOD/0218	PPAK work and budget plan for 2018 Discussion	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
5	20-Feb-2018	MOM-05/ PPA/ BOD/0218	1. Crash Program of Business Advisory – 1 Division 2. Tuban Group Foreclosure 3. PPAK RKAP for 2018 Progress 4. PPA Organization Adjustment Brainstorming 5. Discussion of long-term plan for 2018 – 2022	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
6	23-Feb-2018	MOM-06/ PPA/ BOD/0218	1. PPAK Audit Findings and Post-Employment Allowance for Ex-PPAK Director. 2. Long-term plan for 2018 – 2022.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
7	27-Feb-2018	MOM-07/ PPA/ BOD/0218	Cooperation between PPA and PT Wirasada Sarana Aviast ("Wise Air") in Implementation of Work Contract with BNPB and Helicopter Purchase and Operations Plan.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
8	6-Mar-2018	MOM-08/ PPA/ BOD/0318	Coordination Meeting	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
9	13-Mar-2018	MOM-09/ PPA/ BOD/0318	Coordination Meeting	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
10	14-Mar-2018	MOM-10/ PPA/ BOD/0318	Coordination Meeting	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
11	19-Mar-2018	MOM-11/ PPA/ BOD/0318	Discussion of Investment Principal Cooperation Agreement between PPA and PT Polowijo Gosari	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
12	20-Mar-2018	MOM-12/ PPA/ BOD/0318	Coordination Meeting	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir

No	Tanggal	No. MoM	Agenda	Kehadiran
13	27-Mar-2018	MOM-13/ PPA/ BOD/0318	Coordination Meeting	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
14	3-Apr-2018	MOM-14/ PPA/ BOD/0418	Coordination Meeting	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
15	6-Apr-2018	MOM-15/ PPA/ BOD/0418	Approval on Investment Cooperation Plan between PPA and PT Polowijo Gosari	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
16	10-Apr-2018	MOM-16/ PPA/ BOD/0418	1. Discussion of PBT 2. Discussion of PT Wajual Indonesia 3. Discussion of PPAF Management 4. Discussion of PPA Realty 5. Discussion of PPA Kapital Investment at PT Bondi Syad Mulia & Discussion of PPA Financing Plan for PT Bondi Syad Mulia 6. Discussion of PPA Financing Plan for BJA/DCP	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
17	12-Apr-2018	MOM-17/ PPA/ BOD/0418	Discussion of PT Polowijo Gosari	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
18	17-Apr-2018	MOM-18/ PPA/ BOD/0418	Discussion of PPAK Pipeline	1. Henry Sihotang 2. Ajar Setiadi 3. Nasrizal Nazir
19	19-Apr-2018	MOM-19/ PPA/ BOD/0418	Approval on Investment Cooperation Plan for PT Bondi Syad Mulia	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
20	24-Apr-2018	MOM-20/ PPA/ BOD/0418	Signing Plan on 7th Addendum of Restructuring and/or Revitalization (R/R) MOU with PT Merpati Nusantara Airlines (Persero)	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
21	8-May-2018	MOM-21/ PPA/ BOD/0418	1. Progress of Land Dispute between PT Iglas and City Government in Surabaya 2. Coal Trading Cooperation with MBE/ABN 3. Disbursement Plan of Part SPU (Severance Pay) Proceeds from Tranche A Proceeds Allocation in R/R Agreement and Strategic Partner Searching.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
22	17-May-2018	MOM-22/ PPA/ BOD/0518	1. Discussion of Insurance for Director and Officer ("D&O") 2. Discussion of NK Property 3. Discussion of Paledang Assets 4. Discussion of PPA Property 5. Discussion of Business Operations 6. Discussion of BJA	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
23	23-May-2018	MOM-23/ PPA/ BOD/0518	1. Borrowings withdrawal and Appointment of Consultant for PT Merpati Nusantara Airlines (Persero) (under Suspension of Payment) 2. Follow-Up of Cooperation Discussion to Purchase Coal on behalf of MBE and Petrovina	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
24	24-May-2018	MOM-24/ PPA/ BOD/0518	1. Financial Performance as of April 30, 2018 2. Budget Use Efficiency	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
25	7-Jun-2018	MOM-25/ PPA/ BOD/0618	1. Stipulation of Board of Directors Candidate for PT Nindya Karya (Persero). 2. Board of Directors Candidate Recommendation for Joint Venture Polowijo 3. Approval Proposal for Disbursement of Part Loans Facilities Proceeds on behalf of PT Wirasada Sarana Aviati.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir

No	Tanggal	No. MoM	Agenda	Kehadiran
26	26-Jun-2018	MOM-26/ PPA/ BOD/0618	1. Proposal Disbursement of Loans Facilities Proceeds on behalf of PT Wirasada Sarana Aviassi (Wise Air); 2. Division of Supervision for the Company's Subsidiaries by each Director; 3. Decision-making process related to Activity in Investment Directorate and BAAM Directorate through Investment Committee; 4. Investment Plan at PT Dremco; 5. Coal Trade Cooperation in the Form of Provision Working Capital with Profit Sharing.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
27	29-Jun-2018	MOM-27/ PPA/ BOD/0618	PPA Recommendation as Financial Advisor to PT Merpati Nusantara Airlines (Persero) ("MNA") related to Proposal from prospective Partners.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
28	3-Jul-2018	MOM-28/ PPA/ BOD/0718	1. PPA Outing Rescheduling; 2. PPA Organization Structure Changes Recommendation	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
29	10-Jul-2018	MOM-29/ PPA/ BOD/0718	Approval for PPA Participation in KSO Bogor Raya Lake Area Development	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
30	17-Jul-2018	MOM-30/ PPA/ BOD/0718	1. Approval on Cooperation with PT Wajual Indonesia 2. Discussion of Receivables Claim Impairment to MNA valued 375 bio if MNA failed in Homologation and Handling, the payment of Management budget allocation at Tranche B to SPU shareholders for non-Presidium Members.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
31	25-Jul-2018	MOM-31/ PPA/ BOD/0718	1. PT Dremco – Overview of Shares Acquisition and Working Capital Financing; 2. PT Wirasada Sarna Aviassi: Discussion of Investment Cooperation in BN-2T Airplane Procurement and Operations; 3. Discussion of Investment Plan with PT Armindo Catur Pratama; 4. Discussion of Additional Loans Disbursement amounted Rp25 billion; 5. Discussion of Investment Cooperation with PT Moya Berkas Mandiri.	1. Andi Saddawero 2. Ajar Setiadi 3. Nasrizal Nazir
32	31-Jul-2018	MOM-32/ PPA/ BOD/0718	1. Working Capital provision to PT Berkah Maju Sejahtera for Badan Nasional Penanggulangan Bencana (BNPB Project); 2. Approval for Investment Loans at PT Bondi Syad Mulia	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
33	07-Aug-2018	MOM-33/ PPA/ BOD/0818	1. Operations of Palm Oil Plants (PKS) PT Duta Mentari Raya (DMR); 2. PPAK Management; 3. Transfer of PT Rison Duta Sarana, PT Bondi Syad Mulia and PT Polowijo Gosari Handling to PPAK;	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
34	08-Aug-2018	MOM-34/ PPA/ BOD/0818	1. Discussion of Approval for Working Capital provision for PT Karya Tugas Anda (KTA); 2. Financing Plant or Bangka Tin Industri (Trimitra) Group; 3. Financing Plan for PT Inti Stania Prima; 4. Discussion of PT Super Exim Sari.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
35	14-Aug-2018	MOM-35/ PPA/ BOD/0818	1. Discussion of Investment Principle Permit with PT Jaya Samudra Karunia Group; 2. Discussion of PT Merpati Nusantara Airlines Insolvency; 3. Discussion of PT Survai Udara Penas and PT Pratama Persada Airborne.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
36	20-Aug-2018	MOM-36/ PPA/ BOD/0818	Discussion of PT Super Exim Sari.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir

No	Tanggal	No. MoM	Agenda	Kehadiran
37	21-Aug-2018	MOM-37/PPA/BOD/0818	1. Financial Projection in RJPP 2019 – 2023 2. Extension of Loans Proceeds Utilization for PT Wirasada Sarana Aviassi ("Wise Air")	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
38	24-Aug-2018	MOM-038/PPA/BOD/0818	1. Peace Treaty proposal, Transaction Agreement & Preparation of Insolvent Condition of PT MNA; 2. Discussion of PT Rejeki Inti Logam Jaya; 3. Discussion of PT Matoa Kidung Samudra; 4. Discussion of PT Inti Stania Prima; 5. Discussion of PT Karya Tugas Anda.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
39	4-Sep-2018	MOM-039/PPA/BOD/0818	1. Discussion of Investment with Jaya Samudra Karunia Group 2. Discussion of PT Duta Cipta Perkasa Debt Restructuring 3. Discussion of Working Capital Loans for PT Bukit Jaya Abadi 4. Discussion of Financial Advisor Inbreng in PPA Holding Establishment 5. Discussion of Directorate Performance Monitoring 6. Discussion of PT PPA PP Update and Enhancement	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
40	21-Sep-2018	MOM-040/PPA/BOD/0918	1. Discussion of PT Rejeki Intilogam Jaya; 2. Discussion of PT Merpati Nusantara Airlines	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
41	26-Sep-2018	MOM-041/PPA/BOD/0918	1. Approval of Investment for PT Bina Patria Transmitter ("PT BPT"); 2. Discussion of PT Super Makmur ("PT SM") and PT Super Exim Sari ("PT SES") Acquisition and Development Plan; 3. Business KPI; 4. and Others.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
42	2-Oct-2018	MOM-042/PPA/BOD/1018	Discussion of Cooperation Plan with BRI related to Jiwasraya	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
43	5-Oct-2018	MOM-043/PPA/BOD/1018	Acceptance of Bank Mandiri Loans Facilities Amounted Rp500 billion	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
44	9-Oct-2018	MOM-044/PPA/BOD/1018	1. Discussion of Management Stipulation Mechanism in Subsidiaries and Sub-Subsidiaries; 2. PPA Employee Assignment to PPAK.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
45	5-Oct-2018	MOM-045/PPA/BOD/1018	1. Discussion of PT Rejeki Intilogam Jaya; 2. Discussion of PT Carpediem; 3. Bank Mandiri Working Capital Withdrawal Requirements; 4. Socialization of Shareholders Aspiration on 2019 work and budget plan.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
46	16-Oct-2018	MOM-046/PPA/BOD/1018	1. PPA Follow-Up Plan on Bankruptcy Decision for PT Kertas Leces; 2. Extension of Proceeds Utilization Objectives for PT Wirasada Sarana Aviassi.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
47	24-Oct-2018	MOM-047/PPA/BOD/1018	Discussion of PT Kertas Leces (Persero) Handling Status (under Bankruptcy)	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
48	1-Nov-2018	MOM-048/PPA/BOD/1118	1. Discussion of Board of Directors and Board of Commissioners Remuneration Policy for Subsidiary and Sub-Subsidiaries 2. Discussion of Loans Facilities Plan for MGI; 3. Discussion of PT Inti Stania Prima.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir

No	Tanggal	No. MoM	Agenda	Kehadiran
49	1-Nov-2018	MOM-052/PPA/BOD/1118	Discussion of Somation Letter from Bank Muamalat to PT Duta Mentari Raya.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
50	8-Nov-2018	MOM-049/PPA/BOD/1118	1. Due Diligence and Valuation Summary of PT SIP; 2. Long-Term Supply and Off-Take Agreement of PT Magnesium Gosari Internasional and PT Polowijo; 3. Cooperation Plan with LPEI – PT Mount Dream Indonesia; 4. Discussion of RPU Academy; 5. and Others.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
51	13-Nov-2018	MOM-050/PPA/BOD/1118	1. Discussion of long-term work plan 2019 – 2023; 2. Subsidiaries and Sub-Subsidiaries Performance Evaluation (Request for Direction or Somation Letter or Bankruptcy Warning (II) for PT Duta Mentari Raya);	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
52	14-Nov-2018	MOM-051/PPA/BOD/1118	Export Working Capital Financing Facilities Offering amounted Rp500 billion from Lembaga Pembiayaan Ekspor Indonesia (“LPEI”).	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
53	22-Nov-2018	MOM-053/PPA/BOD/1118	1. Intesa Sanpaolo Shares Purchase; 2. Auction of Assets Jl. Radio of PT kertas Leces – Assets Auction; 3. Approval on Shareholders Resolutions Circuler Signing and Appointment of Consultant related to Distribution of Assets owned by PT Artha Bangun Pratama.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
54	27-Nov-2018	MOM-054/PPA/BOD/1118	1. Presentation of Addendum on Long-Term Supply and Off-Take Agreement between MGI and BOD of PPAK; 2. PT Kertas Leces (Persero);	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
55	5-Dec-2018	MOM-055/PPA/BOD/1218	1. Investment Cooperation with PT Indah Prakasa Sentosa, Tbk 2. PT Sriboga Flour Mill 3. PT Asialink Cargo 4. PT Shafira Corporation 5. Discussion of PT Kertas Leces (Persero) 6. PT National Utility Helicopters 7. Discussion of Loans Requirements Revision for PT Wise Air 8. Discussion of PT Armindo Due Diligence Result 9. Recommendation on Changes in work and budget plan numbers 10. Cessie Bank BTN 11. PT BBI Restructuring	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
56	10-Dec-2018	MOM-056/PPA/BOD/1218	Discussion of PT Kertas Leces (Persero)	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
57	13-Dec-2018	MOM-057/PPA/BOD/1218	1. Investment Directorate 2. Discussion of PT Rejeki Inti Logam Jaya 3. Salary Formula for BOD in Subsidiaries & Sub-Subsidiaries	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
58	18-Dec-2018	MOM-058/PPA/BOD/1218	1. Discussion of Wise Air; 2. Discussion of KNE Global; 3. Presentation of Mrs. Lengga.	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir
59	20-Dec-2018	MOM-059/PPA/BOD/1218	1. Discussion of RJPP; 2. Discussion of PT Rejeki Inti Logam Jaya; 3. Discussion of PT Iglas Review; 4. Discussion of PT Merpati Nusantara Airlines 5. PT Batam Island Marina Receivables Transferring Plan from BTN to PT PPA 6. Split Stone Trade Financing	1. Henry Sihotang 2. Andi Saddawero 3. Ajar Setiadi 4. Nasrizal Nazir

Board of Directors Duty and Responsibility Implementation in 2018

Throughout 2018, implementation of Board of Directors duties, except regular and technical duties implementation, can be seen from the issued Decree. list of Decrees related to Board of Directors duty implementation is as follows

No	Letter Number	Attn.
1	SK-18/PPA/0318	Cooperation Policy
2	SK-40/PPA/0718	Organization Structure
3	SK-41/PPA/0718	Stipulation of Position and Division of Duty and Authority among BOD Members
4	SK-43/PPA/0718	Business Trip Policy
5	SK-46/PPA/0718	Revision to Board of Directors Decree Number SK-33/PPA/0515 concerning Administration Policy
6	SK-48/PPA/0818	Divestment Policy
7	SK-76/PPA/1218	Information Management and Documentation Manager Team

Assessment of Committees Under the Board of Directors

As end of 2018, the Board of Directors has not yet established any Committee with organization structure directly under the Board of Directors, however, in running operational activity in the Company, the Board of Directors has supporting organs, such as Corporate Secretary and Internal Audit Unit Division. The Board of Directors evaluates implementation of Corporate Secretary and Internal Audit Division activities throughout 2018 have been effective according to each duty and responsibility.

Board Of Directors Performance Assessment

Board Of Directors Performance Assessment

Board of Directors performance assessment is done both collegially and individually by the Shareholders. The performance assessment by the Shareholders is done in Annual General Meeting of Shareholders on Financial Statements Accountability Report.

The General Meeting of Shareholders granted full responsibility discharge and dismissal (volledig acquire et de charge) to the Board of Directors with regard to every Company's management result that has been done.

Board of Directors performance assessment indicators include following aspects:

1. Achievement of Key Performance Indicators (KPI) in Management Contract 2018;
2. Achievement of Operational and Financial Performance in 2018;
3. GCG Implementation in 2018.

Corporate Key Performance Indicators (KPI) Achievement In 2018

KPI Achievement in 2018 includes review procedure, as follows:

1. In Financial and Market Perspective, the assessment is done by calculating score from realization of Return on Equity (ROE), Return on Assets (ROA), Operating Expense to Operating Income, Yield on Investment (Yol), Net Income of Subsidiaries (PPAF and PPAK) based on Financial Statements audited by independent auditor compared to the Management Contract and key Performance Indicators (KPI).

2. In Customer Focus Perspective, the assessment is done by calculating score from Customer Satisfaction Index, Strategic Partner Satisfaction Index based on management report that has been verified, analyzed and compared with the Management Contract and key Performance Indicators (KPI).
3. In Product and Process Effectiveness, the assessment is done by calculating score that is achieved from Realization of Investment and/or Advisory Service and SOEs Restructuring/Revitalization compared to the Management Contract and key Performance Indicators (KPI).
4. In Employee Focus Perspective, the assessment is done by calculating score from realization of Employee Productivity Target and employee satisfaction index that have been verified, analyzed and compared to the Management Contract and key Performance Indicators (KPI).
5. In leadership, Governance and Social Responsibility Perspective, the assessment is done by calculating score that is achieved from GCG assessment, on- time SOEs electronic periodic meeting submission, Implementation of Partnership and Community Development Program, Effectiveness of Community Development Program Disbursement, Collectability Ratio of Partnership Program that has been verified, analyzed and compared to the Revised Management Contract and key Performance Indicators (KPI).

Rating Report on the Achievement of the Company's Key Performance Indicators (KPI) in 2018

Based on the Company's 2018 work and budget plan and Management Contract as stipulated in work and budget plan on 2018 work and budget plan legalization on January 24, 2018 that determined indicators of Corporate Key Performance Indicators (KPI).

Based on the assessment result, the Company's KPI score achieved 104,84% with "Very Good" criteria. Detail description of the Company's KPI score is as follows:

No	Perspective	2018
		KPI Value
1	Financial and Market	25,69
2	Customer Focus	16,80
3	Product & Process Effectiveness	31,00
4	Employee Focus	15,75
5	/Leadership, Governance & Social Responsibility	15,60
TOTAL		104,84
Criteria		VERY GOOD

GCG Assessments on Board of Directors Aspect

The Company has conducted Assessment on GCG Principles Implementation for 2018 done by Independent Assessor (PT Icon Global Solusi) using the criteria and methodology as stipulated by Minister of SOEs number SK-16/S-MBU/2012 dated June 6, 2012 concerning Indicators/Parameters of Assessment on Good Corporate Governance Implementation in State-Owned Enterprise, where one of the measured aspects is corporate governance practice at Board of Directors and supporting structure levels.

Based on result of assessment on 13 indicators divided into 52 parameters and achieved score of 31.87 from maximum score of 35, or fulfilled 91.05% of the applied assessment criteria and achieved Very Good category.

Result of GCG assessment on parameters and criteria fulfillment for Board of Directors Decree has reached best practice or very good, such as:

- Board of Directors performs training/learning program continuously.
- Board of Directors arranges division of duty/function, authority and responsibility clearly.
- Board of Directors prepares corporate planning.
- Board of Directors participates in the Company's performance target fulfillment.
- Board of Directors performs operational and financial controlling on the Company's plan and policy implementation.
- Board of Directors exercises the Company's management according to prevailing law and Articles of Association.
- Board of Directors is involved in added-value relationship for the Company and Stakeholders.
- Board of Directors supervises and manages conflict of interest among the Board of Directors members and management under the Board of Directors.
- Board of Directors ensures the Company has implemented information and communication disclosure according to prevailing law and submits information to the Board of Commissioners and Shareholders on time.
- Board of Directors organizes Board of Directors Meeting and attends Board of Commissioners Meeting according to the regulation.
- Board of Directors implements qualified and effective internal audit function.
- Board of Directors implements qualified and effective Corporate Secretary function
- Board of Directors organizes Annual GMS and other GMS according to the law

- To stipulate Board of Directors training program policy in Board Manual and Board of Directors Work Manual as media to increase the Board of Directors capacity.
- To submit long-term work plan draft to the Board of Commissioners on time according to the regulation, before 30th September in current year to ensure sufficient time is available for the Board of Commissioners to perform objective review on the Company's strategic plans.
- To assign vacant position in the Company's organization structure, or re-adjust organization of the Company with current internal capacity.
- To immediately finish employee competency profile formulation that will be used namely as basis for succession planning in every position level in the organization structure.
- To submit Board of Directors collegial and individual performance achievement report that is evaluated based on result of performance audit by Public Accountant concurrently with submission of Public Accountant performance audit report to the Board of Commissioners.
- To perform evaluation/review on sufficiency of internal control system infrastructure in the Company altogether with the implementation, and report to the Board of Directors in the Internal Control Report.
- To also mention procurement fairness and transparency level measurement in the suppliers satisfaction survey, and to perform the survey by independent party (internal auditor or external consultant of the Company) to ensure objectiveness of the implemented survey.
- To stipulate policy that regulates method to evaluate the employee satisfaction survey.
- To improve the Company's performance according to the stipulated KPI.
- General Meeting of Shareholders invitation shall be delivered the latest within 14 (fourteen) days before the General Meeting of Shareholders implementation date.

Recommendation from GCG Assessment 2018 – Board of Directors Aspect

In the GCG assessment 2018 implementation, the Company obtained recommendation for Board of Directors aspect, as follows:

Disclosure of Board of Commissioners and Board of Directors Remuneration Procedure

Board of Commissioners Remuneration

The Shareholders has stipulated Performance Incentive payment for Fiscal Year 2017 and remuneration 2018 for Board of Commissioners and Board of Directors that are stipulated based on GMS Resolutions through Letter Number S-629/MBU/D6/06/2018 dated June 6, 2018 concerning Submission of PT PPA Board of Directors and Board of Commissioners Remuneration Stipulation in 2018. The stipulation is done through calculation by the Ministry of SOEs that is regulated under Ministry of SOE Internal Decree by considering the Company performance achievement report in 2017, financial statements realization report for five recent years, and considering Board of Directors and Board of Commissioners remuneration proposal letter No. S-23/PPA/KOM/0418 dated April 11, 2018 concerning Remuneration Stipulation Proposal for 2018 and Incentives for 2017 for the Board of Directors and Board of Commissioners in PT PPA, by submitting remuneration amount recommendation and considerations including business complexity aspect, HR competency requirements, management performance achievement, market approach and budget availability.

Pursuant to Minister of SOEs Circular Letter Number SE-06/MBU/08/2018 dated August 3, 2018 concerning Participation of State-Owned Enterprise in Employment Social Insurance Program, the Company has registered all of the Board of Commissioners and Board of Directors members in Employment Social Insurance Program according to prevailing law and regulation.

Board of Commissioners Remuneration Procedure

In 2018, the remuneration procedure and determination for the Board of Commissioners and the Board of Directors are performed pursuant to:

1. Article 96 paragraph (1) law number 40 of 2007 regarding limited liability Companies that regulate the amount of salary and allowance of the Board of Directors and stipulation based on the GMS decision. The authority is based on Article 96 paragraph (2) and can be transferred to the Board of Commissioners. The amount of Salary, Facilities and other components included in the income component (other than salary) refers to the prevailing regulations;
2. Government Regulation of SOE number: Per-04/MBU/2014 dated March 10, 2014 regarding the Salary Stipulation Guideline for the Board of Directors, Board of Commissioners and SOE Supervisory Board as amended in the Regulation number PER-02/MBU/06/2016 regarding the Amendment of the Minister of State Owned Enterprises Regulation number: PER-04/MBU/2014 regarding the Salary Stipulation Guideline for the Board of Directors, Board of Commissioners and SOE Supervisory Board;

Currently, the Board of Commissioners' income is referring to the Minister of SOE Regulation and the above GMS Resolution, with the following description:

1. Honorarium:
 - a. President Commissioner is 45% from the President Director's Salary.
 - b. Commissioner is 90% from the President Commissioner's Salary.

2. Allowance:

- a. Religious Holiday is one month of Honorarium
- b. Transportation is 20% of Honorarium
- c. Post-employment insurance with annual premium 25% of annual Honorarium, including life and accident Insurances.

3. Facilities:

- a. Health (outpatient, outpatient through insurance and medical check-up).
- b. Legal Assistance through Director Insurance & Officer Liabilities.

4. Others based on budget:

- a. Clothing Allowance.
- b. Professional Association.

5. Incentives based on the GMS resolution. Incentives tax is paid by the Board of Commissioners Member as beneficiaries of the Incentives.

in Rupiah full amount

Honorarium	2.996.228.570
Transportation Allowance	599.245.712
Religious Holiday Allowance	249.750.000
Clothing Allowance	80.000.000
Post-Employment Benefit - Insurance	737.101.500
Inpatient Facilities	78.544.324
Inpatient and BPJS Kesehatan Insurance Premium	133.170.600
BPJS Ketenagakerjaan	54.565.800
Incentives for 2017 (Net)	2.960.844.562
Income Tax	2.645.858.999
Total	10.535.310.067

Board Of Commissioners Remuneration Structure

In 2018, the Company paid Board of Commissioners Members remuneration amounted Rp10,535,310,067 comprising of Honorarium, Transportation Allowance, Religious Holiday Allowance, Clothing Expense, Post-Employment Insurance Premium, Inpatient Health Insurance Premium, BPJS Kesehatan Contribution, BPJS Ketenagakerjaan Contribution, Outpatient Health Facilities and Incentives for Fiscal Year 2017.

The Remuneration has been adjusted with Board of Commissioners' performance in fiscal year 2018. Detail explanation about remuneration structure indicating remuneration component and amount by component for every Board of Commissioners member is as follows:

Board of Directors Remuneration Policy

Board of Directors remuneration procedure is stipulated based on:

1. Ministry of SOE RI Regulation Number: PER-07/MBU/2010 dated December 27, 2010 concerning Remuneration Policy for Board of Directors, Board of Commissioners and Supervisory Board in State-Owned Enterprise as amended through Minister of SOE RI Regulation Number: PER-04/MBU/2013 concerning Amendment on Minister of State-Owned Enterprise Regulation Number: PER-07/MBU/2010 concerning Remuneration Policy for Board of Directors, Board of Commissioners and Supervisory Board in State-Owned Enterprise; and
2. Minister of SOE RI Regulation Number: PER-04/MBU/2014 dated March 10, 2014 concerning Remuneration Policy for Board of Directors, Board of Commissioners and Supervisory Board in State-Owned Enterprise as amended through Regulation Number PER-02/MBU/06/2016 concerning Remuneration Policy for for Board of Directors, Board of Commissioners and Supervisory Board in State-Owned Enterprise.

Remuneration of Board of Directors in the Company has complied with Minister of SOE Regulation and GMS Resolutions, comprising of:

1. Salary;
 - a. President Director for 2018 refers to GMS Resolutions.
 - b. Director is 85% of President Director's salary.
2. Allowances;
 - a. Religious Day is paid in amount of 1 month Salary.
 - b. Housing is 40% of Salary maximum Rp27,500,000.
 - c. Post-employment insurance with annual premium is 25% of one year salary including life and accident insurances.
3. Facilities:
 - a. 1 (one) unit operational vehicle on loan
 - b. Health (outpatient, inpatient through insurance and medical check-up).
 - c. Legal Assistance.
4. Others, based on budget:
 - a. Operational Vehicle facility for Driving and Oil Fuel expenses is paid lump sum every month.
 - b. Clothing expenses.
 - c. Professional association, Club Membership and representatives.
5. Incentives based on GMS resolutions. Tax on the incentives is paid by the Board of Directors member as the incentive recipient.

Board of Directors Remuneration Structure

In 2018, the Company paid Board of Directors Members remuneration amounted Rp23,706,520,837 comprising Salary, Housing Allowance, Religious Day Allowance, Clothing Expenses, Inpatient Health Insurance Premium, BPJS Kesehatan Contribution, BPJS Ketenagakerjaan Contribution, Outpatient Health Facilities and Incentives for Fiscal Year 2017.

Board of Directors Remuneration table for Fiscal Year 2018 is below:

in Rupiah Full amount	
Salary	6.332.045.454
Housing Allowance	1.307.500.000
Religious Day Allowance	532.500.000
Clothing Allowance	80.000.000
Post-Employment Benefit Allowance	1.576.473.250
Outpatient Facilities	198.536.431
Inpatient Insurance Premium & BPJS	125.497.000
BPJS Ketenagakerjaan	115.318.200
Operational Vehicle	600.000.000
Incentives for 2016 (Net)	6.109.126.495
Income Tax	6.729.524.007
Total	23.706.520.837

Board of Directors Remuneration Stipulation Indicator

Board of Directors remuneration indicators stipulation refers to Minister of SOE RI Regulation Number: PER-04/MBU/2014 dated March 10, 2014 concerning Remuneration Policy for Board of Directors, Board of Commissioners and Supervisory Board in SOE as amended through Minister of State-Owned Enterprise Regulation Number: PER-04/MBU/2014 concerning Remuneration Policy for Board of Directors, Board of Commissioners and Supervisory Board in SOE. The Board of Directors Remuneration is proposed in the Board of Commissioners Meeting, by discussing consideration of proposal, result of survey with peer industries and other sectors, the Board of Commissioners altogether proposes to the GMS, by considering the above-mentioned Ministerial Regulation and condition of the Company, to further stipulated in the GMS. For 2018, the stipulation was done during the ratification of Financial Statements Fiscal Year 2017.

Supporting Structure Under Board of Commissioners

The Company has Supporting Structure under the Board of Commissioners consisting of the Committees and Board of Commissioners Secretariat. The Committees and Secretariat under the Board of Commissioners are functioned to support implementation of Board of Commissioners' duty and responsibility related to supervisory and advisory functions to the Board of Directors based on each function and role. The Board of Commissioners Supporting Structure consists of:

1. Secretary to the Board of Commissioners;
2. Audit Committee;
3. Risk Oversight and GCG Committee.

Secretary to the Board of Commissioners

In carrying out the duty and responsibility, the Board of Commissioners is assisted by a Board of Commissioners Secretary. Secretary to the Board of Commissioners is appointed and being responsible to the Board of Commissioners. Responsibility of Secretary to the Board of Commissioners includes managing administration and governance implementation appropriately and correctly to help the Board of Commissioners in carrying out effective supervisory function to implement secretariat duties. Appointment of Secretary to the Board of Commissioners refers to law number 19 of 2003 concerning State-Owned Enterprise, and Minister of State-Owned Enterprise Regulation number PER-12/MBU/2012 concerning Supporting Structure under Board of Commissioners/ Supervisory Board in SOEs.

Duty and Function of Secretary to the Board of Commissioners

Secretary to the Board of Commissioners is in charge to help the Board of Commissioners in carrying out supervisory function of the Board of Commissioners. Detail explanation of Secretary to the Board of Commissioners' functions are as follows:

1. Preparing Board of Commissioners meeting including the briefing sheet.
2. Preparing Board of Commissioners minutes of meeting according to the Company's Articles of Association.
3. Administering Board of Commissioners' documents including incoming and outgoing letters, minutes of meeting of Board of Commissioners meeting and Management meeting and other important documents.
4. Preparing Board of Commissioners' work and budget Plan.
5. Preparing Board of Commissioners report drafts.
6. Implementing other duties assigned by the Board of Commissioners.

Requirements for Secretary to the Board of Commissioners

Requirements that shall be fulfilled by Secretary to the Board of Commissioners as Supporting Structure of the Board of Commissioners are among others :

1. Understanding the Company's managerial, supervisory and development system;
2. Having good integrity;
3. Understanding secretariat function;
4. Having good communication and coordination skills.

Profile of Secretary to the Board of Commissioners

Marta Kurniawan



Marta kurniawan was born in Palembang, March 10, 1985. Currently lives in Depok, west java. Appointed as Secretary to the Board of Commissioners since April 3, 2017 under Decree number 03/KEP.KOM/ PPA/IV/2017.

Graduated from Diploma III majoring Accounting from Sekolah Tinggi Akuntansi Negara in 2006, Bachelor Degree of Accounting from Faculty of Economics Universitas Indonesia in 2009. Obtained National Procurement Expert L4 Certification and Certified Risk Management Officer (CRMO).

Previously, He was assigned as Staff to Board of Commissioners at PT PN V (Persero) (2008-2013), Staff to Supervisory Board at Perum Jasa Tirta I (2012-2013), Member of Audit Committee at PT PN XII (Persero) (2014 - early 2017). He is also currently serving as Head of Energy, Logistics, Area and Tourism IA1 Sub-Division, Ministry of SOEs and member of Procurement Task Force in Ministry of SOE.

Secretary to the Board of Commissioners Activity Report

In 2018, Secretary to the Board of Commissioners has implemented duties, as follows:

1. Acted as liaison officer between the Board of Commissioners and Board of Directors, and the Shareholders.
2. Administered Board of Commissioners meeting invitation, prepared briefing sheets and Board of Commissioners minutes of meeting draft.
3. Drafted concepts for outgoing letters and activity report of joint assignment with the Committees.
4. Documented Board of Commissioners letters, administered incoming and outgoing letters as well as Board of Commissioners resolutions and regulation.
5. Prepared Board of Commissioners Budget Plan Draft.
6. Prepared Board of Commissioners Quarter and Annual Report.
7. Collected material and information relevant with Board of Commissioners duty implementation.
8. Coordinated with Corporate Secretary regarding issues related to the Board of Commissioners and Board of Directors.
9. Performed other secretariat duties.

Remuneration for Secretary to the Board of Commissioners

Stipulation of remuneration or Secretary to the Board of Commissioners is stipulate by the Board of Commissioners by considering condition of the Company according to Minister of SOE Regulation No. PER-12/MBU/2012 concerning Supporting Organs under the Board of Commissioners/Supervisory Board in SOEs. Amount and type of remuneration paid for the Secretary to Board of Commissioners include Honorarium that is paid 15% of President Director's salary, transportation allowance maximum 20% of honorarium and communication allowance that is maximum 5% of the honorarium and also receive employment facilities and annual performance incentives. Employment facilities and annual performance incentives consider condition of the Company and budget fairness.

Audit Committee

Audit Committee helps the Board of Commissioners in supervising function of the Board of Directors in managing the Company according to good corporate governance principles. Scope of Audit Committee's work includes supporting the Board of Commissioners in supervising issues related to financial information, internal control system, effectiveness of audit by external and internal auditors, and compliance with prevailing law and regulation.

Audit Committee establishment is required according to mandate in Article 70 point 1 Law Number 19 of 2003 concerning SOEs and emphasizing the establishment according to Explanation in Article 121 point 1 Law Number 40 of 2007 on Limited Liability Company. Through this Committee, the Board of Commissioners is expected to have greater support in implementing the Company's supervisory activity generally over the entire supervisory scope as long the other Committees have not yet established under the Board of Commissioners.

Audit Committee Charter

The Company has Work Guideline and Mechanism in form of Audit Committee Charter that is continuously improved and updated based on progress/amendment on prevailing legal framework as well as up-to-date condition. The Audit Committee Charter is prepared according to prevailing law and regulation and has been stipulated by the Board of Commissioners on December 19, 2014 according to Board of Commissioners Decree Number PER-02/KOM/PPA/XI/2014 concerning Audit Committee Charter and Risk Oversight and GCG Committee Charter of Perusahaan Perseroan (Persero) PT Perusahaan Pengelola Aset Audit Committee Charter 2014 Edition.

Contents of the Audit Committee Charter also governs membership structure and requirements, terms of office, duty and responsibility, authority,

Audit Committee Meetings, and reporting obligation, implementation of Audit Committee duty or activity. Audit Committee Ethical Codes include integrity, objective and independent, confidentiality and competency.

Audit Committee Requirements

Audit Committee members shall fulfill the requirements, as follows:

1. Having professional capability in accounting, operational management, internal control system, and understanding on audit procedure generally.
2. Not having any personal interest or affiliation that may cause Conflict of Interest or any negative impact;
3. Having good communication skill, particularly in analyzing several issues and being capable to provide constructive suggestions; and
4. Being capable to allocate sufficient time to complete the duties.

Audit Committee Appointment and Dismissal

According to the Audit Committee Charter, Audit Committee appointment and dismissal is done by the Board of Commissioners and reported to the General Meeting of Shareholders. Appointment of Audit Committee members shall pass fit and proper test process based on prevailing law in order to ensure capability to implement the role appropriately. Education and career experience qualifications are as follows:

1. Audit Committee in the Company has sufficient education and career experience qualifications to support implementation of duties as Audit Committee.

2. Audit Committee Members recruitment process is done by Board of Commissioners by considering competency, expertise and integrity as well as team work capability.
3. Board of Commissioners conducted interview to further observe the Audit Committee member candidate. Next, the Board of Commissioners holds meeting to determine the appointed Audit Committee member candidate. Furthermore, stipulation and appointment of of Audit Committee member candidate is done under Board of Commissioners Decree.
4. Every Audit Committee Member has integrity, competency and good financial reputation.

According to the Company's Audit Committee Charter, the terms of Audit Committee member who is not appointed from the Company's Board of Commissioners members is maximum 3 (three) years and may be extended once for 2 (two) years terms, by not reducing rights of the Board of Commissioners to dismiss anytime.

Dismissal of the Audit Committee members can be done if membership terms of the respective member has been ended and dismissed under the Board of Commissioners Decree, dismissed because considered not fulfilling expected performance and/or being not competent in carrying out the duties. However, for the Company's Board of Commissioners Member who serves as Chairman of Audit Committee, the terms will be ended automatically if the term as Board of Commissioners member in the Company has been ended.

Audit Committee Members Composition

Composition of the Company's Audit Committee membership consists of 1 (one) Committee Chairman also as Member and 2 (two) Committee members.

Position	Name	Terms of Office
Chairman	Dedi Rudaedi	January – April 2018
Chairman	Didyk Choiroel	May – December 2018
Member – Expert Staff for Technical Aspect	Iko Marita M.	January – December 2018
Member – Expert Staff for Administrative and Finance Aspects	Ahmad Malkan Lubis	January – December 2018

Brief Profile of Audit Committee

Didyk Choiroel Audit Committee Chairman	Profile of Didyk Choiroel is presented in Board of Commissioners profile section. He is appointed as Chairman of the Committee pursuant to Board of Commissioners Decree Number SK-02/KEP.KOM/PPA/V/2018 dated May 1, 2018.
Iko Marita Mustokoweni, 52 Years Audit Committee Member 	Iko Marita Mustokoweni was born in Malang on May 24, 1966. She currently lives in Bogor. She is appointed as Audit Committee Member since May 1, 2015 according to Board of Commissioners Decree Number 01/KEP.KOM/PPA/IV/2015. She earned Bachelor Degree of Accounting from Faculty of Economics, Universitas Brawijaya (1989). She holds the experiences as Staff to Board of Commissioners in the Company, Secretary to Board of Commissioners in the Company, Member of Delivery Team and Member of Secretariat of Financial Sector Policy Committee in the Indonesian Bank Restructuring Agency, Head of Corporate Policy and Administration Division in PT Bank Niaga.

Ahmad Malkan Lubis, 65 Years
Audit Committee Member


Ahmad Malkan Lubis was born in Medan on March 15, 1953. He currently lives in Depok. He is appointed as Audit Committee Member since June 5, 2017 according to Board of Commissioners Decree Number: 06/KEP.KOM/PPA/VI/2017.

He graduated bachelor degree of Economics from University of the District of Columbia in 1986. He earned Master of Art Degree majoring Economics from Virginia Polytechnic Institute and State University in Virginia, United States (1986 – 1988) and Doctor of Economics Degree from University of Maryland, United States (1989 - 1993). He is currently also member of Export and Investment Development National Team in Coordinative Ministry of Economics.

Prior appointed as Audit Committee Member, He worked in Coordinative Ministry of Economics, as Advisor to Indonesia National Entrepreneurship (Wiratiff), Advisor in ASEAN Connectivity Through Trade and Investment (ACTI), Advisor in Support for Economic Analysis Development in Indonesia (SEADI), Advisor in Trade & Investment Climate Program to the Indonesia National Single Window (INSW).

All of the Audit Committee Members have good integrity, competency and reputation.

Audit Committee Independency

Audit Committee is chaired by one Member of the Board of Commissioners and two professionals from external Company having Financial and Engineering background in accordance with the Company's industry. In performing their duties, the Audit Committee works professionally and independently.

Members of Audit Committee have fulfilled the requirements in terms of quantity, composition, criteria, competency, and independency in accordance with the prevailing laws and regulations.

In order to strengthen/support the implementation of provisions on Audit Committee's independence as mentioned above, a Statement of Independency of Audit Committee is prepared that outlines the aspects of independency as follows:

Independency Aspects	Didyk Choireol	Iko Marita. M	Ahmad Malkan Lubis
Not having any financial affiliation with the Board of Commissioners and Board of Directors	✓	✓	✓
Not having any managerial affiliation in the Company, subsidiaries or affiliated companies	✓	✓	✓
Not having any shares ownership in the Company	✓	✓	✓
Not having any family affiliation with the Board of Commissioners, Board of Directors and/or fellow Audit Committee's members	✓	✓	✓
Not serving in a leadership position at a political party or local Government officials	✓	✓	✓

All of the Audit Committee Members do not have any financial, managerial, shares ownership and/ or family affiliations with the Board of Commissioners and Board of Directors that may influence their independency.

Duty and Responsibility of Audit Committee

Pursuant to provisions in Minister of State-Owned Enterprise Regulation number PER-12/MBU/2012 concerning Supporting Structure under Board of Commissioners/Supervisory Board in SOE, the main function of the Audit Committee is to assist the Board of Commissioners to fulfill its supervisory function, namely to ensure that the

Company is effectively and efficiently managed. In the implementation of their duties and the reporting, the Audit Committee is independent and directly answers to the Board of Commissioners. In performing their duties, the Audit Committee is responsible to the Board of Commissioners which is a manifestation of their supervisory accountability on the management of the Company within the context of GCG principles implementation.

Duties and responsibilities of Audit Committee as stipulated in the Audit Committee Charter validated by virtue of Board of Commissioners' Decision no. PER-02/KOM/PPA/XI/2014/Audit Committee Charter 2014 Edition dated December 19, 2014, are as follows

1. Assist the Board of Commissioners to ensure the effectiveness of the internal control system as well as the implementation of the internal and external auditors' duties.
2. Evaluating the results of the audit conducted by the Internal Audit unit and External Auditors.
3. Provide recommendations related to the improvement of management control system along with its implementation.
4. Analyze, evaluate, make recommendations and deliver information on the audited and reviewed matters in line with their duties and responsibilities.
5. Maintain the confidentiality of Company's documents, data and information from both external parties and internally within the Company.
6. Report results of the implementation of the Audit Committee's duties to the Board of Commissioners.
7. Prepare and submit an annual work program to the Board of Commissioners to be approved before beginning of the financial year.

Audit Committee Duty Implementation Report

Audit Committee has implemented the Audit Committee Work Program throughout 2018. The Audit Committee has submitted monthly, quarterly and annual reports to President Commissioner. In 2018 fiscal year, Audit Committee has discussed following issues with related parties.

No	Activity	Description
1	Preparing evaluation material by Board of Commissioners on the Company's Performance.	• Preparing Board of Commissioners Supervisory Duty Report for 1st, 2nd and 3rd Quarters of 2018; • Preparing Board of Commissioners opinion on Management Report for 1st, 2nd and 3rd Quarters of 2018. Board of Commissioners Letters has been submitted to the Shareholders.
2	Government Capital Proceeds in 2015 Report	Evaluate Realization of Government Capital Proceeds in 2015 for 1 st , 2 nd and 3 rd Quarters of 2018 periods.

No	Activity	Description
3	Activities related to Audit of the Company and Subsidiaries Financial Statements by the Public Accountant Firm.	1. Participated in Closing Audit Activity by Public Accountant Firm Amir Abadi Jusuf, Aryanto, Mawar and Partners ("KAP RSM AAJ") PT Nindya Karya ("PT NK") for Region V on January 30 – February 1, 2018 in Palembang. 2. Participated in the Company's consolidated closing Audit process for 2017 Fiscal Year by Public Accountant Firm RSM Amir Abadi Jusuf on 13 – 14 February in Bogor, attended by management of the Company and subsidiaries. 3. Accepted result of the Company's Consolidated Audit Report for 2017 Fiscal Year by Public Accountant Firm RSM Amir Abadi Jusuf that has been completed as agreed, through the Company's management. 4. Prepared Performance Evaluation Audit Report by Public Accountant Firm RSM Amir Abadi Jusuf, Aryanto, Mawar & Rekan (KAP RSM Associates") on the Company's Consolidated Financial Statements for Fiscal Year 2017 and Recommendation of Appointment for Consolidated Financial Statements and partnership and community development program Report for Fiscal Year 2018. 5. Submitted Audit Committee review on Approval Proposal to Perform Public Accountant Firm (KAP) Service Procurement Process to Audit the Company's Consolidated Financial Statements and PKBL Implementation and Owner Estimate ("OE") to the Board of Commissioners. 6. Prepared Board of Commissioners opinion on Approval Proposal to Perform Public Accountant Firm (KAP) Service Procurement Process to Audit the Company's Consolidated Financial Statements and PKBL Implementation and Owner Estimate ("OE"). 7. Reviewed the Report of Public Accountant Firm (KAP) Procurement to Audit the Company's Consolidated Financial Statements and partnership and community development program Implementation in 2018 Fiscal Year. 8. Performed discussion with the management (Finance and Support Director) concerning follow-up of the KAP procurement. 9. Prepared Board of Commissioners Letter concerning follow-up of Public Accountant Firm (KAP) Service Procurement Process to Audit the Company's Consolidated Financial Statements and PKBL Implementation in 2018 Fiscal Year. 10. Reviewed the Report of Public Accountant Firm (KAP) Procurement to Audit the Company's Consolidated Financial Statements and PKBL Implementation in 2018 Fiscal Year, after the tender process had been completed by the Board of Directors. 11. Prepared Board of Commissioners opinion on Public Accountant Firm RSM Indonesia Appointment Proposal as Public Accountant Firm to Audit the Company's and Subsidiaries (Consolidated) Financial Statements and partnership program and community development Activity and PT Nindya Karya for Fiscal Year 2019. 12. Prepared Board of Commissioners konsep cover letter to the Board of Directors concerning General Meeting of Shareholders resolutions on Public Accountant Firm as Auditor of the Financial Statements for Fiscal Year 2018.
4	The Company's Annual Report Fiscal Year 2017	1. Prepared concept of the Company's Annual Report for Fiscal Year 2017, in Audit Committee section. 2. Prepared Board of Commissioners Opinion and Recommendation draft on the Company's Annual Report for Fiscal Year 2017. Board of Commissioners Letters have been submitted to the Shareholders.

No	Activity	Description
5	Activities related to Internal Audit Unit Division ("SPI") : • RKA discussion ; and • Audit activity discussion (SPI quarter activity report and review on result of audits done by SPI)	1. Conducted discussion on SPI Division Work and Budget Plan ("RKA") for 2018. Also discussion on SPI activity throughout 2017. 2. Conducted discussion on SPI activity report for 1st, 2nd, and 3rd quarters. 3. Conducted review and discussion on Internal Audit division audit result for 1st, 2nd and 3rd quarters including 12 (twelve) audit results comprising of: a. Audit on Optimization Activity for Tegal 2 Assets. b. Audit on Operational Activity of PPA Kapital. c. Special Audit on Investee Companies Management in PPA Kapital. d. Audit on Investment Activity in PT Tropisindo Sumber Energi (TSE). e. Audit on Operational Activity of PPA Finance. f. Audit on Financial Performance of PT Nindya Beton in 2017 (Joint Audit). g. Audit on Investment Activity in PT SIG Asia. h. Audit atas Kegiatan Investasi pada PT Kelsri. i. Audit on Investment Activity in PT Polowijo Gosari. j. Audit on Financial Management in PPA Kapital – Rumah Cerdas Operational Cooperation (Green Mutiara Java Regency Residence). k. Audit on Investment Activity in PT Bondi Syad Mulia. l. Audit on Investment Activity in PT Gali Terus Sejahtera. 4. Prepared Board of Commissioners approval letter on Board of Directors recommendation concerning appointment of Acting Head of Internal Audit division.
6	Activities related to Preparation of the Company's Long-Term Plan ("RJPP") 2018 – 2022	1. Participated in Board of Commissioners and Board of Directors discussion (consignment) on 2018 work and budget plan Business Plan on 23-25 January 2018. 2. Participated in discussion (consignment) on the Company's long-term plan for 2018 – 2022 and 10 SOEs Investment Plan to the Company. 3. Conducted technical discussion with the Company's management concerning preparation of the Company's long-term plan book for 2018 – 2022 on March 13, 2018. 4. Conducted technical discussion with the Company's management concerning finalization of the Company's long-term plan book for 2018 – 2022. 5. Prepared Board of Commissioners Opinion and Recommendation Draft on RJPP for 2018 – 2022.
7	Activities related to Subsidiaries and Joint Ventures Management	1. Prepared Board of Commissioners recommendation letter draft on PPAF Independent Commissioner and Board of Directors Member candidates in PPAF, Board of Directors Appointment and Dismissal in PPAK and Changes in President Commissioner in PPAF and PPAK. 2. Prepared Board of Commissioners opinion draft on President Director and Board of Commissioners Members Re-Appointment in PPAF after the First Terms of Office. 3. Prepared Board of Commissioners opinion on Recommendation Proposal for Appointment of 1 (one) Board of Directors member candidate in PPAK. 4. Prepared Board of Commissioners opinion on Recommendation of Management in Joint Ventures operated in Forest Management sector. 5. Submitted result of Audit Committee review to the Board of Commissioners and prepared Board of Commissioners opinion draft on recommendation of the Company's Additional Capital to PPAF. 6. Prepared Board of Commissioners opinion draft on recommendation of Board of Directors replacement proposal in PT Nindya Karya. 7. Prepared Board of Commissioners opinion on 1 (one) Board of Directors Member candidate Appointment Approval Proposal in PPAK. 8. Prepared Board of Commissioners opinion concept on Proposal of PPA Statements Letter Signing as Ultimate Controlling Shareholders PPAF.

No	Activity	Description
8	Activities related to SOEs RR	1. Prepared Board of Commissioners opinion on Approval Proposal for Government Investment Proceeds Utilization and Submission of PT KKA Paper Mill Operational Review Submission. 2. Prepared Board of Commissioners opinion on the Company's Bridging Financing Facilities Disbursement to PT KKA and Perusahaan Daerah Pembangunan Aceh. 3. Prepared Board of Commissioners opinion on Additional Government Investment Utilization Review and PT ISN RR Recommendation. 4. Prepared Board of Commissioners Opinion on PT Merpati Nusantara Airlines (Persero) Debt Payment Settlement Scheme (Under Suspension of Payment) to the Company in terms of Peace Treaty Proposal.
9	Activities related to investment	Participated in Board of Commissioners meeting with Investment Director concerning progress and issues of the investment activities.
10	Activities related to assets management	Prepared Board of Commissioners opinion on Board of Directors recommendation on PT Tuban Petrochemical Industries ("TPI") Group Settlement Plan.
11	Activities to support Risk Oversight & GCG Committee ("KPR&GCG")	1. Participated and involved actively in meeting (interview) between GCG assessors and Board of Commissioners. 2. Participated and discussed actively on the Company's Cooperation Policy recommendation with the management.
12	Activities related to Board of Commissioners RKAP and RKA preparation.	1. Prepared Board of Commissioners RKA Concept for Fiscal Year 2019. 2. Prepared Board of Commissioners Opinion and Recommendation Concept on work and budget plan Fiscal Year.
13	Board of Commissioners Site Visit Activities	1. Participated in site visit to examine projects of PT Nindya Karya in Bali such as Badung Market and Apron of Ngurah Rai Airport. 2. Participated in Board of Commissioners site visit to examine projects of Green Mutiara Java Regency-Yogyakarta Residence (Smart Homes KSO with PPAK). 3. Participated in Board of Commissioners site visit to examine PT MGI (Joint Venture between the Company and PT Polowijo Gosari) in Gresik and PT Bondi Sjad Mulia in Surabaya.
14	Other activities	1. Prepared materials and conducted presentation in Board of Commissioners Coordination Meeting on March 22 – 24, 2018 in Bali. 2. Prepared Board of Commissioners opinion on Board of Directors Proposal concerning Additional Government Capital ("PMN") to PT Perusahaan Pengelola Aset (Persero) to be allocated in State Budget 2019. 3. Prepared Board of Commissioners opinion on the Company's Cooperation Policy Recommendation. 4. Prepared Board of Commissioners opinion concept on Board of Directors recommendation to Borrow Rp3 trillion from External Party and Placed more than 50% of the Company's Assets as Collateral. 5. Prepared Fixed Assets and Non-Assets (Office inventories) Write-Off and Foreclosure in 2018. 6. Participated in Internal Audit Seminar on 17 – 19 April 2018. 7. Participated in Forum Group Discussion on "Challenges for PPA Business Development – Discussion of Legal, Business and Group Governance Aspects" on December 7, 2018.

Related parties with Audit Committee activities:

a. Management

Audit Committee reviewed audited Financial Statements that will be published in 2019, to ensure that contents and information disclosure have complied with prevailing accounting standards and regulation. Evaluation on the effectiveness of audit implementation by external auditor, independency, objectiveness, and sufficiency of the audit scope are also done by Audit Committee through discussion with the Management.

Altogether with the Risk Oversight and GCG Committee, Audit Committee conducted discussion to ensure sufficiency of the internal control system, risk mitigation system and GCG implementation. Audit Committee also conducted Audit finding settlement follow-up discussion and monitoring, both Internal Audit and External Audit, monitoring follow-up of the occurring cases in order to encourage settlement acceleration as well as necessary administrative sanctions.

b. External Auditor

In the event of the Company's financial statements audit as of December 31, 2018 done by Public Accountant Firm (KAP), the Audit Committee discussed audit plan, monitoring progress of the audit implementation, including findings that required adjustments, evaluation on internal control including internal control over the Company's financial reporting, and overall quality of the Company's financial reporting.

In the event of monitoring function implementation over result of audit done by the external auditors, Audit Committee has evaluated follow-up done by the Management over result of audit by the stated external auditor.

c. Board of Commissioners

Implementation of duty and responsibility as well as Audit Committee recommendation are reported to the Board of Commissioners periodically, as follows:

- Implementation of review on Public Accountant Firm appointment proposal and Audit Committee has provided recommendation to the Board of Commissioners to appoint Public Accountant Firm to audit the Company's Consolidated Financial Statements for year ended on December 31, 2018, and reviewed effectiveness of Audit Service implementation by the Public Accountant Firm including independency and objectiveness aspect.
- Implementation of review on Internal Audit function effectiveness related to work and plan budget realization, audit findings and recommendation including compliance on Internal Control, risk management process and Corporate Governance (GCG) implementation.
- Implementation of review on Internal Auditor and External Auditor findings settlement follow-up effectiveness.
- Review recommendations from the Management that required approval from the Board of Commissioners.

Audit Committee Meeting

Audit Committee holds meeting regularly referring to Audit Committee Charter. The meeting with external auditor is held minimum once a month during the audit schedule. In the Audit Committee meeting implementation, the Committee may invite the Company's Management through Internal Audit Division to provide necessary information.

Throughout 2018, Audit Committee held various meetings with total of 12 meetings. Majority of the Audit Committee Members attended the meetings. Resolutions taken in the Company's Audit Committee meetings have been registered and documented appropriately in Audit Committee minutes of meeting. The minutes of meeting is signed by meeting chairman and distributed to all Audit Committee members, either attending or not. Any dissenting opinion arises in the meeting will be disclosed in the minutes of meeting altogether with reason of the dissenting opinion.

Audit Committee meeting agenda in 2018 are as follows:

No	Date	Agenda	Attendance
1	January 18, 2018	Audit Committee Meeting Discussion on Audit Committee Annual Report; and Others.	• Dedi Rudaedi • Iko Marita • Mustokoweni • Ahmad Malkan Lubis
2	January 30-31, – February 1, 2018	Audit Committee Site Visit on Closing Meeting Process of Public Accountant Firm AAJ Audit at PT NK Branch Region Palembang	• Dedi Rudaedi • Iko Marita • Mustokoweni
3	February 08, 2018	Audit Committee Meeting with Management (SPI) IA RKA 2018 Discussion and Others.	• Dedi Rudaedi • Iko Marita • Mustokoweni • Ahmad Malkan Lubis
4	February 13 – 14, 2018	Audit Committee Site Visit on Closing Meeting Process of KAP AAJ and Management Audit in PT PPA - Bogor	• Dedi Rudaedi • Iko Marita • Mustokoweni
5	February 20, 2018	Audit Committee and Risk Oversight & GCG Committee Discussion on GCG Assessment Questionnaire Completion in 2017; and Others.	• Dedi Rudaedi • Iko Marita • Mustokoweni • Ahmad Malkan Lubis
6	February 26, 2018	Audit Committee, KPR&GCG Meeting with Assessor (Interview Assessor with Board of Commissioners (Chairman of KA & Chairman of KPR&GcG)	• Dedi Rudaedi • Tirta Hidayat • Iko Marita • Mustokoweni • Ahmad Malkan Lubis
7	March 13, 2018	Audit Committee, KPR&GCG Meeting with Management Long-term plan 2018-2022 Discussion; Discussion on Company's Cooperation Policy recommendation; and Others.	• Dedi Rudaedi • Iko Marita • Mustokoweni
8	April 3, 2018	Audit Committee, KPR&GCG Meeting with Management long- term plan 2018-2022 Discussion; and others	• Dedi Rudaedi • Iko Marita • Mustokoweni • Ahmad Malkan Lubis
9	August 3, 2018	Audit Committee meeting (Audit Committee Chairman) and Management Public Accountant Firm Procurement for 2018 Fiscal Year; and Others.	• Didyk Choeroel • Iko Marita • Mustokoweni • Ahmad Malkan Lubis
10	September 20, 2018	Audit Committee Internal Meeting at Audit Committee Chairman Office with Agenda discussing Audit Committee Activity as of 3 rd Quarter of 2018.	• Didyk Choeroel • Iko Marita • Mustokoweni • Ahmad Malkan Lubis
11	November 21, 2018	Audit Committee, KPR&GCG Meeting with Management Discussion of PT MNA Suspension of Payment Follow-Up; Others.	• Tirta Hidayat • Didyk Choeroel • Iko Marita • Mustokoweni • Ahmad Malkan Lubis
12	December 21, 2018	Audit Committee Meeting with Internal Audit Division Discussion of Audit Report as of 3 rd Quarter of 2018	• Iko Marita • Mustokoweni • Ahmad Malkan Lubis

Audit Committee Meeting Attendance Table

No	Name	Total	Attendance	Percentage (%)
1	Didyk Choeroel	4	3	75
2	Iko Marita Mustokoweni	13	13	100
3	Ahmad Malkan Lubis	13	10	77

Audit Committee Training Program

To support implementation of duty and function as Audit Committee, the Company provides opportunity to Audit Committee members to participate training and seminar.

List of trainings participated by Audit Committee members is as follows:

Name	Position	Training Name	Training Location and Date	Provider
Didyk Choiroel	Chairman	Forum Group Discussion ("FGD") on Challenges of PT PPA Business Development and Discussion on Legal, Business and Group Governance Aspect	Hotel Borobudur – Jakarta dated December 7, 2018	PT PPA
Iko Marita Mustokoweni	Member	Forum Group Discussion ("FGD") on Challenges of PT PPA Business Development and Discussion on Legal, Business and Group Governance Aspect	Hotel Borobudur – Jakarta dated December 7, 2018	PT PPA
Ahmad Malkan Lubis	Member	Forum Group Discussion ("FGD") on Challenges of PT PPA Business Development and Discussion on Legal, Business and Group Governance Aspect	Hotel Borobudur – Jakarta dated December 7, 2018	PT PPA

Audit Committee Performance Assessment 2018

Audit Committee performance assessment in 2018 is done based on realization and completion of work program disclosed in Audit Committee Work Plan and reported to the Board of Commissioners in the Audit Committee Report including Committee's duty implementation in audit aspect, sufficiency of internal control process and financial statements preparation.

Result of the assessment is used as consideration for the Board of Commissioners to reappoint and/or dismiss the Audit Committee members for the next serving period.

Overall, performance of the Audit Committee has achieved the target and Audit Committee meeting realization in 2018 achieved 13 meetings.

Audit Committee Remuneration Policy

Referring to Audit Committee Charter, remuneration for Audit Committee is determined by the Board of Commissioners by considering the Company's capability. Remuneration of the Audit Committee members is paid as honorarium with maximum amount 15 – 20% from President Director's Salary with terms and condition that the tax will be paid by the Company and not allowed to receive other remuneration than the honorarium.

Risk Oversight and GCG Committee

Risk Oversight and GCG Committee is functioned as supporting organs under the Board of Commissioners in implementation of supervisory duty over the Enterprise Risk Management (ERM) and GCG implementation in the Company. The Risk Oversight and GCG Committee are responsible directly to the Board of Commissioners. Risk Oversight and GCG Committee is established by the Board of Commissioners according to Board of Commissioners Regulation No. PER-01/KOM/PPA/VI/2011 concerning Risk Oversight and GCG Committee in PT Perusahaan Pengelola Aset (Persero).

Establishment of Risk Oversight and GCG Committee manifest commitment and initiative of the Board of Commissioners in supporting establishment of a well-managed and well-governed company. Through this committee, the Board of Commissioners is expected to support and encourage implementation of Integrated Risk Management (ERM) and internalization of good corporate governance principles in all business process and activities at the subsidiaries.

Risk Oversight and GCG Committee Charter

In carrying out the functions and roles, the Company's Risk Oversight and GCG Committee Charter has been equipped with working Manual as in Risk Oversight and GCG Committee Charter referring to Board of Commissioners Decree number PER 03/KOM/PPA/XI/2014 concerning Audit Committee Charter and Risk Oversight and GCG Charter as legalized by the Board of Commissioners on December 19, 2014.

The Risk Oversight and GCG Committee Charter covers membership, duty and function, terms of office, membership requirements, working program and budgeting, committee's meeting, reporting, information access and confidentiality, performance evaluation and remuneration for the Risk Oversight and GCG Committee members.

Charter of the Committee is regularly reviewed to ensure that scope of the guideline is always in line with the requirements, regulation or other related and relevant provisions with the Company's current condition.

Risk Oversight and GCG Committee Requirements

Risk Oversight and GCG Committee members shall fulfill requirements, as follows:

1. Having professional capability in legal, risk management and corporate governance aspects.
2. Not having any personal interest or affiliation that may cause Conflict of Interest or negative impact;
3. Being capable to communicate effectively, particularly in analyzing various issues and capable to provide constructive suggestions; and
4. Being capable to allocate sufficient time to complete the duties.

Appointment and Dismissal of Risk Oversight and GCG Committee

According to the Risk Oversight and GCG Committee Charter, Risk Oversight and GCG Committee appointment and dismissal is done by the Board of Commissioners and reported to the GMS. Appointment of Risk Oversight and GCG Committee members shall pass fit and proper test process based on prevailing law in order to ensure capability to implement the role appropriately. Education and career experience qualifications are as follows:

1. Risk Oversight and GCG Committee in the Company has sufficient education and career experience qualifications to support implementation of duties as Risk Oversight and GCG Committee. Profile of the Committee members is presented on Risk Oversight and GCG Committee Profile section.
2. Risk Oversight and GCG Committee Members recruitment process is done by Board of Commissioners by considering competency, expertise and integrity as well as team work capability.
3. Board of Commissioners conducted interview to further observe the Risk Oversight and GCG Committee member candidate. Next, the Board of Commissioners holds meeting to determine the appointed Risk Oversight and GCG Committee member candidate. Furthermore, stipulation and appointment of Risk Oversight and GCG Committee member candidate is done under Board of Commissioners Decree.
4. Every Risk Oversight and GCG Committee member has integrity, competency and good financial Reputation.

According to the Company's Risk Oversight and GCG Committee Charter, the terms of Risk Oversight and GCG Committee member who is not appointed from the Company's Board of Commissioners members is maximum 3 (three) years and may be extended once for 2 (two) years terms, by not reducing rights of the Board of Commissioners to dismiss anytime.

Dismissal of the Risk Oversight and GCG Committee members can be done if membership terms of the respective member has been ended and dismissed under the Board of Commissioners Decree, dismissed because considered not fulfilling expected performance and/or being not competent in carrying out the duties. However, for the Company's Board of Commissioners Member who serves as Chairman of Risk Oversight and GCG Committee, the terms will be ended automatically if the terms as Board of Commissioners member in the Company have ended.

Risk Oversight and GCG Committee Members Composition

Composition of Risk Oversight and GCG Committee Membership is as follows:

Position	Name	Terms of Office
Chairman	Tirta Hidayat	January – December 2018
Member – Expert Staff of Risk Management	Hendy M. Fakhruddin	January – December 2018
Member – Expert Staff of Risk Management	Awal Susmanto	January – December 2018

Brief Profile of Risk Oversight and GCG Committee

Tirta Hidayat Chairman of Risk Oversight and GCG Committee	Profile of Tirta Hidayat is presented in Board of Commissioners Profile section. He is appointed as Chairman of the Committee according to Board of Commissioners Decree Number 08/KEP.KOM/PPA/ VII/2017.

Hendy M. Fakhruddin, 49 Years Member of Risk Oversight and GCG Committee 	Hendy M. Fakhruddin was born in Samarinda on September 5, 1969. He currently resides in Jakarta. He is appointed as Member of Risk Oversight and GCG Committee since July 3, 2017 pursuant to Board of Commissioners Decree number SK-08/KEP.KOM/PPA/VII/2017. He earned Bachelor Degree in Management from Faculty of Economics from Universitas Gadjah Mada (1997) and Master Degree of Management (MM) from Universitas Bina Nusantara (2002) and Master Degree of Law (MH) from Universitas Trisakti (2015). He holds international certification from OCEG in form of GRC Professional (GRCP) and GRC Auditor (GRCA). His career experience includes career at Indonesia Stock Exchange, The Business Competition Supervisory Commission (KPPU), national Committee of Governance Policy (KNKG) and consultant majoring Governance – Risk Management – Compliance (GRC Specialist).
Awal Susmanto, 35 Years Member of Risk Oversight and GCG Committee 	Awal Susmanto was born in Kebumen on July 11, 1984. He currently resides in Serang. He is appointed as member of Risk Oversight and GCG Committee since November 20, 2017 pursuant to Board of Commissioners Decree number 09/KEP.KOM/PPA/VI/2017. He earned Accountant Degree as Diploma IV from Sekolah Tinggi Akuntansi Negara (2010). He is currently serving as Budget Auditor at Inspectorate, Ministry of SOEs. Prior appointed as Member of Risk Oversight and GCG Committee, He worked as Risk Committee at PT Pelayaran Nasional Indonesia (Persero).

All of the Risk Oversight and GCG Committee have good integrity, competency and reputation.

Risk Oversight and GCG Committee Independency

Risk Oversight and GCG Committee is chaired by one Member of the Board of Commissioners and two professionals from external Company who have Financial and Engineering background in accordance with the Company's industry. In performing their duties, the Risk Oversight and GCG Committee work professionally and independently.

Members of Risk Oversight and GCG Committee have fulfilled the requirements in terms of quantity, composition, criteria, competency, and independency in accordance with the prevailing laws and regulations.

In order to strengthen/support the implementation of provisions on Risk Oversight and GCG Committee's independence as mentioned above, a Statement of Independency of Risk Oversight and GCG Committee is prepared that outlines the aspects of independency as follows:

Independency Aspect	Tirta Hidayat	Hendy M. Fakhruddin	Awal Susmanto
Not having any financial affiliation with the Board of Commissioners and Board of Directors	✓	✓	✓
Not having any managerial affiliation at the Company, subsidiaries or affiliated companies	✓	✓	✓
Not having any shares ownership at PT PPA	✓	✓	✓
Not having any family affiliation with the Board of Commissioners, Board of Directors and/or fellow Audit Committee's members	✓	✓	✓
Not serving in a leadership position at a political party or local government officials	✓	✓	✓

All of the Risk Oversight and GCG Committee do not have any financial, managerial, shares ownership and/or family affiliations with the Board of Commissioners and Board of Directors, which may influence their independency.

Duty and Responsibility of Risk Oversight and GCG Committee

According to provisions in Minister of State-Owned Enterprise Regulation no. PER-12/MBU/2012 concerning Supporting Structure under Board of Commissioners/Supervisory Board in SOEs, main function of the Risk Oversight and GCG Committee is to help the Board of Commissioners in Integrated Risk management and Good Corporate Governance implementation effectively and efficiently. In the duty implementation and reporting, the Risk Oversight and GCG Committee are independent and responsible directly to the Board of Commissioners. In carrying out the duties, Risk Oversight and GCG Committee are responsible to the Board of Commissioners. Accountability report from the Risk Oversight and GCG Committee to the Board of Commissioners is manifestation of supervisory accountability on the Company's management with regard to GCG principles implementation.

Duty and responsibility of Risk Oversight and GCG Committee are stipulated in Risk Oversight and GCG Committee Charter as legalized through Board of Commissioners Decree No. PER-02/KOM/PPA/XI/2014 Risk Oversight and GCG Committee Charter Edition 2014 dated December 19, 2014, as follows:

1. To help the Board of Commissioners in ensuring Integrated/enterprise Risk Management (ERM) implementation in entire business process.
2. To support Board of Commissioners in ensuring Good Corporate Governance (GCG) implementation including GCG implementation in Subsidiaries.
3. To provide recommendation related to Integrated Risk Management and Good Corporate Governance implementation.
4. To analyze, evaluate, prepare recommendation and submit information about reviewed issues according to duty and authority.
5. To protect confidentiality of Corporate Document, Data and Information both from external and internal parties of the Company.
6. To submit Risk Oversight and GCG Committee duty implementation report to the Board of Commissioners.
7. To prepare and submit annual working program to the Board of Commissioners to be legalized before current fiscal year.

Risk Oversight and GCG Committee Activity Implementation Report

Risk Oversight and GCG Committee is required to prepare regular reports addressed to the Board of Commissioners.

Scope of the Committee Activity Report includes duty, responsibility and authority of the Committee, the Committee Meetings as well as activities and results that are carried out by the Risk Oversight and GCG Committee. Work program realization in 2018 is as follows:

No	Activity	Description
1.	Related to evaluation by Board of Commissioners on Company's Performance	• Preparing Board of Commissioners Supervisory Duty Report 2017. • Preparing Board of Commissioners Quarter Supervisory Report 2018. • Preparing Board of Commissioners Opinion on Quarter Management Report 2018
2.	Related to PT PPA Annual Report 2017	• Preparing the Company's Annual Report 2017 Draft for Board of Commissioners and Supporting Structure under Board of Commissioners Section. • Preparing draft of Opinion and Recommendation on the Company's Annual Report 2017

No	Activity	Description
3.	Related to RJPP 2018-2022	- Conducting technical discussion with management of PT PPA concerning finalization of PT PPA long-term work plan Book 2018 – 2022. - Preparing Board of Commissioners Opinion and Recommendation Concept on PT PPA long-term work plan 2018 – 2022.
4.	Related to SOEs RR activity	- Preparing Board of Commissioners opinion on approval proposal for government capital Proceeds Utilization and submission of PT KKA paper mill operations review. - Preparing Board of Commissioners opinion on PT PPA Bridging Financing PT PPA disbursement plan to PT KKA and Perusahaan Daerah Pembangunan Aceh ("PDPA"), the local regional development company in Aceh.
5.	Related to GCG Activity	- Part of GCG duty is to supervise performance of the company's website performance that reflects Good Corporate Governance aspect, primarily the Disclosure dan Transparency (ASEAN Corporate Governance Scorecard). - As part of Integrated Corporate Governance duty with Subsidiaries and Affiliated Party, to review implementation of governance that governs relationship among Parent Company, Subsidiary and Affiliated party (Subsidiary Governance) and plan a comprehensive recommendation on Subsidiary Governance implementation in scope of PPA Group.
6.	Related to Risk Management (ERM) implementation	Part of Enterprise Risk Management (ERM) supervisory duty, to supervise implementation of management integrated system and enterprise risk mitigation including implementation in correspondence activity between Board of Directors and Board of Commissioners.
7.	Related to Subsidiary and Joint Venture Management Activity	- Preparing Board of Commissioners opinion concept on PT PPAF President Director and Board of Commissioners Members reappointment recommendation after end of the first terms of office. - Preparing Board of Commissioners opinion on Approval Proposal for 1 (one) Board of Directors Member Candidate Appointment in PT PPAK. - Preparing Board of Commissioners opinion on Management Recommendation for Joint Venture operating in Forest Management sector.
8.	Related to other activities	Encouraging sustainable aspect implementation for the Company, particularly preparation of Sustainability Report as new obligation and compliance for the Company. The Committee will encourage implementation of Subsidiary Reporting preparation for fiscal year 2018 using GRI Standards approach as the newest guideline for Sustainability Reporting implementation.
9.	Related to Board of Commissioners Sit Visit	Board of Commissioners site visit activities are as follows: - Visit to Denpasar – Bali Province on 22- 24 March 2018 to examine Projects of PT Nindya Karya – Badung and Apron of Ngurah Rai Airports. - Visit to Yogyakarta Province on 26-28 October 2018 to Green Mutiara Java Regency Smart Home Residence Project - Visit to East Java Province – Surabaya on 13 – 16 December 2018 to PT Bondi Syad Mulia, PT PAL and PT Polowijo.

Risk Oversight and GCG Committee Meeting Frequency, Attendance Level and Agenda

In 2018, the Risk Oversight and GCG Committee held 6 meetings. List of attendance and meeting agenda in the Risk Oversight and GCG Committee internal meetings are as follows :

No.	Date	Agenda	Attendance
1.	February 20, 2018	Audit Committee and Risk Oversight & GCG Committee Meeting on GCG Assessment Questionnaire Completion in 2017; and Others	- Dedi Rudaedi - Iko Marita Mustokoweni - Ahmad Malkan Lubis - Hendy M. Fakhruddin - Awal Susmanto
2.	February 26, 2018	Audit Committee and KPR & GCG Meeting with Assessor (Assessor Interview with Board of Commissioners (Chairman of KA & Chairman of KPR & GCG)	- Dedi Rudaedi - Tirta Hidayat - Iko Marita Mustokoweni - Ahmad Malkan Lubis - Hendy M. Fakhruddin - Awal Susmanto

No.	Date	Agenda	Attendance
3.	March 13, 2018	Audit Committee and KPR & GCG Meeting with the Management Discussion of long-term work plan 2018-2022; Discussion on Company's Cooperation Policy Recommendation; and Others	- Dedi Rudaedi - Iko Marita Mustokoweni - Hendy M. Fakhruddin
4.	April 3, 2018	Audit Committee and KPR & GCG Meeting with the Management Discussion of long-term work plan 2018-2022; and Others.	- Dedi Rudaedi - Iko Marita Mustokoweni - Ahmad Malkan Lubis - Hendy M. Fakhruddin - Awal Susmanto
5.	November 13, 2018	Risk Oversight & GCG Committee Internal Meeting with agenda to discuss follow-up of GCG Assessment 2017 recommendation.	- Hendy M. Fakhruddin - Awal Susmanto
6.	November 21, 2018	Audit Committee and KPR & GCG Meeting with the Management Discussion of PT MNA Suspension of Payment Follow-Up; and Others.	- Tirta Hidayat - Didyk Choiroel - Iko Marita Mustokoweni - Ahmad Malkan Lubis - Hendy M. Fakhruddin - Awal Susmanto

Total meetings and attendance level of Risk Oversight and GCG Committee members are as follows:

Name	Position	Total Meetings	Attendance	Attendance Level (%)
Tirta Hidayat	Chairman	7	2	29
Hendy M. Fakhruddin	Member	7	6	86
Awal Susmanto	Member	7	5	72

Risk Oversight and GCG Committee Training Program

To support implementation of duty and function as Risk Oversight and GCG Committee, the Company provides opportunity to Risk Oversight and GCG Committee members to participate training and seminar.

List of trainings participated by Risk Oversight and GCG Committee members is as follows:

Name	Position	Training Name	Training Location and Date	Provider
Tirta Hidayat	Chairman	Forum Group Discussion ("FGD") on Challenge in PT PPA Business Development on Legal, Business and Group Governance Discussion.	Jakarta, December 7, 2018	PT PPA
Hendy M. Fakhruddin	Member	GRI Standard Certified Training on Sustainability Reporting	Singapore, April 23-24, 2018	GRI Standard Certified
		Forum Group Discussion ("FGD") on Challenge in PT PPA Business Development on Legal, Business and Group Governance Discussion.	Jakarta, December 7, 2018	PT PPA

Name	Position	Training Name	Training Location and Date	Provider
Awal Susmanto	Member	Forum Group Discussion ("FGD") on Challenge in PT PPA Business Development on Legal, Business and Group Governance Discussion.	Jakarta, December 7, 2018	PT PPA

Risk Oversight and GCG Committee Performance Assessment

According to Risk Oversight and GCG Committee Charter, performance of Risk Oversight and GCG Committee is evaluated every 1 (once) a year by Board of Commissioners. The performance assessment method is based on realization and completion of working program as formulated in Risk Oversight and GCG Committee annual budget plan that is reported quarterly and annually in the Risk Oversight and GCG Committee report.

The assessment is also done over the suggestion, recommendation and feedback provided by the Risk Oversight and GCG Committee related to improvement of GCG and risk management supporting soft-structure, GCG and risk management implementation and effectiveness improvement as well as investment and development programs in the Company.

Result of the assessment becomes consideration for the Board of Commissioners to reappoint and/or dismiss Audit Committee member for next period.

Risk Oversight and GCG Committee Remuneration Policy

As disclosed in Risk Oversight and GCG Committee Charter, remuneration of the Risk Oversight and GCG Committee is stipulated by Board of Commissioners by considering the Company's capability. Remuneration of the Risk Oversight and GCG Committee members is paid as honorarium with maximum amount 15 – 20% from President Director's Salary with terms and condition that the tax will be paid by the Company and not allowed to receive other remuneration than the honorarium.

Nomination and Remuneration Committee

According to Minister of SOEs Regulation number PER-12/MBU/2012 concerning Supporting Structure under Board of Commissioners/Supervisory Board in SOEs, number of Committees that is eligible to be established by Board of Commissioners is 2 (two) Committees that are Audit Committee and other committee, if necessary. Current implementation in the Company has established Audit Committee and Risk Oversight and GCG Committee. Considering the Company has fulfilled provisions on maximum number of committee establishment, to support supervisory on nomination and Remuneration function implementation, the function is carried out by all Board of Commissioners members through other assignments to Audit Committee and/or supported by Risk Oversight and GCG Committee.

Nomination and Remuneration Function holds the duty to help the Board of Commissioners in implementing supervisory duty in the Company, particularly to ensure that the Company's nomination and remuneration system/policy have been prepared based on fairness and transparency principles as well comply with prevailing law and regulation. The Nomination and Remuneration function in the Company is included in the Audit Committee's function.

Implementation of Nomination and Remuneration Duty

Implementation of Nomination and Remuneration Duty is part of Audit Committee who particularly manages the nomination and remuneration policies. The team is established to fulfill GCG implementation but also complies with provisions according to Minister of SOE Letter that mandated only 1 (one) mandatory Committee and 1 (one) additional Committee are allowed.

Duty and Responsibility

As integrated part of Audit Committee, the Nomination and Remuneration Function holds the duty and responsibility as follows:

1. Preparing selection criteria for the Executive that is eligible to be nominated as Executive in the Company.
2. Preparing nomination procedure for Executive in the Company.
3. Preparing assessment system for Executive in the Company.
4. Evaluating remuneration/incentive system adjustment process for Executive and Employee in the Company.

Working Program

Nomination and Remuneration Function has working program as part of Audit Committee work program related to nomination and remuneration, as follows:

1. Review and supervise implementation of nomination and remuneration;
2. Review and supervise recruitment and career development process;
3. Review formulation to determine remuneration policy in form of salary and honorarium, fixed allowance and facilities as well as variable incentives and bonus for Board of Commissioners and Board of Directors.

Activity Implementation Report

Audit Committee has implemented work program assignment in nomination and remuneration in 2018, as follows:

1. Reviewing HR policy and its implementation,
2. Reviewing Board of Directors remuneration proposal,

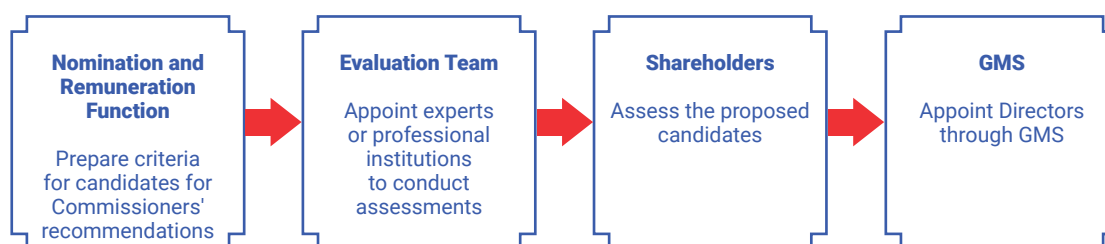
3. Discussing Board of Commissioners Decree on Board of Directors performance assessment,
4. Discussing Board of Commissioners Decree on Board of Commissioners policy in Board of Directors and Board of Commissioners candidates nomination in the Company's Subsidiary Joint Ventures.

The discussion is done in the Audit Committee meeting as person-in-charge of the nomination and remuneration function implementation. Detail information about implementation of Audit Committee meeting and attendance of the Committee members are presented in Audit Committee section.

Board of Directors Succession Process

In establishing transparent, accountable and responsible Board of Directors member appointment and succession, Board of Directors member candidate in the Company has passed several processes before proposed to the Shareholders. This refers to Minister of SOE Regulation Number PER-03/MBU/2015 concerning Board of Directors Member Requirement, Appointment and Dismissal Procedure in SOEs and PER-03/MBU/2012 concerning Board of Directors and Board of Commissioners Members Guideline in Subsidiary of SOE.

The Board of Directors candidate succession process in the Company and Board of Directors/Commissioners in Subsidiaries are illustrated below:



Corporate Secretary

Corporate Secretary has the role to facilitate communication among Company's organs, being responsible in policy formulation, planning as well as ensuring effectiveness and transparency of the corporate communication, institutional relation and investor relation by always concerning corporate governance principles and corporate values.

The Company realizes importance of Corporate Secretary's role in supporting smooth relation among the Company's organs, relationship between the Company and Stakeholders, as well as compliance with prevailing law and regulation. In order to support this role, the Company has determined Corporate Secretary as an Executive who is responsible directly to the President Director. Function and role of Corporate Secretary is explained in Board of Directors Decree Number SK-39/PPA/0809 concerning Main Duty and Function of Work Unit in PT Perusahaan Pengelola Aset (Persero).

Duty and Responsibility

Duty and responsibility of Corporate Secretary are as follows:

1. Ensure that the Company complies with the regulations on disclosure provisions in line with the implementation of GCG principles.
2. Provide information required by the Board of Directors and Board of Commissioners periodically and/or as requested.
3. Serve as a liaison officer.
4. Administer as well as keep corporate documents, including but not limited to Shareholder Register, Special list, and the Minutes of Meetings of Board of Directors, Board of Commissioners, and GMS.
5. Provide legal advice to the Board of Directors in respect to managing the Company
6. Coordinate legal aspect support functions in the Company's operational activities.
7. Coordinate partnership program and community development activities

Profile of Corporate Secretary

The Company's Corporate Secretary since September 16, 2016 is Edi winanto according to Board of Directors Decree : SK-59/PPA/0916 dated September 16, 2016.

His brief profile is as follows:

Edi Winanto, 55 years old
Corporate Secretary



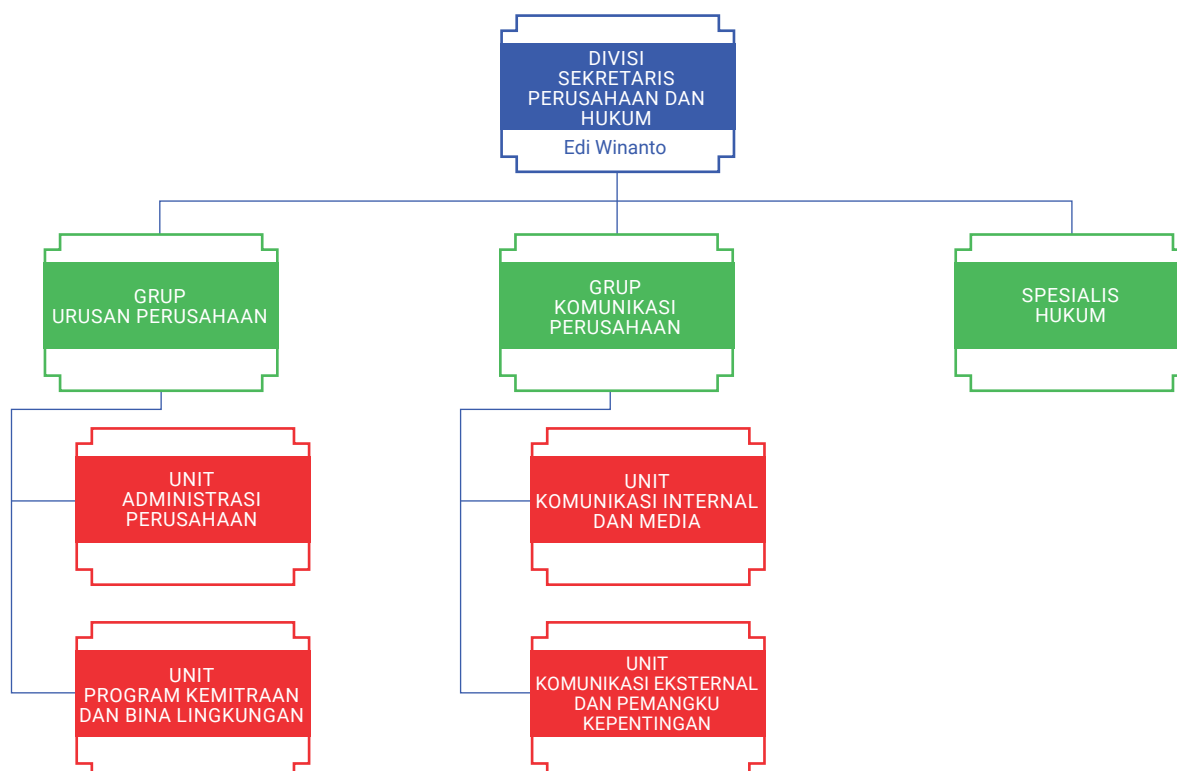
Edi winanto was born in Batang, on December 28, 1963. He currently resides in Jakarta and appointed as the Corporate Secretary since September 2016.

He earned his Bachelor Degree of law from Universitas Islam Sultan Agung (1989) and his Master Degree of law from Universitas Gadjah Mada (2005).

His career in the Company was started as legal Division Head at PT Perusahaan Pengelola Aset (Persero) since 2004.

Organization Structure of Corporate Secretary and Legal Division

Organization structure of Corporate Secretary and Legal Division in 2018 is as follows:



Corporate Secretary Working Program And Realization 2018

Corporate Secretary Duty Implementation

Some activities carried out by Corporate Secretary throughout 2018 are as follows:

No	Activity	2018 Company Work Plan and Budget	Realization in 2018
1	Organizing and coordinating Board of Directors Meeting that is held at least once every month.	12	59
2	Organizing and coordinating Board of Commissioners & Board of Directors meetings that is held at least once every month	12	12
3	Preparing Board of Directors Minutes of Meeting	12	59 Board of Directors Minutes of Meetings with Final Status
4	Managing Corporate Documents: Administration of document for every received document	All of the corporate document that is issued by all working units	Administration of all Corporate Documents
5	Performing GMS implementation and documentation and Board of Directors Meeting Function	2 GMS resolutions and 12 Board of Directors Minutes of Meeting	2 GMS resolutions and 59 Board of Directors Minutes of Meeting
6	Preparing Management Report: a. Quarter Report b. Annual Report	a. 3 Quarter Management Reports b. 1 Annual Management Report	a. Management Report for 1 st , 2 nd , 3 rd Quarter b. 1 Annual Management Report
7	Preparation of Annual Report	Annual Report Preparation	Annual Report 2017
8	Conducting Company's Orientation Program for new Board of Commissioners and Board of Directors Members for every new Board of Directors and Board of Commissioners member	Every new Board of Director and Board of Commissioners Member	Orientation program for 1 new Board of Directors member has been conducted on January 16, 2018 and orientation program for 2 new Board of Commissioners members has been conducted on April 14, 2018
9	Partnership Program Proceeds Disbursement	Distribution exceeded 80% of the available proceeds	Partnership Program proceeds disbursement realization reached 95,65%
10	Monitoring Collectability of Partnership Program Loans	Loan collectability exceeded 80% from disbursed funds	Realization of loans collectability reached 97,15%
11	Community Development Program Proceeds Disbursement	Disbursement of Community Development Program Funds higher than 80% of available budget	Community Development proceeds disbursement reached 99.90%
12	News Monitoring	Daily	Daily
13	News Analysis	Monthly	Monthly
14	PPA News Publication	Done regularly adjusted to the Company's activity	Done regularly adjusted to the Company's activity
15	Information Transparency: Corporate website & SOEs Portal	Data Update and Maintenance	Data Update and Maintenance
16	Information Transparency: management of email corpsec@ptppa.com	Daily	Daily
17	Support for national holiday event	Adjusted with Government's program	Implementation: • RI 73 rd Independence Day Ceremony • Kesaktian Pancasila Ceremony • National Heroes Day Ceremony

No	Activity	2018 Company Work Plan and Budget	Realization in 2018
18	Company Visit	Adjusted with the Company's Activity	In 2018, altogether with team from Ministry of SOEs, the Company conducted official visits to some cities in Indonesia
19	Branding Infrastructure	Company's 2018 Calendar Distribution to external stakeholders & media	Completed
20	Support for Corporate Activities	Adjusted with Requirements	Done regularly adjusted with the Company's activities
21	Board of Directors Protocol	Assistance for Board of Directors at the Company's Formal/Informal Events	As needed, including assistance in Company visit
22	Legal Counsel Group Activity	Legal Aspect Support in Company's Activity	Legal support in the entire activities of the Company, such as: • State-Owned Enterprises restructuring and revitalization activity • Investment activity • Assets management activity • Operational activity • Litigation handling activity

Corporate Secretary Competency Development in 2018

Throughout 2018, Corporate Secretary has conducted competency development activities, as follows:

No	Training/Workshop	Date	Provider	Location
1	Business Law Forum 2018	24 April 2018	AHP	Jakarta
2	Focus Group Discussion related to Challenges of PPA Future Business Development, Discussion of Legal, Governance and Financial Aspects in the Business Group	7 December 2018	PT PPA	Jakarta

Corporate Secretary Performance Assessment

Corporate Secretary has implemented strategy and work plan related to public information disclosure. In the GCG internalization implementation, the Corporate Secretary has conducted various activities continuously to internalize GCG implementation in the entire Company's circumstances. Evaluation of Corporate Secretary performance is measured using the Corporate Secretary's KPI.

Information Disclosure

In terms of information disclosure, the Board of Directors is required to disclose important information in Quarter/Annual Report and Financial Statements of the Company to the Shareholders, and related Government Institution according to prevailing law on time, accurately, clearly and objectively.

Besides information disclosure as required under the prevailing law in Annual Report and Financial Statements, the Board of Directors shall take initiative to disclose other important issues that are useful in decision – making process of Shareholders and other Stakeholders, among others:

1. Goals, objectives and strategy of the Company's business;
2. Assessment of the Company by external auditors, credit rating agencies and other agencies;

3. Curriculum vitae of members of the Board of Commissioners, Directors and key executives of the Company, as well as their salaries and allowances;
4. Honorarium provision system for the Company's external auditors.
5. Payroll system and the provision of allowances to members of the Board of Commissioners and Board of Directors;
6. Material risk factors that can be anticipated, including the management's assessment on the business climate and risk factors;
7. Material information regarding the Company's employees and Stakeholders;
8. Material claims filed by and/or against the Company and the case in judicial or arbitration institutions involving the Company;
9. Conflict of interests that is ongoing or may occur; and
10. GCG Guidelines Implementation.

The Board of Directors and Board of Commissioners actively disclose the implementation of GCG and materiality of the problems encountered. The Company's Organ ensures that all information and/or a product of the Company are confidential until they are announced to the public.

Communication and Relationship with Stakeholders

As mandated in the Code of Corporate Governance of the Company, between the Company and the Stakeholders should build a relationship that is in accordance with the principles of fairness and equality and mutual respect based on the provisions of the Articles of Association and applicable laws and regulations.

The Stakeholders as referred to in the Code of Corporate Governance of the Company include:

1. Employees;
2. Related Government Institutions;
3. Other SOEs;
4. Creditors;
5. Partners;
6. Community; and
7. Other stakeholders that have legal relationship with the Company.

Internal Audit Unit

Internal Audit Division ("DIA") is an independent working unit supervised by a General Manager who is responsible directly to the President Director. Internal Audit Division is a partner of the management in establishing Good Corporate Governance, risk management and internal control practice in the Company and is required to always provide added-value and firm foundation for the Company.

Appointment Decree and Organization Structure of Internal Audit Division

Referring to the Provision of article 28 and article 29 of the Regulation of the Minister of SOE number PER-01/MBU/2011 jo. PER-09/MBU/2012 on the Implementation of Good Corporate Governance, General Manager of the Internal Audit Division is appointed and dismissed by the President Director based on the Company's internal mechanism upon approval from the Board of Commissioners.

Number of Employees of Internal Audit Division

The Total Internal Audit Division personnel is currently 5 (five) personnel. Composition and changes in 2018 are explained below:

No	Position	2018	2017
1.	Division Head	1	1
2.	Group Head	-	1
3.	Specialist	-	-
4.	Junior Specialist	3	2
5.	Staff	1	1
Total		5	5

Requirements as Internal Auditor

The Company has determined mandatory requirements for an employees to be appointed as the Company's auditor. To support success of the audit implementation, Internal Audit Charter requires the auditor to fulfill specific qualifications, as follows:

1. Having integrity as well as objective and professional attitudes in implementing the duties.
2. Having technical knowledge and/or experience in audit and other disciplines that are relevant with their scope of duties.
3. Having good interaction and communication skills both verbal and written effectively.
4. Required to comply with internal audit professional standard and ethical code.
5. Required to comply with code of conducts as stipulated by the Company, required to protect confidentiality of information and/or data related to implementation of internal audit's duty and responsibility except regulated under the law, Court Sentence or professional obligation.
6. Understand risk management, audit and good corporate governance principles.
7. Willing to develop knowledge, expertise and professional capability continuously.

Professional Certification

Professional certificate indicates sufficient quality of the auditors in supporting their duty and responsibility. From overall personnel at Internal Audit Division, 3 (three) personnel have professional certifications, as follows:

- Expert Auditor, CIA, QIA, CRMA, CA : 1 person
- Expert Auditor, CPMA dan CRMO : 1 person
- Expert Auditor : 1 person

Remarks:

No	Name of Professional Certificaiton	Certifying Agency
1.	Expert Auditor	Badan Pengawasan Keuangan dan Pembangunan (BPKP)
2.	Certified Internal Auditor (CIA)	The Institute of Internal Auditors (IIA)
3.	Certification in Risk Management Assurance (CRMA)	The Institute of Internal Auditors (IIA)
4.	Qualified Internal Auditor (QIA)	Dewan Sertifikasi Qualified Internal Auditor (DS QIA)
5.	Chartered Accountant (CA)	Ikatan Akuntan Indonesia (IAI)
6.	Certified Professional Management Accountant (CPMA)	Institut Akuntan Manajemen Indonesia (IAMi)
7.	Certified Risk Management Officer (CRMO)	Lembaga Sertifikasi Profesi Manajemen Risiko (LSPMR)

Internal Auditor Competency Development 2018

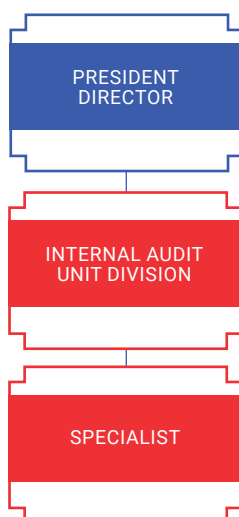
The Company has competency development program both internally or held by external agency. Competency development by external agency is done through formal training in form of course or seminar/workshop.

Throughout 2018, the internal auditors have participated in trainings, as follows:

No	Name of Training/Event	Total Participants	Training Provider	Location and Date
1.	Internal Audit National Seminar (SNIA) 2018	1	Yayasan Pendidikan Internal Audit (YPIA)	Yogyakarta, 17-19 April 2018
2.	FKSPI National Seminar and Conference 2018	2	Forum Komunikasi Satuan Pengawasan Intern (FKSPI)	Surakarta, 8-10 August 2018
3.	IIA Indonesia National Conference 2018	1	The Institute of Internal Auditors (IIA) Indonesia	Bali, 28-29 August 2018
4.	Enterprise Risk Management	1	Lambert Consult	Jakarta, 18-19 September 2018
5.	Analyzing and Improving Business Processes	1	The Institute of Internal Auditors (IIA) Indonesia	Jakarta, 8 - 9 November 2018
6.	7 Habits of Highly Effective People – Signature 4.0	1	PT PPA Finance & Dunamis	Bogor, 30 November-2 December 2018
7.	SOEs KPKU Interpretation Training	3	PT PPA & Forum Ekselen BUMN	Jakarta, 15-16 December 2018

Internal Audit Division Organization Structure

Organization structure of Internal Audit Division is stipulated in Board of Directors Decree No. SK-40/PPA/0718 is as follows:



Based on the level, every Auditor has duty, authority and responsibility to perform internal audit assignment referring to designated professional guideline and activity plan.

Profile of Head of Internal Audit Division

Head of Internal Audit Division is appointed and dismissed by President Director with approval from Board of Commissioners. Currently, General Manager of Internal Audit Division position is held by Bayu Triastoto who is appointed according to the Board of Directors Decree No. SK-54/PPA/0918 dated September 13, 2018, and obtained approval from the Board of Commissioners through Letter Number S-52/PPA/KOM/0918 dated September 7, 2018. Brief profile of Head of DIA is as follows:

Bayu Triastoto, 46 years
Head of Internal Audit Division



Born in Surakarta on April 22, 1972, appointed as Head of Internal Audit Division since September 17, 2018. Graduated Accounting studies from STAN in 2000 and Master Degree of Management from Institut Pertanian Bogor in 2017. Started his career as auditor in Indonesia's National Government Internal Auditor (BPKP) since 1994. Joined with the Company since April 2010 as Auditor in the Internal Audit Division. In July 2012, he was promoted as Unit Head and followed by promotion as Group Head for PT PPA Internal Audit Division in August 2017. He holds professional certifications such as: Expert Auditor (BPKP), CIA, QIA, CRMA, CA.

Trainings that were participated by Head of Internal Audit Division are as follows:

1. IIA Indonesia National Conference 2012, Surakarta (IIA Indonesia)
2. Internal Audit National Seminar 2013, Makassar (Yayasan Pendidikan Internal Audit)
3. KPKU Interpretation, Jakarta (Forum Ekselen BUMN, 2015)
4. IIA Indonesia National Conference 2015, Yogyakarta (IIA Indonesia)
5. International Seminar: The Relevance of Professional Accountant in a Hyper Connected World, Jakarta (IAI-IFAc, 2015)

6. IIA Indonesia National Conference 2016, Bali (IIA Indonesia)
7. Internal Audit National Seminar 2017, Medan (Yayasan Pendidikan Internal Audit)
8. IIA Indonesia National Conference 2017, Bandung (IIA Indonesia)
9. KPKU Assessor, Jakarta (Forum Ekselen BUMN, 2017)
10. IIA Indonesia National Conference 2018, Bali (IIA Indonesia)

Duty, Responsibility and Authority of Internal Audit Division

Internal Audit Division is in charge to perform independent and objective assurance and consulting functions to the management to encourage added-value creation and improve the Company's business operations. According to the Internal Audit Charter, duty and responsibility of Internal Audit Division are including:

1. Drafting annual risk-based internal audit plan.
2. Submitting the Internal Audit Plan to President Director and Audit Committee for further review and approval.
3. Examining and evaluating the implementation of risk management, control and governance of the Company in accordance with the Company's policy.
4. Performing financial audit, operational audit and audit/review with a specific purpose in the work unit and/or activities, in accordance with the annual internal audit plan.
5. Providing objective opinion and/or conclusions on the activity being audited and provide recommendations for improvements as required.
6. Drafting audit reports and submitting them to the relevant parties.
7. Monitoring, analyzing and reporting the implementation of corrective follow-up actions on the recommendations given.
8. Create programs to evaluate the quality of internal audit activities conducted.
9. Performing other duties as deemed necessary by the Company's President Director.
10. Submitting the quarterly activity reports on the implementation of tasks to the President Director of the Company with a copy to the Audit Committee.
11. Either in audit and consulting assignments, the Internal Audit Division is only responsible for the recommendation and/or input as well as the opinions and/or conclusions resulted from the procedure performed adequately of the assignment.

Activities of Internal Audit Division

Audit Planning and Realization 2018

According to Internal Audit Annual Work Plan as part of the Company's Work and Budget Plan ("RKAP") 2018, the Internal Audit Division has planned activities, as follows:

No	Plan in 2018	Realization in 2018
1	15 (fifteen) audit assignments, including monitoring follow-up of the working units on recommendations mentioned in Internal Audit Division audit report that is done periodically. The follow-up monitoring is done up to the recommendations agreed with related work unit.	Completed
2	Consulting assignment based on request from work units and/or direction from the President Director.	Completed
3	Internal audit management including assignment administration, policy and procedure update, plan update and activity reporting.	Completed
4	Cooperation with counterpart team of external auditors (BPK RI/General Inspectorate of Ministry of Finance /KAP) based on their assignments, meeting with Audit Committee and President Director as needed, as well as monitoring follow-up on the recommendations from external auditors (for any open recommendation).	Completed

From 15 (fifteen) designated audit assignment, throughout 2018, Internal Audit Division has conducted 9 (nine) Audit assignment from the RKAP 2018 and 3 (three) non-RKAP 2018 audit assignment. This was added with completion of open assignment in 2017, which were 3 (three) assignments, therefore, SPI's audit assignment in 2018 is 15 (fifteen) assignments.

External Auditor

Independent monitoring function over the Company's financial aspect is done through external audit by Public Accountant Firm (KAP).

Public Accountant Appointment Mechanism 2018

Following the GMS fiscal years 2017 resolutions, through letter No. S-697/MBU/10/2018 dated October 19, 2018, the Minister of SOEs stipulated KAP Amir Abadi Jusuf, Aryanto, Mawar & Partners (RSM Indonesia) as external auditor to audit the Company's Financial Statements and PKBL Financial Report for fiscal year 2018.

Audit fee for Public Accountant Firm RSM Indonesia as external auditor in auditing the Company's Financial Statements and partnership and community development program Financial Report fiscal year 2018 amounted Rp500,000,000 excluded VAT 10%.

External Auditor Appointment Process

External Auditor appointment process is done through following mechanism:

1. The Company performs Public Accountant Firm service procurement based on request from Board of Commissioners;
2. Candidate of Public Accountant Firm service procurement winner (winner candidate) in the process done by the Company will be further proposed to Audit Committee and Board of Commissioners for approval;
3. Board of Commissioners grants approval and submits list of winner candidates to the Minister of SOEs for legalization.
4. Minister of SOEs legalizes winner candidates as KAP to act as auditor for the Company's Financial Statements and PKBL Financial Report Fiscal Year 2018.

The Company's External Auditor in 2011 – 2018

Year	Public Accountant Firm	Public Accountant	Contract Value (Rp)	Audit Service
2011	Aryanto, Amir Jusuf, Mawar & Saptoto	Saptoto Agustomo	495.000.000	1. Audit on Financial Statements 2. Audit on partnership program and community development Financial Report 3. Compliance Audit 4. Audit on Company's Performance Evaluation Result
2012	Aryanto, Amir Jusuf, Mawar & Saptoto	Saptoto Agustomo	495.000.000	1. Audit on Financial Statements 2. Audit on partnership program and community development Financial Report 3. Compliance Audit 4. Audit on Company's Performance Evaluation Result

Year	Public Accountant Firm	Public Accountant	Contract Value (Rp)	Audit Service
2013	Aryanto, Amir Jusuf, Mawar & Saptoto	Maurice Ganda Nainggolan	495.000.000	1. Audit on Financial Statements 2. Audit on partnership program and community development Financial Report 3. Compliance Audit 4. Audit on Company's Performance Evaluation Result
2014	Aryanto, Amir Jusuf, Mawar & Saptoto	Arief A. Dhani	495.000.000	1. Audit on Financial Statements 2. Audit on partnership program and community development Financial Report 3. Compliance Audit 4. Audit on Company's Performance Evaluation Result
2015	Aryanto, Amir Jusuf, Mawar & Saptoto	Saptoto Agustomo	709.500.000	1. Audit on Financial Statements 2. Audit on partnership program and community development Financial Report 3. Compliance Audit 4. Audit on Company's Performance Evaluation Result
2016	Aryanto, Amir Jusuf, Mawar & Saptoto	Saptoto Agustomo	522.500.000	1. Audit on Financial Statements 2. Audit on partnership program and community development Financial Report 3. Compliance Audit 4. Audit on Company's Performance Evaluation Result
2017	Amir Abadi Jusuf, Aryanto, Mawar & Rekan	Saptoto Agustomo	528.000.000	1. Audit on Financial Statements 2. Audit on partnership program and community development Financial Report 3. Compliance Audit 4. Audit on Company's Performance Evaluation Result
2018	Amir Abadi Jusuf, Aryanto, Mawar & Rekan (RSM Indonesia)	Saptoto Agustomo	500.000.000	1. Audit on Financial Statements 2. Audit on partnership program and community development Financial Report 3. Compliance Audit 4. Audit on Company's Performance Evaluation Result

Scope of Public Accountant Services

1. To perform General Audit on Consolidated Financial Statements of the Company and Subsidiaries for Fiscal year 2018 covering audit on parent company and consolidated review on the Financial Statements based on Financial Accounting Standard in Indonesia.
2. To perform review on the Company's Performance Evaluation Report for Fiscal year 2018 according to Copy of Minister of State-Owned Enterprise Regulation no. PER-100/MBU/2002 dated June 4, 2002 concerning Soundness level of State-Owned Enterprise.
3. To perform General Audit on PT Perusahaan Pengelola Aset (Persero) partnership and community development program (PKBL) Financial Report for Fiscal year 2018.

Other Services from the Accountant

In addition to the activities mentioned above, the Public Accountant Firm did not provide other services to the Company.

Supervision on External Auditor

Appointment of Public Accountant Firm RSM Indonesia is done through a process according to prevailing regulation. The appointment has been reviewed and supervised by Audit Committee including in terms of audit fee stipulation based on fairness consideration. Audit Committee perform monitoring throughout the external audit process implementation through regular meetings with the Public Accountant Firm to discuss all findings and progress during the audit done by Public Accountant Firm, to help ensuring there is no constraint in the audit process, perform evaluation on quality of the audit process, as well as ensure audit implementation has complied with prevailing regulation and standards.

Effectiveness of Audit Implementation by Public Accountant

Audit Committee coordinate with Internal Auditor Division in the Company to review effectiveness of external audit implementation to ensure that all of the findings can be followed-up according to the designated authority and improve performance, both in terms of financial and operational performances. The Company attempts to follow-up every findings from the audit done by Public Accountant Firm and effectively capable to reduce findings in the upcoming years.

Audit Result

Result of audit as done by the external auditor is submitted in form of Financial Statements Opinion. For 2018, the Company's Consolidated Financial Statements obtained fairly presented (unqualified) Opinion. This indicates that the Company has presented its Consolidated Financial Statements accurately and based on prevailing standards as well as free from any material misrepresentation.

Risk Management

In performing business activity, the Company realizes that risk is inseparable part in every operational activity that may influence the Company's business and performance result. Implementation of comprehensive risk management becomes an important aspect for the Company to manage various risk profile effectively, efficiently and consistently as well as manifestation of Good Corporate Governance (GCG) implementation.

The Company always prepares, evaluates and improves policy and procedure to support business activity in achieving effectiveness of risk management strategy to be in line with more complex business development.

Framework of Risk Management Implementation

As a mandate and commitment of the Company in general and integrated Risk Management implementation, as well as in order to support assurance of Corporate Plan/goals achievement, the Company has designed Risk Management policy as stipulated in Board of Directors Decree No. SK-62/ PPA/1109 dated November 16, 2009.

In 2015, the Company has renewed the Risk Management Policy based on the Board of Directors Decree No. SK-49/ PPA/0915 dated September 17, 2015. Such policy regulates the Company's risk management system which refers to the ISO 31000:2009 standard "Risk Management-Principles and Guidelines" which becomes the guidelines for all employees of the Company in implementing risk management activities.

In line with the Risk Management Policy, the implementation of risk management in the Company is based on:

- a. Preparation of Corporate work and Budget Plan.
- b. Preparation and approval for the proposal of activities/transactions.
- c. Drafting of risk report.
- d. Preparation on policies.

The Purpose of risk management implementation for the Company are as follows:

- a. Provide protection for and sustain the Company's activities from the possibility of events that may arise to disrupt the realization of the Company's goals due to its business activities, as well as maintaining risk level at an acceptable rate for the Company.
- b. Provide early warning signal for decision-making process with proper risk control.
- c. Assist the management in analyzing the implementation of the Company's business activities so as to give added values (operational excellence).
- d. Ensure the Company's compliance with the prevailing laws and regulation.

Implementation of risk management is conducted by all work units in accordance with the Company's risk management philosophy, meaning that risk management is inherent in every employee and member of Board of Directors of the Company and should be integrated into the Company's work process.

Risk Management Governance Structure

Risk Management governance structure in the Company is as follows:

1. Board of Commissioners
2. Board of Directors
3. Risk Oversight and Good Corporate Governance Committee, chaired by one of the Board of Commissioners members.
4. Risk Management Division.
5. Risk Owner (all business and support units).
6. Internal Audit.

To coordinate and facilitate risk management implementation, the Company has established an independent Risk Management Division that is responsible directly to President Director as stipulated in Board of Directors Decree No. SK-40/PPA/0718 dated July 9, 2018.

Organization Structure of Risk Management Division is as follows:



The total number of personnel in Risk Management Division is currently 4 personnel comprised of 1 Division Head, 1 Mid-level Specialist, 1 Specialist and 1 Junior Specialist.

Professional Qualification/Certification

From the 4 of Risk Management Division personnel, 2 of them hold professional certification, such as Certified Risk Management Professional (CRMP) issued by Risk Management Professional Certification Agency (LSPMR).

Duty and Responsibility of Risk Management Division

Duty and responsibility of Risk Management Division in supporting risk management implementation effectively refers to the Risk Management Policy, as follows:

- a. To design/develop Risk Management policy and other policies related to the Company's main activities.
- b. To evaluate effectiveness of policy and Standard Operating Procedure (SOP) that are applied in the Company.
- c. To facilitate preparation of Risk Profile report at Risk Owner working unit.
- d. To submit the Company's Risk Profile report as early warning signal to the Board of Directors.
- e. To provide advisory service on Risk Management implementation in the Company.
- f. To review sufficiently of risk review on the Company's activity that is strategic and/or involving financial aspect with specific amount.

Performance of Risk Management Division

In 2018, The Risk Management Division has done the following work activities:

- a. Preparing and revising for 8 policies
- b. Reviewing and give input to 4 policies and 2 SOPs compiled by work units outside of the Risk Management Division
- c. Evaluating 3 policies in order to evaluate the conformity of current policies with the development of the Company's activities
- d. Facilitating Risk Profile compilation for risk owners and compile the Company's Quarterly Risk Profile report
- e. Reviewing the adequacy of Risk Assessment for 179 documents proposing the Company's activity
- f. Giving input and/or opinion on risk management to work units on the Company's activities
- g. Giving input and/or opinion on risk management on investment activities by the Company's subsidiaries

Risk Management Strategy

In supporting the Company's business activity, risk management implementation is done through following strategies:

- a. Preparing and ensuring availability of policy and SOP as guideline in the Company's business activity and risk management implementation.
- b. Integrating risk management process into the Company's business process namely through:
 - Conducting risk review on the Company's strategic goals during preparation of the Company's Budget Plan,
 - Implementing risk review for every activity/ project proposal that will be carried out by the Company.
 - Conducting risk assessment periodically and preparing the Company's risk profile report.
- c. Conducting socialization and facilitating risk management in on going basis to increase risk awareness in the Company.

In addition, the Board of Directors communicates importance of effective risk management implementation to all Company's people continuously to ensure achievement of the Company's objectives.

Evaluation on Risk Management System Effectiveness

Evaluation of the effectiveness of the risk management system is performed periodically by considering changes to the organizational structure, the issuance of new laws and regulations related to the Company's activities, the establishment of a new strategy or changes in the Company's strategy.

In addition, evaluation on the effectiveness of risk management is also carried out through:

- a. The implementation of periodic risk assessment on the main activities of the Company through Risk & Control Self-Assessment (RCSA) approach.
- b. Evaluate Policies and Standard Operating Procedure (SOP) to ensure that the Company has the latest policies and SOPs at all times in accordance with the Company's progress.
- c. Regular meetings between the Risk Management Division and Risk Oversight and GCG Committee.

Based on result of the assessment mentioned above, Risk Management System in the Company has been implemented effectively and continuously developed based on the Risk Management Road Map. This is proven from:

1. Awareness of the risk owner to perform risk assessment (self-assessment).
2. Risk awareness culture has been embedded in the risk owner, marked by the efforts to perform risk review in the Company's operational activity.
3. The stakeholders in Risk Management aspect are evaluated capable to perform risk review effectively.
4. Resources availability.
5. Risks that have been identified from all work units are evaluated and measured based on level of possibility and impact to obtain risk priority to be mitigated.

Risk Profile and Risk Mitigation

In line with the Board of Directors' commitment to implement risk management effectively and efficiently, every level of the Company's organization shall implement risk management by considering priority and benefit of each working program/project for the Company's business sustainability.

In order to protect and provide added-value and being part of decision-making process, risk management implementation in the Company is namely carried out in activities, as follows:

- a. Preparation and approval of the proposed activities/ projects
In developing a proposed activity/project, the proposing work unit must perform a risk assessment, which is the identification and analysis of risks that may arise from the proposed activities as well as mitigation of such risks. Furthermore, the Risk Management Division will conduct a review of the adequacy of the risk assessment performed by the proposing work unit as advice/considerations for the management in making decisions.
- b. Risk Identification and Assessment
Periodically, each work unit/risk owner conducts identification and risk assessment in order to develop risk profile of its work unit. The implementation of the identification and assessment of risks by risk owners will be facilitated by the Risk Management Division. In the implementation of the risk assessment, the Company uses the Risk & Control Self Assessment (RCSA) approach.

Risk identification for 2018 is done according to purpose and objectives in the 2018 Company's work plan and budget achievement. Based on the review done in 2018 period, key risks that were experienced by the Company are classified into strategic risk, credit risk, business risk, market risk, liquidity risk and reputation risk.

No	Risk	Potential Cause	Mitigation plan
1.	Strategic Risk	Failure to choose the right asset as an investment target, so that the Company was unable to develop the business in accordance with the established plan	Conducted adequate due diligence and feasibility studies (including commercial aspects, legal aspects) on assets that became the investment target in developing business plans and making investment decisions.
2.	Strategic Risk	Inaccuracy in determining strategy in making State-Owned Enterprises Restructuring/Revitalizing options.	• Due Diligence from the financial aspects, legal aspects, operational aspects and other aspects to obtain an overall view of the relevant SOEs, including problems faced by SOEs. • Analysis of the industry to support the analysis of State-Owned Enterprises business prospects including prediction on the analysis of economic conditions for a certain period in the establishment of the State-Owned Enterprise Restructuring/Revitalizing options and business plans.
3.	Strategic Risk	Failure to achieve performance target of some Subsidiaries.	• Subsidiaries' performance monitoring through Progress Report of projects financed by the Subsidiaries. • Meeting with Subsidiaries quarterly or any time needed to evaluate performance. • Provide recommendation to Subsidiaries to monitor the financed projects. • Subsidiaries are allowed to assign representative in the financed projects.
4.	Strategic Risk	The allocation of investments in certain industries and companies that were selected as investment targets experienced a slowdown or matured.	Investment allocation should consider current investment theme in the market by observing global and national economic outlook.
5.	Credit Risk	Default of loans payment in State-Owned Enterprises Restructuring/Revitalizing implementation for some State-Owned Enterprises ("Debtors") that was namely influenced by: • Disruption or less-efficiency of the Debtor's operations. • Excessive loans. • Revenues was lower than operating expenses. • Deficient condition of the production facilities. • Low commitment of some Debtor's management to fulfill liabilities to the Company. • Unavailability of financing for working capital and production tools revitalization in some Debtors.	• Implementation of State-Owned Enterprises Restructuring/Revitalizing feasibility studies for all aspects that influence business performance and Debtor's capability to repay loans from the Company. • Stipulation of collateral/guarantee requirements. • Monitoring over fulfillment of terms and condition that have been stipulated between the Company and Debtors. • Supervise achievement of Debtor's performance target and propose anticipatory plan to improve performance. • Perform effective collection activity to ensure the Debtor's liabilities payment can be done regularly based on the designated payment schedule. • Perform Initiatives to ensure the SOEs R/R program can be completed on time according to the planning.
6.	Credit Risk	Loss of profit or funds invested in certain projects.	• Conduct due diligence and adequate investment feasibility studies before making investment decisions. • Determination of guarantee/collateral requirements • Implement an escrow account mechanism (joint signature account) to accommodate project payment funds. • Monitoring and evaluation of the performance of the debtor/project to ensure compliance with the terms/conditions stipulated in the credit agreement and/or other agreements.
7.	Business Risk	Achievement of revenues from advisory business below the target.	• Provide marketing tool/sales kit. • Conduct initiation/marketing activity to prospective clients. • Develop competences of personnel (soft skill & hard skill). • Maintain good relationship with existing customer/client to acquire repeat order.

No	Risk	Potential Cause	Mitigation plan
8.	Market Risk	Impairment of value or losses on share and debt securities portfolio due to adverse movement of the share/bond.	- Continuous monitoring on, among others, the movement of economic indicators, industry outlook, political and social conditions that will affect share value, followed by anticipatory measures on the monitoring results. - Distribute of share transactions in several industries and the selection of stocks that have good fundamentals and performance. - Transactions in shares performed in liquid shares that have a large market capitalization. - The division of tenor of debt securities (bonds) by taking into account the spread of the duration of the bonds already held by the Company. - Regular evaluation on the performance of share and bonds portfolio to ensure that the development was in line with the limit, strategy, and target set, which can be followed by recomposition and reallocation of portfolio.
9.	Liquidity Risk	The Company does not have sufficient funds and/or are unable to obtain funding from other parties in order to finance its business activities.	- Priority scale set-up for investment to be financed by considering, among others, the returns, risks, and strategic value of projects to be financed. - Create a good relationship and network with various stakeholders, and leveraged the Company's resources in order to obtain funding from other parties (bank/ strategic investors).
10.	Reputation Risk	The Company failed to manage stakeholders expectation in State-Owned Enterprises activity.	- Effective and adequate public relation strategy formulation. - Fulfillment of aspects or work plan as agreed by all parties. - Coordination with related party/agency in fulfilling GCG aspect. - Regular monitoring on negative publication about the Company.

Risk Management program Plan and Realization

Risk management plan, target and realization in 2018 are as follows :

Plan	Target	Realization
Formulation of policy to support the Company's activity and risk management implementation	Formulation of 2 policies	8 policies formulation and revision have been completed
Ensure work unit/risk owner has performed risk review (risk identification, analysis and mitigation) on the implemented activities	Every proposed work unit shall perform risk review on the proposed main activity	Almost all of the proposed main activities (>90%) have been equipped with risk review
Evaluation on effectiveness of applied policy implementation	Status of the Company's policies shall always be updated according to progress of the Company's business activity	Reviews had been done over 3 (three) policies
Perform risk assessment and prepare Risk Profile Report	All of business work unit shall perform risk assessment and prepare Risk Profile Report	Risk assessment has been done for all activities of the business work unit and the Company's Risk Profile Report has been prepared and submitted to the Board of Directors and Board of Commissioners quarterly.

Risk Culture Improvement Program

Important factor to support effectiveness of risk management implementation in the Company is strong risk culture in an organization. Initiatives to strengthen risk culture in the Company are done through following activities:

1. Board of Directors communicates and encourages all work units (risk owner) continuously to develop risk culture and improve risk management quality and compliance with the Company's policy and prevailing law in the Company's activity implementation.
2. Formulation of policy, activity approval procedure and SOP refer to risk management consideration.
3. Risk Management Division actively supports and facilitates risk management implementation in the Company.
4. Participate in risk management training, seminar and certification to develop risk management knowledge and competency.



Internal Control System

Pursuant to Article 26 Minister of State-Owned Enterprise Regulation Number PER-01/MBU/2011 dated August 1, 2011 concerning Good Corporate Governance Implementation in SOEs, the Board of Directors shall stipulate an effective internal control system to secure investment and assets of the Company.

Establishment of the Internal Control System is also intended to actualize the Company's commitment as a Company that complies and obeys Good Corporate Governance implementation principle. The internal control initiative is particularly implemented in key aspects such as operational, financial, HR aspects as well as compliance with the law.

In addition, the internal control system is also intended to reduce business risk potential as well as violation against business ethics with negative impact on the Company's performance.

Internal Control system that is implemented in the Company refers to an integrated process in every action and activity that are done continuously by all employees, from executive and staff levels. These are done to establish an intact commitment to achieve organizational goals. Internal Control System in the Company has referred to Internal Control principles – Integrated Framework applied by COSO (Committee of Sponsoring Organizations of The Treadway Commission).

Objectives of Internal Control System Implementation

Implementation of Internal Control System in the Company has objectives, as follows:

1. To secure investment and assets of the Company.
2. Effectiveness and efficiency of goals achievement in the Program and Activity implemented by the Company.
3. Consistency of internal and external policy/regulation implementation.
4. Accounting accuracy and reliability.

Conformity Between Internal Control Policy with COSO Framework

Understanding on the Company's Internal Control System is done continuously by the management and all employees to provide sufficient assurance on the organizational goals achievement.

In general, internal control system is not an additional activity in the management process, but an integrated part of the process. Five components that support effectiveness of internal control based on COSO framework applied in the Company are as follows:

1. Control Activity, implemented through: All of management level in the Company shall create and maintain control environment that encourages positive and conducive behavior for the Internal Control System implementation in the Company's working circumstances, through:
 - a. Integrity and ethical values enforcement.
 - b. Commitment on competency.
 - c. Conducive leadership.
 - d. Establishment of organization structure based on needs.
 - e. Effective delegation of authority and responsibility.

- f. Preparation and implementation of sound policy on human resources development.
- g. Establishment of effective internal audit role.

2. Risk Assessment

Risk assessment is implemented by the Company by identifying and analyzing risk/risk potential occurred from the Company's activity to formulate mitigation/handling plan, and to oversee implementation of control over the certain risk/risk potential.

3. Controlling Activity

Controlling activity includes policy and procedure that are designed to mitigate risk with potential to disrupt the Company's goals achievement in every level and unit in the Company.

4. Information and Communication

Information and communication system, a report presentation process, as well as obedience and compliance with prevailing Law by the Company.

5. Monitoring

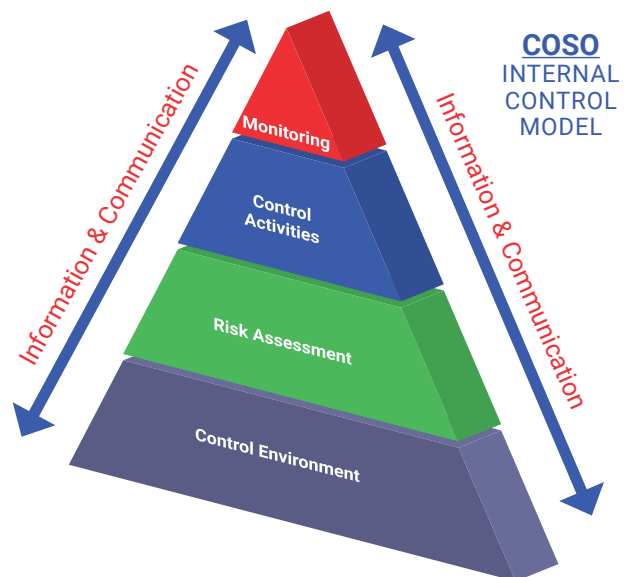
Monitoring refers to an evaluation process over the Internal Control System quality, including internal audit function in every level and unit in the Company's organization structure, to be implemented optimally.

Monitoring on the Internal Control System is done through continuous monitoring, separated evaluation, follow-up on the audit result and other reviews.

Internal Control Work Mechanism

In the business process operational implementation, the Company always implements internal control, namely through formulation of business process procedure as manual for every existing business process as well as perform assessment periodically on the implementation, primarily performing internal control design improvement to anticipate current change in the business circumstances.

The monitoring activity may include the use of information and communication with external party such as customer care and response from the regulatory bodies that may provide guidance on the issues or aspects that require improvement. The internal control component is applied in the audit activity in every business unit.



Controlling on Operational Activity and Financial Reporting

Implementations of financial and operational controlling are done in stages including all elements in the Company. Financial and Operational controlling that are done by the Board of Commissioners is by conducting supervision and advisory related to sufficiency and fairness process in the financial statements preparation and risk management by considering prudent principle and supported by Audit Committee and Risk Oversight and GCG Committee. Meanwhile, the Board of Directors implements internal control system through consistent corporate policy and procedure implementation as well as compliance with prevailing regulation, namely related to the Company's business activity and risk management, strategic plan, division of duty, delegation of authority and adequate accounting policy.

The Board of Directors applies an effective internal control system to secure investment and assets of the Company. Internal control environment in the Company is carried out with discipline and order, high integrity, ethical values and competency of the employees.

DIA is part of the Internal Control System that is established to support President Director in fulfilling obligation to the Shareholders with responsibility in internal audit implementation in the Company; the Internal Auditor Division performs internal control improvement initiative in the financial reporting of various operational activities in the Company. Internal control in the Company is always evaluated to follow the Company's business development.

Internal Control System Review and Evaluation

As an initiative to improve effective internal control system, the Company always encourages the management to review and evaluate existing controlling system. The Internal Auditor Division has an important role in evaluating sufficiency and effectiveness of the internal control that is implemented by the Company's management.

Internal Control is an integrated part in the system and procedure at every activity in working units, therefore, if there is any violation, the violation can be early acknowledged to conduct improvement action by the related working units.

Review on Internal Control System in Financial Reporting

In the financial reporting, Internal Control refers to a process that is designed and implemented by management of the Company to generate sufficient assurance on the financial reporting and financial statements preparation reliability that is intended for external purpose according to prevailing accounting principle.

Internal control review over the Company's operations and financial reporting has been conducted by DIA by referring to international-standard framework, COSO – Internal Control Framework. According to the COSO framework, there are 5 (five) components that are evaluated as mentioned above, such as: Internal Control Environment, Risk Review, Controlling Activity, Information and Communication System, and Monitoring.

According to Audit Plan in 2018, the Internal Auditor Division has conducted operational audit in the entire Work Units and some Subsidiaries of the Company, evaluation on risk management implementation in the Company, and Audit on Special Request/Audit as explained in this Annual Report at Internal Auditor Division Activity Implementation Report 2018 section.

Result of audit on internal control system effectiveness is disclosed in Independent Auditor Report on Compliance with the Law and Internal Control.

Based on result of audit on internal control system effectiveness, the Company's Management evaluates that internal control aspect in the Company is fairly sufficient.

Litigation

Legal Case Involving The Company

The Company attempts to minimize and anticipate every action, which may potentially cause legal case either involving the Company, Board of Commissioners, Board of Directors, and all elements in the Company. Therefore, the Company prioritizes compliance with the law and social norms as well as responsibility to the stakeholders.

Legal cases, which involved the Company for January – December 2018 period are explained in table as follows:

Litigation of the Company				
No	Name (or number) of the Case and Position of the Company	Status	Risk to the Company	Case Principal
1	No. 381/Pdt.G/2016 PN Jkt Pst. Prosecutor: Said Gasim The Company as Defendant I	Central Jakarta State Court Verdict declaring lawsuit by the Prosecutor is rejected.	No Claim to the Company	Lawsuit on Action Against the Law on case object that was previously managed by the Company.
2	No. 20/Pdt.G/2016 PN Tuban Prosecutor: Subagyo; Ngayati and Kastari The Company as Defendant I	Cassation process at Supreme Court RI filed by Subagyo; Ngayati and Kastari as Cassation Appeal on Verdicts of East Java High Court.	No Claim to the Company	Lawsuit on Action Against the Law on case object that was previously managed by the Company.
3	No. 104/Pdt.G/2016 PN Bogor Prosecutor: CV Delima Jaya The Company as Defendant II	- Concerning the Bogor District Court verdict, Defendant (KPKNL Bogor) on December 13, 2017 filed Appeal at West Java High Court. - At appeal level process.	No Claim to the Company	Lawsuit on Action Against the Law on case object that was previously managed by the Company.
4	No. 279/Pdt.G/PN. Jkt Sel Prosecutor: Anthony Handoko The Company as Defendant I	Appeal verdict dated October 16, 2017 that affirmed verdicts by South Jakarta District Court No. 279/Pdt.G/2017/ Jkt. Sel, dated December 7, 2017	No Claim to the Company	Lawsuit on Action Against the Law on case object that was previously managed by the Company.

Litigation of the Company

No	Name (or number) of the Case and Position of the Company	Status	Risk to the Company	Case Principal
5	No. 455/Pdt.G/2017 PN Jkt Sel Prosecutor: Sugiarto The Company as Defendant	• Trial process in South Jakarta District Court	No Claim to the Company	Lawsuit on Action Against the Law on case object that was previously managed by the Company.
6	No. 637/Pdt.G/2017 PN Jkt Pst Prosecutor: Syafruddin A. Temenggung The Company as Defendant II	• Case handling process at State Court Level	No Claim to the Company	Lawsuit on Action Against the Law on case object that was previously managed by the Company.

Case in the Company's Subsidiaries

Throughout 2018, there are some legal cases involving the Company's subsidiaries/Sub-Subsidiaries, as follows:

No	Subsidiary/Sub-Subsidiary	Total Cases
1	PT Nindya Karya	3
2	PT Duta Mentari Raya	1

Case Involving board of Commissioners and board of Directors Members

Throughout 2018, there was no case involving current Board of Commissioners and Board of Directors member.

Information on Administrative Sanction

Throughout 2018, there was no administrative sanction charged by the authority to the Company, Board of Commissioners or Board of Directors in the Company.

Corporate Information and Data Access

In order to ease communication and access for the stakeholders including up-to-date information about financial and non-financial condition report, and other corporate data related to accountability and transparency of the Company, the Company always updates information dissemination supporting media and infrastructures.

Corporate Secretary is in charge in coordinating management of communication media both electronic and printed media, therefore, integrity and credibility of the Company's information to public can be maintained as regulated in the Corporate Policy Manual.

Some information access provided by the Company is as follows:

External Communication

Website

One of primary media used by the Company in presenting the information is through the Company's website at <http://www.ptppa.com> both in Indonesian (Bahasa) and English. The information are including:

1. Corporate group structure;
2. Profile of Board of Commissioners and Board of Directors.
3. Shareholders;
4. Information about Annual Report and Financial Statements.
5. Information about corporate governance.
6. Information about GMS implementation.

E-mail

The Company has prepared communication with the stakeholders transparently through electronic mail to accommodate various inquiries related to the Company by contacting Corporate Secretary at email: corpsec@ptppa.com.

Mass Media

The Company publishes important information for the public in newspapers with national circulation as means of transparency to the stakeholders. In addition, the Company also maintains good relationship with the media to update important information about the Company through media visit and workshop. Throughout 2018, the Company had visited various media offices, both printed and electronic media.

Press Release

The Company actively publishes every important event or activity in press release through press release published in media, website of the Company and the regulators. Throughout 2018, the Company published 3 press releases.

No	Date	Press Release Title
1	June 9, 2018	Free Homecoming Mudik transportation with PT PPA to Central Java and East Java
2	July 23, 2018	PT Merpati Nusantara Airlines (Persero) Restructuring/ Revitalization by PT PPA
3	September 7, 2018	Ground Breaking for Magnesium Fertilizer Plant Construction as Investment Cooperation between PT PPA and PT Polowijo Gosari

Annual Report

The Company provides information channel through Annual Report that is published every year. The Annual Report is distributed to the shareholders, regulator and other stakeholders.

Sustainability Report

The Company also provides information channel about the Company's social and community activities comprehensively in Sustainability Report.



Management Report

In terms of report submission to the Shareholders, the Company has reported relevant information to the Shareholders by submitting Quarter and Annual Management Report to the Shareholders.

Internal Communication

The Company provides communication channel as discussion forum between employees and management periodically either at corporate or working unit level.

Town Hall Meetings

The Company organizes regular meeting which involves direct interaction between the Company's Management and all employees to discuss the Company's target achievement and current issues experienced by the Company.

Meet and Greet

The Company organizes talks attended by all employees of the Company by inviting people from various Government's institution or other organizations as speakers and presents inspirational topics. The Meet and Greet is closed with question & answer session between the speakers and employees with purpose to create an interactive talk.

National Holiday Celebration

As a State-Owned Enterprise, the Company respects the national Holiday and dedication of the National Heroes through various ceremonies such as national Heroes

Day Ceremony, Independence Day Ceremony, Kartini Day Ceremony and other ceremonies. The ceremony officers are appointed from the Company's employees.

Social Media

The Company disseminates information about the Company's activity to public via social media such as Facebook, Instagram and Twitter.

Communication inquiry can be delivered directly to Corporate Secretary at following address:

PT PPA (Persero)

Sampoerna Strategic Square Building
North Tower 9th – 12th Floor
Jl. Jend. Sudirman Kav. 45-46, Jakarta 12930
Phone : +62 21 5798 2222
Fax : +62 21 577 2443
E-mail : corpsec@ptppa.com

In submitting/issuing information publicly, the Company has followed the procedure as stipulated in the Board of Directors Decree No. SK-33/PPA/0516 concerning Corporate Information Disclosure Policy. In 2018, there is no event/case or finding from DIA related to violation against Communication Dissemination Policy or Corporate Policy Guideline, such as confidential information leak.

Code of Conducts

Code of Conducts is a Good Corporate Governance implementation commitment in the Company containing mandatory aspects that shall be implemented and activities that shall be avoided for the Company's People in the business and work ethics, both in doing operational activity in the Company and daily activities. As an initiative to enforce the business ethical codes, the Company complies to Law and regulation that are related to business. In addition, Code of Conduct also regulates rule of conducts for the Board of Commissioners, Board of Directors and Employees of the Company to the Stakeholders based on sound and ethical corporate principles.

Based on this perspective, the Company has formulated Code of Conducts (CoC Code) signed by the Board of Directors and Board of Commissioners on January 31, 2017.

The Company's Code of Conduct becomes guideline and reference for:

1. Company's People
2. External Party who acts on behalf of the Company.
3. Company and all Subsidiaries.
4. Working Partners who Cooperates with the Company.

Code of Conduct Commitment

Commitment in behaving and interacting with the stakeholders becomes main concern of the Company and part of the Company's business and work ethics in creating values (value creating) not only for the Company but also for the stakeholders. The Company formulates and develops Code of Conduct with the highest standard and concerns interests of the stakeholders, including their satisfaction criteria.

Code of Conduct implementation in the Company in continuous and sustainable manner in form of attitude, conducts, commitment and provision supports establishment of corporate culture that upholds moral and integrity in running the Company's business.

"Code of Conduct prevails for all Company's people in every organization level in the Company" the Employees, Board of Directors and Board of Commissioners are obliged to sign Code of Conduct compliance commitment declaration.

Code of Conduct Contents and Implementation

To perform a good and correct management of the Company, a manual is required to shape and manage conformity between conducts with purpose to achieve consistent Good Corporate Governance implementation as minimum standard to be fulfilled by the Company's people in doing their jobs to achieve Vision and Mission of the Company.

The Company's Code of Conduct contains provisions, as follows:

Chapter I Introduction

- a. Background.
- b. Purpose, Objectives and Benefit of Code of Conduct.
- c. Code of Conduct Preparation Framework.
- d. Vision and Mission of the Company.
- e. Definition and Glossary.

Chapter II Business Ethics

- a. Ethics Between the Company and Employees.
- b. Ethics Between the Company and Government.
- c. Ethics Between the Company and Shareholders.
- d. Ethics Between the Company and Customers.
- e. Ethics Between the Company and Business Partners.

- f. Ethics Between the Company and Competitors.
- g. Ethics Between the Company and Creditors/Investors.
- h. Ethics Between the Company and Goods/Services Suppliers.
- i. Ethics Between the Company and Society and Surrounding Environment.
- j. Ethics Between the Company and Mass Media.
- k. Ethics Between the Company and Subsidiaries.

Chapter III Commitment, work Ethics and Code of Conducts for Company's People

- a. Commitment of Company's People.
- b. Work Ethics of Company's People.
 1. Work Ethics Among Company's People.
 2. Work Ethics of Management and Employees.
- c. Code of Conducts for Company's People.
 1. Compliance with law, Regulation and other provisions.
 2. Conflict of Interest and Abuse of Position.
 3. Gift/Souvenir, Reception, Entertainment and Donation Giving and Acceptance.
 4. Occupational Health, Safety and Environment Conservation.
 5. Fair Career and Promotion Opportunity
 6. Protection on Corporate Information and Intangible Asset.
 7. Protection on Corporate Assets.
 8. Corporate Data Administration and Report Preparation.
 9. Dishonor Attitude, narcotics, Illegal Drugs and Smoking.
 10. Social and Political Activities.

Chapter IV Code of Conducts Enforcement

- a. Code of Conduct Enforcement Commitment.
- b. Socialization and Internalization.
- c. Violation.
- d. Violation Reporting Mechanism.
- e. Violation Punishment.

Code of Conducts Socialization and Enforcement Program

Code of Conduct is disclosed and/or disseminated to all Company's People through various media of the

Company, including information technology that is accessible by the Company's people anytime.

Code of Conduct socialization media is as follows:

- Website
- Corporate Regulation
- Electronic Mail
- Signed Commitment Declaration
- Advertising at Newspaper
- Social Media

In 2018, Code of Conducts enforcement initiative was done through various ways, such as:

1. Integrity Pact signing by all Company's people that is renewed every year.
2. Socialization via internal and external media of the Company.
3. Report of State Officials Wealth (LHKPN).
4. Gratification Report to KPK and Gratification Controlling Program Partnership with KPK.

Everyone in the Company has signed integrity pact as manifestation of Code of Conduct implementation commitment in the Company's operations. Percentage of the CoC Code commitment signing by the Company's people is 100%.

Punishment to Code of Conducts Violation

1. Each employee of the Company proven to violate the Code of Conduct will be imposed with sanctions that are in line with prevailing rules and regulations in the Company.
2. Sanctions for the employees conducting the violation are determined by the Board of Directors.
3. The Board of Commissioners and/or Board of Directors determine whether to impose disciplinary sanction, training and/or other action as well as prevention measures to be implemented.
4. Sanctions for the members of Board of Directors and Board of Commissioners conducting the violation are determined by the Shareholder.

5. If other stakeholders conduct the violation, sanctions will be imposed according to the provisions stipulated in the contract. If the violation is related to criminal act, the matter shall be handed over to the authorized parties.

Level of Violation and Punishment

Level of Violation	Type of Sanctions
Low Discipline Punishment	First Warning Letter
Medium Discipline Punishment	Second warning letter Third warning letter
Heavy Discipline Punishment	Employment Termination (PHK)

Report and Action in 2018

Throughout 2018, there was no violation and punishment on CoC Code violation in the Company

Evaluation On CoC Code Implementation Effectiveness

The Company has conducted a survey on the effectiveness of Code of Conduct understanding as an evaluation on effectiveness of CoC Code understanding and implementation that had been done in 2017 as well as follow-up on GCG assessment result in 2016.

CoC Code Evaluation

As a dynamic guideline, Code of Conduct is reviewed regularly and continuously according to Good Corporate Governance principles and up-to-date business environment. The latest evaluation done by the Company on the CoC Code was on January 31, 2017.

Whistleblowing System

In order to improve effectiveness of Good Corporate Governance implementation, management of the Company is committed to run the Company professionally based on corporate conducts according to the Company's Code of Conduct and corporate culture. Therefore, the Company has implemented Whistleblowing System (WBS) as part of the Company's conducts guideline and corporate culture. The WBS policy in the Company is always be updated to improve its implementation effectiveness.

WBS Policy Framework

The Company has prepared whistleblowing system manual and mechanism that is stipulated according to Board of Directors Decree: SK-3/PPA/0119 dated January 14, 2019 concerning Whistleblowing System (WBS) Policy.

Objectives

Objectives of WBS preparation is to be used as a guideline to determine and manage fraud indication report in the Company to encourage following conditions:

- Establishment of conducive climate and encourage reporting on issues with financial and non-financial loss potentials, including issues that may harm the Company's reputation.
- Availability of early warning system on any possibility of issue due to particular violation or fraud.
- Availability of opportunity to handle fraud indication through internal mechanism first before spreading into public fraud issue.
- To reduce cost in dealing with fraud impact and case.
- To improve corporate reputation.

Type of violation that is eligible to be reported is including:

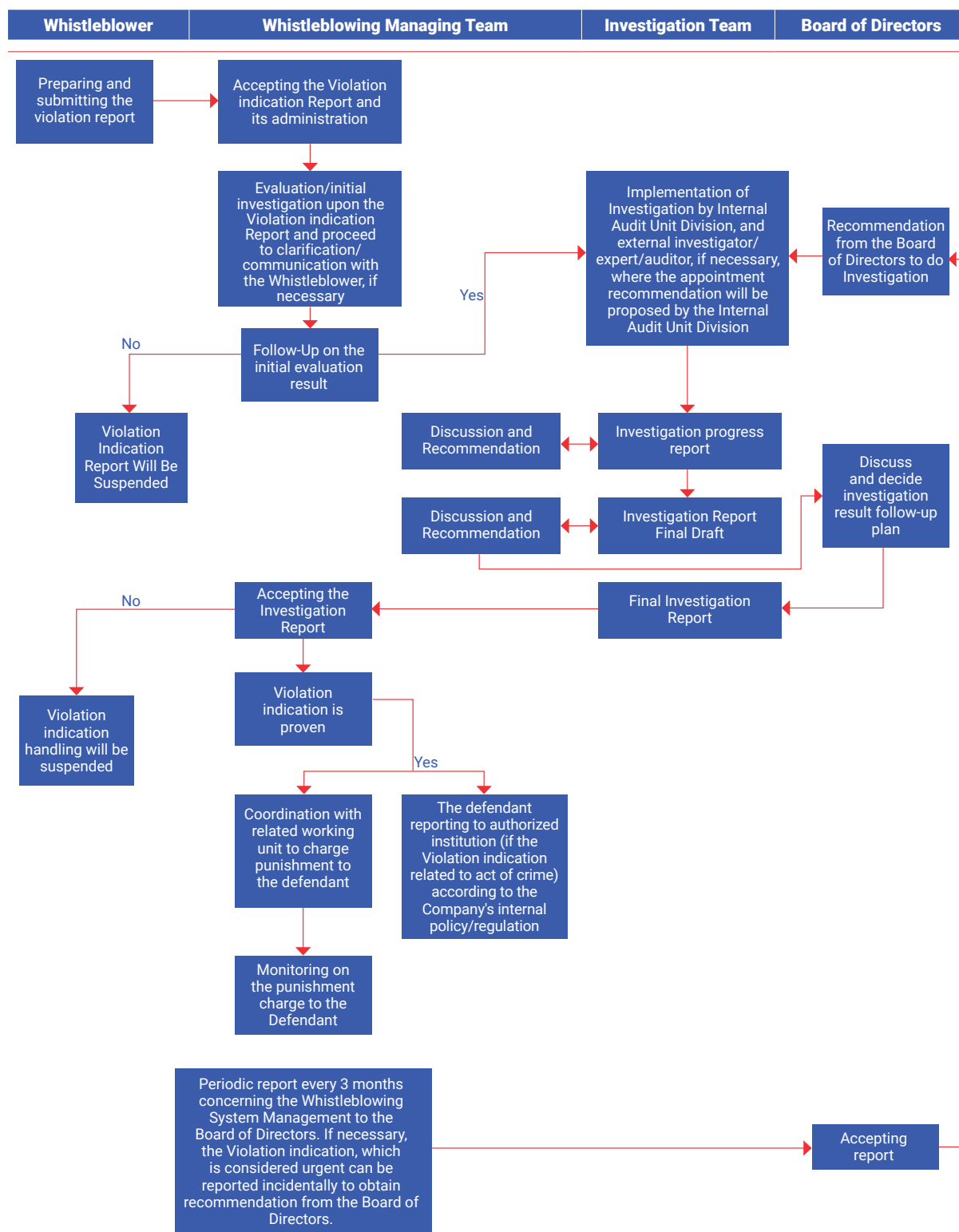
- a. Corruption;
- b. Fraud;
- c. Gratification;
- d. Conflict of Interest;
- e. Action against the law or other regulation that is relevant with the Company's business;
- f. Violation against internal regulation/policy/procedure with loss potential to the Company;
- g. Inappropriateness in generally applied business and work ethics.

Fraud Report Submission

The parties who are eligible to submit reports is every party related to the Company or third parties outside the Company who recognize any loss or has intention to report fraud indication. The fraud indication report may be submitted by the whistleblower through:

- a. E-mail : whistleblowing@ptppa.com, or
- b. Mailing Address : PT Perusahaan Pengelola Aset (Persero) u.p Whistleblowing Managing Team
Sampoerna Strategic Square, North Tower, 9th Floor, Jl. Jend. Sudirman kav. 45 - 46, Jakarta - 12930
- c. Website of The Company : www.ptppa.co.id

The reporting flow through the WBS is as follows:



Report Manager Party

Parties who manages Whistleblowing in the Company is Whistleblowing Receiving Function from the Internal Audit Division. The Whistleblowing Receiving Function analyzes report to collect evidence and information. Result of the analysis will be submitted to authorized party or function according to the corporate regulation to determine and grant punishment.

Whistleblowing Manager Team in the Company is as follows:

- Chairman: Head of Internal Audit Division .
- Members: Head of Corporate Secretary Division, Head of Human Capital and General Affairs Division and Head of Risk Management Division.
- Secretary: Personnel from Internal Audit Division who are appointed by Head of Internal Audit Division to perform administrative duties.

Protection to Whistleblower

For any report that is proven correct, the Company will provide protection to the whistleblower. The whistleblower protection includes:

- a. Confidentiality guarantee on the Whistleblower's identity.
- b. Protection to any harm in the Company as consequence of the violation indication report committed by the Company's People, such as:
 - Unfair termination.
 - Promotion delay or demotion.
 - Any means of abuse or discrimination.
 - Disadvantageous records in personal file record.
- c. Guarantee to the stakeholders that the Company will keep granting equal rights and opportunity to engage with the Company.

If based on the investigation result the defendant is proven committing the violation, punishment will be granted based on prevailing regulation.

Report Handling

1. Every incoming WBS report will be recorded and registered in special registry prepared by the WBS Team, to be later evaluated based on collected evidence and further prepare recommendation whether to perform further thorough investigation.
2. If the violation indication report failed to fulfill minimum reporting requirements in the Company's WBS system, the WBS team will declare not to proceed to investigation stage, and close the reported issue.
3. If the violation indication report is followed-up with investigation, the WBS Team will submit the progress to the Board of Directors.
4. After the investigation is completed, if proven, the WBS Team will coordinate with related work unit to grant punishment, if it is related to criminal acts, the WBS Team will forward to authorized agencies.
5. Any issue related to urgent violation will be reported to the Board of Directors to obtain further direction.

Total Violation Report

There is no violation report accepted by the Company in 2018, therefore, there is no processed report or granted punishment as follow-up on the violation report.

Monitoring and Evaluation

To ensure effectiveness of WBS implementation, monitoring and evaluation are needed to be done. These will be conducted to meet the objectives that has been stipulated at beginning of WBS system initiation and also to ensure that the achievement conforms with the Company's business demand and prevailing Law. Monitoring and evaluation can be done by the Board of Directors through Internal Audit Division or hiring external independent party. The monitoring and evaluation will be done to generate WBS system improvement recommendation or to oversee recommendation from the GCG assessment. Result of monitoring and evaluation are disclosed in form of report to the Board of Directors.

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CORPORATE SOCIAL RESPONSIBILITY



Corporate Social Responsibility



The Company named "Best Partnership Program and Community Development in Insurance and Financial Services Category" in partnership program and community development Indonesia Appreciation 2018 organized by Warta Ekonomi in Jakarta.

Introduction

In implementing Sustainable Development concept, the Company adapts 5P approach to establish balance among people, planet, prosperity, through strong partnership to create peace. The 5P concept supports achievement of Sustainable Development goals (SDGs). Therefore, the Company's existence is expected not only to bring benefit for the Shareholders but also broader Stakeholders including the employees, customers, suppliers, surrounding community, and also the country.

CSR Policy

In the CSR implementation, the Company refers to provisions in several prevailing law and regulations, among others:

1. Law Number 19 of 2003 concerning State-Owned Enterprise, particularly Articles 2 and 88 declaring following provisions:
 - a. Article 2 point (1) letter e
One of the purpose and objective of SOEs establishment is to actively provide guideline and assistance to marginal economy entrepreneurs, cooperatives and the society.
 - b. Article 88 point (1)
SOEs may allocate part of its net income for small enterprise/cooperatives development as well as community development in the SOEs neighborhood.
2. Chapter V Article 74 Law Number 40 of 2007 concerning Limited Liability Company ("UUPT") that regulates Social and Environment Responsibility where the Company that operates business activity in sector and/or related to natural resources shall implement Social and Environment Responsibility.
3. In addition, framework of the Company's CSR activity in 2017 is done by referring to Minister of SOEs Regulation No. PER-09/MBU/07/2015 concerning Partnership Program and Community Development Program in State-Owned Enterprise as amended through Minister of SOEs Regulation No. PER-03/MBU/12/2016 and Minister of SOEs Regulation No. PER-02/MBU/7/2017.

These policies encourage the Company to implement CSR in the Company. However, the Company also believes that business sustainability will not only be achieved through financial target achievement but also supported by non-financial investment that is developed through the Company's contribution on community development in education, health, environment management as well as other aspects as responses to natural disaster and other major calamities occurred in the middle of the society. Therefore, in the future, a constructive response and mutual benefit between the stakeholders and Company will be created and contribute to increase values for satisfaction of all stakeholders and benefit for the society generally.

The Company realizes that existence of the society with guaranteed welfare condition, will affect the Company's business sustainability. Therefore, to actualize responsibility on social and community development, the Company has consistently conducted CSR activities in form of Partnership and Community Development Program (PKBL) that directly engage with public welfare improvement initiatives, including business development needs through Partnership Program, or direct needs through Community Development Program.

Vision and Mission

Vision and Mission of the Company's CSR/PKBL program implementation refer to the following Partnership and Community Development Program (PKBL):

Vision

As a special unit to support the Company in conducting its social duties and responsibilities.

Mission

CSR/PKBL Unit in the Company takes active role to:

1. Improve the capacity of small business to be resilient and independent.
2. Empower, improve and enhance the social condition of the community; and
3. Improve and create positive image for the Company as one of the State Owned Enterprises, in cooperation with the Government, to improve the public welfare.

CSR Governance

Implementation of CSR activity in the Company is part of duty and responsibility of PKBL Unit. Head of PKBL in the Company is served concurrently by Head of Corporate Secretariat and Legal Division and responsible directly to the President Director. PKBL organization structure is as follows:



Budget and Scope of Activity

Implementation of CSR/PKBL done in the Company disburses the budget from allowance of Net Income and Expense of the Company as stipulated in the PERMEN-09.

Focus of Activity Management

Implementation of CSR activity in the Company's circumstances is done by cooperating with internal and external stakeholders of the Company, both from government and public elements. Realization of CSR programs carried out by the Company is focused in 8 (eight) area, such as:

1. Corporate Social Responsibility Governance;
2. Social Responsibility related to human rights;
3. Social responsibility related to fair operations;
4. Responsibility on the environment;
5. Responsibility on social and community development;
6. Responsibility on occupational, health, safety and environment;
7. Responsibility to the customers;
8. Responsibility to suppliers.

Through various programs implemented in fiscal year 2018, the Company believes that the programs have a sustainable benefits.

Stakeholders Involvement

Stakeholders are defined as entities or individuals who are fairly expected to be significantly affected by the Company's activities, products, and services, their actions are further expected to affect the Company's capability to successfully implement its strategy and achieve its targets.

The existence, activities and sustainability of a company may influence and can be influenced by stakeholders, therefore relationship building and stakeholder engagement are very important. The Company develops relationships with stakeholders including: shareholders, employees, suppliers, customers, government, society and the environment; by always striving to meet the reasonable expectations of all stakeholders. Compliance with government regulations and laws also becomes an effort to meet the reasonable expectations of stakeholders.

The Company also actively engages in dialogue and provides information regularly, namely through the publication of Annual Reports, Sustainability Reports and Periodic Reports to the public. The Company receives inquiry from the stakeholders as feedback from dialogue and reporting and makes it a consideration in formulating strategies and policies and in their operationalization. The Company's stakeholder engagement mapping is as follows:

Stakeholders	Stakeholders Expectation	Involvement Method
Shareholders & Investors	- Good corporate governance - Availability of corporate information	- Good corporate governance implementation - General Meetings of Shareholders - Annual Financial Statements Publication - Periodic information dissemination via website, printed and electronic media
Suppliers	- Fair suppliers selection (tender) Process - Fair and equal treatment - Accuracy of contractual obligation fulfillment - Availability of guideline for suppliers	- Suppliers involvement in tender process evaluation - Transparency in receiving feedback and dialogue with suppliers - Obligation fulfillment based on contract - Work contract that clearly mentioned terms and conditions
Employee & Workers Union	- Compliance with Government's regulation on employment - Employee's involvement in decision-making - Employee welfare	- Compliance with government regulation on employment - Bipartite forum with Workers Union - Employee welfare program - Occupational health and safety program - Performance assessment and career planning - Reward on work achievement and working period
Customers	- Fair tender process - Fulfillment of customer's rights - Customer satisfaction	- Fair and published tender implementation - Fulfillment obligation based on contract - Quality monitoring with service quality certification
Government	- Compliance with the Law and Government Regulation - Availability of information that are relevant with interest of the Government	- Compliance with the Law and Government Regulation - Annual Financial Statements Publication - Direct dialogue with the Government or through association - Information presentation regularly through website, printed and electronic media
Society	- Welfare improvement through working opportunity and opportunity to be suppliers - Community development program - Community involvement - Availability of information that are relevant with public interests	- Absorption of workforce from the society - Absorption of products (goods and services) from the society as suppliers. - Implementation of community development program in economics, education and health - Formal and non-formal dialogue with the society
Environment	Ecosystem balance through environment preservation, environment conservation and bio diversity protection	- Proper Rating - Good waste treatment - Environment and Bio Diversity conservation program

Corporate Social Responsibility Related to Human Rights

Human Rights includes every aspects starting from basic rights to social, legal and economic rights. These rights are related to the internal and external aspects of the Company. In implementing CSR, the Company is required to respect and uphold one's human rights. By implementing human rights as a guideline for sustainability principles, it is expected that the Company's existence can grow in sustainable basis and the Company will obtain a positive image from the broader community, easy capital access to, capability to maintain high-quality human resources, improving decision making on critical issues, simplifying management risk management and labor absorption as well as improvement of the social and economic quality of the local community.

Concept and Implementation

Commitment and policies of the Company on human rights are based on the Universal Declaration of Human Rights, including the international covenant on civil rights, political rights, economic, social and cultural rights and the ILO Declaration on Basic Principles and Rights at Work, with the application of and good management of labor practices and human rights in accordance with Law Number 13 of 2003 concerning Labor. During 2018 there were no complaints regarding violations of labor practices and human rights violations including incidents of discrimination submitted by the Company's employees.

Some implementations of social responsibility related to human rights aspects are including:

1. Implementation of the principle of equality and human rights, the Company provides equal opportunities for both men and women to join the Company.
2. There was no violations or complaints related to freedom of association in the Company throughout 2018. This is evidence of the application of the Company to Law Number 13 of 2003 concerning Labor, Law Number 21 of 2000 concerning Trade Unions/Labor Unions while complying with the International Labor Organization (ILO) convention on Freedom of Association and Protection of the Right to Organize
3. Non-permanent employees, their rights are protected under a Specific Time Work Agreement contract which refers to the applicable legal provisions and the corporate policies.

Equality of opportunity in working in the Company becomes actualization of the human rights principles at the Workplace where the rights of all people who work with the Company are respected accordingly. This condition is needed so that businesses can grow and develop well while fulfilling human rights.

Equality in the workplace is realized by diversity and inclusion for all people, by respecting and respecting various differences including ethnicity, gender, age, national origin, disability sexual orientation, education and religion. Conversely, the inclusion of diversity in the workplace provides a variety of perspectives, work experience, lifestyle and culture. For the Company diversity in organizations is needed to develop, diversity of mind and heart and talent is capital to offer business opportunities.

Corporate Social Responsibility Related to Fair Operations

The Company views social responsibility comprehensively, from upstream to downstream. Therefore, CSR practice in the Company is not only implemented outside the Company's operational practice, but also integrated with the Company's operational practice. Referring to CSR implementation basic framework in ISO 26000, fair operations practice includes anti-corruption, fair competition, promoting social responsibility in supply chain and acknowledgement on property rights.

Anti Corruption and Fraud Commitment

The Company has high commitment to participate in corruption crime eradication and abuse of authority (fraud) as part of commitment to improve GCG principles implementation quality. The Company views that every action related to integrity, ethics and inappropriate action, particularly fraud and corruption as heavy violation that shall be punished firmly and prevented through deep understanding in every level.

The Company has anti-corruption policy as declared in the Code of Conducts and Corporate Regulation. All employees of the Company shall have a commitment to comply and obey code of conducts in implementing the duty. To strengthen the preventive initiative, the Company has implemented firm sanction and zero compromise for any case with corruption, fraud or other conducts violation indications.

To ensure the implementation of anti-corruption and abuse of authority policies, the Company has implemented two main initiatives, namely the implementation of supervision and internal control policies, as well as the implementation of enforcement policies. The supervision and internal control policies are carried out by the Internal Control Unit. Meanwhile, the implementation of the enforcement policy is carried out through the Whistleblowing System which basically involves all stakeholders.

The Company has established a whistleblowing system to collect violation information, especially concerning laws and regulations, as well as to deal with mistakes through a system of self-improvement. Whistleblowing is an internal reporting mechanism to prevent and avoid violations or fraud.

Through this system, the whistleblower may submit the case of fraud and communicate with the whistleblower team, with the confidentiality of the reporter's identity maintained. In this mechanism there are stages of investigation in each case that have strong evidence as the basis for imposing disciplinary action, including sanctions for terminating employment relations according to the level of occurred violation.

Thanks to the consistent implementation of the preventive and enforcement mechanism, throughout the 2018 operational year, there were no reports of abuse of authority or corruption found at all operational levels of the company.

In addition, the Company has other policy tools, including:

1. Integrity Pact

Board of Commissioners, Board of Directors and all employees of the Company have been committed to sign integrity pact to perform all duties, functions, responsibility, authority and roles according to the law and regulation, the Company's regulation and Code of Conducts as well as willingness not to commit any corruption, collusion and nepotism. The integrity pact also prevails for all suppliers who cooperate with the Company. Purpose of the integrity pact is to encourage transparency and honesty, as well as to encourage high-quality, effective, efficient and accountable duty implementation in the Company's business circumstances.

2. Anti Gratification Policy

The Company has a policy on state apparatus wealth reporting compliance for the Board of Commissioners, Board of Directors and Senior Executive in the Company.

3. Report of State Officials Wealth (LHKPN)

The Company has a firm commitment on compliance of its employees in maintaining reputation of the Company. Employees in the Company are prohibited to defame reputation of the Company through activities that may cause loss to the Company. All of the Company's employee are prohibited to take any gratification with personal benefit or benefit for their families, either received domestically or overseas, and committed using electronic or without electronic devices.

Anti-Corruption Communication and Training

To guarantee alignment of perception, common determination and effectiveness of corruption prevention movement, the Company also organizes anti-fraud/anti-corruption trainings. Specific education and training related to corruption is also done through Workshop and Training activities, in addition, socialization activity on establishment of transparency and anti-bribery behavior was also done through the Report of State Officials Wealth (LHKPN) and Gratification Controlling participated by the Board of Commissioners and Board of Directors.

Corporate Social Responsibility Related to Environment

The Company realizes that the implemented business activities have an impact on the environment. Therefore, the Company proactively develops a culture of environmental responsibility not only for employees but also for the public in general. This is carried out to reduce the environmental impact of the Company's activities. The Company's policy in maintaining and preserving the environment starts from the Company's internal, namely by implementing various eco-friendly policies.

Policy

The Company has a commitment to the environment. Referring to Law No. 32 of 2009 concerning Environment Conservation and Management, every activity of the Company shall maintain sustainability of environmental function.

Therefore, every activity of the Company has environment document as guidance to manage environmental impact generated from every operational activity of the Company. The Company also realized energy and water efficiency program as mandated in Republic of Indonesia Presidential Instruction Number 13 of 2011 concerning Energy and Water Efficiency. The purpose of CSR on environment program implementation is to develop and maintain natural ecosystem conservation as well as real contribution to the environment.

Activity Plan in 2018

CSR activity plan related to the environment is embedded in operational activities and are specifically planned for community social activities. CSR activities that are attached to operational activities such as energy consumption, use of operational vehicles, paper savings, Mechanical Electrical maintenance (ME) and others are determined through the related activity budget.

However, plans related to social activities are determined using a special budget. In 2018, the Company conducts environmental maintenance education activities for the community with various programs. In the future, the Company will develop another nature conservation program.

Activity Plan				
No	Strategy	Purpose	Action Plan	Implementation Date
1	Implementation of Air Emission Management	Fulfillment of environmental standard in the entire waste gas emission generated by operational vehicles	Periodic process monitoring and measurement and controlling to fulfill the quality standard	Annual Program
2	Implementation of Greening Program	Tree planting	Tree planting	Continuous Program
3	Implementation of Energy Efficiency	Electricity Efficiency for Internal Use	Implementation of Energy Efficiency Program	Annual Program

Activity

Activities that have been implemented as manifestation of commitment in protecting the environment are as follows:

1. Environment Conservation Education
Perform education to the society to always maintain cleanliness of the environment by donating waste bin facility.
2. Paper Material Use Efficiency (Paperless)
Reduce paper consumption through several initiatives, such as using both sides of papers, stop using paper for tender documents opening, introducing the habit to deliver documents via e-mail, and only print the necessary pages, and reusing used paper. Paper use efficiency is continuously attempted through Information Technology support so that the paper-based transaction can be altered with paperless transaction.
3. Operational Vehicle Use Arrangement
Implementation of tight controlling on oil fuel consumption for office operational vehicle and implementation of operational vehicle maintenance regularly that will support reducing environmental pollution and oil fuel efficiency.
4. Electrical Mechanical (EM) Maintenance
To support reducing energy and electricity use, as well as to extend the EM equipment usage period to help reducing environmental pollution as the impact of EM equipment.
5. Electricity Energy Consumption Efficiency
Electricity efficiency is implemented through various methods, namely, turning off other electronic devices when away or unused for quite a while, such as during the lunch break or attending meeting or end of office hours. In addition, also always tries to switch-off the lamps for rooms with natural sun lighting.

6. Clean and Healthy Air Achievement

To reduce air pollution by using more eco-friendly (high octane) fuels for office operational vehicles, periodically do emission test and operational vehicle renewal.

Waste Treatment

To reduce impact from environmental pollution, the Company performs various efforts, including emission test and using good quality and eco-friendly Oil Fuel for official and operational vehicles. In terms of hazardous waste generated from daily operations, such as used lubricants from operational vehicles, the Company cooperates with third party with license from Ministry of Environment.

Environmental Issue Complaint Mechanism

To realize implementation of responsibility to the environment, the Company provides range of complaint mechanism related to environmental issue, particularly related to activity of the Company if finding any issue related to environment pollution or hazard. The complaint may be submitted through guest book at the Company's website at www.ptppa.com. In 2018, the Company did not receive any complaint related to environmental issue; including no penalty charged due to the Company's incompliance with the environmental law or regulation.



Environmental Program Related to the Company's Operational Activity

In order to maintain balance and safety of the earth, the Company participates actively in protecting the environment. Throughout 2018, active participation and responsibility of the Company in environment management is actualized in programs, as follows:

a. Mentawai Indigenous People Empowerment Program

In line with the Government's Program to support development in Border, Marginal and Outer (3T) area, the Company has implemented Mentawai Indigenous People Empowerment Program. In the second year of the program implementation, the Company provides assistance in educational aspect in form of scholarship for Mentawai Children enrolled in university level. With this assistance, the Youth generation of Mentawai are expected to apply the sciences to develop their hometown neighborhood. In previous year, the Company has disbursed Community Development Program assistance in form of Solar Cell Electricity Device and Clean Water Equipment in Buttui Village,

Madobak Village and Salapak Village, Salapak Village where the public infrastructure availability in remote area is still very limited.

b. Development and Assistance Program for Coffee Farmers

By considering the potential of Suka Sari Village, Kabawetan District, Kepahiang Regency, Bengkulu, the Company has established Partner Village in form of Development and Assistance Program for Coffee Farmers. In second year of the program implementation, besides continuing training and assistance activity for the coffee farmers, visits to several SME exhibitions had also been conducted and by end of 2018, coffee products from Suka Sari Village has obtained Household Industry Food License (PIRT) that has now been ready to be sold in local scale.

Environmental Certification

The Company's business is not related directly with activities that may pollute the environment, therefore, as of December 31, 2018, the Company has not yet acquired any environmental certification.

Corporate Social Responsibility Related to Community Development

Policy

Policy of the Company in implementing social responsibility to the society refers to PERMEN-09, PERMEN-03 and PERMEN-02.

Purpose of CSR program implementation on social community development is to build harmonious relationship with the society, as well as provide real contribution for wealthy environment and society. Range of policies related to CSR is referring to PERMEN-09, PERMEN-03 and PERMEN-02. According to PERMEN-09, partnership program is a program to develop capability of small enterprise to be resilient and independent.

Activity Plan in 2018

Activity plan of social responsibility on social community development in 2018 is classified into 2 (two) types of program such as Partnership Program with total budget of Rp11.1 billion and Community Development Program that is divided into 5 (five) activity groups such as natural disaster relief, educational and/or training assistance, public facilities and/or infrastructure donation, worship place donation, social community and poverty alleviation donation with total budget of Rp1.6 billion. In the future, the Company is committed to continuously increase CSR activity budget in line with the increasing revenues of the Company.

Activity Realization

Commitment of the Company in social and community development is manifested by implementing series of program, as follows:

Partnership Program in 2018

Realization of Partnership Program Loans in 2018

Realization of Partnership Program Loans in 2018 (in million Rupiah)	
Description	Budget Realization
Partnership/Small Enterprise Program Loans	Rp11.000
Partnership Program Development	Rp107
Total	Rp11.107

The Company's Partnership Program is committed to improve welfare of marginal society by distributing Partnership Program (revolving proceeds) in form of loans for small enterprise with affordable interest rate. Purpose of the loans disbursement is to increase capability of the small enterprise to be resilient and independent.

The Company's partnership program has cooperated with PT Bahana Artha Venture (BAV) to support the Partnership Program budget directly to the Partners via Regional Venture Capital Company (PMVD). The partnership aims to ensure the Partnership Program loans disbursement to be distributed evenly across Indonesia region and targeted to be effective.

Throughout 2018, the Company disbursed loans to various provinces across Indonesia amounted Rp11.1 billion. Total of 77 new Partners joined the Partnership

Program with various business such as Trading, Services, Manufacturing, Agriculture, Plantation and Livestock.

Besides disbursing loans, the Company's Partnership Program also develops the Partners through Education/ Training and Marketing/Promotion. Purpose of the development is to encourage the Company's partners not only to acquire loans but also added value for the personnel.

**Partnership Program Receivables Outstanding Balance as end of December 2018
(in million Rupiah)**

Description	as of December 31, 2017	as of December 31, 2018
Outstanding Piutang	Rp15.694	Rp18.526

To improve receivables quality, the Company also monitors installment payment of every Partner. Throughout 2018, the Company's Partners have been complied and paid the loans on time with pass collectability level. This is proven from collectability ratio that achieved 97.15% with 312 Partners.

Year	Collectability
2014	99,41%
2015	99,38%
2016	99,29%
2017	99,74%
2018	97,15%

Community Development Program in 2018

**Realization of Community Development Program in 2018
(in million Rupiah)**

No	Program Name	Realization (Rp Juta)
1	Natural Disaster Relief	Rp175
2	Educational Assistance	Rp557
3	Health Improvement Assistance	Rp0
4	Environment Conservation Support	Rp0
5	Facilities and Infrastructures Development Support	Rp173
6	Worship Facilities Donation	Rp210

**Realization of Community Development Program in 2018
(in million Rupiah)**

No	Program Name	Realization (Rp Juta)
7	Social Community Donation	Rp478
8	Partnership Program Development	Rp0
Total		Rp1.593

a. Natural Disaster Relief

The Company attempts to help in every emergency response and post-disaster activity in the country, some of donation disbursement activities in disaster affected area are as follows:

- Donation for Post-Flood in Batulawang
- Donation for Post-Natural Disaster in Lombok
- Donation for Natural Disaster in Palu
- Donation for Tsunami Emergency Response in Sunda Strait.

b. Education and/or Training Assistance

In 2018, the Company continues the programs that have been implemented in previous years such as Scholarship for vocational high school students in Plampang, Yogyakarta, School Equipment Support and Siswa Mengenal Nusantara Program implementation for students in North Sumatera Province as guests in West Papua Province as well as initiation of Bachelor Degree Scholarship for Mentawai children, West Sumatera Province. Education and/or Training Assistance programs are as follows:

- Scholarship for vocational high school Plampang – LPDP Yogyakarta in January – December 2018
- Scholarship for Health Analyst Academy Education in Pekalongan
- School Equipment Support for Siswa Mengenal Nusantara Program in July – August 2018 – West Papua – BHUN 2018
- Bachelor Degree Scholarship for Mentawai Children in September – December 2018
- Bangkit Mentawai Seminar.

c. Public Facilities and/or Infrastructures Donation

Community Development Programs are also advantageous in assisting the Company's business activity in several locations, besides also having

direct benefit for the beneficiaries that will also foster good relationship between the Company and society live in the project neighborhood area. The Public Facilities and/or Infrastructures Donation in 2018 are as follows:

- Clean Water Assistance in Pandeglang
- Village Facilities and Infrastructures Donation in KKA – Lhokseumawe Project site neighborhood
- Public Waste Transportation Provision in Cempaka Hijau KSO Project Site – Bandung.

d. Worship Place Donation

The Company contributes in worship facilities/infrastructures construction, among others:

- Praying Mat donation for Baitul Mu'minin Foundation
- Renovation of Wantilan Pura Aditya Jaya
- Donation for Mosque Al Amin Renovation
- Donation for Mosque Al Muhajirin Renovation
- Land Purchase for Bakaran Batu HKBP Church.

e. Social Community and Poverty Alleviation Aid

In 2018, the Company continues implementation of training and assistance program based on coffee at Suka Sari Kepahiang Village, Bengkulu, the Donation for Orphan and Dhuafa Program in Ramadhan month and Qurban participation in Eid al Adha as well as dorm construction donation for Fajar Timur Orphanage. Donation for the Fajar Timur Orphanage was carried out concurrently with implementation of "BUMN Hadir untuk negeri", a program of SOE Ministry, in West Papua ("BHUN").

Social community and poverty alleviation aid in 2018 are as follows:

- Scholarship for Rumah Autis in January – June 2018
- Grocery Bazaar in Boyolali
- Poverty Alleviation Aid for Nusa Indah Social Charity in Bogor
- Santunan Berbagi Berkah Ramadhan I Program
- Santunan Berbagi Berkah Ramadhan II Program
- Eid al Adha Qurban Animal Donation
- Social Charity in Mentawai Partner Village Monitoring
- Cluster program based on Coffee and Dairy Cow in Suka Sari Village, Kepahiang, Bengkulu.
- Siswa Mengenal Nusantara Program – West Papua – BHUN 2018
- Dorm Construction for Fajar Timur Orphanage, West Papua – BHUN 2018.

Quantitative Impact

In 2018, realization of budget in social responsibility program related to social community aspect amounted Rp12,700 million. Meanwhile, the budget realization amounted Rp18,204 million in 2017.

Corporate Social Responsibility Related to Employment, Occupational Health and Safety

The Company views Human Capital as important part in the Company's future development. Therefore, the Company gives high concern and commitment in Occupational Health, Safety and Employment aspects. This is seen from periodic effectiveness monitoring and several updates either in terms of policy, program or benefit to ensure smooth implementation and encourage the employees to contribute optimally and maintain existence of the Company.

Activity Plan in 2018

Activity plan of social responsibility on occupational health, safety and employment in 2018 has implemented HR management by applying opportunity equality system in recruitment program, career opportunity and employee development program as well as industrial relation implementation. The Company also plans to review employee remuneration policy to always comply with provisions of the prevailing law and being competitive in peer industry. The employment work plan is stipulated in the Company's Work and Budget Plan (RKAP) 2018.

Equal Opportunity

The Company's policy of HR management consistently ensures the equality principle for each employees of the Company, both men and women, to develop their potential and career within the Company's organization. The Company does not tolerate discrimination in any form. HR management in the Company is carried out pursuant to the principles of transparency, honesty and fairness without prejudice to ethnicity, religion, race, physical disability and gender.

Working Opportunity for Local Community

The Company invites for the best young local people having the quality, commitment, integrity and high morale, and the willingness to work hard to join and grow with the Company. In general, policies related to work opportunity for local people are applicable on the managed-asset area and subsidiaries of the Company. Furthermore, the Company believes in the potential of local people will become a significant asset and distinctive characteristics for the Company's business sustainability.

Corporate Culture Internalization

The Company understands that strong corporate culture will empower the pride of employees to represent the Company in their interaction with the stakeholders. Corporate Culture is embedded through the values of SEEIT (Stewardship, Entrepreneurship, Excellent, Integrity and Teamwork).

All values and culture of the Company are constantly communicated to all employees at any opportunity, such as through formal and informal trainings, sharing session, motivation, mentorship, employee performance evaluation, and other gathering activities of employees in the Company's environment.

The Company's management of human resources is regarded as one of its sustainability aspects. In 2018, the Company has carried out various programs aiming at improving comfort for all employees during their

duties. The programs conducted were, among others, creating comfortable and safe work environment through the implementation of Occupational Health and Safety ("OHS") program, conducting periodic customer satisfaction survey, and organizing activities to foster the spirit of togetherness among the employees, such as celebrating religious holidays, celebrating the Company's birthday, and conducting outing activities. The goal of such activities is to strengthen the sense of belongingness in all employees as part of a big family of the Company.

Occupational Health and Safety

The Company is committed to always maintaining the health and safety of all employees by implementing occupational health and safety standards that are nationally and internationally accredited. To that end, the Company performs various OHS activities periodically by always being considerable of and maintaining the employees' health and by equipping the employees with adequate work procedure and equipment in line with the health and safety standards at workplace. The Company also carries out routine training activity to create healthy work environment that is free from work accident.

Occupational health and safety principles stipulated in the Company's Code of Conduct are as follows:

1. Adhere to each law and regulation and/or standard of security and occupational health and safety.

2. Master and understand the condition of work environment and implement security system, work safety, health and environmental preservation in a consistent manner.
3. Prioritize prevention act to avoid accident.
4. Avoid all activities that may bring harm to oneself or others, such as drinking alcoholic beverages, consuming drugs, etc. pursuant to the Company's regulations.
5. Carry out countermeasure activities against accidents that occurred in accordance with the prevailing standards and procedures, and ensuring that the Company always has a disaster recovery plan.
6. Care for environmental preservation and conduct activities to preserve the environment through the Company's Community Development Program.

OHS Training and Socialization for Employees

Each year, The Company involving employees at a certified OHS training organized by the Ministry of Manpower and Transmigration .

During 2018, the Company organizes one disaster simulations, which was attended by all employees as a part of regular OHS training conducted by the Company in cooperation with the building management.

Personal Protection Equipment

The provision of personal protection equipment that is in accordance with the OHS condition and risks applicable at every business unit is a part of the Company's efforts to ensure safe work environment

for all employee working within the Company's environment. The Company ensures the availability of type and quantity of personal protection equipment at every business unit and obliges all employees working in an area or project with high risk for accident to wear personal protection equipment during their work in line with the standards applicable nationally and internationally.

Employee Protection

Protection for employees against work accident is actualized by involving all employees in the Social Security Management Agency (Badan Penyelenggara Jaminan Sosial – BPJS)'s program, namely:

1. BPJS Ketenagakerjaan (BPJS Employment), covering Work Accident Insurance (JKK), Death Insurance (JKM), Old-Age Insurance (JHT) and Retirement Insurance.
2. BPJS Kesehatan (BPJS Health), covering Outpatient and Inpatient Facilities. In addition, the Company also involves its employees who have been registered as permanent employees in financial institution pension funds (DPLK).

Aside from the above matters, the Company also provides outpatient facility and inpatient insurance, life insurance and work accident insurance from other Insurance Service Companies.

Occupational Health, Safety, Environment and Medical Service

The Company has stipulated occupational health and safety program with purpose to achieve zero accident in every operation. The program includes continuous training, counseling, provision of occupational safety facilities and infrastructures, periodic monitoring and inspection. In 2018, there was no occupational accident in the Company's working environment.

All of permanent employees in the Company are also provided by regular medical check-up. To anticipate hazardous and infectious disease, the Company's employees also get free vaccinations.

Employment Issue Complaint Mechanism

As stipulated in the Company's Regulations, should an employee is not satisfied with work relationship or requirements, it will be settled through a discussion to reach consensus with their direct supervisor or the Group Head. If consensus is not reached, the complaint or issue shall be forwarded to the higher level until the Board of Directors level. If the complaint or issue is not settled, then it shall be forwarded to the Director managing Human Capital. Should the complaint or issue afflict the overall Company's performance; the Board of Directors shall make the decisions in regard to the complaint or issue.

If the Company is not capable of settling the complaint or issue internally, decision shall be made pursuant to the prevailing laws and regulations.

In overcoming various operational issues, the Company always refers to the laws and regulations of the government, Ministry of Manpower and Transmigration and other related institutions.

Employee Satisfaction Survey

To ensure fulfillment of employee's requirements and main expectations, the Company performs employee satisfaction survey. Result of the survey ensures how far the Company fulfills employee's requirements and expectation of employees for career development, welfare as well as occupational health and safety.

Employee satisfaction survey is carried out once in every year. In 2018, employee satisfaction survey achieved score of 3.7 (scale of 1 – 5).

Activity and Financial Impacts

Implementation of social responsibility policy in employment aspect throughout 2018 has been effective based on its purpose to fulfill interests of the employees, to create balance between employees and the Company's objectives. Within the objective alignment, employee engagement is expected to increase and employee turnover rate will decrease. Meanwhile, good health facility management for the employees has affected on significant improvement of the employee's health and performance.

Furthermore, within the occupational safety implementation supported by socialization and various training activities carried out by the building management, the activities had generated an effective impact. Throughout 2018, the Company recorded zero accident of the employees.

In 2018, the Company has allocated HR development budget of Rp1.61 billion.

Corporate Social Responsibility Related to Responsibility to Customers



Policy

Business activities that are carried out by the Company aim to implement and support Government's policy and program in economics sector and national development program generally. To achieve the purposes, the Company engages in business activity including ex-IBRA state assets management, SOE revitalization/restructuring, investments activity, and other assets management activities.

The Company provides business activity supports to customers of the Company who are mainly State-owned enterprises, region owned enterprises and other private enterprises. To ensure quality of service to the customers, the Company guarantees that service delivery mechanism and procedure have been according to provisions in the prevailing Law.

Activity Plan 2018

The Company has implemented work plan to increase customer satisfaction by conducting customer complaint settlement activity. The Company has targeted the complaint settlement shall exceed Service Level Agreement (SLA). In addition, the Company also targets high customer satisfaction level.

Activity Realization

Realization of CSR activity to the customers is carried out by providing communication channel for the customers by using various media. In addition, the Company also provides contact person to be in charge in direct communication with the customers.

Throughout 2018, the Company has never received any penalty or legal punishments related to service procurement or information or marketing communication regulations. Moreover, as means of the Company's responsibility to the customers, the Company has fulfilled rights of the customers to obtain information about service performance, namely through:

- Providing services with excellent service and quality.
- Providing innovative solution and responsible to the customers.
- Providing accurate information.
- Engaging fair working relation.
- Minimize risk of the Company's service use.

Corporate Service Information

To inform the services completely, the Company has implemented activities, as follows:

1. Development of website, www.ptppa.com, where all of the Company's services information are updated regularly.
2. Publication about the Company's services in various media.
3. The Company also provides channel to submit complaint addressed to the Corporate Secretary, through customer care to office address:

PT PPA (Persero)

Sampoerna Strategic Square Building

North Tower 9th – 12th Floor

Jl. Jend. Sudirman Kav. 45-46, Jakarta 12930

Phone : +62 21 5798 2222

Fax : +62 21 577 2443

Email : corpsec@ptppa.com

Corporate Social Responsibility Related to Responsibility to Suppliers

Policy

The Company conducts procurement process referring to procurement system guideline that has been stipulated by the Board of Directors through Decree No. SK-59/PPA/1114 concerning Goods and Services Procurement Policy on November 27, 2014, the Company has implemented the principles, as follows:

- a. Efficient, where the goods and/or services procurement shall be attempted to generate optimum and best results in fast period using the most minimum proceeds and capability fairly and transparently based on the lowest price;
- b. Effective, where the goods and/or services shall conform with the designated requirements and will generate maximum benefit based on the designated targets;
- c. Competitive, where the goods and/or services procurement shall be available for the goods and/or services provider who fulfills the requirements and implemented in fair competition among the equal goods and/or services provider and fulfills specific requirements/criteria based on clear and transparent provision and procedure;
- d. Transparent, where all of the goods and/or services procurement provisions and information, including procurement administrative technical requirements, evaluation method, evaluation result, goods and/or services provider candidate stipulation, are accessible for the prospective goods and/or services provider participants.
- e. Fair, where the process gives equal treatment for all goods and/or services provider candidates who fulfill the requirements and not giving advantage for any party in any means and/or reason;
- f. Accountable, where the process shall achieve the target and be accountable to avoid potential abuse and fraud.

Activity Plan in 2018

The Company has targeted that the entire goods and services procurement process has implemented Efficient, Effective, Competitive, Transparent, Fair and Accountable principles. By implementing these principles, the suppliers satisfaction level is expected to be maintained and will contribute in improving the Company's overall performance.

Activity

Social Responsibility activity related to Suppliers are implemented namely through activities, as follows:

1. All of the goods and/or services procurement activities are conducted based on Goods and Services Procurement Policy.
2. Goods and/or services procurements are entirely done via electronic media (e-Procurement).
3. e-Procurement applies e-Bidding method including direct appointment, general tender, and limited tender.
4. Implementation of suppliers satisfaction survey with purpose to evaluate suppliers satisfaction level in cooperating with the Company.

Quantitative Impact

Implementation of Social Responsibility activity related to suppliers has affected on high suppliers satisfaction level. In 2018, the suppliers satisfaction level for goods procurement reached 9.46 (scale 1 – 10) indicated that cooperation between the Company and suppliers has been implemented smoothly and appropriately.



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STATEMENT OF MEMBERS OF BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS ON THE RESPONSIBILITY FOR THE 2018 ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS OF PT PERUSAHAAN PENGELOLA ASET (PERSERO)

We, undersigned, testify that all information in the Annual Report of PT Perusahaan Pengelola Aset (Persero) for 2018 is presented in its entirety and we are fully responsible for the correctness of the contents in the Annual Report and Consolidated Financial Statements of PT Perusahaan Pengelola Aset (Persero).

This statement is hereby made in all truthfulness.

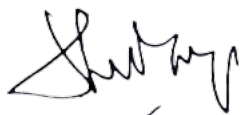
Jakarta, March 2019

BOARD OF COMMISSIONERS



Edy Putra Irawady

President Commissioner



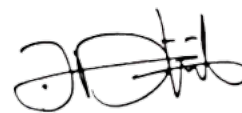
Tirta Hidayat

Independent Commissioner



Lydia Silvanna Djaman

Commissioner



Didyk Choeroel

Commissioner

BOARD OF DIRECTORS



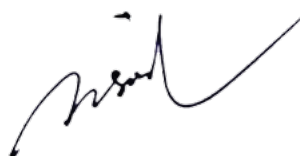
Henry Sihotang

President Director



Ajar Setiadi

Finance and Support Director



Nasrizal Nazir

Investment Director & acting as Business
Advisory and Asset Management Director

Remarks : Andi Saddawero is not entitled to sign this Annual Report since his terms as Business Advisory and Assets Management Director was ended on February 24, 2019.

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Reference

No.	Criteria	Description	Page
I. General Provisions			
1	The Annual Report shall be written in the good Indonesian, and also recommended to present this report in English.		✓
2	The Annual Report shall be printed with a good quality and using readable font type and size		✓
3	The Annual Report shall present corporate identity obviously		✓
4	Company's Name and Annual Report period shall be presented at:	1. Front Cover; 2. Spine; 3. Back Cover; and 4. Every Page	✓
5	The Annual Report shall be uploaded at the Company's Website	Including recent and 4 recent years Annual Report.	✓
II. Key Financial Highlights			
1	Information of comparative statements of incomes within recent 3 (three) scal years or since the beginning of operation, if the Company commences its business activity less than 3 (three) years	The information includes: 1. Revenue/Sales; 2. Earning(loss); a. Attributable to owner of parent entity; and b. Attributable to non-controlling interest. 3. Comprehensive Income for the year; a. Attributable to owner of parent entity; and b. Attributable to non-controlling interest 4. Profit (loss) per share. Notes: If the Company does not have subsidiary, the Company shall present total statements of profit (loss) and comprehensive income for current period.	8
2	Information of comparative financial positions within recent 3 (three) fiscal years or since the beginning of operation, if the Company commences its business activity less than 3 (three) years	The information includes: 1. Total investment with associations; 2. Total assets; 3. Total liabilities; and 4. Total equity.	8
3	Comparative financial ratio within recent 3 (three) fiscal years or since the beginning of operation, if the Company commences its business activity less than 3 (three) years	The information covers 5 (five) common financial ratio that are relevant with the Company's industry.	9

No.	Criteria	Description	Page
4	Shares Price Information in Table and Chart	Information in the form of tables and graphs 1. Total Shares Outstanding 2. Information as table includes: a. Market capitalization based on price at the Stock Exchange where the shares are listed; b. The highest, lowest and closing shares prices based on price at the Stock Exchange where the shares are listed c. Shares trading volume at the Stock Exchange where the shares are listed. 3. Information in chart is at least including: a. Closing price based on price at the Stock Exchange where the shares are listed; b. Shares trading volume at Stock Exchange where shares trading is at the Stock Exchange where the Company's shares are listed. For every quarter in the last 2 years.	11
5	Information on issued Bonds, Sukuk or Converted Bonds within recent 2 (two) fiscal years	The information includes: 1. Total bonds/ sukuk/ converted bonds outstanding; 2. Interest/yield rate; 3. Date of Maturity; and 4. Bonds/Sukuk Rating in 2015 and 2016 Notes: if the Company did not have bonds/sukuk/ converted bonds, the condition shall be reported.	11
III. Report From Board Of Commissioners And Board Of Directors			
1	Report from Board of Commissioners	Contains the followings: 1. Assessment on the Board of Directors Performance in the course of Company's management altogether with the assessment basis; 2. View on the Company's business prospect prepared by the Board of Directors and basis for the consideration; 3. View on Whistle Blowing System (WBS) implementation and role of the Board of Commissioners in the WBS practice; 4. Change to Board of Commissioners composition altogether with the reason.	22
2	Report from Board of Directors	Contains the followings: 1. Analysis on the Company's performance including : a. strategic policy; b. comparison between target and realization; and c. issues experienced by the Company and settlement plants; 2. Business prospect analysis; 3. Corporate governance practice; and 4. Change to Board of Directors composition altogether with the reason (if any).	30

No.	Criteria	Description	Page
3	Sign of approval from the Board of Commissioners and the Board of Directors	Contains the followings: 1. The signatures are disclosed in separated sheet; 2. Board of Directors and Board of Commissioners Responsibility Statement upon the Authenticity of the Annual Report Contents; 3. Signed by all Board of Directors and Board of Commissioners Members by declaring their name and position; and 4. Written explanation in a separated letter for any Board of Directors or Board of Commissioners member not signing the Annual Report, or: written explanation in a separated letter for other members if the written explanation from respective member is unavailable.	294
IV. Company Profile			
1.	Name and Full Address of the Company	The information includes name and address, zip code, phone number, fax number, email and website.	42
2	Brief History of the Company	Includes, among others: date/year of establishment, name and effective date of the Company's name change. Notes: if the Company's not doing any name changes, the condition shall be disclosed.	44
3	Line of Business	The description includes: 1. Business activity based on the latest Articles of Association; 2. Business activity that is operated; and 3. Products and services provided.	48
4	Organization Structure	In chart, including name and position at least until one level below the Board of Directors	52
5	Vision and Mission	Includes: 1. Vision; 2. Mission; and 3. Explanation of the Vision and Mission Approval by the Board of Directors/Board of Commissioners 4. Statements of Corporate Culture	54
6	Identity and Brief Profile of Board of Commissioners Members	The information includes: 1. Name; 2. Position (including position in other companies or organizations); 3. Age; 4. Domicile; 5. Education (Major and Educational Institution) 6. Career History (Position, Institution & Serving Period); and 7. Appointment History (period and position) as member of Board of Commissioners in the Company since initial appointment.	58
7	Identity and Brief Profile of Board of Directors Members	The information includes: 1. Name; 2. Position (including position in other companies or organizations); 3. Age; 4. Domicile; 5. Education (Major and Educational Institution) 6. Career History (Position, Institution and Serving Period); and 7. Appointment History (period and position) as member of Board of Directors in the Company since initial appointment.	62

No.	Criteria	Description	Page
8	Employee Demography (2 years comparative) and description of their competency development (i.e. employee education and training aspects)	The information includes: 1. Employee demography by organization level; 2. Employee demography by education level; 3. Employee demography by employment status; 4. Employee competency development program initiated in recent fiscal year consists of training participants (position level), type of training, and purpose of the training; and 5. Realization of employee competency development budget.	78
9	Shareholders Composition	Contains the followings: 1. List of Top 20 Shareholders Name and Ownership Percentage; 2. Name of Shareholders and ownership percentage, including: a. Name of Shareholders with 5% or higher Shares Ownership; and b. Public shareholders with less than 5% shares ownership; and the ownership percentage. 3. Name of Director and Commissioner with Shares Ownership; Notes: If the Board of Directors and Board of Commissioners do not have direct shares ownership, the condition shall be disclosed.	68
10	List of subsidiary and/or association	The information in tables includes: 1. Subsidiary and Association; 2. Shares ownership percentage; 3. Description of business line of the subsidiary and/or association; and 4. Description of operational status of the subsidiary and/or association (operating or not yet operated)	69
11	Company Group Structure	Group Structure as chart illustrating the subsidiary, association, joint venture and special purpose vehicle (SPV).	70
12	Shares Listing Chronology (including private placement) and/or shares listing since the initial issuance until end of fiscal year	Includes the information, as follows: 1. Years of shares listing, total shares, shares par value and shares offering prices for each corporate action. 2. Total shares listed after each corporate action; and 3. Name of the stock exchange where the shares are listed. Notes: If the Company does not have shares listing chronology, the condition shall be disclosed.	68
13	Other Securities Listing Issuance and/or Listing Chronology since the initial issuance until end of fiscal year	Includes the information, as follows: 1. Name of other securities, other securities issuance date, interest/yield rate of other securities, and maturity date of other securities; 2. Other securities offering price; 3. Name of stock exchange where other securities are listed; and 4. Securities rating. Notes: if the Company does not have other securities listing chronology and issuance, the condition shall be disclosed.	68
14	Name and address of stock market supporting institution and/or profession	Includes the information, as follows: 1. Name and address of Shares Registrar/Company's Shares Administrator; 2. Name and Address of Public Accountant Firm; and 3. Name and address of rating company.	71

No.	Criteria	Description	Page
15	National and International scales awards received and/or valid certifications in recent fiscal year	Information includes: 1. Name of award and / or certification; 2. Year of award and / or certification; 3. Agency for awarding and / or certification; and 4. Validity period (for certification).	19
16	Name and address of subsidiary or branch office or representative office (if any)	Includes the information, as follows: 1. Name and address of the subsidiary; and 2. Name and address of branch/representative office. Notes: if the Company does not have any subsidiary/branch office/representative office, shall be disclosed.	74
17	Information at Official Website	Includes the information, at least, as follows: 1. Shareholders information until individual end-owners; 2. Code of Conducts contents; 3. Information about General Meetings of Shareholders (GMS) at least including agenda discussed in the GMS, GMS Minutes of Meeting Summary and important date information, such as GMS announcement date, GMS invitation date, GMS Summary publication date; 4. Separated Financial Statements (5 recent years); 5. Profile of Board of Commissioners and Board of Directors; and 6. Charter of the Board of Commissioners, Committees and Internal Audit Unit	72
18	Education and/or training program participated by Board of Commissioners, Board of Directors, the Committees, Corporate Secretary and Internal Audit Unit	Includes the information, at least, as follows (type and person who is relevant to participate in): 1. Education and/or training program for Board of Commissioners; 2. Education and/or training program for Board of Directors; 3. Education and/or training program for Audit Committee; 4. Education and/or training program for Remuneration and Nomination Committee; 5. Education and/or training program for Other Committees; 6. Education and/or training program for Corporate Secretary; and 7. Education and/or training program for Internal Audit Unit. Notes: if there is no education and/or training program done in the fiscal year, the condition shall be disclosed.	187 200 224 - 230 237 240,241
V. Management's Discussion & Analysis On The Company's Performance			
1	Operational Review by Business Segment	The information contains, as follows: 1. Explanation about each business segment. 2. Performance by business segment, including: a. Production; b. Increasing/decreasing production capacity ; c. Sales/Revenue; and d. Profitability.	96
2	Description on Financial Performance	Financial performance analysis including comparison of financial performance in recent fiscal year with earlier year and the cause of increasing/decreasing performance (narrative explanation and table), includes the information, as follows: 1. Current assets, non-current assets, and total assets; 2. Current liabilities, non-current liabilities and total liabilities; 3. Equity; 4. Sales/Revenue, expense and profit (loss), comprehensive income & total comprehensive income (loss); and 5. Cash flows.	113

No.	Criteria	Description	Page
3	Discussion and analysis on solvency and receivables collectability by presenting calculation of ratio that are relevant with the Company's industry	Explanation on : 1. Solvency, both short-term and long-term; and 2. Receivables collectability ratio.	138
4	Discussion on capital structure and capital structure policy	Explanation on: 1. Capital structure description comprising of interest/ sukuk based liabilities and equity; and 2. Capital structure policies; and 3. Basis for capital structure policy preference	140
5	Discussion on material commitment for capital expenditure	Explanation on: 1. Name of the committed party; 2. Purpose of the commitment; 3. Source of fund expected to fulfill the commitment; 4. Denomination currency; and 5. Initiatives planned by the Company as protection from related foreign currency. Notes: if the Company does not have any commitment related with capital expenditure in the recent fiscal year, the condition shall be disclosed.	141
6	Discussion on capital expenditure realization in recent fiscal year	Explanation on: 1. Type of capital expenditure; 2. Purpose of capital expenditure; and 3. Value of capital expenditure realization in recent fiscal year. Notes: if there is no capital expenditure realization, the condition shall be disclosed.	141
7	Information on comparison between target at beginning of fiscal year with the result (realization), and target or projection to be achieved within one upcoming period in terms of revenue, profit, capital structure or others considered necessary for the Company	The information includes: 1. Comparison between target at beginning of fiscal year and result (realization); and 2. Target or projection to be achieved within one upcoming period	142
8	Subsequent material information and fact after accountant reporting date	Description on subsequent material event after accountant reporting date including its impact to future performance and business risk. Notes: If there is no subsequent material information after accountant reporting date, the condition shall be disclosed.	146
9	Description on business prospect	Description on business prospect related with the industry and economics generally followed by quantitative supporting data from reliable sources.	144
10	Description on marketing aspect	Description on marketing aspect of the Company's products and/or services, i.e. marketing strategy and market share.	145
11	Description on dividend policy and amount of cash dividend per share and total dividend per annum that is announced or paid within 2 (two) recent fiscal years	The information includes: 1. Dividend policy; 2. Total dividend paid; 3. Total cash dividend per share; 4. Payout ratio; and 5. Cash dividend announcement and payment date in each year. Notes: If no dividend payment, the reason shall be disclosed.	146

No.	Criteria	Description	Page
12	Employee and/or management stock option plan (ESOP/MSOP)	The information includes: 1. Amount of ESOP/MSOP shares and realization; 2. Maturity; 3. Requirement for eligible employee and/or management; 4. Exercise price. Notes: If the program is unavailable, the condition shall be disclosed.	146
13	Public offering proceeds realization (in the course of the Company has a mandatory to report proceeds realization)	The information includes: 1. Total proceeds; 2. Proceeds realization plan; 3. Detail of proceeds realization; 4. Outstanding; and 5. Date of GMS approval on the change of proceeds realization (if any). Notes: if the public offering proceeds realization information is not available, the condition shall be disclosed.	146
14	Material information on investment, expansion, divestment, business merger/joint, acquisition and/or debt/capital restructuring	The information includes: 1. Name of the transaction and nature of the affiliated relation; 2. Explanation about the transaction fairness; 3. Reason of the transaction; 4. Realization of the transaction during the recent fiscal year period; 5. Company policy related with transaction review mechanism; 6. Compliance with related Law and regulation. Notes: if the transaction is unavailable, the condition shall be disclosed.	148
15	Description on change in regulation in recent fiscal year.	The information contains information, as follows: 1. Name of changing regulation; 2. Impacts (quantitative and/or qualitative) to the Company (if significant) or statements that the impact is less material. Notes: if there is no changing regulation, the condition shall be disclosed.	150
16	Description on change in accounting policy implemented in recent fiscal years	Description includes: 1. Change in accounting policy; 2. Reason of the change to the accounting policy; and 3. Quantitative impact on the financial statements Notes: If there is no change in accounting policy, the condition shall be disclosed.	150
17	Information on Business Sustainability	Disclosure of information, as follows: 1. Issues with potential significant impact towards the Company's business sustainability in the recent fiscal year. 2. Assessment from the management on issues explained at point 1; and 3. Assumption used by the Management in the assessment.	150
VI. Good Corporate Governance			
1	Description on Board of Commissioners	Description includes: 1. Description of the responsibilities of the Board of Commissioners; 2. Evaluation of the performance of each committee under the Board of Commissioners and the basis of the assessment 3. Disclosure of Board Charter (Board of Commissioners guidelines and rules) 4. Frequency of meetings and the level of attendance of the Board of Commissioners in meetings;	177

No.	Criteria	Description	Page
2	Independent Commissioner (minimum 30% of total Board of Commissioners)	Includes the information, as follows: 1. Independent Commissioner appointment criteria; and 2. Statement of Independency for every Independent Commissioner.	184
3	Description of Board of Directors	The information includes: 1. Scope of individual duty and responsibility for every Board of Directors member; 2. Assessment on the Committees under the Board of Directors (if any); and 3. Disclosure on Board Charter (Board of Directors Working Guideline and Procedure).	196
4	GCG Assessment for Fiscal Year 2015 including, at least, Board of Commissioners and Board of Directors aspects	The information includes: 1. Assessment criteria; 2. Name of the Assessor; 3. Score for each criteria; 4. Assessment recommendation; and 5. Reason for recommendation that is not/not yet implemented. Notes: If there is no GCG Assessment in 2015, the condition shall be disclosed.	194, 208
5	Description on remuneration policy for Board of Commissioners and Board of Directors	The information includes: 1. Disclosure of Board of Commissioners remuneration proposal until stipulation procedure; 2. Disclosure of Board of Directors remuneration proposal until stipulation procedure; 3. Remuneration structure indicating remuneration component and amount per component for every Board of Commissioners member; 4. Remuneration structure indicating remuneration component and amount per component for every Board of Directors member; 5. Disclosure of Board of Directors remuneration indicator; and 6. Disclosure of performance and non-performance incentives and/or stock option received by every Board of Commissioners and Board of Directors member (if any). Notes: If the performance and non-performance incentives and/or stock option received by every Board of Commissioners and Board of Directors member are unavailable, the condition shall be disclosed.	210
6	Meeting frequency & attendance list that is attended by majority of the members in Board of Commissioners meeting (minimum once in 2 months), Board of Directors meeting (minimum once in 1 month), and Board of Commissioners and Board of Directors Joint Meeting (Management Meeting) (minimum once in 4 months)	The information includes: 1. Meeting date; 2. Meeting participants; and 3. Meeting agenda. For every Board of Commissioners meeting, Board of Directors meeting or Management Meeting	188, 202
7	Information about ultimate and controlling shareholders, both direct and non-direct shareholders until individual shareholder.	Presented as scheme or chart, with separation between ultimate and controlling shareholders. Notes: Ultimate shareholders refer to any party with direct and indirect shares ownership minimum 20% (twenty per cent) of voting rights from total shares with voting rights issued by a Company who are not controlling Shareholders.	68

No.	Criteria	Description	Page
8	Disclosure of affiliation among the Board of Directors members, Board of Commissioners and Ultimate/Controlling Shareholders	The information includes: 1. Affiliation among the Board of Directors members; 2. Affiliation between Board of Directors and Board of Commissioners members; 3. Affiliation between Board of Directors members with Ultimate and/or Controlling Shareholders; 4. Affiliation among the Board of Commissioners members; and 5. Affiliation between Board of Commissioners members with Ultimate and/or Contrplling Shareholders. Notes: If the affiliation is unavailable, the condition shall be disclosed.	185, 197
9	Audit Committee	The information includes: 1. Name and position of Audit Committee members; 2. Educational background (Major and Institution) and career history (Position, Instituion, and tenure) of the Audit Committee members; 3. Independency of Audit Committee members; 4. Description of duty and responsibility; 5. Description of Audit Committee working report in the fiscal year; 6. Audit Committee meeting frequency and attendance level.	215
10	Nomination and/or Remuneration Committee	The information includes: 1. Name, position and brief profile of Nomination and/or remuneration committee members; 2. Independency of nomination and/or remuneration committee members; 3. Description of duty and responsibility; 4. Description of nomination and/or remuneration committee working report in the fiscal year; and 5. Nomination and/or remuneration committee meeting frequency and attendance level; 6. Statements of nomination and/or remuneration committee charter; and 7. Board of Directors succession policy.	232
11	Other Committees under the Board of Commissioners established by the Company	The information includes: 1. Name, position, and brief profile of the other committee's members; 2. Independency of other committee's members; 3. Description of duty and responsibility; 4. Description of working report by the other committees; and 5. Other committees meeting frequency and attendance level.	225
12	Description of Corporate Secretary Duty and Function	The information includes: 1. Name and brief profile of Corporate Secretary; 2. Domicile; 3. Description of duty and responsibility; 4. Corporate secretary working report in the fiscal year.	234
13	Description on Internal Audit Unit	The information includes: 1. Name of Internal Audit Unit Chief; 2. Total personnel (internal auditor) at Internal Audit Unit; 3. Certification as internal audit profession; 4. Position of internal audit unit in the organization structure; 5. Description of internal audit unit working report; and 6. Party who appointed and discharged Head of Internal Audit Unit.	239

No.	Criteria	Description	Page
14	Public Accountant	The information includes: 1. Name and period of public accountant auditing the annual financial statements for 5 recent years; 2. Name and period of Public Accountant Firm auditing annual financial statements for 5 recent years; 3. Amount of fee for each service provided by the public accountant in recent fiscal year; and 4. Other service provided by Public Accountant Firm besides annual financial statements audit service Notes: If there is no other service provided, the condition shall be disclosed.	244
15	Description on Risk Management	The information includes: 1. Explanation on risk management system implemented by the Company 2. Explanation on evaluation done to effectiveness of the risk management system; 3. Explanation on risks profile of the Company; and 4. Risk mitigation plan.	247
16	Description on internal control system	The information includes: 1. Brief explanation on internal control system including financial and operational controlling; 2. Explanation of internal control system compliance with international-standard framework (COSO – internal control framework); 3. Explanation on evaluation to the internal control system.	254
17	Description on corporate social responsibility related with environment	The information includes: 1. Information about commitment on social responsibility 2. Information on method and scope of due diligent to social, economic and environmental impacts from the Company's activity 3. Information about key stakeholders who are affected or influenced by impact from the Company's activity 4. Information about social economics and environmental key issues related to impact from the Company's activity 5. Information about scope of corporate social responsibility as obligations or beyond obligation 6. Information about strategy and working program in handling social, economics and environmental issues as stakeholders engagement initiatives and to increase value for the stakeholders and shareholders 7. Information about various programs exceeding the minimum corporate responsibility that is relevant with current business practice 8. Information about social responsibility financing and budget	272
18	Description on corporate social responsibility related to Human Rights subject	The information includes: 1. Information about social responsibility commitment and policy on Human Rights core subject 2. Information about corporate formulation on scope of social responsibility Human Rights core subject 3. Information about corporate social responsibility planning on Human Rights aspect 4. Information about implementation of CSR initiatives in Human Rights aspect 5. Information about achievements and rewards for CSR initiatives in Human Rights aspect	275

No.	Criteria	Description	Page
19	Description on Social Responsibility related to Fair Operation Core Subject	The information includes: 1. Information about social responsibility commitment and policy on Fair Operation core subject 2. Information about corporate formulation in scope of social responsibility in Fair Operation core subject 3. Information about corporate social responsibility planning in Fair Operation aspect 4. Information on implementation of CSR initiatives in fair operations aspect 5. Information on achievements and rewards of CSR in fair operations aspect	276
20	Description on Corporate Social Responsibility related to Environment	Disclosure of information, as follows: 1. Information about environmental commitment and policy 2. Information about environmental impact and risk that are related directly or non-directly with the Company 3. Information about activity target/plan for 2018 as stipulated by the management; 4. Information about activities that are done and related to environmental program engaging with the Company's operational activity 5. Information about implementation of CSR in environment 6. Information about quantitative impact from the activities, and, the use of eco-friendly material and energy, and during the recycle process, the Company's waste management treatment, environmental issue reporting mechanism, considering environmental aspect in loans disbursement to the customers and others. 7. Certification in environment aspect.	278
21	Description on corporate social responsibility related to employment, occupational health and safety.	The information includes: 1. Corporate social responsibility policy and commitment in employment subject 2. Information about social responsibility scope and formulation in employment aspect 3. Information related to target/activity plan in 2018 as stipulated by the management; and 4. Implemented activity and quantitative impact from the activity 5. Information about occupational health, safety and employment such as gender equity and working opportunity, occupational health and equipment, employee turnover rate, accident rate, remuneration, employment issue reporting mechanism, and others.	284
22	Description on corporate social responsibility related to responsibility to the customers	Including, among others: 1. Activity target/plan in 2018 as stipulated by the management; 2. Activities done and its impact 3. Related to product responsibility such as customer's health and safety, product information, facilities, amount and handling process upon the customer complaint, and others.	288

No.	Criteria	Description	Page
23	Description on Corporate Social Responsibility related to social and community development	Including information about: 1. Corporate social responsibility policy and commitment in social and community development core subject 2. Information about social issues that are relevant with the Company 3. Information about social risks managed by the Company 4. Information about social responsibility scope and formulation in social and community development 5. Activity target/plan in 2018 as stipulated by the management; 6. Activity realization and impact from the activities; and 7. Related to social and community development, such as hiring local workers, community development in operational area, improvements of social infrastructures and facilities, other donations, communication about anti-corruption policy and procedure, anti-corruption training and others.	281
24	Litigation encountered by the Company, subsidiary, Board of Directors and/or Board of Commissioners members serving in the Annual Report period	The information includes: 1. Case/lawsuit summary; 2. Case/lawsuit settlement status; 3. Risk encountered by the Company and value of the litigation/lawsuit; 4. Administrative sanction charged to the Entity, Board of Commissioners and Board of Directors members by the authorized regulator (stock market, banking and other authorities) in recent fiscal year (or statements of free from any administrative sanction). Notes: In the course of the Entity, Board of Commissioners and Board of Directors members do not encounter any litigation, the condition shall be disclosed.	257
25	Access to company information and data: A description of the availability of access to company information and data to the public	Description on the availability of corporate information and data access publicly, i.e via website (in Indonesian and English), mass media, mailing list, bulletin, analyst meeting and others	259
26	Description on Code of Conducts	The information includes: 1. Code of Conducts provisions; 2. Disclosure that Code of Conducts prevail for entire organization level; 3. Code of Conducts dissemination; 4. Punishment for every violation as stipulated in the Code of Conducts (normative); 5. Number of Code of Conducts violation, punishment administered in recent fiscal year Notes: If Code of Conducts violation is unavailable in recent fiscal year, the condition shall be disclosed.	261
27	Disclosure on Whistle Blowing System	The information includes Whistle Blowing System mechanism, as follows: 1. Fraud report submission; 2. Protection to the Whistle Blower; 3. Report handling; 4. Report Manager authority; and 5. Total report received and processed in recent fiscal year; and 6. Punishment/follow-up on the report that had been processed completely during the fiscal year. Notes: If neither incoming or processed report in recent fiscal year, the condition shall be disclosed.	264

No.	Criteria	Description	Page
28	Board of Commissioners and Board of Directors Composition Diversity Policy	Description of written policy of the Company on Board of Commissioners and Board of Directors composition diversity policy in terms of educational background (major), career history, age and gender. Notes: if the policy is unavailable, the condition shall be disclosed altogether with the consideration.	180, 197
VII. Financial Information			
1	Declaration from the Board of Directors and/or Board of Commissioners on Financial Statements Responsibility	Compliance with regulations related with Financial Statements Responsibility	LK
2	Independent Auditor Opinion on the Financial Statements		LK
3	Description of Independent Auditor in the Opinion	Description includes, as follows: 1. Name & signature; 2. Date of Audit Report; and 3. KAP and Public Accountant Registries.	LK
4	Complete Financial Statements	Full disclosure of financial statements parts, as follows: 1. Statements of financial position (balance sheet); 2. Statements of profit or loss; 3. Statements of equity change; 4. Statements of cash flows; 5. Note son the financial statements; 6. Comparative statements on earlier period; 7. Statements of financial position at beginning of earlier period when the entity implemented certain accounting policy retrospectively or restating the financial statement accounts, or when the entity reclassified the accounts in the financial statements (if relevant)	LK
5	Comparison of profitability	Comparative profit (loss) for the year and earlier year	LK
6	Statements of Cash Flows	The information includes: 1. Classification of three activity categories: operating, investing and financing; 2. Implementation of direct method to report cash flows from operating activities; 3. Separation of disclosure between inflow and outflow cash in recent year on operating, investing and financing activities; 4. Disclosure of non-cash transaction that shall be disclosed in the notes on financial statements.	LK
7	Summary of Accounting Policy	The information, at least, includes: 1. Statement of compliance with the FAS; 2. Basis of Financial Statements measurement and preparation; 3. Recognition of income and expenses; 4. Employment benefits; and 5. Financial Instruments.	LK
8	Disclosure of related party transaction	The disclosure includes: 1. Name of related parties; and nature and relation with the related parties; 2. Amount of the transaction and percentage total related income and expenses; and 3. Amount of balance and percentage to total assets or liabilities.	LK

No.	Criteria	Description	Page
9	Disclosure of taxation-related information	The disclosure shall present information as follows: 1. Fiscal reconciliation and current tax calculation; 2. Explanation on relationship between tax income (expense) and accounting income. 3. Statements of reconciliated Taxable Income (LKP) is placed as basis for the Entity Income Tax Annual SPT submission; 4. Detail of deferred tax assets and liabilities recognized in the financial statements for every presentation period, and total deferred tax income (expenses) recognized in statements of profit or loss if the amount is unrecognized in the total deferred tax assets or liabilities recognized in the statements of financial position; and 5. Disclosure of any tax dispute event	LK
10	Disclosure related with fixed assets	The disclosure shall present information as follows: 1. Depreciation method applied; 2. Disclosure on selected accounting policy between revaluation model and cost model; 3. Significant method and assumption applied to estimate fair value of the fixed assets (for revaluation model) or disclosure of fixed assets fair value (for cost model); and 4. Reconciliation of total fixed assets gross booked value and accumulative depreciation at beginning and end of period by presenting: addition, deduction and reclassification.	LK
11	Disclosure related with operation segment	The disclosure shall present information as follows: 1. General information including factors applied to identify the reported segment; 2. Information on profit or loss, assets and liabilities of the reported segment; 3. Reconciliation of total segment revenue, reported segment profit or loss, segment assets, segment liabilities and other material elements of the segments to total related in the entity; and 4. Disclosure at entity level, including information about product and/or service, geographical area and main customers.	LK
12	Disclosure related with Financial Instruments	The disclosure shall present information: 1. Detail information of owned financial instruments by classification; 2. Fair value and its hierarchical level for every financial instrument group; 3. Explanation of risk related with the financial instrument; market risk, credit risk and liquidity risk; 4. Risk management policy; and 5. Quantitative risk analysis related with financial instrument.	LK
13	Financial Statements Publication	The disclosure shall present information: 1. Date of authorization for the financial statements publication; and 2. Authorized party of the financial statements.	LK



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Vol : 6



CONSOLIDATED FINANCIAL STATEMENTS

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**PT PERUSAHAAN PENGELOLA
ASET (PERSERO)
DAN ENTITAS ANAK**

**Laporan Keuangan Konsolidasian
Untuk Tahun-tahun yang Berakhir pada
31 Desember 2018 dan 2017**

***PT PERUSAHAAN PENGELOLA
ASET (PERSERO)
AND SUBSIDIARIES***

***Consolidated Financial Statements
For the Years Ended
December 31, 2018 and 2017***

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
DAN ENTITAS ANAK****PT PERUSAHAAN PENGELOLA ASET (PERSERO)
AND SUBSIDIARIES**

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Laporan Keuangan Konsolidasian Untuk Tahun-tahun yang Berakhir pada Tanggal 31 Desember 2018 dan 2017		Consolidated Financial Statements For the Years Ended Desember 31, 2018 and 2017
Laporan Posisi Keuangan Konsolidasian	1	<i>Consolidated Statements of Financial Position</i>
Laporan Laba Rugi dan Penghasilan Komprehensif Lain Konsolidasian	3	<i>Consolidated Statements of Profit or Loss and Other Comprehensive Income</i>
Laporan Perubahan Ekuitas Konsolidasian	4	<i>Consolidated Statements of Changes in Equity</i>
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Laporan Posisi Keuangan (Entitas Induk)	I	<i>Statements of Financial Position (Parent Entity)</i>
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Laporan Arus Kas (Entitas Induk)	IV	<i>Statements of Cash Flows (Parent Entity)</i>
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**PERNYATAAN DIREKSI
TENTANG
TANGGUNG JAWAB ATAS LAPORAN KEUANGAN KONSOLIDASIAN UNTUK
TAHUN-TAHUN YANG BERAKHIR 31 DESEMBER 2018 DAN 2017
PT PERUSAHAAN PENGELOLA ASET (PERSERO) DAN ENTITAS ANAK**

**BOARD OF DIRECTOR'S STATEMENT LETTER
RELATING TO
RESPONSIBILITY ON THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
PT PERUSAHAAN PENGELOLA ASET (PERSERO) AND SUBSIDIARIES**

Kami yang bertanda tangan di bawah ini :

We, the undersigned :

1. Nama / Name	: Henry Sihotang
Alamat kantor / Office Address	: Sampoerna Strategic Square North Tower 12th Floor Jalan Jenderal Sudirman Kav. 45-46 Jakarta 12930
Alamat domisili sesuai KTP atau kartu identitas lain / Domicile as stated in ID Card	: Jl. Bukit Hijau VIII No.23 RT.009/RW.013 Pondok Pinang, Kebayoran Lama, Jakarta Selatan.
Nomor Telpn / Phone Number	: 021-57982222
Jabatan / Position	: Direktur Utama / President Director
2. Nama / Name	: Ajar Setiadi
Alamat kantor / Office Address	: Sampoerna Strategic Square North Tower 10th Floor Jalan Jenderal Sudirman Kav. 45-46 Jakarta 12930
Alamat domisili sesuai KTP atau kartu identitas lain / Domicile as stated in ID Card	: Griya Bukit Jaya Blok N.2/3 RT.010/RW.027 Tlajung Udik, Gunung Putri, Bogor.
Nomor Telpn / Phone Number	: 021-57982222
Jabatan / Position	: Direktur Keuangan dan Dukungan Kerja / Director of Finance & Support

Menyatakan bahwa:

State that:

1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian;	We are responsible for the preparation and presentation of the consolidated financial statements;
2. Laporan keuangan konsolidasian telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia;	The consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
3. Semua informasi dalam laporan keuangan konsolidasian telah dimuat secara lengkap dan benar;	All information contained in the consolidated financial statements is complete and correct;
4. Laporan keuangan konsolidasian tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material;	The consolidated financial statements do not contain misleading material information or facts, and do not omit material information or facts;
5. Kami bertanggung jawab atas sistem pengendalian intern dalam Perusahaan dan entitas anak.	We are responsible for internal control system within the company and its subsidiaries.

Demikian pernyataan ini dibuat dengan sebenarnya.

This statement letter has been made truthfully.

Jakarta, 13 Maret 2019 / Jakarta, March 13, 2019

Direktur Utama/
President Director

Direktur Keuangan dan Dukungan Kerja/
Director of Finance & Support

(Henry Sihotang)

(Ajar Setiadi)



Amir Abadi Jusuf, Aryanto, Mawar & Rekan

Amir Abadi Jusuf, Aryanto, Mawar & Rekan
Registered Public Accountants

Nomor/Number : 00172/2.1030/AU.1/10/0499-4/1/III/2019

RSM Indonesia
Plaza ASIA, Level 10
Jl. Jend. Sudirman Kav. 59
Jakarta 12190 Indonesia

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Laporan Auditor Independen/ Independent Auditor's Report

Pemegang Saham, Komisaris dan Direksi/
Shareholders, Commissioners and Directors

PT Perusahaan Pengelola Aset (Persero)

Kami telah mengaudit laporan keuangan konsolidasian PT Perusahaan Pengelola Aset (Persero) dan entitas anaknya terlampir, yang terdiri dari laporan posisi keuangan konsolidasian tanggal 31 Desember 2018, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas konsolidasian untuk tahun yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

Tanggung jawab manajemen atas laporan keuangan konsolidasian

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan konsolidasian ini 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.

Tanggung jawab auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan konsolidasian ini berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk memenuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan konsolidasian bebas dari kesalahan penyajian material.

We have audited the accompanying consolidated financial statements of PT Perusahaan Pengelola Aset (Persero) and its subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2018, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements 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 the consolidated financial statements are free from material misstatement.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

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 konsolidasian entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektifitasan pengendalian internal entitas. 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 opini kami, laporan keuangan konsolidasian terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian PT Perusahaan Pengelola Aset (Persero) dan entitas anaknya tanggal 31 Desember 2018, serta kinerja keuangan dan arus kas konsolidasian untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Hal-hal lain

Audit kami atas laporan keuangan konsolidasian Perusahaan dan entitas anaknya tanggal 31 Desember 2018 terlampir, dilaksanakan dengan tujuan untuk merumuskan opini atas laporan keuangan konsolidasian secara keseluruhan. Informasi keuangan Perusahaan (entitas induk) terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2018, serta laporan laba-rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut (secara kolektif disebut sebagai "Informasi Keuangan Entitas Induk"), yang disajikan sebagai informasi tambahan terhadap laporan keuangan konsolidasian terlampir, disajikan untuk tujuan analisis tambahan dan bukan merupakan bagian dari laporan keuangan konsolidasian terlampir yang diharuskan menurut Standar Akuntansi Keuangan di Indonesia. Informasi Keuangan Entitas Induk merupakan tanggung jawab manajemen serta dihasilkan dari dan berkaitan secara langsung dengan catatan akuntansi dan catatan lainnya yang mendasarinya yang digunakan untuk menyusun laporan keuangan konsolidasian terlampir. Informasi Keuangan Entitas Induk telah

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 auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 entity'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 accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Perusahaan Pengelola Aset (Persero) and its subsidiaries as of December 31, 2018 and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Other matters

Our audit of the accompanying consolidated financial statements of the Company and its subsidiaries as of December 31, 2018, was performed for the purpose of forming an opinion on such consolidated financial statements taken as a whole. The accompanying financial information of the Company (parent entity), which comprises the statement of financial position as of December 31, 2018 and the statement of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended (collectively referred to as the "Parent Entity Financial Information"), which is presented as a supplementary information to the accompanying consolidated financial statements, is presented for the purposes of additional analysis and is not a required part of the accompanying consolidated financial statements under Indonesian Financial Accounting Standards. The Parent Entity Financial Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the accompanying consolidated financial statements. The Parent Entity Financial Information has been subjected to the auditing procedures

menjadi objek prosedur audit yang diterapkan dalam audit atas laporan keuangan konsolidasian terlampir berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Menurut opini kami, Informasi Keuangan Entitas Induk disajikan secara wajar, dalam semua hal yang material, berkaitan dengan laporan keuangan konsolidasian terlampir secara keseluruhan.

Kami juga melakukan pengujian atas kepatuhan Perusahaan terhadap peraturan perundang-undangan tertentu dan pengendalian internal. Kepatuhan terhadap peraturan perundang-undangan tertentu dan pengendalian internal adalah tanggung jawab manajemen Perusahaan. Tanggung jawab kami terletak pada pernyataan kesimpulan atas kepatuhan terhadap peraturan perundang-undangan dan pengendalian internal berdasarkan audit kami. Pengujian atas kepatuhan terhadap peraturan perundang-undangan tertentu dan pengendalian internal tersebut kami laksanakan berdasarkan Standar Pemeriksaan Keuangan Negara yang diterbitkan Badan Pemeriksa Keuangan Republik Indonesia dan Standar Auditing yang ditetapkan oleh Institut Akuntan Publik Indonesia.

Kepatuhan terhadap peraturan perundang-undangan dan pengendalian internal, disampaikan secara terpisah kepada manajemen masing-masing dalam laporan kami No. R/067.AAT/sat/2019 dan No. R/068.AAT/sat/2019 tanggal 13 Maret 2019.

applied in the audit of the accompanying consolidated financial statements in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. In our opinion, the Parent Entity Financial Information is fairly stated, in all material respects, in relation to the accompanying consolidated financial statements taken as a whole.

We also have tested on the Company's compliance with certain laws and regulations and internal controls. The compliance with certain laws and regulations and internal controls are the responsibility of the Company's management. Our responsibility is to express a conclusion on the Company's compliance with certain laws and regulations and internal controls based on our audit. Testing of the compliance with certain laws and regulations and internal controls that we performed were in accordance with State Financial Auditing Standards established by the Supreme Audit Board of the Republic of Indonesia and Standards on Auditing established by the Indonesian Institute of Certified Public Accountants.

The compliance to certain regulations and internal controls, are submitted seperately to the management, in our reports No. R/067.AAT/sat/2019 and No. R/068.AAT/sat/2019 dated March 13, 2019, respectively.

Amir Abadi Jusuf, Aryanto, Mawar & Rekan



Saptoto Agustomo

Nomor Izin Akuntan Publik: AP.0499/
Public Accountant License Number: AP.0499

Jakarta, 13 Maret 2019/ March 13, 2019

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
DAN ENTITAS ANAK**
LAPORAN POSISI KEUANGAN KONSOLIDASIAN
Tanggal 31 Desember 2018 dan 2017
(Dalam Jutaan Rupiah, kecuali Data Saham)

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
AND SUBSIDIARIES**
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)

	Catatan/ Notes	2018 Rp	2017*) Rp	
ASET				ASSETS
ASET LANCAR				CURRENT ASSETS
Kas dan Setara Kas	3	1,365,617	1,694,156	Cash and Cash Equivalents
Pinjaman Investasi Jangka Pendek	4			Short-term Investment Loans
Pihak Berelasi		22,069	13,776	Related Parties
Pihak Ketiga		423,195	275,168	Third Parties
Aset Keuangan Diperdagangkan	5			Held for Trading Financial Assets
Pihak Berelasi		79,632	80,921	Related Parties
Pihak Ketiga		1,588	2,314	Third Parties
Piutang Usaha	6			Accounts Receivable
Pihak Berelasi		269,725	315,566	Related Parties
Pihak Ketiga		906,628	901,693	Third Parties
Piutang Retensi	7			Retention Receivables
Pihak Berelasi		65,087	87,760	Related Parties
Pihak Ketiga		101,736	129,206	Third Parties
Piutang Ventura Bersama Konstruksi	8	277,862	189,408	Joint Venture Construction Receivables
Pinjaman yang Diberikan - Dana Talangan	9			Loans Receivable-Bailout
Pihak Berelasi		215,581	207,115	Related Parties
Tagihan Bruto kepada Pemberi Kerja	10			Gross Amount Due from Customers
Pihak Berelasi		564,551	347,956	Related Parties
Pihak Ketiga		1,653,814	945,766	Third Parties
Persediaan	11	154,278	170,160	Inventories
Uang Muka dan Biaya Dibayar Di Muka	12	154,751	104,468	Advances and Prepaid Expenses
Pajak Dibayar Di Muka	13	691,610	474,896	Prepaid Taxes
Aset Lancar Lainnya	14	332,374	74,695	Other Current Assets
Jumlah Aset Lancar		7,280,098	6,015,024	Total Current Assets
ASET TIDAK LANCAR				NON-CURRENT ASSETS
Aset Keuangan Tersedia untuk Dijual	15	95,989	114,858	Available for Sale Financial Assets
Pinjaman yang Diberikan - Restrukturisasi dan/atau Revitalisasi	16			Loans Receivable - Restructuring and/or Revitalization
Pihak Berelasi		1,388,273	1,356,385	Related Parties
Pinjaman Investasi Jangka Panjang	20	265,053	134,375	Long-term Investment Loans
Properti Investasi	17	786,809	395,901	Investment Property
Aset Pajak Tangguhan	13	25,569	20,605	Deferred Tax Assets
Uang Muka Investasi	18	6,250	--	Investment in Associates
Investasi pada Ventura Bersama	19	336,085	348,689	Advance for Investment
Investasi Jangka Panjang Lainnya	21	138,053	41,818	Other Long-Term Investments
Aset Tetap	22	1,068,044	716,622	Property Plant and Equipment
Aset Tidak Lancar Lainnya	14	354,278	336,091	Other Non-Current Assets
Jumlah Aset Tidak Lancar		4,464,403	3,465,344	Total Non-Current Assets
JUMLAH ASET		11,744,501	9,480,368	TOTAL ASSETS

*) Direklasifikasi (Catatan 41)/ Reclassified (Note 41)

Catatan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes form an integral part of these consolidated financial statements

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN
KONSOLIDASIAN (Lanjutan)**
Tanggal 31 Desember 2018 dan 2017
(Dalam Jutaan Rupiah, kecuali Data Saham)

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION (Continued)**
As of December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)

	Catatan/ Notes	2018 Rp	2017 Rp	
LIABILITAS DAN EKUITAS				LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK				CURRENT LIABILITIES
Utang Usaha	23			Accounts Payable
Pihak Berelasi		92,420	71,476	Related Parties
Pihak Ketiga		2,031,571	1,526,517	Third Parties
Pinjaman Bank dan Lembaga Keuangan	24			Bank and Financial Institution Loans
Pihak Berelasi		852,130	399,340	Related Parties
Pihak Ketiga		1,128,699	550,677	Third Parties
Pinjaman Jangka Panjang yang Akan Jatuh Tempo Dalam Satu Tahun	24			Current Maturities of Long Term Loan
Pihak Berelasi		83,555	59,551	Related Parties
Pihak Ketiga		17,969	33,992	Third Parties
Utang Bruto kepada Pihak Ketiga	25	686,680	628,457	Gross Amount Due to Third Parties
Uang Muka Pemberi Kerja Jangka Pendek	26			Short-Term Advances from Customers
Pihak Berelasi		14,630	31,867	Related Parties
Pihak Ketiga		272,019	178,928	Third Parties
Utang Pajak	13.b	50,297	55,320	Taxes Payable
Beban Akrua dan Utang Lain-lain	27	194,668	141,754	Accrued Expenses and Other Payables
Pendapatan diterima dimuka	28	15,592	24,929	Unearned Revenue
Hasil Pengelolaan Aset yang Masih Harus Disetor	29	--	12,722	Proceeds from Assets Management for Remittance
Jumlah Liabilitas Jangka Pendek		5,440,230	3,715,530	Total Current Liabilities
LIABILITAS JANGKA PANJANG				NON-CURRENT LIABILITIES
Liabilitas Imbalan Kerja Karyawan	30	22,766	27,897	Employee Benefit Liabilities
Pinjaman Bank Jangka Panjang	24			Long-Term Bank Loans
Pihak Berelasi		190,362	232,878	Related Parties
Pihak Ketiga		633,513	686,918	Third Parties
Uang Muka Pemberi Kerja Jangka Panjang	31			Long-Term Advances from Customers
Pihak Berelasi		60,501	--	Related Party
Pihak Ketiga		135,086	107,454	Third Parties
Jumlah Liabilitas Jangka Panjang		1,042,228	1,055,147	Total Non-Current Liabilities
JUMLAH LIABILITAS		6,482,458	4,770,677	TOTAL LIABILITIES
EKUITAS				EQUITY
Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk				Equity Attributable to Owner of the Parent
Modal Saham-Nilai Nominal Rp 1.000.000 per saham - Modal Dasar 5.000.000 saham Modal Ditempatkan dan Disetor Penuh per 31 Desember 2018 dan 2017, masing-masing 2.996.688 saham	32	2,996,688	2,996,688	Share Capital - Rp 1,000,000 par value per share - Authorized Capital 5,000,000 shares Issued and Fully Paid as of December 31, 2018 and 2017 2,996,688, respectively
Tambahan Modal Disetor		(308,059)	(305,768)	Additional Paid in Capital
Saldo Laba:	32			Retained Earnings:
Telah Ditentukan Penggunaannya		171,528	141,353	Appropriated
Belum Ditentukan Penggunaannya		1,780,757	1,404,335	Unappropriated
Labas (Rugi) Belum Direalisasi dari Efek Tersedia untuk Dijual - Bersih		25,628	44,279	Unrealized Gain (Loss) on Available for Sale Securities - Net
Surplus Revaluasi Aset Tetap		477,889	417,957	Revaluation Surplus of Property, Plant and Equipment
Jumlah Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk		5,144,431	4,698,844	Total Equity Attributable to Owner of the Parent
Kepentingan Non Pengendali	32	117,612	10,847	Non-Controlling Interest
JUMLAH EKUITAS		5,262,043	4,709,691	TOTAL EQUITY
JUMLAH LIABILITAS DAN EKUITAS		11,744,501	9,480,368	TOTAL LIABILITIES AND EQUITY

Catatan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes form an integral part of these consolidated financial statements

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
DAN ENTITAS ANAK
LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN KONSOLIDASIAN**
Untuk Tahun-tahun yang Berakhir pada
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(Dalam Jutaan Rupiah, kecuali Data Saham)

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
For the Years Ended
December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)

	Catatan/ Notes	2018 Rp	2017 Rp	
PENDAPATAN USAHA	33	6,824,001	6,355,757	REVENUES
BEBAN USAHA	34	(6,292,565)	(5,782,914)	OPERATING EXPENSE
LABA USAHA		531,436	572,843	OPERATING INCOME
Pendapatan Bunga		15,514	10,785	Interest Income
Beban Bunga dan Keuangan		(76,004)	(65,334)	Interest Expense and Financial Charge
Kenaikan Nilai Wajar atas Properti Investasi	17	75,448	11,977	Increase in Fair Value of Investment Property
Beban Pajak Final	37	(174,168)	(168,337)	Final Tax Expense
Bagian Laba Ventura Bersama	35	106,821	133,038	Share of the Profit of Joint Ventures
Pendapatan (Beban) Lain-lain		(37,387)	(162,042)	Other Income (Expenses)
LABA SEBELUM PAJAK		441,660	332,930	INCOME BEFORE TAX
PAJAK PENGHASILAN				INCOME TAXES
Manfaat (Beban) Pajak Kini		(17,213)	(6,576)	Current Tax Benefit (Expenses)
Manfaat (Beban) Pajak Tangguhan		4,353	131	Deferred Tax Benefit (Expenses)
Jumlah Beban Pajak Penghasilan		(12,860)	(6,445)	Total Income Tax Expense
LABA TAHUN BERJALAN		428,800	326,485	INCOME FOR THE YEAR
PENGHASILAN KOMPREHENSIF LAIN				OTHER COMPREHENSIVE INCOME
Pos-pos yang Tidak Akan Direklasifikasi ke Laba Rugi				Items that will not be Reclassified to Profit or Loss
Surplus Revaluasi Aset Tetap	32	79,910	264,436	Property, Plant and Equipment Revaluation Surplus
Keuntungan (Kerugian) Aktuarial atas Liabilitas				Actuarial Gain (Loss) from Defined
Imbalan Pasti		520	(4,304)	Benefit Liabilities
Pos yang Akan Direklasifikasi ke Laba Rugi				Item that may be Reclassified Subsequently to Profit or Loss
Aset Keuangan Tersedia untuk Dijual		(18,651)	(9,164)	Available for Sale Financial Assets
Jumlah Penghasilan Komprehensif Lain		61,779	250,968	Total Comprehensive Income
JUMLAH PENGHASILAN KOMPREHENSIF LAINNYA TAHUN BERJALAN		490,579	577,453	TOTAL COMPREHENSIVE INCOME FOR THE YEAR
PENGHASILAN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA				INCOME FOR THE YEAR ATTRIBUTABLE TO
Pemilik Entitas Induk		426,077	324,045	Owners of The Parent Entity
Kepentingan Non-Pengendali		2,723	2,440	Non-Controlling Interests
JUMLAH		428,800	326,485	TOTAL
LABA KOMPREHENSIF TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA				COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO
Pemilik Entitas Induk		467,878	572,411	Owners of The Parent Entity
Kepentingan Non-Pengendali		22,701	5,042	Non-Controlling Interest
JUMLAH		490,579	577,453	TOTAL
LABA PER SAHAM	36	142,183	108,134	EARNINGS PER SHARE

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
Untuk Tahun-tahun yang Berakhir pada
Tanggal 31 Desember 2018 dan 2017
(Dalam Jutaan Rupiah, kecuali Data Saham)**

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended
December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)**

	Dapat Didistribusikan kepada Pemilik Entitas Induk/Equity Attributable to Owner of the Parent							Kepentingan Non-Pengendali/ Non-Controlling Interests		Jumlah Ekuitas/ Total Equity
	Modal Saham/ Capital Stock	Tambahan Modal Disetor/ Additional Paid in Capital	Aset Keuangan Tersedia untuk Dijual/ on Available for Sale Financial Assets	Surplus Revaluasi Aset Tetap/ Revaluation Surplus of Property, Plant and Equipment	Saldo Laba/Retained Earnings *)		Jumlah/ Total	Rp	Rp	
	Rp	Rp	Rp	Rp	Saldo Laba/Retained Earnings *)	Saldo Laba/Retained Earnings *)	Rp			
Saldo Per 31 Desember 2016	2.996.688	(305.768)	53.443	156.166	141.353	1.103.641	4.145.523	5.805	4.151.328	Balance as of December 31, 2016
Laba Tahun Berjalan	--	--	--	--	--	324.045	324.045	2440	326.485	Income for The Year
Dividen	--	--	--	--	--	(19.090)	(19.090)	--	(19.090)	Dividend
Penghasilan Komprehensif Lain Tahun Berjalan	--	--	(9.164)	261.791	--	(4.261)	248.366	2.602	250.968	Other Comprehensive Income for the Year
Saldo Per 31 Desember 2017	2.996.688	(305.768)	44.279	417.957	141.353	1.404.335	4.698.844	10.847	4.709.691	Balance as of December 31, 2017
Dampak Akuisi dan Pendirian Entitas Anak di Tahun Berjalan	--	--	--	--	--	--	--	84.239	84.239	Acquisition and Establishment of Subsidiaries in Current Year
Dampak Divestasi Entitas Anak di Tahun Berjalan	--	(2.291)	--	--	--	--	(2.291)	2.723	428.600	Impact of the Subsidiary's Disinvestment
Laba Tahun Berjalan	--	--	--	--	--	426.077	426.077	--	--	Income for The Year
Dividen	--	--	--	--	--	(30.175)	(30.175)	--	(30.175)	Dividend
Cadangan Umum	--	--	--	--	--	(20.000)	(20.000)	--	(20.175)	General Reserve
Penghasilan Komprehensif Lain Tahun Berjalan	--	--	(18.651)	59.932	--	520	41.801	19.978	61.779	Other Comprehensive Income for the Year
Saldo Per 31 Desember 2018	2.996.688	(308.059)	25.628	477.889	171.528	1.780.757	5.144.431	117.612	5.262.043	Balance as of December 31, 2018

Catatan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes form an integral part of these consolidated financial statements

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN**
Untuk Tahun-tahun yang Berakhir pada
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(Dalam Jutaan Rupiah, kecuali Data Saham)

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS**
For the Years Ended
December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)

	2018 Rp	2017 Rp
ARUS KAS DARI AKTIVITAS OPERASI		
Penerimaan Kas dari Pelanggan	5,930,344	6,016,633
Penyaluran Pembiayaan Konsumen	(566,485)	(374,397)
Penerimaan Restitusi Pajak	18,656	—
Penerimaan IPA Eks BPPN	—	13,444
Penerimaan Bunga atas Pinjaman yang Diberikan	70,923	47,924
Penerimaan Penggantian Biaya	1,558	243
Pembayaran Beban Usaha	(4,944,868)	(5,497,316)
Pembayaran Beban Bunga	(228,358)	(182,201)
Pembayaran Pajak	(226,442)	(204,179)
Penerimaan Hasil Investasi	165,248	126,300
Pencairan Surat Berharga Diperdagangkan	638	4,341
Pengelolaan Pinjaman Karyawan	—	(1,204)
Penambahan Aset Lancar Lainnya	(290,918)	—
Penerimaan Lainnya	45,098	32,772
Kas Bersih Digunakan untuk Aktivitas Operasi	(24,606)	(17,640)
ARUS KAS DARI AKTIVITAS INVESTASI		
Perolehan Aset Tetap	(478,776)	(52,827)
Perolehan Properti Investasi	(106,653)	(3,015)
Hasil Penjualan Aset Tetap	1,087	9
Penerimaan dari Divestasi	11,000	—
Penempatan Deposito yang Dijamin	—	(316,000)
Investasi pada Ventura Bersama	(53,148)	—
Perolehan Aset Tak Berwujud	—	(669)
Pencairan Surat Berharga Tersedia untuk Dijual	17,779	3,970
Penempatan Investasi pada Entitas Anak	(37,000)	—
Penempatan Uang Muka Investasi	(6,250)	—
Penambahan Investasi Jangka Panjang Lainnya	—	(133)
Pengeluaran Pinjaman yang Diberikan - Bersih	(553,325)	(577,989)
Kas Bersih Digunakan untuk Aktivitas Investasi	(1,205,286)	(946,654)
ARUS KAS DARI AKTIVITAS PENDANAAN		
Penerimaan Pinjaman Bank dan Lembaga Keuangan	13,202,721	15,245,645
Pembayaran Pinjaman Bank dan Lembaga Keuangan	(12,311,859)	(14,462,358)
Penerimaan Penerbitan <i>Medium Term Notes</i>	—	500,000
Pembayaran Pinjaman <i>Medium Term Notes</i>	—	(140,000)
Pembayaran Dividen	(20,175)	(19,089)
Penerimaan Dividen	20,925	—
Penerimaan Utang Dari Pihak Bereleasi	25,000	—
Kas Bersih Diperoleh dari Aktivitas Pendanaan	916,612	1,124,198
KENAIKAN (PENURUNAN) BERSIH KAS DAN SETARA KAS	(313,280)	159,904
KAS DAN SETARA KAS AWAL TAHUN	1,694,156	1,534,252
KAS ENTITAS ANAK YANG DILEPAS	(16,926)	—
PENAMBAHAN KAS DARI AKUISISI ENTITAS ANAK	1,667	—
KAS DAN SETARA KAS AKHIR TAHUN	1,365,617	1,694,156

Tambahan informasi aktivitas yang tidak mempengaruhi arus kas disajikan dalam Catatan 38

CASH FLOWS FROM OPERATING ACTIVITIES
Cash Receipts from Customers
Disbursement for Financing
Cash Receipts from Tax Refund
Proceeds from SOEs' Asset Management
Proceeds from Loan Receivables Interest
Reimbursable Cost of Assets
Payment of Operating Expenses
Payment of Interest Expenses
Tax Paid
Proceeds of Investment
Receipt from Trading Securities
Management of Loan to Employee
Additional of Other Current Assets
Other Income
Net Cash Used in Operating Activities

CASH FLOWS FROM INVESTING ACTIVITIES
Acquisitions of Property, Plant and Equipment
Acquisition of Investment Properties
Proceeds from Disposal of Property, Plant and Equipment
Proceed from Divestment
Placement Deposit Guaranteed
Proceeds from Disposal of Fixed Assets
Acquisitions of Intangible Asset
Proceed from Available for Sale Securities
Placement of Investment in Subsidiary
Placement of Advance of Investment
Additional Other Long Term Investments
Disbursement of Loans
Net Cash Used in Investing Activities

CASH FLOWS FROM FINANCING ACTIVITIES
Receipts from Bank and Financial Institution Loan
Payment for Bank and Financial Institution Loan
Receipt from Medium Term Notes
Payment for Medium Term Notes
Dividend Payment
Dividend Receipt
Receipts from Related Parties
Net Cash Provided by Financing Activities

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR
CASH ON DISPOSAL OF SUBSIDIARY
ADDITIONAL CASH FROM ACQUISITION OF SUBSIDIARY
CASH AND CASH EQUIVALENTS AT END OF YEAR

Additional information of non cash activities are presented in Note 38

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Untuk Tahun-tahun yang Berakhir
Pada Tanggal 31 Desember 2018 dan 2017
(Dalam Jutaan Rupiah, kecuali Data Saham)

1. Umum

1.a. Pendirian dan Informasi Umum

PT Perusahaan Pengelola Aset (Persero) (Perusahaan) didirikan berdasarkan Akta Notaris No. 7 tanggal 27 Februari 2004 dari Lenny Janis Ishak, S.H., Notaris di Jakarta. Akta pendirian ini telah disahkan oleh Menteri Kehakiman dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. C-05780 HT.01.01.TH.2004 tanggal 9 Maret 2004 dan diumumkan dalam Berita Negara Republik Indonesia No. 39 tanggal 14 Mei 2004, Tambahan No. 4541. Akta pendirian Perusahaan tersebut dibuat berdasarkan Peraturan Pemerintah (PP) Republik Indonesia No. 10 Tahun 2004 tanggal 27 Februari 2004 tentang Pendirian Perusahaan Perseroan (Persero) di Bidang Pengelolaan Aset. Beberapa ketentuan dalam PP No. 10 Tahun 2004 telah diubah dengan diterbitkannya PP No. 61 Tahun 2008 tanggal 4 September 2008 tentang Perubahan atas Peraturan Pemerintah No.10 Tahun 2004 yang menetapkan, antara lain perluasan maksud dan tujuan Perusahaan dan ruang lingkup kegiatan Perusahaan.

Anggaran Dasar Perusahaan telah mengalami beberapa kali perubahan, terakhir dengan Akta Pernyataan Keputusan Rapat Perusahaan No. 62 tanggal 21 Februari 2014 dari Desman, S.H., Notaris di Jakarta. Akta tersebut telah memperoleh persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan Surat Keputusan No. AHU-10460.AH.01.02 tanggal 10 Maret 2014.

Berdasarkan Akta No. 27 dari Desman, S.H., M.Hum., M.M., Notaris di Jakarta pada tanggal 15 Februari 2016 menyatakan persetujuan penambahan modal Perusahaan sebesar Rp1.000.000 (nilai penuh) yang berasal dari Anggaran Pendapatan dan Belanja Negara Tahun Anggaran 2015, dengan demikian modal ditempatkan yang semula sebesar Rp1.996.688 menjadi sebesar Rp2.996.688. Perubahan ini telah dicatat oleh Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia Direktorat Jenderal Administrasi Hukum Umum pada tanggal 08 Maret 2016.

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
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For The Years Ended
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1. General

1.a. Establishment and General Information

PT Perusahaan Pengelola Aset (Persero) (the Company) was established under Notarial Deed No. 7 dated February 27, 2004 of Lenny Janis Ishak, S.H., Notary in Jakarta. The deed of establishment was approved by the Minister of Justice and Human Rights of the Republic of Indonesia under the Decree No. C-05780 HT.01.01.TH.2004 dated March 9, 2004 and was published in State Gazette of the Republic of Indonesia No. 39 dated May 14, 2004, Supplement 4541. The deed of establishment was made based on Government Regulation (PP) of the Republic of Indonesia No. 10 Year 2004 dated February 27, 2004 on the Establishment of PT Perusahaan Pengelola Aset (Persero) in Asset Management Area. Several clauses in the PP No. 10 Year 2004 have been amended by the issuance of PP No. 61 Year 2008 dated September 4, 2008 on the Amendment to Government Regulation No. 10 Year 2004 which stipulates, among others expanded the purposes and objectives of the Company and its scope of activities.

The Company's Articles of Association has been amended for several times, most recently by Deed of the Company's Meeting Resolution No. 62 dated February 21, 2014 of Desman, S.H., Notary in Jakarta. The deed was approved by the Minister of Law and Human Rights of the Republic of Indonesia under the Decree No. AHU-10460.AH.01.02 dated March 10, 2014.

Based on Deed No. 27 of Desman, S.H., M.Hum., M.M., Notary in Jakarta, on February 15, 2016, declared approval of the capital increase of the Company Rp1,000,000 (full amount) from the State Budget for Fiscal Year 2015, thus the original issued capital amounted Rp1,996,688 amounted to Rp2,996,688. These changes have been noted by the Ministry of Justice and Human Rights of the Republic of Indonesia, Directorate General of Legal Administration on March 8, 2016.

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
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Untuk Tahun-tahun yang Berakhir
Pada Tanggal 31 Desember 2018 dan 2017
(Dalam Jutaan Rupiah, kecuali Data Saham)

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS (Continued)**

For The Years Ended
December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)

1. Umum (Lanjutan)

Berdasarkan Pasal 3 Anggaran Dasar Perusahaan, maksud dan tujuan Perusahaan adalah turut melaksanakan dan menunjang kebijakan dan program Pemerintah di bidang ekonomi dan program pembangunan nasional pada umumnya. Untuk mencapai maksud dan tujuan tersebut, Perusahaan melakukan kegiatan usaha yang meliputi:

1. Pengelolaan aset negara yang berasal dari Badan Penyehatan Perbankan Nasional (BPPN) setelah pengakhiran tugas dan pembubaran BPPN, untuk dan atas nama Menteri Keuangan;
2. Restrukturisasi dan/atau revitalisasi Badan Usaha Milik Negara (BUMN);
3. Kegiatan investasi; dan
4. Kegiatan pengelolaan aset BUMN.

Perusahaan berkedudukan di Sampoerna Strategic Square, North Tower Lantai 9 sampai 12, Jalan Jenderal Sudirman Kavling 45-46, Jakarta.

1.b. Struktur Entitas Anak

Perusahaan memiliki pengendalian atas entitas-entitas anak pada 31 Desember 2018 dan 2017 sebagai berikut:

Entitas Anak/ Subsidiaries	Domisili/ Domicile	Aktivitas Bisnis Utama/ Core Business Activity	Persentase Kepemilikan/ Percentage of Ownership	Tahun Operasi Komersial/ Start of Commercial Operation	Jumlah Aset 31 Desember 2018/ Total Assets December 31, 2018 Rp	Jumlah Pendapatan 31 Desember 2018/ Total Revenues December 31, 2018 Rp
PT PPA Finance (PT PPAF)	Jakarta	Pembiayaan/Financing	99.999	2009	963,471	120,738
PT PPA Kapital (PT PPAK)	Jakarta	Pembiayaan/Financing	99.999	2012	419,288	5,189
PT Nindya Karya (PT NK)	Jakarta	Konstruksi/Construction	99.000	1961	5,691,001	6,226,911
PT Nindya Beton *) (PT NB)	Jakarta	Pabrikasi/Manufacturing	100.000	2013	140,486	199,927
PT Duta Mentari Raya **) (PT DMR)	Jakarta	Pabrikasi/Manufacturing	99.997	2014	114,475	—
PT Magnesium Gosari International **) (PT MGI)	Gresik	Pabrikasi/Manufacturing	90.000	2018	131,234	900
PT Bondi Syad Mulia **) (PT BSM)	Surabaya	Pabrikasi/Manufacturing	75.000	1981	247,512	159,719
PT SIPPA Kemasan International **) (PT SKI)	Jakarta	Pabrikasi/Manufacturing	99.980	—	170,435	—

*) Kepemilikan tidak langsung melalui PT Nindya Karya/ Indirectly Ownership through PT Nindya Karya
**) Kepemilikan tidak langsung melalui PT PPA Kapital/ Indirectly Ownership through PT PPA Kapital

Entitas Anak/ Subsidiaries	Domisili/ Domicile	Aktivitas Bisnis Utama/ Core Business Activity	Persentase Kepemilikan/ Percentage of Ownership	Tahun Operasi Komersial/ Start of Commercial Operation	Jumlah Aset 31 Desember 2017/ Total Assets December 31, 2017 Rp	Jumlah Pendapatan 31 Desember 2017/ Total Revenues December 31, 2017 Rp
PT PPA Finance (PT PPAF)	Jakarta	Pembiayaan/Financing	99.999	2009	863,712	92,205
PT PPA Kapital (PT PPAK)	Jakarta	Pembiayaan/Financing	99.999	2012	146,962	12,485
PT Nindya Karya (PT NK)	Jakarta	Konstruksi/Construction	99.000	1961	4,549,648	5,642,745
PT Nindya Beton *) (PT NB)	Jakarta	Pabrikasi/Manufacturing	100.000	2013	126,265	106,370
PT Duta Mentari Raya **) (PT DMR)	Jakarta	Pabrikasi/Manufacturing	99.997	2014	128,333	—
PT Pratama Persada Airborne **) (PT PAI)	Jakarta	Survei Udara dan Pemetaan/ Aerial Survey and Mapping Services	90.00	2016	49,005	35,250

*) Kepemilikan tidak langsung melalui PT Nindya Karya/ Indirectly Ownership through PT Nindya Karya
**) Kepemilikan tidak langsung melalui PT PPA Kapital/ Indirectly Ownership through PT PPA Kapital

1. General (Continued)

According to Article 3 of the Company's Articles of Association, the purposes and objectives of the Company are to undertake and support the Government's policies and programs in economics sector and national development programs in general. To achieve its purposes and objectives, the Company conducting several business activities which comprise of:

1. State's asset management which originated from Indonesian Banking Restructuring Agency (IBRA) after the termination and dissolution the task of IBRA, for and on behalf of the Minister of Finance;
2. Restructuring and/or revitalization of State-Owned Enterprises (SOE's);
3. Investment activities; and
4. SOE's asset management activities.

The Company is located at the Sampoerna Strategic Square, North Tower Floor 9th to 12th, Jalan Jenderal Sudirman Lot 45-46, Jakarta.

1.b. Subsidiaries Structure

The Company has control the Subsidiaries at December 31, 2018 and 2017 as follows:

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1. Umum (Lanjutan)

1. General (Continued)

• **PT PPAF**

Berdasarkan surat persetujuan Menteri Negara BUMN No. S-360/MBU/2009 tanggal 27 Mei 2009, Perusahaan membentuk PT PPAF dengan kepemilikan saham sebesar 99,999%.

• **PT PPAK**

Berdasarkan surat persetujuan Menteri Negara BUMN melalui surat No. S-372/MBU/2011 tanggal 22 Juni 2011 dengan kepemilikan saham sebesar 99,996%, dan memo No. M-10/PPA/ID/0317 Saham Perusahaan pada PPAK menjadi sebesar 99,999%.

• **PT NK**

Berdasarkan Peraturan Pemerintah Republik Indonesia Nomor 69 Tahun 2012, Perusahaan melakukan penyertaan modal pada PT NK sebesar Rp499.997 atau merupakan 99% dari modal disetor dan ditempatkan.

• **PT NB**

Pada tahun 2013, PT NK mempunyai entitas anak yaitu PT NB yang didirikan berdasarkan Perjanjian Usaha Patungan antara PT NK dan Perusahaan No. 013/DIRUT/KTR/SEKPER/02/ 2013 dan PKS-01/PPA/0213 tanggal 1 Februari 2013, Keputusan Para Pemegang Saham PT NK No. SK-149/MBU/2013 dan KEP-PS 04/PPA/0213 tanggal 18 Februari 2013 tentang Pendirian Entitas Anak PT NK di bidang produksi beton pracetak. Akta Perseroan Terbatas PT NB tanggal 19 Februari 2013 dari Khairina S.H., Notaris di Jakarta yang telah mendapat pengesahan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia melalui Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia Nomor AHU-10206.AH.01.01 Tahun 2013 tentang Pengesahan Badan Hukum Perseroan.

Permodalan untuk pertama kalinya telah diambil bagian dan disetor penuh dengan uang tunai oleh para pendiri, yaitu:

- PT NK sebanyak 510 juta saham atau seluruhnya Rp51.000;
- Perusahaan sebanyak 490 juta saham atau seluruhnya Rp49.000.

• **PT PPAF**

Based on the letter of approval from the Minister of SOE's No. S-360/MBU/2009 dated May 27, 2009, the Company established PT PPAF, with share's ownership of 99.999%.

• **PT PPAK**

Based on the letter of approval from the Minister of SOE's through letter No. S-372/MBU/2011 dated June 22, 2011 with shares ownership of 99,996%, and memo No. of M-10 / PPA / ID / 0317 Company's shares in PPAK amounted to 99.999%.

• **PT NK**

Based on Government Regulation of the Republic of Indonesia Number 69 Year 2012, the Company made an equity investment in PT NK for Rp499,997 or 99% of the issued and paid up capital.

• **PT NB**

In 2013, PT NK has subsidiary, named PT NB that is established according to Joint Venture Agreement between PT NK and the Company No.013/DIRUT/KTR/SEKPER/ 02/2013 and PKS-01/PPA/0213, dated February 1, 2013, Shareholders Decisions of PT NK No. SK-149/MBU/2013 and KEP-PS 04/PPA/0213 dated February 18, 2013, regarding Establishment of Subsidiary of PT NK in precast concrete production sector. The Limited Company Deed of PT NB dated February 19, 2013 of Khairina, S.H., Notary in Jakarta which has approved by the Minister of Law and Human Rights of Republic of Indonesia through The Minister of Law and Human Rights Republic of Indonesia Decision Number AHU-10206.AH.01.01 Year 2013 regarding Authorization of the Company's Legal Entity.

The first capital has been taken part and fully paid with cash by the founders, as follow:

- PT NK amounting to 510 million shares or totally Rp51,000;
- The Company amounting to 490 million shares or totally Rp49,000.

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• **PT DMR**

Pada tahun 2015, PT PPAK mempunyai entitas anak yaitu PT DMR yang didirikan berdasarkan akta pendirian No. 3 tanggal 3 Februari 2014 yang dibuat dihadapan Notaris Mala Mukti, S.H., L.L.M., dengan maksud dan tujuan berusaha dalam bidang industri dan perdagangan. Untuk mencapai tujuan tersebut PT DMR dapat melakukan kegiatan industri kelapa sawit dan perdagangan ekspor dan impor.

Permodalan telah diambil bagian dan disetor penuh dengan uang tunai yaitu:

- PT PPAK sebanyak 54 lembar saham atau seluruhnya Rp54;
- Koperasi Karyawan PPA sebanyak 1 lembar saham atau seluruhnya Rp1.

Berdasarkan Akta Notaris Mala Mukti, S.H., LL.M. No. 15 pada tanggal 5 September 2016, entitas anak melakukan peningkatan modal dasar menjadi Rp66.000 dan peningkatan modal disetor menjadi Rp33.055 yang dilakukan melalui konversi utang dari Entitas Induk. Akta ini telah disetujui dengan Keputusan Menteri Hukum Dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan Nomor. AHU-0016192.AH.01.02 Tahun 2016 Tanggal 7 September 2016. Sehingga susunan pemegang saham Entitas Anak per 31 Desember 2016 menjadi sebagai berikut:

Pemegang Saham/Shareholders	Jumlah Saham Ditempatkan dan Disetor Penuh/ Amount of Shares Issued and Fully Paid	Persentase Pemilikan/ Ownership Percentage	Jumlah (Rp)/ Amount (Rp)
PT PPA Kapital	33,054	99.997%	33,054
Koperasi Karyawan PPA	1	0.003%	1
Jumlah/ Amount	33,055	100%	33,055

• **PT MGI**

PT MGI didirikan dari hasil kerjasama antara PT PPAK dengan PT Polowijo Gosari (Polowijo), berdasarkan Akta Pendirian No. 189 tanggal 29 Agustus 2018 yang dibuat dihadapan Notaris Rully Maharany, S.H., M.Kn., berkedudukan di Gresik, Jawa Timur. Akta ini telah disetujui dengan Keputusan Menteri Hukum Dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan Nomor AHU-0041562.AH.01.01 Tahun 2018, tanggal 3 September 2018. PT MGI dibentuk dengan maksud dan tujuan berusaha dalam produksi pupuk berbasis Dolomite.

1. General (Continued)

• **PT DMR**

In 2015, PT PPAK has subsidiary, named PT DMR that is established according to notary deed No.3 dated February 3, 2014, made by Mala Mukti, S.H., L.L.M., with the intention and purpose to engage in industry and commerce. To achieve these objectives PT DMR may perform the palm oil industry, export, and import trade.

The capital has been taken part and fully paid with cash by the founders, as follow:

- PT PPAK amounting to 54 shares or totally Rp54;
- Koperasi Karyawan PPA amounting to 1 shares or totally Rp1.

Based on Notarial Deed of Mala Mukti, S.H., LL.M. No. 15 dated 5 September 2016, the subsidiary increased its authorized capital to Rp66,000 and an increase in paid-up capital to Rp33,055 which is conducted through the conversion of debt from the Parent Entity. The deed was approved with the Minister of Law and Human Rights of the Republic of Indonesia in Decree No. AHU-0016192. AH.01.02 2016 dated September 7, Year 2016. Therefore the Subsidiary's shareholders structure as of December 31, 2016 is as follows:

• **PT MGI**

PT MGI was established from the results of the cooperation between PT PPAK and PT Polowijo Gosari (Polowijo), based on the Deed of Establishment No. 189 dated August 29, 2018 by Notary Rully Maharany, S.H., M.Kn., domiciled in Gresik, East Java. This deed has been approved with the Decree of the Minister of Law and Human Rights of the Republic of Indonesia in the Decree Number. AHU-0041562.AH.01.01 Year 2018, dated September 3, 2018. PT MGI was formed with the intent and purpose to produce Dolomite based fertilizers.

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1. Umum (Lanjutan)

Entitas Anak ini dikonsolidasikan oleh PT PPAK sejak tanggal 10 September 2018. PT PPAK melakukan penyeteroran modal melalui 2 tahap. Tahap 1, PT PPAK melakukan penyeteroran modal sebanyak 45.000 saham dengan nilai nominal sebesar Rp45.000 dan Polowijo menyetorkan sebanyak 5.000 saham dengan nilai nominal sebesar Rp5.000, dengan komposisi kepemilikan PT PPAK sebesar 90% dan Polowijo sebesar 10%.

• **PT BSM**

Pada tanggal 10 September 2018, berdasarkan Akta Notaris Wiwik Yuliati, S.H., M.Kn., No. 8, Perusahaan melalui entitas anaknya PT PPAK, membeli 35.260 lembar saham PT BSM senilai Rp29.502 dari pihak ketiga, dan melakukan konversi Surat Utang sebesar Rp7.497, sehingga kepemilikan PT PPAK di PT BSM adalah 75%. Akta ini telah disetujui dengan Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-AH.01.03-024-4714 tanggal 20 September 2018. Atas transaksi akuisisi ini diakui keuntungan sebesar Rp68.856.

• **PT SKI**

PT SKI didirikan berdasarkan Akta Pendirian No. 38 tanggal 28 September 2018 yang dibuat dihadapan Notaris Lenny Janis Ishak, S.H., berkedudukan di Jakarta Selatan. PT SKI dibentuk dengan maksud dan tujuan dalam bidang industri kemasan plastik.

Untuk mencapai tujuan tersebut, PT SKI akan melakukan kegiatan industri produsen kemasan plastik terintegrasi. Akta ini telah disetujui oleh Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan Nomor: AHU-0045333.AH.01.01 Tahun 2018.

PT PPAK memiliki 3.250 lembar saham senilai Rp3.250 (kepemilikan sebesar 65%).

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This Subsidiary was consolidated by the PT PPAK on September 10, 2018. The PT PPAK made capital deposits through 2 stages. Stage 1, PT PPAK made a capital deposit of 45,000 shares with a nominal value of Rp45,000 and Polowijo deposited 5,000 shares with a nominal value of Rp5,000, with the composition of PT PPAK amounting to 90% and Polowijo amounting to 10 %.

• **PT BSM**

Based on Notarial Deed Wiwik Yuliati, S.H., M.Kn., No. 8 dated September 10, 2018, the Company through its subsidiary PT PPAK, purchase 35,260 shares of PT BSM from third party amounting to Rp29,502 and conducted through the conversion of debt amounting to Rp7,497, so that PT PPAK's ownership in PT BSM was 75%. This deed has been approved with the Decree of the Minister of Law and Human Rights of the Republic of Indonesia in Decree No. AHU-AH.01.03-024-4714 dated September 20, 2018. Upon the acquisition transaction recognized gain amounting to Rp68,856.

• **PT SKI**

PT SKI was established based on the Deed of Establishment No. 38 dated September 28, 2018 made in the presence of Notary Lenny Janis Ishak, S.H., domiciled in South Jakarta. PT SKI was formed with the intent and purpose in the field of plastic packaging industry.

To achieve this goal, PT SKI will conduct industrial activities for integrated plastic packaging manufacturers. This deed has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decree Number: AHU-0045333.AH.01.01 Year 2018.

PT PPAK owned 3,250 shares worth Rp3,250 (ownership of 65%).

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1. Umum (Lanjutan)

Berdasarkan Perjanjian Jual Beli Saham No. PPS-001/PPAK/0918 pada tanggal 27 Desember 2018, PT PPAK membeli saham PT SKI sebanyak 1.749 lembar saham dari Kopkar PPA dengan nilai transaksi sebesar Rp1.827. Atas jual beli saham tersebut maka kepemilikan saham PT PPAK pada PT SKI menjadi 99,98%.

• **PT PPAi**

PT PPAK memiliki 99,99 % saham Entitas Anak pada 31 Desember 2016 di PT PPAi.

PT PPAi didirikan berdasarkan Akta Pendirian No. 39 tanggal 29 Desember 2016 yang dibuat di hadapan Notaris Nurhasanah, S.H., MKn. tanggal 29 Desember 2016. PT PPAi dibentuk dengan maksud dan tujuan berusaha dalam bidang perdagangan dan jasa. Untuk mencapai tujuan tersebut PT PPAi menjalankan usaha dalam bidang perdagangan umum dan jasa survai udara dan pemetaan.

Akta ini telah disetujui dengan Keputusan Menteri Hukum Dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan Nomor. AHU-0058316.AH.01.01 Tahun 2016 tanggal 30 Desember 2016.

Berdasarkan Akta Nomor 12 tanggal 16 Januari 2018 di hadapan Notaris Laurensia Siti Nyoman, S.H., telah dilakukan jual beli saham PT PPAi, milik pihak berelasi kepada PT Survai Udara Penas (Persero) sebanyak 9.009 lembar dengan nilai transaksi sebesar Rp11.000. Selisih nilai transaksi sebesar Rp2.291 dicatat pada tambahan modal disetor (selisih nilai transaksi restrukturisasi entitas sepengendali).

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Based on Share Sale and Purchase Agreement No. PPS-001/PPAK/0918 dated December 27, 2018, PT PPAK purchase 1,749 shares of PT SKI from Kopkar PPA with a transaction value of Rp1,827. For the sale and purchase of shares, the ownership of PT PPAK in PT SKI became 99.98%.

• **PT PPAi**

PT PPAK has 99.99% shares on Subsidiary on December 31, 2016 in PT Pratama Persada Airborne ("PT PPAi").

PT PPAi was established by Deed of Establishment No. 39 dated December 29, 2016 under a Notary Nurhasanah, S.H., MKn. on December 29, 2016. PT PPAi is established with the intent and purpose to engage in trade and services. To achieve these objectives, PT PPAi carries on business in general trade and air survey and mapping services.

The Deed is agreed with the Decree of Minister of Justice and Human Rights of the Republic of Indonesia in the Decree No. AHU-0058316.AH.01.01 Year 2016 dated December 30, 2016.

Based on Deed Number 12 dated January 16, 2018 before Notary Laurensia Siti Nyoman, S.H., the sale and purchase of shares of PT PPAi, related party to PT Survai Udara Penas (Persero) totaling 9,009 shares with a transaction value of Rp11,000. Difference between transaction value to Rp2,291 recorded as additional paid in capital (difference in value restructuring under common control entities).

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1. Umum (Lanjutan)

1. General (Continued)

1.c. Dewan Komisaris, Direksi dan Karyawan

Berdasarkan Keputusan Menteri BUMN selaku Rapat Umum Pemegang Saham No. SK-38/MBU/2014 tanggal 21 Februari 2014, SK-112/MBU/2014 tanggal 22 Mei 2014, SK-244/MBU/10/2014 tanggal 17 Oktober 2014, SK-78/MBU/04/2016 tanggal 14 April 2016, SK-104/MBU/06/2017 tanggal 5 Juni 2017 dan SK-252/MBU/11/2017 tanggal 21 November 2017, SK-14/MBU/02/2018 SK-87/MBU/04/2018 tanggal 12 April 2018, susunan Dewan Komisaris dan Direksi adalah sebagai berikut:

Dewan Komisaris:

Komisaris Utama
Komisaris
Komisaris
Komisaris

Direksi:

Direktur Utama
Direktur Konsultasi Bisnis dan
Aset Manajemen
Direktur Investasi
Direktur Keuangan dan Dukungan Kerja

2018

Edy Putra Irawady
Lidya Silvanna Djaman
Didyk Choeroel
Tirta Hidayat

Henry Sihotang

Andi Saddawero
Nasrizal Nazir
Ajar Setiadi

Board of Commissioners:

President Commissioner
Commissioner
Commissioner
Commissioner

Directors:

President Director
Director of Business Consultation and
Asset Management
Director of Investment
Director of Finance and Support

2017

Edy Putra Irawady
Dedi Rudaedi
Taufik Sukasah
Tirta Hidayat

Henry Sihotang
Andi Saddawero
Nasrizal Nazir
Ajar Setiadi

Board of Commissioners:

President Commissioner
Commissioner
Commissioner
Commissioner

Directors:

President Director
Director
Director
Director

Pada tanggal 31 Desember 2018 dan 2017 jumlah karyawan Perusahaan masing-masing 171 dan 183 orang (tidak diaudit).

Jumlah remunerasi yang diterima oleh dewan komisaris pada tahun 2018 dan 2017 masing-masing sebesar Rp10.035 dan Rp8.097, sedangkan jumlah remunerasi yang diterima dewan direksi pada tahun 2018 dan 2017 masing-masing sebesar Rp23.707 dan Rp19.824.

As of December 31, 2018 and 2017, the numbers of employees of the Company, were 171 and 183 persons, respectively (unaudited).

The total remuneration received by the board of commissioners for the year 2018 and 2017 amounted to Rp10,035 and Rp8,097, respectively, while total remuneration received by the board of directors for year 2018 and 2017 amounted to Rp23,707 and Rp19,824, respectively.

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2. Kebijakan Akuntansi Signifikan

2.a. Kepatuhan Terhadap Standar Akuntansi Keuangan (SAK)

Laporan keuangan konsolidasian telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia yang meliputi Pernyataan Standar Akuntansi Keuangan (PSAK) dan Interpretasi Standar Akuntansi Keuangan (ISAK) yang diterbitkan oleh Dewan Standar Akuntansi Keuangan – Ikatan Akuntan Indonesia (DSAK – IAI).

2.b. Dasar Pengukuran dan Penyusunan Laporan Keuangan Konsolidasian

Laporan keuangan konsolidasian disusun dan disajikan berdasarkan asumsi kelangsungan usaha serta atas dasar akrual, kecuali laporan arus kas konsolidasian. Dasar pengukuran dalam penyusunan laporan keuangan konsolidasian ini adalah konsep biaya perolehan, kecuali beberapa akun tertentu yang didasarkan pengukuran lain sebagaimana dijelaskan dalam kebijakan akuntansi masing-masing akun tersebut. Biaya perolehan umumnya didasarkan pada nilai wajar imbalan yang diserahkan dalam pemerolehan aset.

Laporan arus kas konsolidasian disajikan dengan metode langsung (*direct method*) dengan mengelompokkan arus kas dalam aktivitas operasi, investasi dan pendanaan.

Mata uang penyajian yang digunakan dalam penyusunan laporan keuangan konsolidasian ini adalah Rupiah yang merupakan mata uang fungsional Grup. Setiap entitas di dalam Grup menetapkan mata uang fungsional sendiri dan unsur-unsur dalam laporan keuangan dari setiap entitas diukur berdasarkan mata uang fungsional tersebut.

2.c. Pernyataan dan Interpretasi Standar Akuntansi Baru dan Revisi yang Berlaku Efektif pada Tahun Berjalan

Berikut adalah revisi, amandemen dan penyesuaian atas Standar Akuntansi Keuangan (SAK) serta interpretasi atas SAK yang diterbitkan oleh DSAK-IAI dan berlaku efektif untuk tahun buku yang dimulai pada atau setelah 1 Januari 2018, yaitu:

2. Significant Accounting Policies

2.a. Compliance with the Financial Accounting Standards (SAK)

The consolidated financial statements are prepared and presented in accordance with Indonesian Financial Accounting Standards which include the Statement of Financial Accounting Standards (PSAK) and Interpretation of Financial Accounting Standards (ISAK) issued by the Financial Accounting Standard Board – Indonesian Institute of Accountant (DSAK – IAI).

2.b. The Basis of Measurement and Preparation of Consolidated Financial Statements

The consolidated financial statements have been prepared and presented based on going concern assumption and accrual basis of accounting, except for the consolidated statements of cash flows. Basis of measurement in preparation of these consolidated financial statements is the historical costs concept, except for certain accounts which have been prepared on the basis of other measurements as described in their respective policies. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The consolidated statements of cash flows are prepared using the direct method by classifying cash flows into operating, investing and financing activities.

The presentation currency used in the preparation of the consolidated financial statements is Indonesian Rupiah which is the functional currency of the Group. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

2.c. New and Revised Statements and Interpretation of Financial Accounting Standards Effective in the Current Year

The following are revisions, amendments and adjustments of standards and interpretations of standard issued by DSAK-IAI and effectively applied for the year starting on or after January 1, 2018, as follows:

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2. Kebijakan Akuntansi Signifikan (Lanjutan)

- PSAK 16 (Amandemen 2015): "Aset Tetap tentang Agrikultur: Tanaman Produktif"
- PSAK 69: "Agrikultur"
- PSAK 2 (Amandemen 2016): "Laporan Arus Kas tentang Prakarsa Pengungkapan"
- PSAK 46 (Amandemen 2016): "Pajak Penghasilan tentang Pengakuan Aset Pajak Pajak Tangguhan untuk Rugi yang Belum Direalisasi"
- PSAK 13 (Amandemen 2017): "Properti Investasi tentang Pengalihan Properti Investasi"
- PSAK 53 (Amandemen 2017): "Pembayaran Berbasis Saham tentang Klasifikasi dan Pengukuran Transaksi Pembayaran Berbasis Saham"
- PSAK 15 (Penyesuaian 2017): "Investasi pada Entitas Asosiasi dan Ventura Bersama"
- PSAK 67 (Penyesuaian 2017): "Pengungkapan Kepentingan dalam Entitas Lain".
- PSAK 111: "Akuntansi Wa'd".

Implementasi dari standar-standar tersebut tidak memiliki dampak yang signifikan terhadap jumlah yang dilaporkan diperiode berjalan atau tahun sebelumnya.

Namun, penerapan PSAK 2 (Amandemen 2016) mensyaratkan Perusahaan menyediakan pengungkapan bagi pengguna laporan keuangan untuk mengevaluasi perubahan pada liabilitas yang timbul dari aktivitas pendanaan. Persyaratan tersebut telah diungkapkan di Catatan 46.

2.d. Prinsip-prinsip Konsolidasi

Laporan keuangan konsolidasian mencakup laporan keuangan Perusahaan dan entitas-entitas anak seperti disebutkan pada Catatan 1.b.

Entitas anak adalah entitas yang dikendalikan oleh Grup, yakni Grup terekspos, atau memiliki hak, atas imbal hasil variabel dari keterlibatannya dengan entitas dan memiliki kemampuan untuk mempengaruhi imbal hasil tersebut melalui kemampuan kini untuk mengarahkan aktivitas relevan dari entitas (kekuasaan atas *investee*).

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- PSAK 16 (Amendment 2015): "Property, Plant and Equipment regarding Agriculture: Bearer Plants"
- PSAK 69: "Agriculture"
- PSAK 2 (Amendment 2016): "Statements of Cash Flows regarding Disclosure Initiative"
- PSAK 46 (Amendment 2016): "Income Tax regarding Deferred Tax Assets Recognition for Unrealised Loss"
- PSAK 13 (Amendment 2017): "Investment Property regarding Transfer of Investment Property"
- PSAK 53 (Amendment 2017): "Share based Payment regarding Classification and Measurement of Share-based payment Transaction"
- PSAK 15 (Improvement 2017): "Investment in Associates and Joint Ventures"
- PSAK 67 (Improvement 2017): "Disclosure of Interests in Other Entities".
- PSAK 111: "Wa'd Accounting".

The Implementation of the standards above had no significant effect on the amounts reported for the current year or prior financial year.

However, the implementation of PSAK 2 (Amendment 2016) requires the Company to provide disclosures to users of financial statements to evaluate changes in liabilities arising from financing activities. These requirements have been disclosed in Note 46.

2.d. Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and subsidiaries as described in Note 1.b.

A subsidiary is an entity controlled by the Group, i.e., the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its current ability to direct the entity's relevant activities (power over the *investee*).

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2. Kebijakan Akuntansi Signifikan (Lanjutan)

Keberadaan dan dampak dari hak suara potensial dimana Grup memiliki kemampuan praktis untuk melaksanakan (yakni hak substantif) dipertimbangkan saat menilai apakah Grup mengendalikan entitas lain.

Laporan keuangan Grup mencakup hasil usaha, arus kas, aset dan liabilitas dari Perusahaan dan seluruh entitas anak dikendalikan oleh Perusahaan. Entitas anak dikonsolidasikan sejak tanggal efektif akuisisi, yaitu tanggal dimana Grup secara efektif memperoleh pengendalian atas bisnis yang diakuisisi, sampai tanggal pengendalian berakhir.

Perusahaan menyusun laporan keuangan konsolidasian dengan menggunakan kebijakan akuntansi yang sama untuk transaksi dan peristiwa lain dalam keadaan yang serupa. Seluruh transaksi, saldo, laba, beban, dan arus kas dalam intra kelompok usaha terkait dengan transaksi antar entitas dalam grup dieliminasi secara penuh untuk mencerminkan posisi keuangan sebagai satu kesatuan usaha.

Grup mengatribusikan laba rugi dan setiap komponen dari penghasilan komprehensif lain kepada pemilik entitas induk dan kepentingan nonpengendali meskipun hal tersebut mengakibatkan kepentingan nonpengendali memiliki saldo defisit. Grup menyajikan kepentingan nonpengendali di ekuitas dalam laporan posisi keuangan konsolidasian, terpisah dari ekuitas pemilik entitas induk.

Perubahan dalam bagian kepemilikan entitas induk pada entitas anak yang tidak mengakibatkan hilangnya pengendalian adalah transaksi ekuitas (yaitu transaksi dengan pemilik dalam kapasitasnya sebagai pemilik). Ketika proporsi ekuitas yang dimiliki oleh kepentingan nonpengendali berubah, Grup menyesuaikan jumlah tercatat kepentingan pengendali dan kepentingan nonpengendali untuk mencerminkan perubahan kepemilikan relatifnya dalam entitas anak. Selisih antara jumlah di mana kepentingan nonpengendali disesuaikan dan nilai wajar dari jumlah yang diterima atau dibayarkan diakui langsung dalam ekuitas dan diatribusikan pada pemilik dari entitas induk.

2. Significant Accounting Policies (Continued)

The existence and effect of substantive potential voting rights that the Group has the practical ability to exercise (i.e. substantive rights) are considered when assessing whether the Group controls another entity.

The Group's financial statements incorporate the results, cash flows, assets and liabilities of the Company and all of its subsidiaries that are directly and indirectly controlled. Subsidiaries are consolidated from the effective date of acquisition, which is the date when the Group effectively obtains control of the acquired business, until that control is over.

The Company prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances. All intragroup transactions, balances, income, expenses and cash flows are eliminated in full on consolidation.

The Group attributes the profit and loss and each component of other comprehensive income to the owners of the parent and non-controlling interest even though this results in the non-controlling interests having a deficit balance. The Group presents non-controlling interest in equity in the consolidated statement of financial position, separately from the equity owners of the parent.

Changes in the parent's ownership interest in a subsidiary that do not result in loss of control are equity transactions (i.e., transactions with owners in their capacity as owners). When the proportion of equity held by non-controlling interest change, the Group adjusted the carrying amounts of the controlling interest and non-controlling interest to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration received or paid is recognized directly in equity and attributed to the owners of the parent.

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Jika Grup kehilangan pengendalian, maka Grup:

- (a) Menghentikan pengakuan aset (termasuk *goodwill*) dan liabilitas entitas anak pada jumlah tercatatnya ketika pengendalian hilang;
- (b) Menghentikan pengakuan jumlah tercatat setiap kepentingan nonpengendali pada entitas anak terdahulu ketika pengendalian hilang (termasuk setiap komponen penghasilan komprehensif lain yang diatribusikan pada kepentingan nonpengendali);
- (c) Mengakui nilai wajar pembayaran yang diterima (jika ada) dari transaksi, peristiwa, atau keadaan yang mengakibatkan hilangnya pengendalian;
- (d) Mengakui sisa investasi pada entitas anak terdahulu pada nilai wajarnya pada tanggal hilangnya pengendalian;
- (e) Mereklasifikasi ke laba rugi, atau mengalihkan secara langsung ke saldo laba jika disyaratkan oleh SAK lain, jumlah yang diakui dalam penghasilan komprehensif lain dalam kaitan dengan entitas anak;
- (f) Mengakui perbedaan apapun yang dihasilkan sebagai keuntungan atau kerugian dalam laba rugi yang diatribusikan kepada entitas induk.

2.e. Kombinasi Bisnis

Kombinasi bisnis adalah suatu transaksi atau peristiwa lain dimana pihak pengakuisisi memperoleh pengendalian atas satu atau lebih bisnis. Kombinasi bisnis dicatat dengan menggunakan metode akuisisi. Imbalan yang dialihkan dalam suatu kombinasi bisnis diukur pada nilai wajar, yang dihitung sebagai hasil penjumlahan dari nilai wajar tanggal akuisisi atas seluruh aset yang dialihkan oleh Grup, liabilitas yang diakui oleh Grup kepada pemilik sebelumnya dari pihak yang diakuisisi dan kepentingan ekuitas yang diterbitkan oleh Grup dalam pertukaran pengendalian dari pihak yang diakuisisi. Biaya-biaya terkait akuisisi diakui sebagai beban pada periode saat biaya tersebut terjadi dan jasa diterima.

Pada tanggal akuisisi, aset teridentifikasi yang diperoleh dan liabilitas yang diambil alih diakui pada nilai wajar kecuali untuk aset dan liabilitas tertentu yang diukur sesuai dengan standar yang relevan.

2. Significant Accounting Policies (Continued)

If the Group loses control, the Group:

- (a) *Derecognizes the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;*
- (b) *Derecognizes the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them);*
- (c) *Recognizes the fair value of the consideration received, if any, from the transaction, event or circumstances that result in the loss of control;*
- (d) *Recognizes any investment retained in the former subsidiary at fair value at the date when control is lost;*
- (e) *Reclassifies to profit or loss, or transfer directly to retained earnings if required by other SAKs, the amount recognized in other comprehensive income in relation to the subsidiary;*
- (f) *Recognizes any resulting difference as a gain or loss attributable to the parent.*

2.e. Business Combination

Business combination is a transaction or other event in which an acquirer obtains control of one or more businesses. Business combination is accounted for by applying the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to former owners of the acquiree, and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized as expenses in the periods in which the costs are incurred and the services are received.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value except for certain assets and liabilities that are measured in accordance with the relevant standards.

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Komponen kepentingan nonpengendali pada pihak diakuisisi diukur baik pada nilai wajar ataupun pada bagian proporsional instrumen kepemilikan yang ada dalam jumlah yang diakui atas aset neto teridentifikasi dari pihak diakuisisi.

Jika akuntansi awal untuk kombinasi bisnis belum selesai pada akhir periode pelaporan saat kombinasi terjadi, Grup melaporkan jumlah sementara untuk pos-pos yang proses akuntansinya belum selesai dalam laporan keuangannya. Selama periode pengukuran, pihak pengakuisisi menyesuaikan, aset atau liabilitas tambahan yang diakui, untuk mencerminkan informasi baru yang diperoleh tentang fakta dan keadaan yang ada pada tanggal akuisisi dan, jika diketahui, akan berakibat terhadap pengakuan aset dan liabilitas dimaksud pada tanggal tersebut.

Pada tanggal akuisisi, goodwill diukur pada harga perolehan yang merupakan selisih lebih antara (a) nilai gabungan dari imbalan yang dialihkan dan jumlah setiap kepentingan nonpengendali, atas (b) jumlah neto teridentifikasi dari aset yang diperoleh dan liabilitas yang diambil alih. Jika imbalan tersebut kurang dari nilai wajar aset neto entitas anak yang diakuisisi, selisih tersebut diakui dalam laporan laba rugi sebagai keuntungan dari akuisisi entitas anak setelah sebelumnya manajemen 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 penelaahan tersebut.

Setelah pengakuan awal, goodwill diukur pada jumlah tercatat dikurangi akumulasi kerugian penurunan nilai. Untuk tujuan pengujian penurunan nilai, goodwill yang diperoleh dari suatu kombinasi bisnis, sejak tanggal akuisisi dialokasikan kepada setiap Unit Penghasil Kas dari Grup yang diperkirakan akan memberikan manfaat dari sinergi kombinasi bisnis tersebut, terlepas dari apakah aset atau liabilitas lain dari pihak yang diakuisisi ditempatkan dalam Unit Penghasil Kas tersebut.

Jika goodwill telah dialokasikan pada suatu Unit Penghasil Kas dan operasi tertentu atas Unit Penghasil Kas tersebut dilepaskan, maka goodwill yang terkait dengan operasi yang

2. Significant Accounting Policies (Continued)

Component of non-controlling interests are measured either at fair value or at the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable net assets.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have resulted in the recognition of those assets and liabilities as of that date.

At acquisition date, goodwill is measured at its cost being the excess of (a) the aggregate of the consideration transferred and the amount of any non-controlling interest, over (b) the net of 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 as gain on bargain purchase after previously the management reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognize any additional assets or liabilities that are identified in that review.

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, from the acquisition date, be allocated to each of the Group's Cash Generating Units that is expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those Cash Generating Units.

If goodwill has been allocated to Cash Generating Units and certain operations on the Cash Generating Units is disposed, the goodwill associated with the operation

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dilepaskan tersebut termasuk dalam jumlah tercatat operasi tersebut ketika menentukan keuntungan atau kerugian dari pelepasan. Goodwill yang dilepaskan tersebut diukur berdasarkan nilai relatif operasi yang dihentikan dan porsi Unit Penghasil Kas yang ditahan.

2.f. Transaksi dan Saldo Dalam Mata Uang Asing

Dalam menyiapkan laporan keuangan, setiap entitas di dalam Grup mencatat dengan menggunakan mata uang dari lingkungan ekonomi utama di mana entitas beroperasi ("mata uang fungsional"). Mata uang fungsional Perusahaan dan seluruh entitas anak adalah Rupiah.

Transaksi-transaksi selama tahun berjalan dalam mata uang asing dicatat dalam Rupiah dengan kurs spot antara Rupiah dan valuta asing pada tanggal transaksi. Pada akhir periode pelaporan, pos moneter dalam mata uang asing dijabarkan ke dalam Rupiah menggunakan kurs penutup, yaitu kurs tengah Bank Indonesia pada 31 Desember 2018 dan 2017 sebagai berikut:

	2018 Rp
1 USD	14,481

Selisih kurs yang timbul dari penyelesaian pos moneter dan dari penjabaran pos moneter dalam mata uang asing diakui dalam laba rugi.

2.g. Transaksi dan Saldo dengan Pihak Berelasi

Pihak berelasi adalah orang atau entitas yang terkait dengan entitas pelapor:

- a) Orang atau anggota keluarga dekatnya mempunyai relasi dengan entitas pelapor jika orang tersebut:
 - i. memiliki pengendalian atau pengendalian bersama atas entitas pelapor;
 - ii. memiliki pengaruh signifikan atas entitas pelapor; atau
 - iii. merupakan personil manajemen kunci entitas pelapor atau entitas induk dari entitas pelapor.

2. Significant Accounting Policies (Continued)

disposed is included in the carrying amount of the operation when determining the gain or losses on disposal. Disposed goodwill is measured on the basis of relative values of the operation disposed of and the portion of the Cash Generating Units retained.

2.f. Foreign Currency Transactions and Balances

In preparing financial statements, each of the entities within the Group record by using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Company and all subsidiaries is Rupiah.

Transactions during the year in foreign currencies are recorded in Rupiah by applying to the foreign currency amount the spot exchange rate between Rupiah and the foreign currency at the date of transactions. At the end of reporting period, foreign currency monetary items are translated to Rupiah using the closing rate, ie middle rate of Bank of Indonesia at December 31, 2018 and 2017 as follows:

	2017 Rp
1 USD	13,548

Exchange differences arising on the settlement of monetary items or on translating monetary items in foreign currencies are recognized in profit or loss.

2.g. Related Parties Transactions and Balances

A related party is a person or an entity that is related to the reporting entity:

- a) A person or a close member of that person's family is related to a reporting entity if that person:
 - i. has control or joint control over the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

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- b) Suatu entitas berelasi dengan entitas pelapor jika memenuhi salah satu hal berikut:
- Entitas dan entitas pelapor adalah anggota dari kelompok usaha yang sama (artinya entitas induk, entitas anak, dan entitas anak berikutnya saling berelasi dengan entitas lain);
 - Satu entitas adalah entitas asosiasi atau ventura bersama dari entitas lain (atau entitas asosiasi atau ventura bersama yang merupakan anggota suatu kelompok usaha, yang mana entitas lain tersebut adalah anggotanya);
 - Kedua entitas tersebut adalah ventura bersama dari pihak ketiga yang sama;
 - Satu entitas adalah ventura bersama dari entitas ketiga dan entitas yang lain adalah entitas asosiasi dari entitas ketiga;
 - Entitas tersebut adalah suatu program imbalan pascakerja untuk imbalan kerja dari salah satu entitas pelapor atau entitas yang terkait dengan entitas pelapor. Jika entitas pelapor adalah entitas yang menyelenggarakan program tersebut, maka entitas sponsor juga berelasi dengan entitas pelapor;
 - Entitas yang dikendalikan atau dikendalikan bersama oleh orang yang diidentifikasi dalam huruf (a); atau
 - Orang yang diidentifikasi dalam huruf (a) (i) memiliki pengaruh signifikan atas entitas atau merupakan personil manajemen kunci entitas (atau entitas induk dari entitas); atau
 - Entitas, atau anggota dari kelompok yang mana entitas merupakan bagian dari kelompok tersebut, menyediakan jasa personil manajemen kunci kepada entitas pelapor atau kepada entitas induk dari entitas pelapor.

2. Significant Accounting Policies (Continued)

- b) An entity is related to the reporting entity if any of the following conditions applies:
- The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - Both entities are joint ventures of the same third party;
 - One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity, or an entity related to the reporting entity. If the reporting entity in itself such a plan, the sponsoring employers are also related to the reporting entity;
 - The entity is controlled or jointly controlled by a person identified in (a); or
 - A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or a parent of the entity); or
 - The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

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Entitas yang berelasi dengan pemerintah adalah entitas yang dikendalikan, dikendalikan bersama, atau dipengaruhi oleh pemerintah. Pemerintah mengacu kepada pemerintah, instansi pemerintah dan badan yang serupa baik lokal, nasional maupun internasional.

Entitas yang berelasi dengan Pemerintah dapat berupa entitas yang dikendalikan atau dipengaruhi secara signifikan oleh Kementerian Keuangan atau Pemerintah Daerah yang merupakan Pemegang Saham entitas, atau entitas yang dikendalikan oleh Pemerintah Republik Indonesia melalui Kementerian BUMN sebagai kuasa pemegang saham.

Seluruh transaksi dan saldo yang signifikan dengan pihak berelasi diungkapkan dalam Catatan yang relevan.

2.h. Instrumen Keuangan

Pengakuan dan Pengukuran Awal

Grup mengakui aset keuangan atau liabilitas keuangan dalam laporan posisi keuangan konsolidasian, jika dan hanya jika, Grup menjadi salah satu pihak dalam ketentuan pada kontrak instrumen tersebut. Pada saat pengakuan awal aset keuangan atau liabilitas keuangan, Grup mengukur pada nilai wajarnya.

Dalam hal aset keuangan atau liabilitas keuangan tidak diukur pada nilai wajar melalui laba rugi, nilai wajar tersebut ditambah atau dikurang dengan biaya transaksi yang dapat diatribusikan secara langsung dengan perolehan atau penerbitan aset keuangan atau liabilitas keuangan tersebut. Biaya transaksi yang dikeluarkan sehubungan dengan perolehan aset keuangan dan penerbitan liabilitas keuangan yang diklasifikasikan pada nilai wajar melalui laba rugi dibebankan segera.

Pengukuran Selanjutnya Aset Keuangan

Pengukuran selanjutnya aset keuangan tergantung pada klasifikasinya pada saat pengakuan awal. Grup mengklasifikasikan aset keuangan dalam salah satu dari empat kategori berikut:

- (i) **Aset Keuangan yang Diukur pada Nilai Wajar Melalui Laba Rugi (FVTPL)**
Aset keuangan yang diukur pada FVTPL adalah aset keuangan yang dimiliki untuk diperdagangkan atau yang pada saat pengakuan awal telah ditetapkan untuk diukur pada nilai wajar melalui laba rugi.

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A government-related entity is an entity that is controlled, jointly controlled or significantly influenced by government. Government refers to government, government agencies and similar agency whether local, national or international.

Government related entity can be an entity which is controlled or significantly influenced by the Ministry of Finance or Local Government that representing as the shareholders of the entity or an entity controlled by the Government of Republic of Indonesia, represented by the SOE's Ministry as a shareholder's representative.

All significant transactions and balances with related parties are disclosed in the relevant Notes.

2.h. Financial Instrument

Initial Recognition and Measurement

The Group recognizes a financial asset or a financial liability in the consolidated statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument. At initial recognition, the Group measure all financial assets and financial liabilities at its fair value.

In the case of a financial asset or financial liability not measured at fair value through profit or loss, fair value plus or minus with the transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs incurred on acquisition of a financial asset and issue of a financial liability are classified at fair value through profit or loss are expensed immediately.

Subsequent Measurement of Financial Assets

Subsequent measurement of financial assets depends on their classification on initial recognition. The Group classifies financial assets in one of the following four categories:

- (i) **Financial Assets at Fair Value Through Profit or Loss (FVTPL)**
Financial assets at FVTPL are financial assets held for trading or upon initial recognition it is designated as at fair value through profit or loss. Financial asset classified as held for trading if it is acquired

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Aset keuangan diklasifikasikan dalam kelompok diperdagangkan jika diperoleh atau dimiliki terutama untuk tujuan dijual atau dibeli kembali dalam waktu dekat, atau bagian dari portfolio instrumen keuangan tertentu yang dikelola bersama dan terdapat bukti mengenai pola ambil untung dalam jangka pendek aktual saat ini, atau merupakan derivatif, kecuali derivatif yang ditetapkan dan efektif sebagai instrumen lindung nilai.

Setelah pengakuan awal, aset keuangan yang diukur pada FVTPL diukur pada nilai wajarnya. Keuntungan atau kerugian yang timbul dari perubahan nilai wajar aset keuangan diakui dalam laba rugi.

- (ii) Pinjaman yang Diberikan dan Piutang
Pinjaman yang diberikan dan piutang adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan dan tidak mempunyai kuotasi di pasar aktif, kecuali:

- (a) pinjaman yang diberikan dan piutang yang dimaksudkan untuk dijual dalam waktu dekat dan yang pada saat pengakuan awal ditetapkan sebagai aset keuangan yang diukur pada nilai wajar melalui laba rugi;
- (b) pinjaman yang diberikan dan piutang yang pada saat pengakuan awal ditetapkan sebagai tersedia untuk dijual; atau
- (c) pinjaman yang diberikan dan piutang dalam hal pemilik mungkin tidak akan memperoleh kembali investasi awal secara substansial kecuali yang disebabkan oleh penurunan kualitas pinjaman.

Setelah pengakuan awal, pinjaman yang diberikan dan piutang diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

- (iii) Investasi Dimiliki Hingga Jatuh Tempo (HTM)

Investasi HTM adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan dan jatuh temponya telah ditetapkan, serta Grup mempunyai intensi positif dan kemampuan untuk memiliki aset keuangan tersebut hingga jatuh tempo.

2. Significant Accounting Policies (Continued)

or incurred principally for the purpose of selling and repurchasing it in the near term, or it is a part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking, or it is a derivative, except for a derivative that is a designated and effective hedging instrument.

After initial recognition, financial assets at FVTPL are measured at its fair value. Gains or losses arising from a change in the fair value of financial assets are recognized in profit or loss.

- (ii) *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- (a) those that intends to sell immediately or in the near term and upon initial recognition designated as at fair value through profit or loss;*
- (b) those that upon initial recognition designated as available for sale; or*
- (c) those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.*

After initial recognition, loans and receivables are measured at amortized cost using the effective interest method.

- (iii) *Held-to-Maturity (HTM) Investments*

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity.

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Setelah pengakuan awal, investasi HTM diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

- (iv) Aset Keuangan Tersedia Untuk Dijual (AFS)
Aset keuangan AFS adalah aset keuangan non-derivatif yang ditetapkan sebagai tersedia untuk dijual atau yang tidak diklasifikasikan sebagai (a) pinjaman yang diberikan dan piutang, (b) investasi yang diklasifikasikan dalam kelompok dimiliki hingga jatuh tempo, atau (c) aset keuangan yang diukur pada nilai wajar melalui laba rugi.

Setelah pengakuan awal, aset keuangan AFS diukur pada nilai wajarnya. Keuntungan atau kerugian yang timbul dari perubahan nilai wajar diakui dalam penghasilan komprehensif lain, kecuali untuk kerugian penurunan nilai dan keuntungan atau kerugian akibat perubahan kurs, sampai aset keuangan tersebut dihentikan pengakuannya. Pada saat itu, keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam penghasilan komprehensif lain direklasifikasi dari ekuitas ke laba rugi sebagai penyesuaian reklasifikasi.

Investasi dalam instrumen ekuitas yang tidak memiliki harga kuotasi di pasar aktif dan nilai wajarnya tidak dapat diukur secara andal diukur pada biaya perolehan.

Pengukuran Selanjutnya Liabilitas Keuangan

Pengukuran selanjutnya liabilitas keuangan tergantung pada klasifikasinya pada saat pengakuan awal. Grup mengklasifikasikan liabilitas keuangan dalam salah satu dari kategori berikut:

- (i) Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi (FVTPL)
Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi (FVTPL) adalah liabilitas keuangan yang dimiliki untuk diperdagangkan atau yang pada saat pengakuan awal telah ditetapkan untuk diukur pada nilai wajar melalui laba rugi. Liabilitas keuangan diklasifikasikan dalam kelompok diperdagangkan jika diperoleh atau dimiliki terutama untuk tujuan dijual

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After initial recognition, HTM investments are measured at amortized cost using the effective interest method.

- (iv) Available-for-Sale (AFS) Financial Assets
AFS financial assets are non-derivative financial assets that are designated as available for sale on initial recognition or are not classified as (a) loans and receivable, (b) held-to-maturity investment, or (c) financial assets at fair value through profit or loss.

After initial recognition, AFS financial assets are measured at its fair value. Gains or losses arising from a change in the fair value is recognized on other comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial assets is derecognized. At that time, the cumulative gain losses previously recognized in other comprehensive income shall be reclassified from equity to profit or loss as a reclassification adjustment.

Investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost.

Subsequent Measurement of Financial Liabilities

Subsequent measurement of financial liabilities depends on their classification on initial recognition. The Group classifies financial liabilities into one of the following categories:

- (i) Financial liabilities at Fair Value Through Profit or Loss (FVTPL)
Financial liabilities at Fair Value Through Profit or Loss (FVTPL) are financial liabilities held for trading or upon initial recognition it is designated as at fair value through profit or loss. Financial liabilities is classified as held for trading if it is acquired or incurred principally for the purpose of selling and repurchasing it in the near term, or it is a part of a portfolio of identified

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atau dibeli kembali dalam waktu dekat, atau bagian dari portfolio instrumen keuangan tertentu yang dikelola bersama dan terdapat bukti mengenai pola ambil untung dalam jangka pendek aktual saat ini, atau merupakan derivatif, kecuali derivatif yang ditetapkan dan efektif sebagai instrumen lindung nilai.

Setelah pengakuan awal, liabilitas keuangan yang diukur pada FVTPL diukur pada nilai wajarnya. Keuntungan atau kerugian yang timbul dari perubahan nilai wajar diakui dalam laba rugi.

- (ii) Liabilitas Keuangan Lainnya
Liabilitas keuangan yang tidak diklasifikasikan sebagai liabilitas keuangan yang diukur pada FVTPL dikelompokkan dalam kategori ini dan diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

Penghentian Pengakuan Aset dan Liabilitas Keuangan

Grup menghentikan pengakuan aset keuangan, jika dan hanya jika hak kontraktual atas arus kas yang berasal dari aset keuangan berakhir atau Grup mengalihkan hak kontraktual untuk menerima kas yang berasal dari aset keuangan atau tetap memiliki hak kontraktual untuk menerima kas tetapi juga menanggung kewajiban kontraktual untuk membayar arus kas yang diterima tersebut kepada satu atau lebih pihak penerima melalui suatu kesepakatan. Jika Grup secara substansial mengalihkan seluruh risiko dan manfaat atas kepemilikan aset keuangan, maka Grup menghentikan pengakuan aset keuangan dan mengakui secara terpisah sebagai aset atau liabilitas untuk setiap hak dan kewajiban yang timbul atau yang masih dimiliki dalam pengalihan tersebut.

Jika Grup secara substansial tidak mengalihkan dan tidak memiliki seluruh risiko dan manfaat atas kepemilikan aset keuangan tersebut dan masih memiliki pengendalian, maka Grup mengakui aset keuangan sebesar keterlibatan berkelanjutan dengan aset keuangan. Jika Grup secara substansial masih memiliki seluruh risiko dan manfaat atas kepemilikan aset keuangan, maka Grup tetap mengakui aset keuangan tersebut.

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financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking, or it is a derivative, except for a derivative that is a designated and effective hedging instrument.

After initial recognition, financial liabilities at FVTPL are measured at its fair value. Gains or losses arising from a change in the fair value are recognized in profit or loss.

- (ii) *Other Financial Liabilities*
Financial liabilities that are not classified as financial liabilities at FVTPL are grouped in this category and are measured at amortized cost using the effective interest method.

Derecognition of Financial Assets and Liabilities

The Group derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or the Group transfers the contractual rights to receive the cash flows of the financial asset or retains the contractual rights to receive the cash flows but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement. If the Group transfers substantially all the risks and rewards of ownership of the financial asset, the Group derecognizes the financial asset and recognize separately as asset or liability any rights and obligation created or retained in the transfer.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and has retained control, the Group continues to recognize the financial asset to the extent of its continuing involvement in the financial asset. If the Group retains substantially all the risks and rewards of ownership of the financial asset, the Group continues to recognize the financial asset.

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Grup menghentikan pengakuan liabilitas keuangan, jika dan hanya jika, liabilitas keuangan tersebut berakhir, yaitu ketika kewajiban yang ditetapkan dalam kontrak dilepaskan atau dibatalkan atau kedaluwarsa.

Penurunan Nilai Aset Keuangan

Pada setiap akhir periode pelaporan, Grup mengevaluasi apakah terdapat bukti objektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai. Aset keuangan atau kelompok aset keuangan diturunkan nilainya dan kerugian penurunan nilai telah terjadi, jika dan hanya jika, terdapat bukti objektif 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 dari aset keuangan atau kelompok aset keuangan yang dapat diestimasi secara andal.

Berikut adalah bukti objektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai:

- Kesulitan keuangan signifikan yang dialami penerbit atau pihak peminjam;
- Pelanggaran kontrak, seperti terjadinya gagal bayar atau tunggakan pembayaran pokok atau bunga;
- Terdapat kemungkinan bahwa pihak peminjam akan dinyatakan pailit atau melakukan reorganisasi keuangan lainnya; atau
- Terdapat data yang dapat diobservasi yang mengindikasikan adanya penurunan yang dapat diukur atas estimasi arus kas masa depan dari kelompok aset keuangan sejak pengakuan awal aset, seperti memburuknya status pembayaran pihak peminjam atau kondisi ekonomi yang berkorelasi dengan gagal bayar.

Untuk investasi pada instrumen ekuitas, penurunan yang signifikan atau penurunan jangka panjang dalam nilai wajar instrumen ekuitas di bawah biaya perolehannya merupakan bukti objektif terjadinya penurunan nilai.

Jika terdapat bukti objektif bahwa kerugian penurunan nilai telah terjadi atas pinjaman yang diberikan dan piutang atau investasi dimiliki hingga jatuh tempo yang dicatat pada biaya perolehan diamortisasi, maka jumlah kerugian

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The Group removes a financial liability from its statement of financial position when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Impairment of Financial Assets

At the end of each reporting period, the Group assesses whether there is any 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, if and only if, there is an objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (loss event), 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 following are objective evidence that a financial asset or group of financial assets is impaired:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as default or delinquency in interest or principal payments;
- It becoming probable that the borrower will be in enter bankruptcy or other financial reorganization; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition, such as adverse changes in the payment status of borrowers or economic condition that correlate with defaults.

For investment in equity instrument, a significant and prolonged decline in the fair value of the equity instrument below its cost is an objective evidence of impairment.

If there is objective evidence that an impairment loss has been incurred on loans and receivable or held-to-maturity investments carried at amortized cost, the amount of impairment loss is measured as the difference

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tersebut diukur sebagai selisih antara jumlah tercatat aset dan nilai kini estimasi arus kas masa depan yang didiskonto menggunakan suku bunga efektif awal dari aset tersebut dan diakui pada laba rugi.

Jika penurunan dalam nilai wajar atas aset keuangan tersedia untuk dijual telah diakui dalam penghasilan komprehensif lain dan terdapat bukti objektif bahwa aset tersebut mengalami penurunan nilai, maka kerugian kumulatif yang sebelumnya diakui dalam penghasilan komprehensif lain direklasifikasi dari ekuitas ke laba rugi sebagai penyesuaian reklasifikasi meskipun aset keuangan tersebut belum dihentikan pengakuannya. Jumlah kerugian kumulatif yang direklasifikasi adalah selisih antara biaya perolehan (setelah dikurangi pelunasan pokok dan amortisasi) dan nilai wajar kini, dikurangi kerugian penurunan nilai aset keuangan yang sebelumnya telah diakui dalam laba rugi.

Metode Suku Bunga Efektif

Metode suku bunga efektif adalah metode yang digunakan untuk menghitung biaya perolehan diamortisasi dari aset atau liabilitas keuangan (atau kelompok aset atau liabilitas keuangan) dan metode untuk mengalokasikan pendapatan bunga atau beban bunga selama periode yang relevan. Suku bunga efektif adalah suku bunga yang secara tepat mendiskontokan estimasi pembayaran atau penerimaan kas masa depan selama perkiraan umur dari instrumen keuangan, atau jika lebih tepat, digunakan periode yang lebih singkat untuk memperoleh jumlah tercatat neto dari aset keuangan atau liabilitas keuangan.

Pada saat menghitung suku bunga efektif, Grup mengestimasi arus kas dengan mempertimbangkan seluruh persyaratan kontraktual dalam instrumen keuangan tersebut, seperti pelunasan dipercepat, opsi beli dan opsi serupa lain, tetapi tidak mempertimbangkan kerugian kredit masa depan. Perhitungan ini mencakup seluruh komisi dan bentuk lain yang dibayarkan atau diterima oleh pihak-pihak dalam kontrak yang merupakan bagian takterpisahkan dari suku bunga efektif, biaya transaksi, dan seluruh premium atau diskonto lain.

2. Significant Accounting Policies (Continued)

between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate and recognized in profit or loss.

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. The amount of the cumulative loss that is reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognized in profit or loss.

The Effective Interest Method

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discount estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument, for example, prepayment, call and similar option, but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

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Reklasifikasi

Grup tidak mereklasifikasi derivatif dari diukur pada nilai wajar melalui laba rugi selama derivatif tersebut dimiliki atau diterbitkan dan tidak mereklasifikasi setiap instrumen keuangan dari diukur melalui laba rugi jika pada pengakuan awal instrumen keuangan tersebut ditetapkan oleh Grup sebagai diukur pada nilai wajar melalui laba rugi. Grup dapat mereklasifikasi aset keuangan yang diukur pada nilai wajar melalui laba rugi, jika aset keuangan tidak lagi dimiliki untuk tujuan penjualan atau pembelian kembali aset keuangan tersebut dalam waktu dekat. Grup tidak mereklasifikasi setiap instrumen keuangan ke dalam nilai wajar melalui laba rugi setelah pengakuan awal.

Jika, karena perubahan intensi atau kemampuan Grup, instrumen tersebut tidak tepat lagi diklasifikasikan sebagai investasi dimiliki hingga jatuh tempo, maka investasi tersebut direklasifikasi menjadi tersedia untuk dijual dan diukur kembali pada nilai wajar.

Jika terjadi penjualan atau reklasifikasi atas investasi dimiliki hingga jatuh tempo dalam jumlah yang lebih dari jumlah yang tidak signifikan, maka sisa investasi dimiliki hingga jatuh tempo direklasifikasi menjadi tersedia untuk dijual, kecuali penjualan atau reklasifikasi tersebut dilakukan ketika aset keuangan sudah mendekati jatuh tempo atau tanggal pembelian kembali, terjadi setelah seluruh jumlah pokok telah diperoleh secara substansial sesuai jadwal pembayaran atau telah diperoleh pelunasan dipercepat atau terkait dengan kejadian tertentu yang berada di luar kendali, tidak berulang, dan tidak dapat diantisipasi secara wajar.

Saling Hapus Aset Keuangan dan Liabilitas Keuangan

Aset keuangan dan liabilitas keuangan disalinghapuskan, jika dan hanya jika, Grup saat ini memiliki hak yang dapat dipaksakan secara hukum untuk melakukan saling hapus atas jumlah yang telah diakui tersebut; dan berintensi untuk menyelesaikan secara neto atau untuk merealisasikan aset dan menyelesaikan liabilitasnya secara simultan.

2. Significant Accounting Policies (Continued)

Reclassification

The Group shall not reclassify a derivative out of the fair value through profit or loss category while it is held or issued and not reclassify any financial instrument out of the fair value through profit or loss category if upon initial recognition was designated by the Group as at fair value through profit or loss. The Group may reclassify that financial asset out of the fair value through profit or loss category if a financial asset is no longer held for the purpose of selling or repurchasing in the near term. The Group shall not reclassify any financial instrument into the fair value through profit or loss category after initial recognition.

If, as a result of a change in Group's intention or ability, it is no longer appropriate to classify an investment as held to maturity, it shall be reclassified as available for sale and remeasured at fair value.

Whenever sales or reclassification of more than an insignificant amount of held-to-maturity investments, any remaining held-to-maturity investments shall be reclassified as available for sale, other than sales or reclassification that are so close to maturity or the financial asset's call date, occur after all the financial asset's original principal has been collected substantially through scheduled payments or prepayments, or are attributable to an isolated event that is beyond control, non-recurring, and could not have been reasonably anticipated.

Offsetting a Financial Asset and a Financial Liability

A financial asset and financial liability shall be offset when and only when, the Group currently has a legally enforceable right to set off the recognized amount; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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2. Kebijakan Akuntansi Signifikan (Lanjutan)

Pengukuran Nilai Wajar

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran.

Nilai wajar aset dan liabilitas keuangan diestimasi untuk keperluan pengakuan dan pengukuran atau untuk keperluan pengungkapan.

Nilai wajar dikategorikan dalam level yang berbeda dalam suatu hirarki nilai wajar berdasarkan pada apakah input suatu pengukuran dapat diobservasi dan signifikansi input terhadap keseluruhan pengukuran nilai wajar:

- (i) Harga kuotasian (tanpa penyesuaian) di pasar aktif untuk aset atau liabilitas yang identik yang dapat diakses pada tanggal pengukuran (Level 1);
- (ii) Input selain harga kuotasian yang termasuk dalam Level 1 yang dapat diobservasi untuk aset atau liabilitas, baik secara langsung maupun tidak langsung (Level 2);
- (iii) Input yang tidak dapat diobservasi untuk aset atau liabilitas (Level 3).

Dalam mengukur nilai wajar aset atau liabilitas, Grup sebisa mungkin menggunakan data pasar yang dapat diobservasi. Apabila nilai wajar aset atau liabilitas tidak dapat diobservasi secara langsung, Grup menggunakan teknik penilaian yang sesuai dengan keadaannya dan memaksimalkan penggunaan input yang dapat diobservasi yang relevan dan meminimalkan penggunaan input yang tidak dapat diobservasi.

Perpindahan antara level hirarki nilai wajar diakui oleh Grup pada akhir periode pelaporan dimana perpindahan terjadi.

Dalam rangka pelaksanaan restrukturisasi dan/atau revitalisasi BUMN, Perusahaan dapat memiliki beberapa instrumen keuangan yang tidak mengacu atau berlaku di pasar dan nilai wajarnya tidak dapat diukur secara handal, seperti Pinjaman yang Diberikan, Pinjaman Dana Talangan, Talangan Biaya Pengelolaan Aset dan Surat Utang.

2. Significant Accounting Policies (Continued)

Fair Value Measurement

Fair value is the price that will 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 of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Fair values are categorized into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date (Level 1);*
- (ii) Inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly (Level 2);*
- (iii) Unobservable inputs for the assets or liabilities (Level 3).*

When measuring the fair value of an asset or a liability, the Group uses observable market data to the extent possible. If the fair value of an asset or a liability is not directly observable, the Group uses valuation techniques that appropriate in the circumstances and maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

Transfers between levels of the fair value hierarchy are recognized by the Group at the end of the reporting period during which the change occurred.

In the framework of the implementation of restructuring and/or revitalization of SOEs, the Company may have some financial instruments that do not refer to or apply in the market and its fair value can not be measured reliably, such as Loans Receivable, Fund Advance Loans Receivable, Advances on Asset Management and Promissory Notes.

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Pinjaman yang Diberikan

Dalam melaksanakan Restrukturisasi dan/atau Revitalisasi BUMN dengan skema pemberian pinjaman dana dari Perusahaan, maka pinjaman yang diberikan tersebut dicatat sebagai Piutang Perusahaan. Pinjaman yang Diberikan diakui pada saat pencairannya sebesar pokok pinjaman dan disajikan sebesar jumlah outstanding tagihan Perusahaan yang belum dilunasi dikurangi dengan Penyisihan Penurunan Nilai Pinjaman.

Pinjaman Dana Talangan

Perusahaan dapat memberikan pinjaman kepada pihak ketiga berupa dana talangan. Pemberian Pinjaman Dana Talangan ini diakui dan dicatat sebagai Piutang Perusahaan. Perlakuan pencatatan Pinjaman Dana Talangan sama dengan perlakuan atas Pinjaman yang Diberikan.

Perusahaan diminta oleh BUMN pemilik aset untuk melakukan pembayaran terlebih dahulu atas biaya-biaya yang diperlukan dalam rangka pengelolaan aset yang diserahkan kepada Perusahaan dan biaya tersebut adalah beban BUMN yang bersangkutan. Dalam hal ini, Perusahaan hanya memberikan talangan atas pembayaran biaya pengelolaan aset sedangkan transaksi dengan pihak ketiga dan dokumen pembayaran atas biaya tersebut (perjanjian pemberian jasa dan/atau kontrak dengan pihak ketiga, *purchase order*, tagihan, kwitansi, faktur) seluruhnya dapat atas nama BUMN yang bersangkutan.

Perusahaan mengakui nilai wajar instrumen keuangan tersebut di atas sesuai dengan harga transaksinya, yaitu nilai wajar pembayaran yang diserahkan atau diterima.

2.i. Kas dan Setara Kas

Kas dan setara kas termasuk kas, kas di bank (rekening giro), dan deposito berjangka yang jatuh tempo dalam jangka waktu tiga bulan atau kurang pada saat penempatan yang tidak digunakan sebagai jaminan atau tidak dibatasi penggunaannya.

2. Significant Accounting Policies (Continued)

Loans Receivable

In implementing the Restructuring and/or Revitalization of SOEs with a scheme of lending funds from the Company, then the loans are recorded as accounts receivable of the Company. Loans Receivable is recognized at the time of drawdown of the loan principal and stated at the amount of outstanding bills of the Company which have not been paid deducted by the Allowance for Impairment of Loans.

Fund Advance Loans Receivable

The Company can provide loans to third parties in the form of fund advance. Fund Advance Loans Receivable is recognized and recorded as accounts receivable of the Company. The treatment of recording Fund Advance Loans Receivable is similar to the treatment of Loans Receivable.

The Company is requested by SOEs owner of assets to make advance payments for the expenses required in order to manage the transferred-assets given to the Company and these expenses are burden of SOEs' concerned. In this case, the Company only provides advances for the payment of asset management expenses, while transactions with third parties and all documents of the expenses payment (service delivery agreement and/or contract with third parties, purchase orders, invoices, receipts, invoices) could be on behalf of SOE's concerned

The Company recognizes the fair value of financial instruments mentioned above in accordance with the transaction price, i.e. the fair value given or received payment.

2.i. Cash and Cash Equivalent

Cash and cash equivalent are cash on hand, cash in bank (demand deposit) and time deposits with maturity periods of three months or less at the time of placement that are not used as collateral or are not restricted.

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2.j. Anjak Piutang

Anjak piutang *with recourse* diakui sebagai tagihan anjak piutang sebesar nilai piutang yang diperoleh dan dinyatakan sebesar nilai bersih yang dapat direalisasi, setelah dikurangi pendapatan anjak piutang ditangguhkan. Selisih antara tagihan anjak piutang dengan jumlah pembayaran kepada klien diakui sebagai pendapatan anjak piutang ditangguhkan dan diamortisasi selama periode kontrak menggunakan suku bunga efektif.

2.k. Aset Takberwujud

Aset takberwujud diukur sebesar nilai perolehan pada pengakuan awal. Setelah pengakuan awal, aset takberwujud dicatat pada biaya perolehan dikurangi akumulasi amortisasi dan akumulasi rugi penurunan nilai.

Umur manfaat aset takberwujud dinilai apakah terbatas atau tidak terbatas. Aset takberwujud diamortisasi dengan menggunakan metode garis lurus berdasarkan estimasi masa manfaat 10-20 tahun.

Amortisasi dihitung sebagai penghapusan biaya perolehan aset, dikurangi nilai residunya.

2.l. Piutang Retensi

Piutang retensi merupakan piutang Grup kepada pemberi kerja yang akan dilunasi setelah penyelesaian kontrak atau pemenuhan kondisi yang ditentukan kontrak. Piutang retensi dicatat pada saat pemotongan sejumlah persentase tertentu dari setiap tagihan termin untuk ditahan oleh pemberi kerja sampai suatu kondisi setelah penyelesaian kontrak dipenuhi.

2.m. Tagihan Bruto Kepada Pemberi Jasa

Tagihan bruto kepada pemberi jasa merupakan piutang Grup yang berasal dari pekerjaan kontrak konstruksi yang dilakukan namun pekerjaan yang dilakukan masih dalam pelaksanaan. Tagihan bruto disajikan sebesar selisih antara biaya yang terjadi ditambah laba yang diakui dikurangi dengan kerugian yang diakui dan termin.

Tagihan bruto diakui sebagai pendapatan sesuai dengan metode persentase penyelesaian yang dinyatakan dalam berita acara penyelesaian pekerjaan yang belum diterbitkan faktur karena perbedaan antara

2. Significant Accounting Policies (Continued)

2.j. Factoring

Factoring with recourse is recognized as the amount of receivables acquired and is stated at net realizable value, net of deferred income factoring. The difference between the factoring receivables and the amount of payments made to the client is recognized as deferred factoring income and will be amortized over the period of respective factoring agreements using the effective interest rate.

2.k. Intangible Assets

Intangible asset is measured on initial recognition at cost. After initial recognition, intangible asset is carried at cost less any accumulated amortization and any accumulated impairment loss.

The useful life of intangible asset is assessed to be either finite or indefinite. Intangible assets are amortized by using straight line method based on estimated useful lives of 10-20 years.

Amortisation is calculated so as to write off the cost of the asset, less its estimated residual value.

2.l. Retention Receivables

Retention receivable represents receivable from owner of the project which will be paid after completion of the contract or fulfillment of certain condition in the contract. Retention receivable is recorded when certain percentage deduction is applied in every account receivable's claim which retained by the owner of project up to certain condition after completion of the contract has been met.

2.m. Gross Amount due from Customers

Gross amount due from customers represents the Group receivable originated from construction contract in progress. Gross amount due from customers is presented as the net amount of costs incurred plus recognized profits, less the sum of recognized losses and progress billings.

Gross amount due from customers is recognized as revenue based on the percentage of completion method which is stated on the certificate of work completion, while the invoice is still unbilled due to the

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tanggal berita acara kemajuan (*progress*) fisik dengan pengajuan penagihan pada tanggal laporan posisi keuangan.

2.n. Persediaan

Persediaan dinyatakan berdasarkan jumlah terendah antara biaya perolehan dan nilai realisasi neto. Biaya persediaan terdiri dari seluruh biaya pembelian, biaya konversi, dan biaya lain yang timbul sampai persediaan berada dalam kondisi dan lokasi saat ini. Biaya perolehan ditentukan dengan metode rata-rata tertimbang. Nilai realisasi neto merupakan taksiran harga jual dalam kegiatan usaha biasa dikurangi estimasi biaya penyelesaian dan estimasi biaya yang diperlukan untuk membuat penjualan.

Setiap penurunan nilai persediaan di bawah biaya perolehan menjadi nilai realisasi neto dan seluruh kerugian persediaan diakui sebagai beban pada periode terjadinya penurunan atau kerugian tersebut. Setiap pemulihan kembali penurunan nilai persediaan karena peningkatan kembali nilai realisasi neto, diakui sebagai pengurangan terhadap jumlah beban persediaan pada periode terjadinya pemulihan tersebut.

2.o. Biaya Dibayar di Muka

Biaya dibayar dimuka adalah biaya yang telah dibayar namun pembebanannya baru akan dilakukan pada periode yang akan datang sesuai dengan masa manfaatnya dengan menggunakan metode garis lurus.

2.p. Properti Investasi

Properti investasi adalah properti (tanah atau bangunan atau bagian dari suatu bangunan atau kedua-duanya) yang dikuasai oleh pemilik atau penyewa melalui sewa pembiayaan untuk menghasilkan sewa atau untuk kenaikan nilai atau kedua-duanya, dan tidak untuk digunakan dalam produksi atau penyediaan barang atau jasa atau untuk tujuan administratif; atau dijual dalam kegiatan usaha sehari-hari.

Properti investasi diakui sebagai aset jika dan hanya jika besar kemungkinan manfaat ekonomik masa depan yang terkait dengan properti investasi akan mengalir ke entitas; dan biaya perolehan properti investasi dapat diukur dengan andal.

2. Significant Accounting Policies (Continued)

difference between the date of physical progress certificates and the submission of billing on the statement of financial position date.

2.n. Inventories

Inventories are carried at the lower of cost and net realizable value. The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realizable value, is recognized as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2.o. Prepaid Expenses

Prepaid expenses are the costs which have been paid but will be charged in the future over the periods benefits using straight-line method.

2.p. Investment Properties

Investment properties are properties (land or a building or part of a building or both) held by the owner or the lessee under a finance lease to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the daily business activities.

Investment property is recognized as an asset when, and only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and the cost of the investment property can be measured reliably.

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Properti investasi pada awalnya diukur sebesar biaya perolehan, meliputi harga pembelian dan setiap pengeluaran yang dapat diatribusikan secara langsung (biaya jasa hukum, pajak pengalihan properti, dan biaya transaksi lain). Biaya transaksi termasuk dalam pengukuran awal tersebut.

Setelah pengakuan awal, Grup memilih menggunakan model nilai wajar dan mengukur seluruh properti investasi berdasarkan nilai wajar. Keuntungan atau kerugian yang timbul dari perubahan nilai wajar properti investasi diakui dalam laba rugi pada periode terjadinya.

Penentuan nilai wajar properti investasi didasarkan pada penilaian oleh penilai independen yang mempunyai kualifikasi profesional yang telah diakui dan relevan serta memiliki pengalaman terkini di lokasi dan kategori properti investasi yang dinilai.

Grup mengalihkan properti ke, atau dari, properti investasi jika, dan hanya jika, ketika properti memenuhi, atau berhenti memenuhi, definisi properti investasi dan terdapat bukti atas perubahan penggunaan, mencakup:

- Dimulainya penggunaan oleh pemilik, atau pengembangan untuk pemilik, untuk pengalihan dari properti investasi menjadi properti yang digunakan sendiri;
- Dimulainya pengembangan untuk dijual, untuk pengalihan dari properti investasi menjadi persediaan;
- Berakhirnya pemakaian oleh pemilik, untuk pengalihan dari properti yang digunakan sendiri menjadi properti investasi; dan
- Insepsi sewa operasi kepada pihak lain, untuk pengalihan dari persediaan menjadi properti investasi.

Properti investasi dihentikan pengakuannya pada saat dilepaskan atau ketika tidak digunakan lagi secara permanen dan tidak memiliki manfaat ekonomi masa depan yang diperkirakan dari pelepasannya. Keuntungan atau kerugian yang timbul dari penghentian atau pelepasan ditentukan dari selisih antara hasil neto pelepasan dan jumlah tercatat aset, dan diakui dalam laba rugi pada periode terjadinya penghentian atau pelepasan.

2. Significant Accounting Policies (Continued)

An investment property shall be measured initially at its cost, comprises its purchase price and any directly attributable expenditure (professional fees for legal services, property transfer taxes and other transaction costs). Transaction costs are included in the initial measurement.

After initial recognition, the Group decides to use fair value model and measure all of its investment property at fair value. A gain or loss arising from a change in the fair value of investment property is recognized in profit or loss for the period in which it arises.

The fair value of investment property is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

The Group shall transfer a property, to, or from investment property when, and only when, there the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use, include:

- Commencement of owner-occupation, or of development with a view to owner-occupation, for a transfer from investment property to owner-occupied property;
- Commencement of development with a view to sale, for a transfer from investment property to inventories;
- End of owner-occupation, for a transfer from owner-occupied property to investment property; and
- Inception of an operating lease to another party, for a transfer from inventories to investment property.

An investment property is derecognizes on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Gains or losses arising from the retirement or disposal are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss in the period of the retirement or disposal.

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2.q. Aset Tetap

Aset tetap pada awalnya diakui sebesar biaya perolehan yang meliputi harga perolehannya dan setiap biaya yang dapat diatribusikan langsung untuk membawa aset ke kondisi dan lokasi yang diinginkan agar aset siap digunakan sesuai intensi manajemen.

Apabila relevan, biaya perolehan juga dapat mencakup estimasi awal biaya pembongkaran dan pemindahan aset tetap dan restorasi lokasi aset tetap, kewajiban tersebut timbul ketika aset tetap diperoleh atau sebagai konsekuensi penggunaan aset tetap selama periode tertentu untuk tujuan selain untuk memproduksi persediaan selama periode tersebut.

Setelah pengakuan awal, aset tetap kecuali tanah dinyatakan sebesar biaya perolehan dikurangi akumulasi penyusutan dan akumulasi rugi penurunan nilai.

Penyusutan aset tetap dimulai pada saat aset tersebut siap untuk digunakan sesuai maksud penggunaannya dan dihitung dengan menggunakan metode garis lurus berdasarkan estimasi masa manfaat ekonomis aset sebagai berikut:

Kelompok	2018 dan/ and 2017	Group
Gedung	20-30 tahun/ years	Buildings
Kendaraan Bermotor	2 - 8 tahun/ years	Vehicles
Peralatan Proyek	2 - 8 tahun/ years	Project Equipments
Peralatan Kantor	2 - 8 tahun/ years	Office Equipments
Prasarana Umum	5 tahun/ years	Public Facilities

Pada tahun 2017, PT NB melakukan perubahan masa manfaat umur ekonomis untuk aset tetap sesuai Keputusan Direksi Nomor: KEP-27/DIR/12/2017 tentang perubahan penetapan umur ekonomis dan nilai residu aset tetap.

Tanah diakui sebesar harga perolehannya dan tidak disusutkan.

Aset tetap yang dikonstruksi sendiri disajikan sebagai bagian aset tetap sebagai "Aset dalam Konstruksi" dan dinyatakan sebesar biaya perolehannya. Semua biaya, termasuk biaya pinjaman, yang terjadi sehubungan dengan konstruksi aset tersebut dikapitalisasi sebagai bagian dari biaya perolehan aset tetap dalam konstruksi. Biaya perolehan aset tetap dalam konstruksi tidak termasuk setiap laba internal, jumlah tidak normal dari biaya pemborosan yang terjadi dalam pemakaian bahan baku, tenaga kerja atau sumber daya lain.

2. Significant Accounting Policies (Continued)

2.q. Property, Plant and Equipment

Property, plant and equipment are initially recognized at cost, which comprises its purchase price and any cost directly attributable in bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

When applicable, the cost may also comprises the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

After initial recognition, property, plant and equipment, except land, are carried at its cost less any accumulated depreciation, and any accumulated impairment losses.

Depreciation of property, plant and equipment starts when it is available for use and it is computed by using straight-line method based on the estimated useful lives of assets as follows:

On 2017, PT NB changes the useful life of building regarding to Board of Director Decree No: KEP-27/DIR/12/2017 regarding changes on property, plant and equipment useful life and residual value.

Lands are recognized at its cost and are not depreciated.

Self-constructed Property, Plant and Equipment are presented as part of the Property, Plant and Equipment under "Asset in Progress" and are stated at its cost. All costs, including borrowing costs, incurred in relation with the construction of these assets are capitalized as part of the cost of assets in construction. Cost of assets in construction shall exclude any internal profits, cost of abnormal amounts of wasted material, labour, or other resources incurred.

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Akumulasi biaya perolehan akan dipindahkan ke masing-masing pos aset tetap yang sesuai pada saat aset tersebut selesai dikerjakan atau siap digunakan dan disusutkan sejak beroperasi.

Nilai tercatat dari suatu aset tetap dihentikan pengakuannya pada saat pelepasan atau ketika tidak terdapat lagi manfaat ekonomis masa depan yang diharapkan dari penggunaan atau pelepasannya. Keuntungan atau kerugian yang timbul dari penghentian pengakuan tersebut (yang ditentukan sebesar selisih antara jumlah hasil pelepasan neto, jika ada, dan jumlah tercatatnya) dimasukkan dalam laba rugi pada saat penghentian pengakuan tersebut dilakukan.

Pada akhir periode pelaporan, Perusahaan melakukan penelaahan berkala atas masa manfaat, nilai residu, metode penyusutan, dan sisa umur pemakaian berdasarkan kondisi teknis.

Grup memilih menggunakan model revaluasi untuk aset tanah yang nilai wajarnya dapat diukur secara andal, yakni nilai wajar pada tanggal revaluasi dikurangi akumulasi penurunan nilai setelah tanggal revaluasi.

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 laba rugi.

Jika jumlah tercatat aset turun akibat revaluasi, maka penurunan tersebut diakui dalam laba rugi. Akan tetapi, penurunan nilai tersebut diakui dalam penghasilan komprehensif lain sepanjang tidak melebihi saldo surplus revaluasi untuk aset tersebut. Penurunan nilai yang diakui dalam penghasilan komprehensif lain tersebut mengurangi jumlah akumulasi dalam ekuitas pada bagian surplus revaluasi.

2. Significant Accounting Policies (Continued)

The accumulated costs will be transferred to the respective Property, Plant and Equipment items at the time the asset is completed or ready for use and are depreciated since the operation.

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition (that determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item) is included in profit or loss when item is derecognized.

At the end of each reporting period, the Company made regular review of the useful lives, residual values, depreciation method and residual life based on the technical conditions.

The Group choose to use revaluation model for an item of Property, Plant and Equipment whose fair value can be measured reliably, being its fair value at the date of the revaluation less any subsequent accumulated impairment losses.

If asset's carrying amount is increased as a result of a revaluation, the increase is recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

If asset's carrying amount is decreased as a result of a revaluation, the decrease is recognized in profit or loss. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

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Revaluasi dilakukan dengan keteraturan yang cukup regular untuk memastikan bahwa jumlah tercatat tidak berbeda secara material dengan jumlah yang ditentukan dengan menggunakan nilai wajar pada akhir periode pelaporan.

2.r. Aset Lain-lain

Persediaan properti berupa tanah dan bangunan dicatat berdasarkan nilai perolehan yaitu beban-beban yang dikeluarkan serta beban bunga yang menjadi beban atas kredit yang digunakan dalam kegiatan tersebut.

2.s. Penurunan Nilai Aset Non Keuangan

Pada setiap akhir periode pelaporan, Grup menilai apakah terdapat indikasi aset mengalami penurunan nilai. Jika terdapat indikasi tersebut, Grup mengestimasi jumlah terpulihkan aset tersebut. Jumlah terpulihkan ditentukan atas suatu aset individual, dan jika tidak memungkinkan, Grup menentukan jumlah terpulihkan dari unit penghasil kas dari aset tersebut.

Jumlah terpulihkan adalah jumlah yang lebih tinggi antara nilai wajar dikurangi biaya pelepasan dengan nilai pakainya. Nilai pakai adalah nilai kini dari arus kas yang diharapkan akan diterima dari aset atau unit penghasil kas. Nilai kini dihitung dengan menggunakan tingkat diskonto sebelum pajak yang mencerminkan nilai waktu uang dan risiko spesifik atas aset atau unit yang penurunan nilainya diukur.

Jika, dan hanya jika, jumlah terpulihkan aset lebih kecil dari jumlah tercatatnya, maka jumlah tercatat aset diturunkan menjadi sebesar jumlah terpulihkan. Penurunan tersebut adalah rugi penurunan nilai dan segera diakui dalam laba rugi.

Rugi penurunan nilai yang telah diakui dalam periode sebelumnya untuk aset selain *goodwill* dibalik jika, dan hanya jika, terdapat perubahan estimasi yang digunakan untuk menentukan jumlah terpulihkan aset tersebut sejak rugi penurunan nilai terakhir diakui. Jika demikian, jumlah tercatat aset dinaikan ke jumlah terpulihkannya. Kenaikan ini merupakan suatu pembalikan rugi penurunan nilai.

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Revaluation is made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

2.r. Other Assets

Property inventory in form of land and building are recorded based on the acquisition cost that are incurred and interest expenses that are used for such activities.

2.s. Impairment of Non Financial Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group shall estimate the recoverable amount of the asset. Recoverable amount is determined for an individual asset, if it is not possible, the Group determines the recoverable amount of the asset's cash-generating unit.

The recoverable amount is the higher of fair value less costs to sell and its value in use. Value in use is the present value of the estimated future cash flows of the asset or cash generating unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset or unit whose impairment is being measured.

If, and only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset shall be reduced to its recoverable amount. The reduction is an impairment loss and is recognized immediately in profit or loss.

An impairment loss which is recognized in prior period for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset shall be increased to its recoverable amount. That increase is a reversal of an impairment loss.

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2.t. Sewa

Penentuan apakah suatu perjanjian sewa atau suatu perjanjian yang mengandung sewa merupakan sewa pembiayaan atau sewa operasi didasarkan pada substansi transaksi dan bukan pada bentuk kontraknya pada tanggal awal sewa.

Suatu sewa diklasifikasikan sebagai sewa pembiayaan jika sewa tersebut mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset. Suatu sewa diklasifikasikan sebagai sewa operasi jika sewa tersebut tidak mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset.

Grup sebagai Lessor

Grup mengakui aset berupa piutang sewa pembiayaan di laporan posisi keuangan sebesar jumlah yang sama dengan investasi sewa neto. Penerimaan piutang sewa diperlakukan sebagai pembayaran pokok dan pendapatan keuangan. Pengakuan pendapatan keuangan didasarkan pada suatu pola yang mencerminkan suatu tingkat pengembalian periodik yang konstan atas investasi neto Grup sebagai lessor dalam sewa pembiayaan.

Grup menyajikan aset untuk sewa operasi di laporan posisi keuangan sesuai sifat aset tersebut. Biaya langsung awal sehubungan proses negosiasi dan pengaturan sewa operasi ditambahkan dalam jumlah tercatat dari aset sewaan dan diakui sebagai beban selama masa sewa dengan dasar yang sama dengan pendapatan sewa. Sewa kontinjen, apabila ada, diakui sebagai pendapatan pada periode terjadinya. Pendapatan sewa operasi diakui sebagai pendapatan atas dasar garis lurus selama masa sewa.

2.u. Pengaturan Bersama

Pengaturan bersama adalah pengaturan yang dua atau lebih pihak memiliki pengendalian bersama, yaitu persetujuan kontraktual untuk berbagi pengendalian atas suatu pengaturan, yang ada hanya ketika keputusan mengenai aktivitas relevan mensyaratkan persetujuan dengan suara bulat dari seluruh pihak yang berbagi pengendalian.

Grup mengklasifikasikan pengaturan bersama sebagai ventura bersama.

2. Significant Accounting Policies (Continued)

2.t. Lease

The determination of whether a lease agreement or an agreement containing with a lease is a finance lease or an operating lease depends on the substance of transaction rather than the form of the contract at the inception date of lease.

A lease is classified as finance leases if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Group as Lessor

Group recognizes assets under a finance lease as a receivable in the statement of financial position at an amount equal to the net investment in the lease. Collection of lease receivable is treated as principal payments and finance income. The recognition of finance income is based on a pattern reflecting a constant periodic rate of return on Group's net investment in the finance lease as lessor.

Group presents assets subject to operating leases in the statement of financial position according to the nature of the asset. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized as an expense over the lease term on the same basis as the lease income. Contingent rents, if any, be recognized as income in the period incurred. Lease income from operating leases is recognized as revenue on a straight-line basis over the lease term.

2.u. Joint Arrangement

Joint arrangement is an arrangement of which two or more parties have joint control, i.e. the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group classifies joint arrangement as joint venture.

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Ventura bersama merupakan pengaturan bersama yang mengatur bahwa para pihak yang memiliki pengendalian bersama atas pengaturan memiliki hak atas aset neto pengaturan tersebut. Para pihak tersebut disebut sebagai *venturer* bersama.

Venturer bersama mengakui kepentingannya dalam ventura bersama sebagai investasi dan mencatat investasi tersebut dengan menggunakan metode ekuitas.

2.v. Utang Bruto kepada Pihak Ketiga

Utang bruto kepada pihak ketiga merupakan utang prestasi kerja sub kontraktor yang belum diberita-acarakan, baik dari sub kontraktor atau material yang diakui sebagai prestasi karena belum memenuhi syarat pembayaran sesuai kontrak.

Utang bruto pihak ketiga disajikan sebesar selisih antara biaya yang terjadi ditambah laba atau dikurangi rugi yang diakui.

2.w. Pengakuan Pendapatan dan Beban

Pendapatan diakui bila besar kemungkinan manfaat ekonomi akan diperoleh oleh Grup dan jumlahnya dapat diukur dengan andal. Pendapatan diukur pada nilai wajar pembayaran pertama, tidak termasuk diskon, rabat dan Pajak Pertambahan Nilai (PPN).

Kriteria spesifik berikut juga harus dipenuhi sebelum pendapatan diakui:

Pendapatan Pengelolaan Aset

Pendapatan pengelolaan aset diakui pada periode terjadinya yang terdiri dari:

- Pendapatan Pengelolaan Aset eks BPPN berupa imbalan pengelolaan aset, imbalan kinerja dan pendapatan yang berkaitan dengan biaya pengelolaan aset yang dapat diperoleh kembali;
- Pendapatan Pengelolaan Aset BUMN berupa jasa pengelolaan rutin dan jasa keberhasilan.

Pendapatan Restrukturisasi dan/atau Revitalisasi

Pendapatan kegiatan restrukturisasi dan/atau revitalisasi BUMN berupa pendapatan bunga pinjaman dan pendapatan jasa restrukturisasi dan/atau revitalisasi diakui pada saat terjadinya dengan dasar akrual.

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Joint venture represents joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers.

A joint venturer recognizes its interest in a joint venture as an investment and account for that investment using the equity method.

2.v. Gross Amount Due to Third Parties

Gross amount due to third parties represents uncertificated subcontractor working progress, either from subcontractor or materials which are recognized as progress since it has not fulfilled the certain payment condition as stated in the contract.

Gross amount due to the third parties is presented as the differences between costs occurred added by gain or deducted by realized loss.

2.w. Revenues and Expenses Recognition

Revenue is recognized when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and Value Added Tax (VAT).

The following specific recognition criteria must also be met before revenue is recognized:

Revenue from Asset Management

Revenue of Asset Management is recognized in the period when it is occurred consist of:

- *Revenue from Asset Management ex-IBRA assets which is made up of asset management fees, success fees and revenues related with reimbursable costs;*
- *Revenue from Asset Management SOEs' assets which are routine management fees and success fees.*

Revenue from Restructuring and/or Revitalization

Revenues of SOEs' restructuring and/or revitalization which comprise loan interest income and income from restructuring and/or revitalization are recognized as incurred on an accrual basis.

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Jasa Konstruksi

Pendapatan kontrak dan biaya kontrak yang berhubungan dengan kontrak konstruksi diakui masing-masing sebagai pendapatan dan beban dengan memperhatikan tahap penyelesaian aktivitas kontrak pada tanggal akhir periode pelaporan (metode persentase penyelesaian). Persentase penyelesaian konstruksi ditetapkan berdasarkan survei atas pekerjaan yang telah dilaksanakan.

Jika kemungkinan besar terjadi bahwa total biaya kontrak akan melebihi total pendapatan kontrak, maka taksiran rugi segera diakui sebagai beban.

Pendapatan kontrak terdiri dari jumlah pendapatan semula yang disetujui dalam kontrak dan penyimpangan dalam pekerjaan kontrak, klaim, dan pembayaran insentif sepanjang hal ini memungkinkan untuk menghasilkan pendapatan dan dapat diukur dengan andal.

Biaya kontrak terdiri dari biaya yang berhubungan langsung dengan kontrak, biaya yang dapat diatribusikan pada aktivitas kontrak secara umum dan dapat dialokasikan pada kontrak, dan biaya lain yang secara spesifik dapat ditagihkan ke pelanggan sesuai isi kontrak.

Pendapatan Sewa

Pendapatan sewa dari sewa operasi diakui sebagai pendapatan dengan dasar garis lurus selama masa sewa. Biaya langsung awal yang terjadi dalam proses negosiasi dan pengaturan sewa ditambahkan ke jumlah tercatat dari aset sewaan dan diakui dengan dasar garis lurus selama masa sewa.

Uang muka sewa yang diterima dari penyewa dicatat ke dalam akun pendapatan diterima di muka dan akan diakui sebagai pendapatan secara berkala sesuai dengan kontrak sewa yang berlaku.

Pendapatan Bunga

Pendapatan bunga diakui berdasarkan periode waktu terjadinya dengan tingkat bunga yang sesuai atau suku bunga efektif.

2. Significant Accounting Policies (Continued)

Construction Services

Contract revenue and contract costs associated with the construction contract is recognized as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period (percentage of completion method). Construction percentage of completion is determined based on survey of work performed.

When it is probable that total contract costs will exceed total contract revenue, the expected loss shall be recognized as an expense immediately.

Contract revenue comprised of the initial amount of revenue agreed in the contract and variations in contract work, claims, and incentive payments to the extent that it is probable that it will results in revenue and it is capable of being reliably measured.

Contract cost comprised of costs that relate directly to the specific contract, costs that are attributable to contract activity in general and can be allocated to the contract, and such other costs as are specifically chargeable to the customer under the terms of the contract.

Rental Revenue

Rental revenue from operating leases are recognized as revenue on a straight line basis over the lease term. Initial direct costs incurred in negotiating and rental arrangements are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Advances received from rental are recorded in unearned revenue account and will be recognized as revenue on a regular basis over the rental periods.

Interest Income

Interest income is recognized based on timely basis, with an appropriate interest rate or the effective interest rate.

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Pendapatan bunga dari transaksi sewa pembiayaan diakui apabila kemungkinan besar Entitas Anak akan memperoleh manfaat ekonomis sehubungan dengan transaksi tersebut dan jumlah pendapatan dapat diukur secara andal.

Penjualan Barang

Penjualan barang diakui pada saat terjadinya perpindahan kepemilikan atas barang kepada pelanggan, yaitu pada saat penyerahan barang, atau dalam hal barang disimpan di gudang Grup atas permintaan pelanggan, pada saat diterbitkan faktur.

Beban

Beban diakui pada saat terjadinya (dengan dasar akrual).

2.x. Biaya Pinjaman

Biaya pinjaman yang dapat diatribusikan langsung dengan perolehan, pembangunan atau pembuatan aset kualifikasian, dikapitalisasi sebagai bagian biaya perolehan aset tersebut. Biaya pinjaman lainnya diakui sebagai beban pada saat terjadi. Biaya pinjaman dapat mencakup beban bunga, beban keuangan dalam sewa pembiayaan atau selisih kurs yang berasal dari pinjaman dalam mata uang asing sepanjang selisih kurs tersebut diperlakukan sebagai penyesuaian atas biaya bunga.

Kapitalisasi biaya pinjaman dimulai pada saat Grup telah melakukan aktivitas yang diperlukan untuk mempersiapkan aset agar dapat digunakan atau dijual sesuai dengan intensinya serta pengeluaran untuk aset dan biaya pinjamannya telah terjadi. Kapitalisasi biaya pinjaman dihentikan ketika secara substansial seluruh aktivitas yang diperlukan untuk mempersiapkan aset kualifikasian agar dapat digunakan atau dijual sesuai dengan intensinya telah selesai.

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Interest income from finance leases is recognized when it is probable the Subsidiary will obtain economic benefits related with these transactions and the revenues could be measured reliably.

Sale of Goods

Sales of goods are recognized upon the transfer of ownership of the goods to the customer, either upon delivery of the goods, or in the case of goods stored in the Group' warehouse at the request of the customer, when issued invoices.

Expenses

Expenses are recognized as incurred (on an accrual basis).

2.x. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense when incurred. Borrowing costs may include interest expense, finance charges in respect of finance leases, or exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Capitalization of borrowing costs commences when the Group undertakes activities necessary to prepare the asset for its intended use or sale and expenditures for the asset and its borrowing costs has been incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for its intended use or sale are complete.

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2.y. Pajak Penghasilan

Beban pajak adalah jumlah gabungan pajak kini dan pajak tangguhan yang diperhitungkan dalam menentukan laba rugi pada suatu periode. Pajak kini dan pajak tangguhan diakui dalam laba rugi, kecuali pajak penghasilan yang timbul dari transaksi atau peristiwa yang diakui dalam penghasilan komprehensif lain atau secara langsung di ekuitas. Dalam hal ini, pajak tersebut masing-masing diakui dalam penghasilan komprehensif lain atau ekuitas.

Jumlah pajak kini untuk periode berjalan dan periode sebelumnya yang belum dibayar diakui sebagai liabilitas. Jika jumlah pajak yang telah dibayar untuk periode berjalan dan periode-periode sebelumnya melebihi jumlah pajak yang terutang untuk periode tersebut, maka kelebihannya diakui sebagai aset. Liabilitas (aset) pajak kini untuk periode berjalan dan periode sebelumnya diukur sebesar jumlah yang diperkirakan akan dibayar kepada (direstitusi dari) otoritas perpajakan, yang dihitung menggunakan tarif pajak (dan undang-undang pajak) yang telah berlaku atau secara substantif telah berlaku pada akhir periode pelaporan.

Manfaat terkait dengan rugi pajak yang dapat ditarik untuk memulihkan pajak kini dari periode sebelumnya diakui sebagai aset. Aset pajak tangguhan diakui untuk akumulasi rugi pajak belum dikompensasi dan kredit pajak belum dimanfaatkan sepanjang kemungkinan besar laba kena pajak masa depan akan tersedia untuk dimanfaatkan dengan rugi pajak belum dikompensasi dan kredit pajak belum dimanfaatkan.

Seluruh perbedaan temporer kena pajak diakui sebagai liabilitas pajak tangguhan, kecuali perbedaan temporer kena pajak yang berasal dari:

- a) pengakuan awal *goodwill*; atau
- b) pengakuan awal aset atau liabilitas dari transaksi yang bukan kombinasi bisnis dan pada saat transaksi tidak mempengaruhi laba akuntansi atau laba kena pajak (rugi pajak).

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2. Significant Accounting Policies (Continued)

2.y. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax. Current tax and deferred tax are recognized in profit or loss, except for income tax arising from transactions or events that are recognized in other comprehensive income or directly in equity. In this case, the tax is recognized in other comprehensive income or equity, respectively.

Current tax for current and prior periods shall, to the extent unpaid, be recognized as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess shall be recognized as an asset. Current tax liabilities (assets) for the current and prior periods shall be measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax benefits relating to tax loss that can be carried back to recover current tax of a previous periods is recognized as an asset. Deferred tax asset is recognized for the carryforward of unused tax losses and unused tax credit to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

A deferred tax liability shall be recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- a) the initial recognition of goodwill; or*
- b) 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 profit nor taxable profit (tax loss).*

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2. Kebijakan Akuntansi Signifikan (Lanjutan)

Aset pajak tangguhan diakui untuk seluruh perbedaan temporer dapat dikurangkan sepanjang kemungkinan besar laba kena pajak akan tersedia sehingga perbedaan temporer dapat dimanfaatkan untuk mengurangi laba dimaksud, kecuali jika aset pajak tangguhan timbul dari pengakuan awal aset atau pengakuan awal liabilitas dalam transaksi yang bukan kombinasi bisnis dan pada saat transaksi tidak mempengaruhi laba akuntansi atau laba kena pajak (rugi pajak).

Aset dan liabilitas pajak tangguhan diukur dengan menggunakan tarif pajak yang diharapkan berlaku ketika aset dipulihkan atau liabilitas diselesaikan, berdasarkan tarif pajak (dan peraturan pajak) yang telah berlaku atau secara substantif telah berlaku pada akhir periode pelaporan. Pengukuran aset dan liabilitas pajak tangguhan mencerminkan konsekuensi pajak yang sesuai dengan cara Grup memperkirakan, pada akhir periode pelaporan, untuk memulihkan atau menyelesaikan jumlah tercatat aset dan liabilitasnya.

Jumlah tercatat aset pajak tangguhan ditelaah ulang pada akhir periode pelaporan. Grup mengurangi jumlah tercatat aset pajak tangguhan jika kemungkinan besar laba kena pajak tidak lagi tersedia dalam jumlah yang memadai untuk mengkompensasikan sebagian atau seluruh aset pajak tangguhan tersebut. Setiap pengurangan tersebut dilakukan pembalikan atas aset pajak tangguhan hingga kemungkinan besar laba kena pajak yang tersedia jumlahnya memadai.

Grup melakukan saling hapus aset pajak tangguhan dan liabilitas pajak tangguhan jika dan hanya jika:

- a) Grup memiliki hak yang dapat dipaksakan secara hukum untuk melakukan saling hapus aset pajak kini terhadap liabilitas pajak kini; dan

2. Significant Accounting Policies (Continued)

A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and deferred tax assets shall reflect the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The carrying amount of a deferred tax asset reviewed at the end of each reporting period. The Group shall reduce the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

The Group offset deferred tax assets and deferred tax liabilities if, and only if:

- a) *the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and*

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- b) aset pajak tangguhan dan liabilitas pajak tangguhan terkait dengan pajak penghasilan yang dikenakan oleh otoritas perpajakan yang sama atas:
- entitas kena pajak yang sama; atau
 - entitas kena pajak yang berbeda yang bermaksud untuk memulihkan aset dan liabilitas pajak kini dengan dasar neto, atau merealisasikan aset dan menyelesaikan liabilitas secara bersamaan, pada setiap periode masa depan dimana jumlah signifikan atas aset atau liabilitas pajak tangguhan diperkirakan untuk diselesaikan atau dipulihkan.

Grup melakukan saling hapus atas aset pajak kini dan liabilitas pajak kini jika dan hanya jika, Grup:

- memiliki hak yang dapat dipaksakan secara hukum untuk melakukan saling hapus atas jumlah yang diakui; dan
- bermaksud untuk menyelesaikan dengan dasar neto atau merealisasikan aset dan menyelesaikan liabilitas secara bersamaan.

2.z. Imbalan Kerja

Imbalan Kerja Jangka Pendek

Imbalan kerja jangka pendek diakui ketika pekerja telah memberikan jasanya dalam suatu periode akuntansi, sebesar jumlah tidak terdiskonto dari imbalan kerja jangka pendek yang diharapkan akan dibayar sebagai imbalan atas jasa tersebut.

Imbalan kerja jangka pendek mencakup antara lain upah, gaji, bonus dan insentif.

Imbalan Pascakerja

Imbalan pascakerja seperti pensiun, uang pisah dan uang penghargaan masa kerja dihitung berdasarkan Undang-Undang Ketenagakerjaan No.13/2003 (UU 13/2003).

Grup mengakui jumlah liabilitas imbalan pasti neto sebesar nilai kini kewajiban imbalan pasti pada akhir periode pelaporan dikurangi nilai wajar aset program yang dihitung oleh aktuaris independen dengan menggunakan metode *Projected Unit Credit*. Nilai kini kewajiban imbalan imbalan pasti ditentukan dengan mendiskontokan imbalan tersebut.

2. Significant Accounting Policies (Continued)

- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

- the same taxable entity; or
- different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

The Group offset current tax assets and current tax liabilities if, and only if, the Group:

- has legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the assets and settle liabilities simultaneously.

2.z. Employee Benefits

Short-term Employee Benefits

Short-term employee benefits are recognized when an employee has rendered service during accounting period, at the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service.

Short-term employee benefits include such as wages, salaries, bonus and incentive.

Post-employment Benefits

Post-employment benefits such as retirement, severance and service payments are calculated based on Labor Law No. 13/2003 (Law 13/2003).

The Group recognizes the amount of the net defined benefit liability at the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets which calculated by independent actuaries using the Projected Unit Credit method. Present value benefit obligation determine by discounting the benefit.

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Grup mencatat tidak hanya kewajiban hukum berdasarkan persyaratan formal program imbalan pasti, tetapi juga kewajiban konstruktif yang timbul dari praktik informal entitas.

Biaya jasa kini, biaya jasa lalu dan keuntungan atau kerugian atas penyelesaian, serta bunga neto atas liabilitas (aset) imbalan pasti neto diakui dalam laba rugi.

Pengukuran kembali atas liabilitas (aset) imbalan pasti neto yang terdiri dari keuntungan dan kerugian aktuarial, imbal hasil atas aset program dan setiap perubahan dampak batas atas aset diakui sebagai penghasilan komprehensif lain.

Grup mengakui jumlah beban dan liabilitas atas iuran terutang kepada program iuran pasti, ketika pekerja telah memberikan jasa kepada entitas selama suatu periode.

Pesangon

Grup mengakui pesangon sebagai liabilitas dan beban pada tanggal yang lebih awal di antara:

- a) Ketika Grup tidak dapat lagi menarik tawaran atas imbalan tersebut; dan
- b) Ketika Grup mengakui biaya untuk restrukturisasi yang berada dalam ruang lingkup PSAK 57 dan melibatkan pembayaran pesangon.

Grup mengukur pesangon pada saat pengakuan awal, dan mengukur dan mengakui perubahan selanjutnya, sesuai dengan sifat imbalan kerja.

2.aa. Sumber Ketidakpastian Estimasi dan Pertimbangan Akuntansi yang Penting

Penyusunan laporan keuangan konsolidasian mengharuskan manajemen untuk membuat pertimbangan, estimasi dan asumsi yang mempengaruhi jumlah yang dilaporkan dari aset dan liabilitas, dan pengungkapan aset dan liabilitas kontinjensi pada tanggal laporan keuangan konsolidasian serta jumlah pendapatan dan beban selama periode pelaporan.

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The Group account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices.

Current service cost, past service cost and gain or loss on settlement, and net interests on the net defined benefit liability (asset) are recognized in profit and loss.

The remeasurement of the net defined benefit liability (assets) comprises actuarial gains and losses, the return on plan assets, and any change in effect of the asset ceiling are recognized in other comprehensive income.

Group recognizes an expense and a liability for contribution payable to a defined contribution plan, when an employee has rendered service to the entity during a period.

Termination Benefits

The Group recognizes a liability and expense for termination benefits at the earlier of the following dates:

- a) When the Group can no longer withdraw the offer of those benefits; and
- b) When the Group recognizes costs for a restructuring that is within the scope of PSAK 57 and involves payment of termination benefits.

The Group measures termination benefits on initial recognition, and measures and recognizes subsequent changes, in accordance with the nature of the employee benefits.

2.aa. Source of Estimation Uncertainty and Critical Accounting Judgements

The preparation of consolidated financial statements requires management to make judgement estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

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Ketidakpastian mengenai asumsi dan estimasi tersebut dapat mengakibatkan penyesuaian material terhadap nilai tercatat pada aset dan liabilitas dalam periode pelaporan berikutnya.

Asumsi utama masa depan dan sumber utama estimasi ketidakpastian lain pada akhir periode pelaporan yang memiliki risiko signifikan bagi penyesuaian yang material terhadap nilai tercatat aset dan liabilitas untuk tahun berikutnya, diungkapkan dibawah ini.

Grup mendasarkan asumsi dan estimasi pada parameter yang tersedia pada saat laporan keuangan disusun. Asumsi dan situasi mengenai perkembangan masa depan, mungkin berubah akibat perubahan pasar atau situasi diluar kendali Perusahaan. Perubahan tersebut dicerminkan dalam asumsi terkait pada saat terjadinya.

Estimasi dan Asumsi Akuntansi yang Penting

Estimasi Umur Manfaat

Grup melakukan penelaahan berkala atas masa manfaat ekonomis aset tetap dan aset takberwujud berdasarkan faktor-faktor seperti kondisi teknis dan perkembangan teknologi di masa depan. Hasil operasi di masa depan akan dipengaruhi secara material oleh perubahan estimasi ini yang diakibatkan oleh perubahan faktor yang telah disebutkan di atas.

Grup melakukan penelaahan berkala atas masa manfaat peralatan berdasarkan faktor-faktor seperti perubahan teknologi dan potensi keuntungan yang diperoleh dari penggunaan peralatan tersebut. Kondisi ini dapat menyebabkan Perusahaan dan entitas anak melakukan penurunan maupun penghapusan aset tetap apabila peralatan tersebut sudah usang seiring dengan perkembangan teknologi. Jumlah tercatat aset tetap dan aset takberwujud disajikan pada Catatan 22 dan 14.

Imbalan Pascakerja

Imbalan pascakerja seperti pensiun, uang pisah dan uang penghargaan masa kerja dihitung berdasarkan Undang-Undang Ketenagakerjaan No.13/2003 ("UU 13/2003").

2. Significant Accounting Policies (Continued)

Uncertainty about these assumptions and estimates could result in a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The main assumption of the future and the other major source of estimation uncertainty at the end of the reporting period that have a significant risk of material adjustment to the carrying amounts of assets and liabilities for the year, disclosed below.

Group bases its estimates on assumptions and parameters that are available at the time the financial statements are prepared. And assumptions about the future development of the situation, may change due to market changes or circumstances beyond the control of the Company. The changes are reflected in the related assumptions at the time of the occurrence.

Accounting Estimates and Assumptions

Estimated Useful Lives

Group intangible assets based on factors such as the condition of technical and technological developments in the future. Future operating results will be materially affected by the estimation changes caused by changes in factors mentioned above.

Group performs periodic review over the useful life of the equipment based on factors such as changes in technology and the potential benefits arising from the use of such equipment. This condition can cause a decrease or elimination of the The Company and subsidiaries property, plant and equipment if the equipment is obsolete due to technological developments The carrying amount of Property, Plant and Equipment and intangible assets are disclosed in Notes 22 and 14.

Post-Employment Benefits

Post-employment benefits such as retirement, severance and service payments are calculated based on Labor Law No. 13/2003 ("Law 13/2003").

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Penentuan liabilitas imbalan pascakerja Grup bergantung pada pemilihan asumsi yang digunakan oleh aktuaris independen dalam menghitung jumlah-jumlah tersebut. Asumsi tersebut termasuk antara lain, tingkat diskonto, tingkat kenaikan gaji tahunan, tingkat pengunduran diri karyawan tahunan, tingkat kecacatan, umur pensiun dan tingkat kematian.

Manajemen berkeyakinan bahwa asumsi tersebut adalah wajar dan sesuai, perbedaan signifikan pada hasil aktuari dan perubahan signifikan dalam asumsi yang ditetapkan dapat mempengaruhi secara material liabilitas imbalan kerja dan beban imbalan kerja bersih. Penjelasan lebih rinci diungkapkan dalam Catatan 30.

Nilai Wajar Properti Investasi dan Aset Tetap Tanah

Nilai wajar properti investasi dan tanah bergantung pada pemilihan asumsi yang digunakan oleh penilai independen dalam menghitung jumlah-jumlah tersebut. Asumsi tersebut termasuk antara lain: tingkat diskonto, tingkat inflasi dan tingkat kenaikan pendapatan dan biaya Grup. Grup berkeyakinan bahwa asumsi tersebut adalah wajar dan sesuai, perbedaan signifikan dalam asumsi yang ditetapkan Grup dapat mempengaruhi secara material nilai wajar dari properti investasi. Jumlah tercatat properti investasi disajikan pada Catatan 17.

Cadangan Kerugian Penurunan Nilai Piutang Usaha

Grup mengevaluasi akun tertentu jika terdapat informasi bahwa pelanggan yang bersangkutan tidak dapat memenuhi kewajiban keuangannya. Dalam hal tersebut, Grup 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, untuk mencatat provisi spesifik atas jumlah piutang yang diharapkan dapat diterima oleh Grup. Provisi spesifik ini dievaluasi kembali dan disesuaikan jika tambahan informasi yang diterima mempengaruhi jumlah cadangan kerugian penurunan nilai piutang usaha.

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The determination of Group's post-employment benefits liabilities is dependent on its selection of certain assumptions used by the independent actuaries in calculating such amounts. Those assumptions include, among others, discount rates, annual salary increase rate, annual employee turn-over rate, disability rate, retirement age and mortality rate.

Management believe that its assumptions are reasonable and appropriate, significant differences in the Group's or significant changes in the Group's assumptions may materially affect its employee benefits liabilities and net employee benefits expense. Detailed information has been disclosed on Note 30.

Fair Value of Investment Property and Land

The Group's fair value of investment property and land depends on its selection of certain assumptions used by the independent appraisal in calculation of such amounts. Those assumptions include among others, discount rate, inflation rate and revenue and cost increase rate. The Group believes that its assumptions are reasonable and appropriate and significant differences in the Group's assumptions may materially affect the valuation of its investment property. The carrying amount has been disclosed on Note 17.

Allowance for Impairment Losses on Accounts Receivable

The Group evaluates specific accounts where it has information that certain customers are unable to meet their financial obligations. In these cases, the Group uses judgment, based on the best available facts and circumstances, including but not limited to, the length of its relationship with the customer and the customer's current credit status, to record specific provisions for customers against amounts due to reduce its receivable amounts that the Group expects to collect. These specific provisions are re-evaluated and adjusted as additional information received affects the amounts of allowance for impairment losses on trade receivables.

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Pertimbangan dalam Penentuan Kebijakan Akuntansi

Pertimbangan berikut ini dibuat oleh manajemen dalam rangka penerapan kebijakan akuntansi Grup yang memiliki pengaruh paling signifikan atas jumlah yang diakui dalam laporan keuangan konsolidasian:

Klasifikasi Aset dan Liabilitas Keuangan

Grup menetapkan klasifikasi atas aset dan liabilitas tertentu sebagai aset keuangan dan liabilitas keuangan dengan mempertimbangkan bila definisi yang ditetapkan PSAK 55 (Revisi 2014) dipenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Grup.

2.ab.Laba Per Saham

Laba per saham dasar dihitung dengan membagi laba atau rugi yang dapat diatribusikan kepada pemegang saham biasa entitas induk dengan jumlah rata-rata tertimbang saham biasa yang beredar dalam suatu periode.

Untuk tujuan penghitungan laba per saham dilusian, Grup menyesuaikan laba atau rugi yang dapat diatribusikan kepada pemegang saham biasa entitas induk dan jumlah rata-rata tertimbang saham yang beredar, atas dampak dari seluruh instrument berpotensi saham biasa yang bersifat dilutif. Jumlah rata-rata tertimbang saham beredar masing-masing sebesar 2.996.688 lembar untuk periode 31 Desember 2018 dan 2017.

2.ac.Kombinasi Bisnis Entitas Sepengendali

Transaksi kombinasi bisnis entitas sepengendali, berupa pengalihan bisnis yang dilakukan dalam rangka reorganisasi entitas-entitas yang berada dalam suatu kelompok usaha yang sama, bukan merupakan perubahan kepemilikan dalam arti substansi ekonomi, sehingga transaksi tersebut tidak dapat menimbulkan laba atau rugi bagi Grup secara keseluruhan ataupun bagi entitas individual dalam Grup.

2. Significant Accounting Policies (Continued)

Judgement in Applying the Accounting Policies

The following judgments are made by management in the process of applying the Group's accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements:

Classification of Financial Assets and Liabilities

Group determines the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in PSAK 55 (Revised 2014). Accordingly, the financial assets and financial liabilities are accounted for in accordance with Group's accounting policies.

2.ab.Earnings Per Share

Basic earnings per share is computed by dividing the profit or loss attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the Group shall adjust profit or loss attributable to ordinary equity holders of the parent entity, and the weighted average number of shares outstanding, for the effect of all dilutive potential ordinary shares. The numbers of weighted average shares outstanding are 2,996,688 shares as of December 31, 2018 and 2017, respectively.

2.ac.Business Combination of Entities Under Common Control

Business combination of entities under common control transactions, such as transfers of business conducted within the framework of the reorganization of the entities that are in the same group, not a change of ownership in terms of economic substance, so that the transaction can not result in a gain or loss for the Group as a whole or the individual entity within the Group.

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Karena transaksi restrukturisasi antara entitas sepengendali tidak mengakibatkan perubahan substansi ekonomi pemilikan atas aset, liabilitas, saham atau instrumen kepemilikan lainnya yang dipertukarkan, maka aset ataupun liabilitas yang pemilikannya dialihkan (dalam bentuk hukumnya) dicatat sesuai dengan nilai buku seperti penggabungan usaha berdasarkan metode penyatuan kepemilikan.

Entitas yang menerima bisnis, dalam kombinasi bisnis entitas sepengendali, mengakui selisih antara jumlah imbalan yang dialihkan dan jumlah tercatat dari setiap transaksi kombinasi bisnis entitas sepengendali di ekuitas dalam akun tambahan modal disetor.

2. Significant Accounting Policies (Continued)

Due to business combination transactions of entities under common control does not lead to change in economic substance of ownership on the exchanged asset, liability, shares or other ownership instrument, then the transferred asset or liability (in its legal form) is recorded at its carrying amount as well as a business combination under the pooling of interest method.

An entity that receives the business, in a business combination of entities under common control, recognizes the difference between the amount of the consideration transferred and the carrying amount of each transaction is a business combination of entities under common control in equity under additional paid in capital.

3. Kas dan Setara Kas

3. Cash and Cash Equivalents

	2018 Rp	2017 Rp	
Kas	930	1,501	Cash on Hand
Bank			Cash in Banks
Pihak Berelasi			Related Parties
Rupiah			Rupiah
PT Bank Negara Indonesia (Persero) Tbk	181,363	122,792	PT Bank Negara Indonesia (Persero) Tbk
PT Bank Mandiri (Persero) Tbk	84,893	43,188	PT Bank Mandiri (Persero) Tbk
PT Bank Rakyat Indonesia (Persero) Tbk	18,395	4,337	PT Bank Rakyat Indonesia (Persero) Tbk
PT Bank Tabungan Negara (Persero) Tbk	1,102	1,617	PT Bank Tabungan Negara (Persero) Tbk
Lain-lain (masing-masing di bawah Rp1.000)	94	58	Other (each below Rp1,000)
Dolar Amerika Serikat			US Dollar
PT Bank Mandiri (Persero) Tbk	174	55	PT Bank Mandiri (Persero) Tbk
Lain-lain (masing-masing di bawah Rp1.000)	20	19	Other (each below Rp1,000)
Jumlah Pihak Berelasi	286,041	172,066	Total Related Parties
Pihak Ketiga			Third Parties
Rupiah			Rupiah
PT Bank UOB Indonesia	7,119	--	PT Bank UOB Indonesia
PT Bank Central Asia Tbk	3,494	--	PT Bank Central Asia Tbk
PT Bank Pembangunan Daerah Jawa Tengah	1,187	--	PT Bank Pembangunan Daerah Jawa Tengah
PT Bank DKI	1,039	--	PT Bank DKI
PT Bank Pembangunan Daerah Sulawesi Utara	142	15,010	PT Bank Pembangunan Daerah Sulawesi Utara
PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	88	--	PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk
PT Bank Pembangunan Daerah Sumatera Selatan dan Bangka Belitung	38	9,483	PT Bank Pembangunan Daerah Sumatera Selatan dan Bangka Belitung
PT Bank Pembangunan Daerah Jawa Timur Tbk	33	--	PT Bank Pembangunan Daerah Jawa Timur Tbk
PT Bank Pembangunan Daerah Kalimantan Timur	30	--	PT Bank Pembangunan Daerah Kalimantan Timur
PT Bank Pembangunan Daerah Nusa Tenggara Timur	6	--	PT Bank Pembangunan Daerah Nusa Tenggara Timur
PT Bank Pembangunan Daerah Yogyakarta	5	--	PT Bank Pembangunan Daerah Yogyakarta
PT Bank Pembangunan Daerah Istimewa Aceh	4	--	PT Bank Pembangunan Daerah Istimewa Aceh
PT Bank Pembangunan Daerah Papua	3	--	PT Bank Pembangunan Daerah Papua
PT Bank Pembangunan Daerah Kalimantan Selatan	2	--	PT Bank Pembangunan Daerah Kalimantan Selatan
PT Bank Pembangunan Daerah Riau	2	--	PT Bank Pembangunan Daerah Riau
PT Bank Pembangunan Daerah Sumatera Barat	1	--	PT Bank Pembangunan Daerah Sumatera Barat
PT Bank Pembangunan Daerah Sulawesi Selatan	--	1,098	PT Bank Pembangunan Daerah Sulawesi Selatan
Lain-lain (masing-masing di bawah Rp 1.000)	2,190	1,644	Other (each below Rp 1,000)
Jumlah Bank - Pihak Ketiga	15,383	27,235	Total Banks - Third Parties
Jumlah Bank	301,424	199,301	Total Cash in Banks

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3. Kas dan Setara Kas (Lanjutan)

3. Cash and Cash Equivalents (Continued)

	2018 Rp	2017 Rp	
Deposito Berjangka			Time Deposits
Pihak Berelasi			Related Parties
Rupiah			Rupiah
PT Bank Tabungan Negara (Persero) Tbk	371,486	361,660	PT Bank Tabungan Negara (Persero) Tbk
PT Bank Rakyat Indonesia (Persero) Tbk	77,737	137,101	PT Bank Rakyat Indonesia (Persero) Tbk
PT Bank Negara Indonesia (Persero) Tbk	--	355,000	PT Bank Negara Indonesia (Persero) Tbk
PT Bank Mandiri (Persero) Tbk	--	4,000	PT Bank Mandiri (Persero) Tbk
Jumlah Pihak Berelasi	449,223	857,761	Total Related Parties
Pihak Ketiga			Third Parties
Rupiah			Rupiah
PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	389,536	226,000	PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk
PT Bank Mega Tbk	107,093	--	PT Bank Mega Tbk
PT Bank Tabungan Pensiunan Nasional Tbk	73,911	144,521	PT Bank Tabungan Pensiunan Nasional Tbk
PT Bank China Construction Bank Indonesia Tbk	43,101	52,900	PT Bank China Construction Bank Indonesia Tbk
PT Bank Pan Indonesia Tbk	--	125,000	PT Bank Pan Indonesia Tbk
PT Bank Bukopin Tbk	--	67,172	PT Bank Bukopin Tbk
PT Bank Shinhan Indonesia	--	20,000	PT Bank Shinhan Indonesia
Lain-lain (masing-masing di bawah Rp 1.000)	399	--	Other (each below Rp 1,000)
Jumlah Pihak Ketiga	614,040	635,593	Total Third Parties
Jumlah Deposito Berjangka	1,063,263	1,493,354	Total Time Deposits
Jumlah Kas dan Setara Kas	1,365,617	1,694,156	Total Cash and Cash Equivalents
Tingkat Suku Bunga Deposito per Tahun	6%-8.75%	6.50% - 8%	Interest Rate on Time Deposit per Annum
Jangka Waktu	1 - 3 bulan/months	1 - 3 bulan/months	Maturity Period

4. Pinjaman Investasi Jangka Pendek

4 Short-term Investment Loans

	2018 Rp	2017*) Rp	
Pinjaman Investasi Jangka Pendek - Pokok Pinjaman			Short Term Investment - Principal
Pihak Berelasi			Related Parties
PT Artha Bangun Pratama	17,668	10,333	PT Artha Bangun Pratama
PT Energy Management Indonesia (Persero)	4,251	3,350	PT Energy Management Indonesia (Persero)
PT Berdikari (Persero)	--	4	PT Berdikari (Persero)
Total Pihak Berelasi	21,919	13,687	Total Related Parties
Pihak Ketiga			Third Parties
PT Polyrama Propindo	180,000	145,500	PT Polyrama Propindo
PT Polowijo Gosari	122,626	37,920	PT Polowijo Gosari
PT Duta Cipta PakarPerkasa	45,305	13,042	PT Duta Cipta PakarPerkasa
PT Carpediem Mandiri	42,658	39,000	PT Carpediem Mandiri
PT SIG Asia	13,481	14,525	PT SIG Asia
PT Bangun Sarana Baja	10,580	--	PT Bangun Sarana Baja
PT Rejeki Intilogam Jaya	5,498	--	PT Rejeki Intilogam Jaya
PT Kelsri	--	3,006	PT Kelsri
PT KNE Global Persada	--	16,830	PT KNE Global Persada
Total Pihak Ketiga	420,147	269,824	Total Third Parties
Jumlah Pinjaman Investasi Jangka Pendek - Pokok Pinjaman	442,066	283,511	Total Short Term Investment Loans- Principal
Pinjaman Investasi Jangka Pendek - Bunga Pinjaman			Short Term Investment - Interest
Pihak Berelasi			Related Parties
PT Artha Bangun Pratama	140	90	PT Artha Bangun Pratama
PT Energy Management Indonesia (Persero)	10	--	PT Energy Management Indonesia (Persero)
Pihak Berelasi	150	90	Related Parties

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4. Pinjaman Investasi Jangka Pendek (Lanjutan)

4 Short-term Investment Loans (Continued)

	2018 Rp	2017*) Rp	
Pinjaman Investasi Jangka Pendek - Bunga Pinjaman			Short Term Investment - Interest
Pihak Ketiga			Third Parties
PT Polowijo Gosari	1,642	2,019	PT Polowijo Gosari
PT Polytama Propindo	657	663	PT Polytama Propindo
PT Bangun Sarana Baja	397	--	PT Bangun Sarana Baja
PT SIG Asia	59	--	PT Pratama Persada Airbone
PT Rejeki Intilogam Jaya	25	--	PT Rejeki Intilogam Jaya
PT Carpediem Mandiri	--	2,620	PT Carpediem Mandiri
PT Kelsri	--	39	PT Kelsri
PT KNE Global Persada	--	642	PT KNE Global Persada
Pihak Ketiga	2,780	5,983	Third Parties
Jumlah Pinjaman Investasi Jangka Pendek - Bunga Pinjaman	2,930	6,073	Total Short Term Investment - Interest
Penyisihan Penurunan Nilai Bunga Pinjaman			Allowance of Impairment for Short-term Investment Loans
PT KNE Global Persada	--	(642)	PT KNE Global Persada
Jumlah Penyisihan Penurunan Nilai Bunga Pinjaman	--	(642)	Total Allowance for Impairment Short Term Investment-Interest
Provisi Pihak Ketiga			Provision - Third Parties
PT Wintermar	265	--	PT Wintermar
PT Rejeki Intilogam Jaya	3	3	PT Rejeki Intilogam Jaya
Jumlah Pinjaman Investasi yang Diberikan -Provisi- Pihak Ketiga	268	3	Total Short Term Investments-Provision - Third Parties
Jumlah Pinjaman Investasi yang Diberikan	445,264	288,944	Total Short Term Investment Loans

*) Direklasifikasi (Catatan 41)/ Reclassified (Note 41)

a. PT Artha Bangun Pratama (PT ABP)

Perusahaan memberikan pinjaman kepada PT Artha Bangun Pratama berdasarkan Perjanjian Pemberian Pinjaman No.PP-06/PPA/1214 tanggal 15 Desember 2014. Pada tanggal 8 September 2015 dilakukan perubahan perjanjian dengan No.PP-06/PPA/0915. Perusahaan memberikan fasilitas pinjaman modal kerja jangka pendek dengan jumlah maksimum fasilitas pinjaman sebesar Rp15.949. Pada tanggal 14 Desember 2015 dilakukan perubahan perjanjian secara menyeluruh dengan nomor perjanjian No.PP-22/PPA/1215.

Kemudian pada tanggal 7 September 2016 dilakukan addendum atas Perubahan Perjanjian Pemberian Pinjaman Jangka Pendek dengan No.PP-17/PPA/0916. Pada tanggal 14 Desember 2016 dilakukan lagi addendum II atas Perubahan Perjanjian Pemberian Pinjaman Jangka Pendek dengan No.PP-21/PPA/1216. Hingga saat ini PT Artha Bangun Pratama masih memiliki sisa pinjaman sebesar Rp10.564 dengan tingkat suku bunga 15% per tahun (tidak termasuk pajak) dan biaya provisi sebesar 0,25% dari total jumlah maksimum pinjaman yang diberikan.

a. PT Artha Bangun Pratama (PT ABP)

The Company provided loans to PT Artha Bangun Pratama based on Loan Agreement No.PP-06/PPA/1214 on December 15, 2014. On September 8, 2015 The Company amended the agreement with No.PP-06/PPA/0915. The Company provided working capital loan facility with a maximum amount of short-term loan facility amounting to Rp15,949. On December 14, 2015, the Company amended the agreement through Agreement Number No.PP-22/PPA/1215.

Then on September 7, 2016, an addendum was made to Changes in Short Term Loan Agreement No.PP-17/PPA/0916. On December 14, 2016, addendum II was made on Changes in Short Term Loan Agreement No.PP-21/PPA/1216. Until now, PT Artha Bangun Pratama still has outstanding loans amounting to Rp10,564 with an interest rate of 15% per year (excluding tax) and the fee provision amounting to 0.25% of the maximum total principal amount.

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4. Pinjaman Investasi Jangka Pendek (Lanjutan)

Berdasarkan perjanjian No-PP/19/PPA/1116 tanggal 3 November 2016, PT Artha Bangun Pratama mendapat fasilitas pinjaman baru sebesar Rp1.112 dengan tingkat suku bunga 15% per tahun (tidak termasuk pajak) dengan jangka waktu 12 (dua belas) bulan. Total pencairan fasilitas pinjaman baru sebesar Rp485. Pemberian pinjaman bertujuan untuk pembayaran biaya jasa konsultan pembuatan studi kelayakan rencana pengembangan aset PT Artha Bangun Pratama dan menetapkan *Owner Estimate* serta untuk mendapatkan mitra strategis terbaik.

Pada tanggal 15 November 2018 dilakukan addendum atas penambahan *plafond tranche A* dan Pinjaman Jangka Pendek dengan PP-20/PPA/1118, kemudian pada tanggal 12 Desember 2018 dilakukan kembali addendum dengan PP-21/PPA/1218 atas perpanjangan jangka waktu sampai dengan 31 Maret 2019 dan penambahan plafon fasilitas pinjaman jangka pendek.

Saldo pada awal tahun 2018 sebesar Rp10.333. Total pencairan pinjaman di tahun 2018 sebesar Rp7.335. Penerimaan atas pembayaran di tahun berjalan Nihil. Saldo pada 31 Desember 2018 sebesar Rp17.668.

b. PT Energy Management Indonesia (Persero)

Berdasarkan Perjanjian Pinjaman Nomor 46 tanggal 29 September 2017, Perusahaan memberikan Fasilitas Pinjaman Modal Kerja kepada PT Energy Management Indonesia (Persero) (PT EMI) dengan jumlah pokok maksimum fasilitas pinjaman sebesar Rp2.500 dan dengan jangka waktu pinjaman adalah 12 (dua belas) bulan terhitung sejak tanggal ditandatanganinya Perjanjian.

4 Short-term Investment Loans (Continued)

Based on Agreement No-PP / 19 / PPA / 1116 dated November 3, 2016, PT Artha Bangun Pratama got a new credit facility amounted to Rp1,112 with rate of 15% per year (tax excluded) with period of 12 (twelve) months. Total disbursement of new loan facility is Rp485. The loan lending is aimed to pay consulting service fees for feasibility study of PT Artha Bangun Pratama asset development and establish *Owner Estimate* as well as to get the best strategic partner.

On November 15, 2018 an addendum was conducted on the additional loan facility of tranche A and of short-term Loans with PP-20/PPA/1118, then on December 12, 2018 an addendum was conducted again with PP-21/PPA/1218 for extension until March 31, 2019 of the period and additional ceiling short-term loan facility.

The balance at the beginning of the year is Rp10,333. Total loan disbursement of loans in 2018 amounting to Rp7,335. Receipt of loan payment in the current year amounting to Nil. The balance as of December 31, 2018 is Rp17,668.

b. PT Energy Management Indonesia (Persero)

Based on the Loan Agreement Number 46 dated September 29, 2017, the Company provided a Working Capital Loan Facility to PT Energy Management Indonesia (Persero) (PT EMI) with a maximum principal loan facility amounting to Rp2,500 and the loan period is of 12 (twelve) month starting from the date the Agreement was signed.

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4. Pinjaman Investasi Jangka Pendek (Lanjutan)

Berdasarkan Perjanjian Kerjasama Pendanaan Proyek No.78 tanggal 27 Desember 2017, Perusahaan memberikan Fasilitas Pinjaman Modal Kerja kepada PT EMI dengan jumlah pokok maksimum fasilitas pinjaman sebesar Rp4.500. Pinjaman ini dikenakan bunga sebesar 10% per tahun dan jangka waktu pinjaman adalah 12 (dua belas) bulan terhitung sejak tanggal ditandatanganinya Perjanjian. dan bagi hasil atas setiap proyek yang dibiayai sebesar 2% dari nilai proyek.

Kemudian pada tanggal 19 Desember 2018, dibuat addendum 1 No.83 terkait perubahan maksimum menjadi Rp10.000 dan jangka waktu 24 bulan sejak ditandatanganinya perjanjian, serta kenaikan bunga pinjaman sebesar 0,5% dari perjanjian awal.

Saldo pada awal tahun 2018 adalah sebesar Rp3.350. Total pencairan pinjaman di tahun 2018 sebesar Rp4.446. Penerimaan atas pembayaran di tahun berjalan sebesar Rp1.065. Saldo pada 31 Desember 2018 sebesar Rp4.251.

c. PT Polytama Propindo

Berdasarkan Perjanjian Pinjaman No PP-22/PPA/1216 tanggal 22 Desember 2016, Perusahaan memberikan Fasilitas Pinjaman Modal Kerja Jangka Pendek kepada PT Polytama Propindo dengan jumlah pokok maksimum fasilitas pinjaman sebesar Rp100.000 dan jangka waktu pinjaman adalah 12 (dua belas) bulan terhitung sejak tanggal ditandatanganinya Perjanjian.

Berdasarkan *Offering Letter* (OL) tanggal 13 Desember 2017 Nomor S-4700/PPA/ID/1217 jangka waktu pinjaman diperpanjang sampai dengan 21 Desember 2018, dan berdasarkan OL Nomor S-5429/PPA/DI/1218 jangka waktu pinjaman diperpanjang sampai dengan 21 Desember 2019.

4 Short-term Investment Loans (Continued)

Based on the Project Funding Cooperation Agreement No.78 dated December 27, 2017, the Company provided a Working Capital Loan Facility to PT EMI with a maximum principal amounting to Rp4,500. This loan, bears interest rate of 10% per annum and the loan period is 12 (twelve) months starting from the date the Agreement was signed and profit sharing for each project financed at 2% of the project value).

Then on December 19, 2018, an addendum 1 No.83 was carried out related to changes in the maximum principal amount become Rp10,000 and loan period is 24 months from the signing of the agreement, and the loan interest increase by 0.5%.

The balance at the beginning of the year is Rp3,350. Total loan disbursement of loans in 2018 amounting to Rp4,446. Receipt of loan payment in the current year amounting to Rp1,065. The balance as of December 31, 2018 is Rp4,251.

c. PT Polytama Propindo

Based on the Loan Agreement No. PP-22 / PPA / 1216 dated December 22, 2016, the Company provides Short Term Working Capital Facility to PT Polytama Propindo with amount of principal maximum of Rp100,000 the loan period is 12 (twelve) months starting from the date of the Agreement was signed.

Based on Offering Letter (OL) dated December 13, 2017 Number S-4700 / PPA / ID / 1217 the term of the loan is extended to December 21, 2018, and based on OL Number S-5429/PPA/DI/1218 the loan period is extended to December 21, 2019.

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4. Pinjaman Investasi Jangka Pendek (Lanjutan)

Berdasarkan Perjanjian Pinjaman No.PP-15/PPA/0817 tanggal 28 Agustus 2017, Perusahaan menambah Plafond Fasilitas Pinjaman Modal Kerja Jangka Pendek dan Pinjaman Investasi sebesar Rp80.000 yang jatuh tempo pada 27 Agustus 2018. Kemudian pada tanggal 25 Juli 2018 dilakukan addendum Perjanjian Pinjaman dengan Nomor Perjanjian No.PP-10/PPA/0718. Terdapat penambahan plafond Fasilitas Pinjaman Modal Kerja II yang semua Rp80.000 menjadi Rp100.000 yang digunakan untuk pembiayaan modal kerja operasional dan jatuh tempo pada 27 Desember 2019.

Saldo pada awal tahun 2018 sebesar Rp145.500 Total saldo pencairan pinjaman di tahun 2018 sebesar Rp807.600. Penerimaan atas pembayaran di tahun berjalan sebesar Rp773.100. Saldo pada 31 Desember 2018 sebesar Rp180.000.

d. PT KNE Global Persada

Berdasarkan Akta Perjanjian Jual Beli Piutang No. 173 dan Akta Pengalihan Piutang No. 174 tanggal 31 Agustus 2016 Notaris di Semarang Prof. Dr. Liliana Tedjosaputro, S.H., M.H., transaksi yang dilakukan Perusahaan yaitu pengambilalihan piutang (*cessie*) PT KNE Global Persada (KNE) dari PT Bank Mandiri (Persero) Tbk dengan harga beli piutang yang disepakati sebesar Rp16.830. Selama tahun 2017, KNE telah beroperasi secara komersial.

Restrukturisasi pinjaman (eks PT Bank Mandiri (Persero) Tbk) diperlukan untuk memberikan kelonggaran yang cukup bagi KNE untuk melaksanakan rencana bisnisnya dan kembali mendapatkan kepercayaan dari perbankan, dengan salah satu kondisi antara lain bahwa pembangunan fisik atas fasilitas produksi telah selesai dan telah dilakukan *trial production*.

Namun berkaitan dengan rencana untuk memperbaiki *collateral coverage ratio* atas piutang PPAK kepada PT KNE Global Persada yang akan melakukan penyatuan penanganan akun KNE di PPA Grup maka pada tanggal 28 Desember 2018, dilakukan pengalihan piutang Perusahaan terhadap KNE kepada PT PPAK, dengan menerbitkan surat utang kepada PT PPA sebesar Rp21.825 juta. Hal ini berdasarkan perjanjian No. PP-26/PPA/1218.

4 Short-term Investment Loans (Continued)

Based on the Pinjaman Agreement No.PP-15/PPA/0817 dated August 28, 2017, the Company added a Ceiling of the Short-Term Working Capital Loan and Investment Loan amounting to Rp80,000 which will mature on August 27 2018. On July 25, 2018, an addendum was made to the Agreement Loan with Agreement Number No.PP-10/PPA/0718. There is an additional ceiling of the Working Capital Loan Facility II, from Rp80,000 to Rp100,000 which is used to finance operational working capital and due to December 27, 2019.

The balance at the beginning of the year is Rp145,500. Total loan disbursement of loans in 2018 amounting to Rp807,600. Receipt of loan payment in the current year amounting to Rp773,100. The balance as of December 31, 2018 is Rp180,000.

d. PT KNE Global Persada

Based on Notary Deed of Sale and Purchase Agreement of Receivables No. 173 and Notary Deed Transfer of Receivables No. 174 dated August 31, 2016 Notary in Semarang Prof. Dr. Liliana Tedjosaputro, S.H., M.H., transactions made by the Company are factoring (*cessie*) of PT KNE Global Persada (KNE) from PT Bank Mandiri (Persero) Tbk with the agreed purchase price receivable amounted to Rp16,830. During 2017, KNE has operated commercially.

Restructuring of loans (ex PT Bank Mandiri (Persero) Tbk) is required to provide sufficient leeway for KNE to implement its business plan and regain the confidence from the banks, with one of the conditions i.e. the physical construction of the production facility should have been completed and trial production has been carried out.

However, related to the plan to improve the *collateral coverage ratio* of PPAK receivables to PT KNE Global Persada who will unite the handling of KNE accounts at PPA Group, on December 28, 2018, the Company receivables were transferred to PT PPAK by issuing bonds to PT PPA is Rp21,825 million. This is based on agreement No. PP-26 / PPA / 1218.

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4. Pinjaman Investasi Jangka Pendek (Lanjutan)

Saldo pada awal tahun 2018 sebesar Rp16.830. Total saldo pencairan pinjaman di tahun 2018 sebesar Nihil. Pelunasan selama tahun berjalan sebesar Rp16.830 dan saldo pada 31 Desember 2018 sebesar Nihil.

e. PT Carpediem Mandiri

Berdasarkan Perjanjian Pinjaman No. 145 tanggal 22 September 2017, Perusahaan memberikan Fasilitas Pinjaman berupa *Project Financing* kepada PT Carpediem Mandiri dengan total jumlah pokok maksimum fasilitas pinjaman sebesar Rp39.000. Bunga kredit sebesar 8% pertahun dengan jangka waktu pinjaman adalah 3 (tiga) bulan terhitung sejak tanggal ditandatanganinya Perjanjian.

Berdasarkan Surat No. S-4910/PPA/BAAMD/1217 tanggal 28 Desember 2017, telah dilakukan kesepakatan untuk memperpanjang Perjanjian Pinjaman selama 6 (enam) bulan sejak tanggal 28 Desember 2017 dengan menerapkan *Management Fee* setara 16,3% pertahun. Kemudian pada tanggal 20 Agustus 2018 dilakukan addendum I atas Perjanjian Pinjaman dengan No. 70, dengan melakukan perpanjangan Perjanjian Pinjaman sampai dengan tanggal 28 Desember 2018.

Dalam perkembangannya, terdapat opsi pelunasan pinjaman melalui *settlement* saham anak perusahaan PT Carpediem Mandiri, yang kemudian ditindaklanjuti dengan penandatanganan Perjanjian Restrukturisasi Utang No. 107 tanggal 31 Oktober 2018 dengan mengubah jangka waktu pinjaman sampai dengan tanggal 17 Desember 2018. Atas pokok pinjaman sebesar Rp39.000 dijadikan *Tranche A* sedangkan untuk utang *Management Fee* yang tertunggak, utang tunggakan PPN dan utang denda dijadikan *Tranche B* dengan pengenaan bunga kredit sebesar 18% pertahun. Dalam hal sampai dengan tanggal jatuh tempo, PT Carpediem Mandiri belum dapat melakukan pembayaran maka opsi *settlement* saham akan dilakukan.

Saldo pada awal tahun 2018 sebesar Rp39.000 Total penambahan di tahun 2018 akibat restrukturisasi sebesar Rp3.658. Penerimaan atas pembayaran di tahun berjalan sebesar Nihil. Saldo pada 31 Desember 2018 sebesar Rp42.658

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4 Short-term Investment Loans (Continued)

The balance at the beginning of the year is Rp16,830. Total balance of loan disbursement in 2018 is Nil. Settlement in the current year is Rp16,830 and the balance of December 31, 2018 is Nil.

e. PT Carpediem Mandiri

Under the Loan Agreement No. 145 dated September 22, 2017, the Company provided a Loan Facility consist of Project Financing to PT Carpediem Mandiri with a total principal amount of a maximum loan facility of Rp39,000. Credit interest is 8% per year with a loan period of 3 (three) months from the date of signing the Agreement.

Based on letter No. S-4910 / PPA / BAAMD / 1217 dated December 28, 2017, an agreement has been made to extend the Loan Agreement for 6 (six) months from December 28, 2017 by applying Management Fee equal to 16.3% per year. Then on August 20, 2018, addendum I was made on the Loan Agreement with No. 70, by extending the Loan Agreement until December 28, 2018.

In its development, there were loan repayment options through the settlement of shares of a subsidiary of PT Carpediem Mandiri, which was subsequently followed up with the signing of the Debt Restructuring Agreement No. 107 dated 31 October 2018 by changing the loan term up to December 17, 2018. For the loan principal amounting to Rp39,000 *Tranche A*, while the outstanding Management Fee debt, VAT arrears payable and fine debt *Tranche B* with the interest of 18 loans. % per year. In the event that until the due date, PT Carpediem Mandiri has not been able to make payments, the share settlement option will be made.

The balance at the beginning of the year is amounting to Rp39,000. Total balance in 2018 due to loan restructuring is amounting to Rp.3,658. Receipt of loan payment in the current year is Nil. The balance of December 31, 2018 is Rp42,658.

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4. Pinjaman Investasi Jangka Pendek (Lanjutan)

f. PT SIG Asia

Pada tanggal 9 Februari 2017 telah ditandatangani Perjanjian Nomor PP-05/PPA/0217 antara Perusahaan dan PT SIG Asia berupa pembiayaan kebutuhan modal kerja operasional untuk produksi, pengolahan dan perdagangan hasil olahan tuna dengan saldo maksimum pinjaman senilai Rp15.000. Bunga kredit sebesar 10.5% pertahun dengan jangka waktu pinjaman adalah 12 (dua belas) bulan terhitung sejak tanggal ditandatanganinya perjanjian.

Kemudian dilakukan kembali penandatanganan addendum III dengan Nomor PP-22/PPA/1218 pada tanggal 21 Desember 2018 antara Perusahaan dengan PT SIG Asia berupa perpanjangan jangka waktu pinjaman dan penjadwalan pembayaran pokok fasilitas pinjaman. Jangka waktu perpanjangan adalah hingga 23 Mei 2019

Saldo pada awal tahun 2018 sebesar Rp14.525 Total pencairan pinjaman di tahun 2018 sebesar Nihil. Penerimaan atas pembayaran di tahun berjalan sebesar Rp1.044. Saldo pada 31 Desember 2018 sebesar Rp13.481.

g. PT Polowijo Gosari

Berdasarkan Perjanjian Pinjaman No PP-9/PPA/0517 tanggal 29 Mei 2017, Perusahaan memberikan Fasilitas Pinjaman kepada PT Polowijo Gosari berupa pembiayaan kontrak pengadaan pupuk majemuk dan pupuk berbasis dolomit dengan total jumlah pokok maksimum fasilitas pinjaman sebesar Rp50.000. Bunga kredit sebesar 10% pertahun dengan jangka waktu pinjaman adalah 12 (dua belas) bulan terhitung sejak tanggal ditandatanganinya perjanjian.

Pada tanggal 30 Mei 2018, dilakukan addendum II antara Perusahaan dengan PT Polowijo Gosari tentang perubahan tanggal jatuh tempo fasilitas pinjaman dan penambahan *plafond* pinjaman sebesar Rp93.000 dengan ketentuan PT Polowijo wajib melakukan pelunasan atas pencairan selambatnya 180 hari kalender terhitung sejak penarikan, jika PT Polowijo tidak melakukan pelunasan, maka dana atas *plafond* pinjaman yang belum digunakan tidak dapat dicairkan. Fasilitas Pinjaman ini digunakan sebagai sarana untuk pembiayaan Bahan baku dan Biaya Transporter atas kontrak pengadaan Pupuk Majemuk/tunggal dan pupuk Dolomit.

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4 Short-term Investment Loans (Continued)

f. PT SIG Asia

On February 9, 2017 there was signed an Agreement No. PP-05 / PPA / 0217 between the Company and PT SIG Asia to financing the operational working capital requirements for production, processing and trade of processed tuna with maximum loan balance amounting to Rp15,000. Loan interest is 10.5% with the maturity period of 12 (twelve) months starting from the date of signing the loan agreement.

Then an addendum III with Number PP-22/PPA/1218 on December 21, 2018 between the Company and PT SIG Asia will be carried out in the form of an extension of the loan term and rescheduling the principal payment of the loan facility. The extension period is until May 23, 2019.

The balance at the beginning of the year is Rp14,525. Total balance of loan disbursement in 2018 is Nil. Receipt of loan payment in the current year amounting to Rp1,044. The balance of December 31, 2018 is Rp13,481.

g. PT Polowijo Gosari

Based on the Loan Agreement No PP-9 / PPA / 0517 dated May 29, 2017, the Company provided a Loan Facility to PT Polowijo Gosari in the form of contract financing for the procurement of compound fertilizer and dolomite-based fertilizer with a total principal amount of a maximum loan facility of Rp50,000. Credit interest is 10% per year with a loan period of 12 (twelve) months from the date of signing the agreement.

On May 30, 2018, addendum II was carried out between the Company and PT Polowijo Gosari concerning changes in the maturity date of the loan facility and the addition of a loan ceiling of Rp93,000 provided that PT Polowijo was obliged to repay no later than 180 calendar days from withdrawal, if PT Polowijo do not pay off, the funds for the loan ceiling that have not been used cannot be disbursed. This loan facility is used as a means for financing raw materials and transporter fees on the contract of procuring Compound / Single Fertilizers and Dolomite Fertilizers.

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4. Pinjaman Investasi Jangka Pendek (Lanjutan)

Pada tanggal 3 Agustus 2018 berdasarkan Perjanjian Pinjaman No.PP-12/PPA/0818 Perusahaan dan PT Polowijo melakukan penandatanganan perjanjian fasilitas pinjaman Modal Kerja *non-revolving* dengan plafond maksimal Rp53.000, Tujuan fasilitas tersebut adalah sebagai modal kerja operasional pekerjaan Pembangunan Lanjutan Container Yard Teluk Lamong Surabaya. Jangka waktu fasilitas adalah 12 (dua belas) bulan sejak ditandatanganinya perjanjian dengan suku bunga 12% per tahun dan biaya administrasi setiap kali melakukan penarikan serta biaya monitoring sebesar 4,07% dari plafond Fasilitas Pinjaman.

Saldo pada awal tahun 2018 sebesar Rp37.920. Total saldo pencairan pinjaman di tahun 2018 sebesar Rp146.000. Penerimaan atas pembayaran di tahun berjalan sebesar Rp61.294. Saldo pada 31 Desember 2018 sebesar Rp122.626.

h. PT Duta Cipta Pakar Perkasa

Berdasarkan Perjanjian Pinjaman No 73 tanggal 10 November 2017, Perusahaan memberikan Fasilitas Pinjaman Modal Kerja kepada PT Duta Cipta Pakar Perkasa dengan total jumlah pokok maksimum fasilitas pinjaman sebesar Rp81.000. Bunga kredit sebesar 16% pertahun dengan jangka waktu pinjaman adalah 12 (dua belas) bulan terhitung sejak tanggal ditandatanganinya Perjanjian.

Kemudian pada tanggal 28 Desember 2018, dilakukan addendum II dengan No.PP-25/PPA/1218 mengenai perubahan tanggal jatuh tempo sampai dengan tanggal 30 Juni 2019.

Saldo pada awal tahun 2018 sebesar Rp13.042. Total saldo pencairan pinjaman di tahun 2018 sebesar Rp52.966. Penerimaan atas pembayaran di tahun berjalan sebesar Rp20.703. Saldo pada 31 Desember 2018 sebesar Rp45.305.

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4 Short-term Investment Loans (Continued)

On August 3, 2018 based on the Loan Agreement No.PP-12 / PPA / 0818 the Company and PT Polowijo signed a non-revolving Working Capital loan facility agreement with a maximum ceiling of Rp53,000, the purpose of the facility was as operational working capital for Advanced Construction Container work Lamong Bay Yard Surabaya. The term of the facility is 12 (twelve) months from the signing of the agreement with an interest rate of 12% per annum and an administrative fee for each withdrawal as well as a monitoring fee of 4.07% from the loan facility ceiling.

The balance at the beginning of the year is Rp37,920. Total balance of loan disbursement in 2018 amounting to Rp146,000. Receipt of loan payment in the current year amounting to Rp61,294. The balance of December 31, 2018 is Rp122,626.

h. PT Duta Cipta Pakar Perkasa

Based on Loan Agreement No. 73 dated November 10, 2017, the Company provides a Working Capital Loan Facility to PT Duta Cipta Pakar Perkasa with a maximum total principal amount of a loan facility of Rp81,000. Credit interest is 16% per year with a loan period of 12 (twelve) months from the date of signing the Agreement.

On December 28, 2018, addendum II with No.PP-25/PPA/1218 about changes in the maturity date until June 30, 2019.

The balance at the beginning of the year is Rp13,042. The total balance of loan disbursement in 2018 amounting to Rp52,966. Receipt of payment in the current year is Rp20,703. The balance of December 31, 2018 is Rp45,305.

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4. Pinjaman Investasi Jangka Pendek (Lanjutan)

4 Short-term Investment Loans (Continued)

i. PT Bangun Sarana Baja

Pada tanggal 05 April 2018 dilakukan Perjanjian Pemberian Pinjaman Modal Kerja dengan No.PP-3/PPA/0418. Total jumlah pokok fasilitas pinjaman sebesar Rp 50.000 yang akan jatuh tempo pada 31 Maret 2019. Tujuan Penggunaan Fasilitas Pinjaman adalah untuk modal kerja atas proyek-proyek yang dikerjakan BSB dengan *plafond* sebesar Rp40.000 dengan tingkat suku bunga 11,5% per tahun (*gross*) dan pembukaan Bank Garansi atas SPB dari PLN dan proyek lainnya dengan *plafond* sebesar Rp10.000 dengan tingkat suku bunga 16% per tahun (*gross*).

Pada tanggal 25 April 2018 dilakukan addendum atas Perubahan Perjanjian Pemberian Pinjaman Modal Kerja dengan No. PP-05/PPA/0418 Perusahaan menyetujui pelepasan sebagian jaminan yaitu 75% saham dalam PT Bondi Syad Mulia yang dijadikan jaminan berdasarkan Perjanjian Pinjaman.

Saldo pada awal tahun 2018 sebesar Nihil. Total saldo pencairan pinjaman di tahun 2018 sebesar Rp22.450. Penerimaan atas pembayaran di tahun berjalan sebesar Rp11.870. Saldo pada 31 Desember 2018 sebesar Rp10.580.

j. Rejeki Inti Logam Jaya

Pada tanggal 23 Oktober 2018 dilakukan Perjanjian Jual beli Surat Utang Konversi PT Rejeki Inti Logam Jaya dengan No. PP-22/PPA/1018 dalam rangka Pemberian Modal Kerja PT Rejeki Intilogam Jaya. Perusahaan setuju membeli Surat Utang sebesar Rp6.000 dengan tingkat suku bunga 15% per tahun (*gross*) jatuh tempo pada 25 April 2019, seluruh dana hasil penjualan Surat Utang hanya digunakan untuk tujuan membiayai pelaksanaan proyek.

Saldo pada awal tahun 2018 sebesar Nihil. Total saldo pencairan pinjaman di tahun 2018 sebesar Rp5.498. Penerimaan atas pembayaran di tahun berjalan sebesar Nihil. Saldo pada 31 Desember 2018 sebesar Rp5.498.

i. PT Bangun Sarana Baja

On April 5, 2018 a Working Capital Loan Agreement with No.PP-3 / PPA / 0418 was carried out. The total principal amount of the loan facility is Rp 50,000 which will mature on March 31, 2019. The purpose of the use of the Loan Facility is for working capital for projects carried out by BSB with a ceiling of Rp40,000 with an interest rate of 11.5% per year (*gross*) and the opening of Bank Guarantee on SPB from PLN and other projects with a ceiling of Rp10,000 with an interest rate of 16% per year (*gross*)

On April 25, 2018 an addendum was made to Amend the Working Capital Loan Agreement No. PP-05 / PPA / 0418 The Company approved the partial release of collateral, namely 75% of the shares in PT Bondi Syad Mulia which are used as collateral based on a Loan Agreement

The balance at the beginning of the year is Nil. The total balance of loan disbursement in 2018 amounting to Rp22,450. Receipt of payment in the current year is Rp11,870. The balance of December 31, 2018 is Rp10,580.

j. Rejeki Inti logam Jaya

On October 23, 2018 a sale and purchase agreement was conducted with PT Rejeki Inti Logam Jaya Convertible Bonds with No. PP-22 / PPA / 1018 in the framework of Giving Working Capital PT Rejeki Intilogam Jaya. The Company agrees to purchase Debt Securities of Rp6,000 with an interest rate of 15% per year (*gross*) due on April 25, 2019, all proceeds from the sale of Debt Securities are only used for the purpose of financing the implementation of the project.

The balance at the beginning of the year is Nil. Total disbursement of loan in 2018 amounting to Rp5,498. Receipt of loan payment in 2018 is Nil. Balance at December 31, 2018 amounting to Rp5,498.

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5. Aset Keuangan Diperdagangkan

	2018 Rp	2017 Rp
Aset Keuangan Diperdagangkan:		
Saham		
Pihak Berelasi	9,372	10,661
Pihak Ketiga	1,588	2,314
Jumlah Saham	10,960	12,975
Secured Promissory Notes		
Pihak Berelasi		
PT Boma Bisma Indra (Persero)	67,829	67,829
PT Istaka Karya (Persero)	2,431	2,431
PT Survai Udara Panas (Persero)	--	58,230
Sub Jumlah	70,260	128,490
Penyisihan Penurunan Nilai Secured Promissory Notes	--	(58,230)
Jumlah Secured Promissory Notes	70,260	70,260
Jumlah Aset Keuangan Diperdagangkan	81,220	83,235

a. Saham

Pada tanggal 31 Desember 2018, nilai aset keuangan diperdagangkan untuk saham sebesar Rp10.960 dengan rincian sebagai berikut:

	2018 (Nilai Penuh/ Full Amount)				2017 (Nilai Penuh/ Full Amount)		
	Harga/ Price Rp	Persediaan lembar Saham/ Stock	Nilai Wajar/ Fair Value Rp		Harga/ Price Rp	Persediaan lembar Saham/ Stock	Nilai Wajar/ Fair Value Rp
Jenis Saham							
Pihak Berelasi							
PT Telkom Indonesia (Persero) Tbk	3,750	1,190,000	4,462,500,000	4,430	400,000	1,772,000,000	
PT Waskita Beton Precast Tbk	376	8,005,000	3,009,880,000	406	9,705,000	3,940,230,000	
PT Bank Mandiri (Persero) Tbk	7,375	150,000	1,106,250,000	7,975	50,000	398,750,000	
PT Adhi Karya (Persero) Tbk	1,585	500,000	792,500,000	1,880	125,000	235,000,000	
PT Semen Indonesia (Persero) Tbk	11,500	112	1,288,000	9,900	100	990,000	
PT PP (Persero) Tbk	--	--	--	2,620	650,000	1,703,000,000	
PT Wijaya Karya (Persero) Tbk	--	--	--	1,550	925,000	1,433,750,000	
PT Waskita Karya (Persero) Tbk	--	--	--	2,200	514,200	1,131,240,000	
PT Aneka Tambang (Persero) Tbk	--	--	--	620	75,000	46,500,000	
Jumlah Pihak Berelasi			9,372,418,000			10,661,460,000	
Pihak Ketiga							
PT Adaro Energy Tbk	1,215	800,000	972,000,000	--	--	--	
PT Medco Energi International Tbk	685	700,000	479,500,000	--	--	--	
PT United Tractors Tbk	27,350	5,000	136,750,000	35,000	8,400	294,000,000	
PT Bank Pan Indonesia Tbk	1,145	28	32,060	1,140	28	31,920	
PT PP London Sumatera Indonesia Tbk	--	--	--	1,355	875,000	1,185,625,000	
PT Astra International Tbk	--	--	--	8,275	50,000	413,750,000	
PT Kalbe Farma Tbk	--	--	--	1,685	140,000	235,900,000	
PT Bukit Asam Tbk	--	--	--	2,450	75,000	183,750,000	
Jumlah Pihak Ketiga			1,588,282,060			2,313,056,920	
Nilai Tercatat (dalam Rupiah Penuh)			10,960,700,060			12,974,516,920	
Nilai Tercatat (dalam Jutaan Rupiah)			10,960			12,975	

b. Secured Promissory Notes

PT Boma Bisma Indra (Persero) (PT BBI)

Pada tanggal 7 Februari dan 15 April 2014, Perusahaan menandatangani Perjanjian Penerbitan SPN dengan PT BBI (Sertifikat SPN V dan VI), masing-masing sebesar Rp2.519, Rp3.005, dengan tingkat suku bunga 14% per tahun dan jatuh tempo pada tanggal 8 Februari dan 8 Juli 2014. PT BBI tidak sanggup membayar SPN tersebut sehingga pembayaran akan dilakukan dengan penjualan aset yang dimiliki oleh PT BBI.

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5. Held for Trading Financial Assets

Held for Trading Financial Assets :	
Shares	
Related Parties	
PT Boma Bisma Indra (Persero)	
PT Istaka Karya (Persero)	
PT Survai Udara Panas (Persero)	
Sub Total	
Penyisihan Penurunan Nilai Secured Promissory Notes	
Total Secured Promissory Notes	
Total Held for Trading Financial Assets	

a. Shares

On December 31, 2018, the carrying value of held for trading financial assets in shares securities amounting to Rp10,960 as follows:

	2018 (Nilai Penuh/ Full Amount)				2017 (Nilai Penuh/ Full Amount)		
	Harga/ Price Rp	Persediaan lembar Saham/ Stock	Nilai Wajar/ Fair Value Rp		Harga/ Price Rp	Persediaan lembar Saham/ Stock	Nilai Wajar/ Fair Value Rp
Jenis Saham							
Pihak Berelasi							
PT Telkom Indonesia (Persero) Tbk	3,750	1,190,000	4,462,500,000	4,430	400,000	1,772,000,000	
PT Waskita Beton Precast Tbk	376	8,005,000	3,009,880,000	406	9,705,000	3,940,230,000	
PT Bank Mandiri (Persero) Tbk	7,375	150,000	1,106,250,000	7,975	50,000	398,750,000	
PT Adhi Karya (Persero) Tbk	1,585	500,000	792,500,000	1,880	125,000	235,000,000	
PT Semen Indonesia (Persero) Tbk	11,500	112	1,288,000	9,900	100	990,000	
PT PP (Persero) Tbk	--	--	--	2,620	650,000	1,703,000,000	
PT Wijaya Karya (Persero) Tbk	--	--	--	1,550	925,000	1,433,750,000	
PT Waskita Karya (Persero) Tbk	--	--	--	2,200	514,200	1,131,240,000	
PT Aneka Tambang (Persero) Tbk	--	--	--	620	75,000	46,500,000	
Jumlah Pihak Berelasi			9,372,418,000			10,661,460,000	
Pihak Ketiga							
PT Adaro Energy Tbk	1,215	800,000	972,000,000	--	--	--	
PT Medco Energi International Tbk	685	700,000	479,500,000	--	--	--	
PT United Tractors Tbk	27,350	5,000	136,750,000	35,000	8,400	294,000,000	
PT Bank Pan Indonesia Tbk	1,145	28	32,060	1,140	28	31,920	
PT PP London Sumatera Indonesia Tbk	--	--	--	1,355	875,000	1,185,625,000	
PT Astra International Tbk	--	--	--	8,275	50,000	413,750,000	
PT Kalbe Farma Tbk	--	--	--	1,685	140,000	235,900,000	
PT Bukit Asam Tbk	--	--	--	2,450	75,000	183,750,000	
Jumlah Pihak Ketiga			1,588,282,060			2,313,056,920	
Nilai Tercatat (dalam Rupiah Penuh)			10,960,700,060			12,974,516,920	
Nilai Tercatat (dalam Jutaan Rupiah)			10,960			12,975	

b. Secured Promissory Notes

PT Boma Bisma Indra (Persero) (PT BBI)

On February 7 and April 15, 2014, the Company signed an Agreement of SPN Issuance with PT BBI SPN (Certificate V and VI) amounting to Rp2,519, Rp3,005, respectively, with interest rate of 14% per annum and mature on February 8 and July 8, 2014 and was not extended. PT BBI was unable to pay the SPN so that payments will be made by the sale of asset PT BBI.

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5. Aset Keuangan Diperdagangkan (Lanjutan)

Pada tanggal 2 dan 28 September 2013, Perusahaan menandatangani Perjanjian Penerbitan SPN dengan PT BBI (Sertifikat SPN IV) masing-masing sebesar Rp7.194 dan Rp1.469, dengan tingkat suku bunga 12% per tahun dan jatuh tempo pada tanggal 31 Januari 2014 dan tidak diperpanjang. PT BBI tidak sanggup membayar SPN tersebut sehingga pembayaran akan dilakukan dengan penjualan aset yang dimiliki oleh PT BBI.

Pada tanggal 11, 24 Oktober, 15 November, 2, 13 dan 20 Desember 2013 Perusahaan menandatangani Perjanjian Penerbitan SPN dengan PT BBI (Sertifikat SPN V) masing-masing sebesar Rp3.170, Rp5.056, Rp814, Rp2.607, Rp4.187 dan Rp1.233 dengan tingkat suku bunga 14% per tahun dan jatuh tempo pada tanggal 8 Februari 2015. Belum ada pembayaran sampai dengan penerbitan laporan keuangan.

Pada tanggal 11, 24 Oktober, 15 November, 2, 13 dan 20 Desember 2013 Perusahaan menandatangani Perjanjian Penerbitan SPN dengan PT BBI (Sertifikat SPN VI) masing-masing sebesar Rp903, Rp1.895, Rp3.003, Rp1.237, Rp786 dan Rp259 dengan tingkat suku bunga 14% per tahun dan jatuh tempo pada tanggal 8 Juni 2014 dan tidak diperpanjang. Pada tanggal 30 April 2014, PT BBI telah melakukan pelunasan SPN VI sebesar Rp3.318. PT BBI tidak sanggup membayar sisa SPN tersebut sehingga pembayaran akan dilakukan dengan penjualan aset yang dimiliki oleh PT BBI.

Pada tanggal 31 Desember 2015, Perusahaan menandatangani Perjanjian Pendahuluan No. PJ-02/PPA/1215 dengan PT BBI yang merupakan dasar atas pelaksanaan utang PT BBI kepada Perusahaan. Perjanjian pendahuluan ini merupakan bentuk komitmen dari PT BBI untuk melakukan restrukturisasi utang kepada Perusahaan dan menjalankan serta merealisasikan hasil kesepakatan antara pihak.

5. Held for Trading Financial Assets (Continued)

On September 2 and 28, 2013, the Company signed an Agreement of SPN Issuance with PT BBI (SPN Certificate IV) amounting to Rp7,194 and Rp1,469 respectively, with interest rate of 12% per annum and mature on January 31, 2014 and was not extended. PT BBI was unable to pay the SPN so that payments will be made by the sale of asset PT BBI.

On October 11, 24, November 15, December 2, 13 and 20, 2013, the Company signed an Agreement of SPN Issuance with PT BBI (SPN Certificate V) amounting to Rp3,170, Rp5,056, Rp814, Rp2,607, Rp4,187 and Rp1,233, respectively, with interest rate of 14% per annum and mature on February 8, 2015. There is no payment until the issuance of the financial statement.

On October 11, 24, on November 15, on December 2, 13 and 20, 2013, the Company signed an an Agreement of SPN Issuance with PT BBI (SPN Certificate VI) amounting to Rp903, Rp1,895, Rp3,003, Rp1,237, Rp786 and Rp259, respectively, with interest rate of 14% per annum and mature on June 8, 2014 was not extended. On April 30, 2014, PT BBI has paid the SPN VI amounting to Rp3,318. PT BBI was unable to pay the remaining SPN so that payments will be made by the sale of asset PT BBI's assets.

On December 31, 2015, the Company signed a Preliminary Agreement No. PJ-02/PPA/1215 with PT BBI which is the basis for the implementation of PT BBI's debt to The Company. This preliminary agreement acts as commitment from PT BBI to The Company to restructure its payable implement and realize the agreement result of both parties.

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5. Aset Keuangan Diperdagangkan (Lanjutan)

Pada tanggal 5 Oktober 2017, Perusahaan dan PT BBI telah mendiskusikan skema penyelesaian SPN ke PT PPA dengan opsi *Debt to Equity Swap* ("DES") dan penyampaian Rencana Bisnis PT BBI (RJPP) yang sudah mengakomodir pelaksanaan DES tersebut. Pada tanggal 1 November 2017, dilakukan pertemuan antara Perusahaan dengan PT BBI terkait pembahasan proyeksi keuangan sebagai bentuk tindak lanjut penyelesaian SPN melalui pelaksanaan *Debt Equity Swap* (DES). Dalam pertemuan tersebut, PT BBI menyampaikan bahwa secara umum Kementerian BUMN dapat menerima usulan penyelesaian SPN PT BBI dengan skema DES, dan meminta agar PT BBI bersama Perusahaan dapat secepatnya menyusun dan melaporkan kajian terkait dengan DES tersebut.

Pada bulan Desember 2017, telah dilakukan pembahasan terkait penyusunan kajian/bahan presentasi untuk Kementerian BUMN terkait dengan pelaksanaan DES. Perusahaan sudah menyampaikan Draft kajian tersebut ke PT BBI untuk dapat dilengkapi. Namun, masih perlu dilakukan pembahasan strategi usaha dan proyeksi keuangan terutama dampak DES terhadap kinerja keuangan PT BBI.

Pada tanggal 21 Desember 2018 berdasarkan Perjanjian Restrukturisasi No. PP-84/PPA/1218, PT BBI dan Perusahaan mengubah secara keseluruhan atas syarat dan ketentuan dalam perjanjian awal mengenai kewajiban pembayaran yang masih terutang. Sebagian utang restrukturisasi yaitu utang tunggakan pokok sebesar Rp67.829, utang tunggakan bunga sebesar Rp35.025, dan utang denda sebesar Rp13.059 yang akan dilunasi secara angsuran. Tingkat bunga yang diberlakukan atas utang tunggakan pokok ditetapkan sebesar 1,77% per tahun (*gross*) untuk periode waktu terhitung sejak 1 Desember 2018 sampai dengan akhir tahun kedua terhitung sejak tanggal efektif, untuk periode waktu terhitung sejak tanggal efektif awal tahun sampai dengan akhir tahun keempat tingkat suku bunga diberlakukan 4% per tahun (*gross*), untuk periode waktu terhitung sejak tanggal efektif awal tahun kelima sampai dengan akhir tahun keenam tingkat suku bunga diberlakukan 6% per tahun (*gross*), dan untuk periode waktu sejak tanggal efektif awal tahun ketujuh sampai tanggal jatuh tempo tingkat suku bunga diberlakukan 8% per tahun (*gross*).

**5. Held for Trading Financial Assets
(Continued)**

On October 5, 2017, the Company and PT BBI have discussed the SPN settlement scheme to PPA with Debt to Equity Swap ("DES") option and submission of Business Plan of PT BBI (RJPP) which is already accommodate DES implementation. On November 1, 2017 the meeting has been held between the Company and PT BBI to discussed financial projection as a form of follow up SPN settlement through the implementation of Debt Equity Swap (DES). In the meeting, PT BBI convey that Ministry of BUMN can accept the proposed of SPN settlement PT BBI with DES scheme, and request that PT BBI along with the Company can compile and report immediately the study related to DES.

On December 2017, the discussion about preparation of study and presentation materials for Ministry of SOE related to DES implementation has been held. The Company has submitted the draft to PT BBI for completion. However, the discussion of business strategy and financial projection, especially the impact of DES on the financial performance of PT BBI still need to be performed.

On December 21, 2018, based on Restructuring Agreement No. PP-84/PPA/1218, PT BBI and the Company changes the terms and conditions in the initial agreement regarding payment obligations that are still payable. Part of the restructuring debt is principal arrears payable of Rp67,829, interest arrears payable of Rp35,025, and fine debt of Rp13,059 which will be repaid in installments. The interest rate applied to principal arrears payable is set at 1.77% per annum (*gross*) for the period beginning December 1, 2018 until the end of the second year effective date, for the period from the effective date of the beginning of the year to the end of the year the fourth interest rate is applied at 4% per year (*gross*), for the period from the effective date of the fifth year to the end of the sixth year the interest rate applies 6% per year (*gross*), and for the period from the effective date of the seventh year until the maturity date of the interest rate is 8% per year (*gross*).

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5. Aset Keuangan Diperdagangkan (Lanjutan)

**5. Held for Trading Financial Assets
(Continued)**

PT Istaka Karya (Persero)

Pada tanggal 30 September 2013 dan 23 Desember 2013 Perusahaan menandatangani Perjanjian Penerbitan SPN I dan II dengan PT Istaka Karya (Persero) (PT Istaka Karya) Sertifikat SPN, masing-masing sebesar Rp13.500 dan Rp3.000 dengan tingkat suku bunga 12% per tahun dan jatuh tempo pada tanggal 30 Maret 2015 dan 23 Juni 2015.

Pada tanggal 31 Juli 2014, 31 Agustus 2014, 30 September 2014, 31 Oktober 2014, 30 November 2014 dan 31 Desember 2014, PT Istaka Karya telah melakukan pelunasan SPN I dan II sebesar Rp14.375.

Pada tanggal 22 Januari 2015, 20 Februari 2015, 25 Maret 2015 dan 26 April 2015, PT Istaka Karya telah melakukan pelunasan SPN II sebesar Rp538, Rp643, Rp581 dan Rp363.

Pada tanggal 9 April 2015, 12 Mei 2015 dan 30 Juni 2015, Perusahaan menandatangani Perjanjian Penerbitan SPN dengan PT Istaka Karya (Persero) Sertifikat SPN I masing-masing sebesar Rp3.000, Rp6.000 dan Rp1.500 dengan tingkat suku bunga 14% per tahun dan jatuh tempo pada tanggal 24 Maret 2017.

Pada tanggal 9 April 2015 dan 12 Mei 2015, Perusahaan menandatangani Perjanjian Penerbitan SPN II dengan PT Istaka Karya (Persero) Sertifikat SPN II masing-masing sebesar Rp750 dan Rp1.500 dengan tingkat suku bunga 14% per tahun dan jatuh tempo pada tanggal 24 Maret 2017.

Pada tanggal 9 April 2015 dan 12 Mei 2015, Perusahaan menandatangani Perjanjian Penerbitan SPN III dengan PT Istaka Karya (Persero) Sertifikat SPN III masing-masing sebesar Rp750 dan Rp1.500 dengan tingkat suku bunga 14% per tahun dan jatuh tempo pada tanggal 24 Maret 2017.

Pada tanggal 9 April 2015, 30 Juni 2015 dan 28 Agustus 2015, Perusahaan menandatangani Perjanjian Penerbitan SPN IV dengan PT Istaka Karya (Persero) Sertifikat SPN IV masing-masing sebesar Rp2.200, Rp3.000 dan Rp500 dengan tingkat suku bunga 14% per tahun dan jatuh tempo pada tanggal 24 Maret 2017.

PT Istaka Karya (Persero)

On September 30 and December 23, 2013, The Company signed an Agreement of SPN I and II issuance with PT Istaka Karya (Persero) (PT Istaka Karya) SPN certificate, amounting to Rp13,500 and Rp3,000, respectively with interest rate of 12% per annum and mature on March 30, 2015 and June 23, 2015.

On July 31, 2014, August 31, 2014, September 30, 2014, October 31, 2014, November 30, 2014 and December 31, 2014, PT Istaka Karya has paid the SPN I and II amounting to Rp14,375.

On January 22, 2015, February 20, 2015, March 25, 2015 and April 26, 2015, PT Istaka Karya has paid the SPN II amounting to Rp538, Rp643, Rp581 and Rp363, respectively.

On April 9, 2015, May 12, 2015 and June 30, 2015, the Company signed an Agreement of SPN issuance with PT Istaka Karya (Persero) (PT Istaka Karya) SPN I certificate, amounting to Rp3,000, Rp6,000 and Rp1,500, respectively, with interest rate of 14% per annum and mature on March 24, 2017.

On April 9, 2015 and May 12, 2015 the Company signed an Agreement of SPN II issuance with PT Istaka Karya (Persero) SPN II certificate, amounting to Rp750 and Rp1,500, respectively, with interest rate of 14% per annum and mature on March 24, 2017.

On April 9, 2015 and May 12, 2015, the Company signed an Agreement of SPN III issuance with PT Istaka Karya (Persero) SPN III certificate, amounting to Rp750, Rp1,500, respectively, with interest rate of 14% per annum and mature on March 24, 2017.

On April 9, 2015, June 30, 2015 and August 28, 2015, the Company signed an Agreement of SPN IV issuance with PT Istaka Karya (Persero) SPN IV certificate, amounting to Rp2,200, Rp3,000 and Rp500, respectively, with interest rate of 14% per annum and mature on March 24, 2017.

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Pada tanggal 28 Agustus 2015, Perusahaan menandatangani Perjanjian Penerbitan SPN V dengan PT Istaka Karya (Persero) Sertifikat SPN V sebesar Rp5.000 dengan tingkat suku bunga 14% per tahun dan jatuh tempo pada tanggal 24 Maret 2017.

Pada tanggal 2 September 2015, PT Istaka Karya melakukan penarikan SPN V sebesar Rp10.000.

Pada tanggal 15 September 2015, PT Istaka Karya melakukan penarikan SPN II sebesar Rp750 dan 15 Oktober 2015, PT Istaka Karya telah melakukan pelunasan SPN II sebesar Rp500.

Pada tanggal 18 September 2015, 29 September 2015, 9 Oktober 2015, 13 November 2015, 23 Oktober 2015, PT Istaka Karya melakukan penarikan SPN VI masing-masing sebesar Rp3.000, Rp1.500, Rp1.500, Rp1.500, Rp2.500. Sedangkan pada tanggal 30 November 2015, 21 Desember 2015, dan 31 Desember 2015 PT Istaka Karya telah melakukan pelunasan SPN VI masing-masing sebesar Rp2.000, Rp6.000 dan Rp2.000.

Pada tanggal 15 September 2015, PT Istaka Karya melakukan penarikan SPN III sebesar Rp750 dan 15 Oktober 2015, PT Istaka Karya telah melakukan pelunasan SPN III sebesar Rp500.

Pada tanggal 25 September 2015, 15 Oktober 2015 dan 19 November 2015, PT Istaka Karya telah melakukan pelunasan SPN I masing-masing sebesar Rp1.000, Rp1.000 dan Rp1.000.

Pada tanggal 30 September 2015, PT Istaka Karya telah melakukan penarikan SPN VII sebesar Rp3.200, dan pada tanggal 29 Desember 2015, PT Istaka Karya melakukan pelunasan SPN VII sebesar Rp3.200.

Pada tanggal 8 Oktober 2015, 4 Desember 2015 PT Istaka Karya telah melakukan penarikan SPN VIII sebesar Rp5.000 dan Rp6.000.

Pada tanggal 7 Desember 2015, PT Istaka Karya telah melakukan pelunasan SPN IV sebesar Rp1.000.

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On August 28, 2015, the Company signed an Agreement of SPN V issuance with PT Istaka Karya (Persero) SPN V certificate, amounting to Rp5,000 with interest rate of 14% per annum and mature on March 24, 2017.

On September 2, 2015, PT Istaka Karya has withdrawn the SPN V amounting to Rp10,000.

On September 15, 2015, PT Istaka Karya has withdrawn the SPN II amounting to Rp750 and on October 15, 2015 has paid the SPN II amounting to Rp500.

On September 18, 2015, September 29, 2015, October 9, 2015, November 13, 2015, October 23, 2015, PT Istaka Karya has withdrawn the SPN VI amounting to Rp3,000, Rp1,500, Rp1,500, Rp1,500, Rp2,500, respectively. While on November 30, 2015, December 21, 2015, and December 31, 2015 PT Istaka Karya has paid the SPN VI amounting to Rp2,000, Rp6,000 and Rp2,000, respectively.

On September 15, 2015, PT Istaka Karya has withdrawn the SPN III amounting to Rp750 and on October 15, 2015 PT Istaka Karya has paid the SPN III amounting to Rp500.

On September 25, 2015, October 15, 2015 and November 19, 2015, PT Istaka Karya has paid the SPN I amounting to Rp1,000, Rp1,000 and Rp1,000, respectively.

On September 30, 2015, PT Istaka Karya has withdrawn SPN VII amounting to Rp3,200 and on September 29, 2015, PT Istaka Karya has paid SPN VII amounting to Rp3,200.

On October 8, 2015, December 4, 2015, PT Istaka Karya has withdrawn SPN VIII amounting to Rp5,000 and Rp6,000.

On December 7, 2015, PT Istaka Karya has paid SPN IV amounting to Rp1,000.

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5. Aset Keuangan Diperdagangkan (Lanjutan)

**5. Held for Trading Financial Assets
(Continued)**

Pada tanggal 23 Maret 2017 dilakukan Perjanjian Perubahan dan Penuangan Kembali Seluruh Ketentuan Perjanjian Penertiban Secured Promissory Notes PT Istaka Karya (Persero) dengan No. PP-27/PPA/0317. Perusahaan setuju membeli SPN dari Penerbit SPN secara bertahap yang disesuaikan dengan jadwal kebutuhan masing-masing proyek dengan nilai pokok *plafond* sebesar Rp 100.000 dengan tingkat suku bunga 12% per tahun (*gross*) yang akan jatuh tempo pada 24 Maret 2019. Dana hasil penerbitan SPN akan digunakan untuk pembiayaan modal kerja Penerbit SPN.

On March 23, 2017 an Amendment and Refund Agreement was made to All Provisions of PT Istaka Karya (Persero). Secured Promissory Notes Agreement with No. PP-27 / PPA / 0317. The company agrees to purchase SPN from SPN Issuers in stages which are adjusted according to the schedule of the needs of each project with a ceiling principal value of Rp 100,000 with an interest rate of 12% per year (*gross*) which will mature on March 24 2019. The proceeds from the SPN issuance will be used to finance working capital SPN Issuers.

Saldo pada awal tahun 2018 sebesar Rp2.431. Total saldo pencairan SPN di tahun 2018 sebesar nihil. Penerimaan atas pembayaran di tahun 2018 sebesar Nihil. Saldo pada 31 Desember 2018 sebesar Rp2.431.

Beginning balance of the year amounting Rp2,431. Total disbursements of SPN in 2018 amounting to Nil. Receipt of SPN payment in 2018 amounting to Nil. Balance at December 31, 2018 amounting to Rp2,431.

6. Piutang Usaha

6. Accounts Receivable

	2018 Rp	2017*) Rp	
<u>Pihak Berelasi</u>			<u>Related Parties</u>
Piutang Jasa Konstruksi	170,383	193,558	Construction Services Receivable
Piutang Sewa Pembiayaan	74,017	65,797	Financial Lease Receivables
Piutang Bunga dan Monitoring	22,220	31,546	Monitoring and Interest Receivables
Piutang Pembiayaan Konsumen	584	17,131	Consumer Finance Receivables
Piutang <i>Advisory</i>	13,057	6,109	Advisory Receivable
Tagihan Anjak Piutang	7,096	13,696	Factoring Receivables
Talangan Biaya Pengelolaan Aset Beban Debitur	6,813	7,495	Asset Management Fee Bailouts
Piutang Hasil Investasi Surat Berharga	—	3,418	Investment Income on Securities Receivables
Jumlah Pihak Berelasi	294,170	338,750	Total Related Parties
<i>Dikurangi: Penyisihan Kerugian Penurunan Nilai</i>	(24,445)	(23,184)	Less: Allowance for Impairment Losses
Jumlah Pihak Berelasi - Bersih	269,725	315,566	Total Related Parties - Net
<u>Pihak Ketiga</u>			<u>Third Parties</u>
Piutang Sewa Pembiayaan	586,999	528,823	Financial Lease Receivables
Piutang Jasa Konstruksi	202,451	239,802	Construction Services Receivables
Tagihan Anjak Piutang	144,067	149,570	Factoring Receivables
Piutang Pembiayaan Konsumen	33,222	10,486	Consumer Finance Receivables
Bunga Deposito Berjangka	2,726	2,076	Interest on Time Deposits
Lain-lain (masing-masing di bawah Rp 1.000)	19,224	34,598	Others (belows Rp 1,000 each)
Jumlah Pihak Ketiga	988,689	965,355	Total Third Parties
<i>Dikurangi: Penyisihan Kerugian Penurunan Nilai</i>	(82,061)	(63,662)	Less: Allowance for Impairment Losses
Jumlah Pihak Ketiga - Bersih	906,628	901,693	Total Third Parties - Net
Jumlah - Bersih	1,176,353	1,217,259	Total - Net

*) Direklasifikasi (Catatan 41)/ Reclassified (Note 41)

Mutasi penyisihan kerugian penurunan nilai piutang adalah sebagai berikut:

The movements in allowance for impairment losses of receivables are as follows:

	2018 Rp	2017 Rp	
Saldo Awal Tahun	(86,846)	(63,121)	Balance at Beginning of The Year
Penambahan di Tahun Berjalan	(20,676)	(26,197)	Addition in Current Year
Pemulihan / Penghapusan di Tahun Berjalan	1,016	2,472	Recovery / Write off in Current Year
Saldo Akhir Periode	(106,506)	(86,846)	Balance at Ending of The Period

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6. Piutang Usaha (Lanjutan)

Manajemen berkeyakinan bahwa jumlah penyisihan kerugian penurunan nilai di atas adalah memadai untuk menutup kemungkinan kerugian yang timbul dari tidak tertagihnya piutang.

Jumlah piutang usaha berdasarkan umur (hari) sebagai berikut:

	2018 Rp	2017 Rp
< 12 Bulan	530,758	766,232
> 12 - 24 Bulan	187,609	175,087
> 24 Bulan	564,492	362,786
Penyisihan Kerugian Penurunan Nilai Piutang	(106,506)	(86,846)
Jumlah	1,176,353	1,217,259

Manajemen berkeyakinan bahwa jumlah penyisihan kerugian penurunan nilai di atas adalah memadai untuk menutup kemungkinan kerugian yang timbul dari tidak tertagihnya piutang.

6. Accounts Receivable (Continued)

Management believes that the allowance for impairment losses is adequate to cover possible losses that may arise from uncollectible receivable.

Total account receivables by aging (day) are as follows:

< 12 Months	
> 12 - 24 Months	
> 24 Months	
Allowance for Impairment Losses of Receivables	
Total	

Management believes that the above allowance for impairment losses is adequate to cover possible losses that may arise from uncollectible receivable.

7. Piutang Retensi

Merupakan piutang retensi PT NK dengan rincian sebagai berikut:

	2018 Rp	2017 Rp
Pihak Berelasi	70,007	90,323
Dikurangi: Penyisihan Kerugian Penurunan Nilai	(4,920)	(2,563)
Jumlah Pihak Berelasi - Bersih	65,087	87,760
Pihak Ketiga	124,348	145,892
Dikurangi: Penyisihan Kerugian Penurunan Nilai	(22,612)	(16,686)
Jumlah Pihak Ketiga - Bersih	101,736	129,206
Jumlah - Bersih	166,823	216,966

Related Parties
Less: Allowance for Impairment of Losses
Total Related Parties - Net

Third Parties
Less: Allowance for Impairment of Losses
Total Third Parties - Net
Total - Net

Mutasi penyisihan kerugian penurunan nilai piutang adalah sebagai berikut:

	2018 Rp	2017 Rp
Saldo Awal Tahun	(19,249)	(14,889)
Penambahan di Tahun Berjalan	(8,283)	(5,487)
Pemulihan di Tahun Berjalan	--	1,127
Saldo Akhir Tahun	(27,532)	(19,249)

Balance at Beginning of The Year
Addition in Current Year
Recovery in Current Year
Balance at Ending of The Year

Jumlah piutang retensi berdasarkan umur (hari) sebagai berikut:

	2018 Rp	2017 Rp
< 12 Bulan	95,033	181,812
> 12 - 24 Bulan	55,603	39,158
> 24 Bulan	43,719	15,244
Penyisihan Kerugian Penurunan Nilai Piutang	(27,532)	(19,249)
Jumlah - Bersih	166,823	216,966

< 12 Months
> 12 - 24 Months
> 24 Months
Allowance for Impairment Losses of Receivables
Total - Net

7. Retention Receivables

Represents the retention receivables to PT NK with the following details:

The movements in allowance for impairment losses of receivables are as follows:

Total retention receivables by aging (day) are as follows:

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7. Piutang Retensi (Lanjutan)

Manajemen berkeyakinan bahwa jumlah penyisihan kerugian penurunan nilai adalah memadai untuk menutup kemungkinan kerugian yang timbul dari tidak tertagihnya piutang retensi di kemudian hari.

7. Retention Receivables (Continued)

Management believes that the allowance for impairment losses is adequate to cover possible losses that may arise from uncollectible retention receivable in the future.

8. Piutang Ventura Bersama Konstruksi

8. Construction Joint Venture Receivables

	2018 Rp	2017 Rp
Nindya - Rudy Jaya	49,815	--
Nindya - Bumi Karsa	43,988	27,371
Nindya - Pembangunan Perumahan	27,011	15,747
Nindya - Cipuga	19,998	1,500
Nindya - Sacna	13,979	--
Nindya - Dewa Ruci	13,857	755
Nindya - Sejahtera	13,613	31,614
Nindya - Pembangunan Perumahan - Utama Karya	10,224	7,126
Nindya - Lestari	10,120	--
Nindya - Barata	8,960	233
Nindya - Minarta	8,085	--
Nindya - Lampiri	7,697	20,748
Nindya - Catur Perkasa	6,146	15,365
Nindya - Waskita Jaya Purnama	5,998	--
Nindya - Brantas	5,141	5,448
Nindya - Passokkorang - Adhijaya	4,227	14,569
Nindya - Adhi Karya	4,180	1,389
Nindya - Utama Karya	3,933	2,533
Nindya - MCC - Wika - Waskita	7,515	4,578
Nindya - Surya	2,753	2,745
Nindya - Inti	2,633	2,530
Nindya - Utama Karya - Wijaya Karya	2,173	2,392
Nindya - Sarana	1,823	5,926
Nindya - Kencana	1,705	175
Nindya - PT PPA	1,000	4,000
Nindya - Andesmont	564	3,520
Nindya - Leo Tunggal Mandiri	237	1,015
Nindya - Tamiang	151	1,380
Nindya - Jaya Konstruksi	6	9,953
Nindya - Bina Nusa Lestari	--	3,196
Nindya - Karya Pribumi	--	2,028
Lain-lain (masing-masing di bawah Rp 1 Miliar)	328	1,574
Jumlah	277,862	189,408

Nindya - Rudy Jaya
Nindya - Bumi Karsa
Nindya - Pembangunan Perumahan
Nindya - Cipuga
Nindya - Sacna
Nindya - Dewa Ruci
Nindya - Sejahtera
Nindya - Pembangunan Perumahan - Utama Karya
Nindya - Lestari
Nindya - Barata
Nindya - Minarta
Nindya - Lampiri
Nindya - Catur Perkasa
Nindya - Waskita Jaya Purnama
Nindya - Brantas
Nindya - Passokkorang - Adhijaya
Nindya - Adhi Karya
Nindya - Utama Karya
Nindya - MCC - Wika - Waskita
Nindya - Surya
Nindya - Inti
Nindya - Utama Karya - Wijaya Karya
Nindya - Sarana
Nindya - Kencana
Nindya - PT PPA
Nindya - Andesmont
Nindya - Leo Tunggal Mandiri
Nindya - Tamiang
Nindya - Jaya Konstruksi
Nindya - Bina Nusa Lestari
Nindya - Karya Pribumi
Others (each below Rp 1 Billion)
Total

Merupakan piutang kepada ventura bersama (JV) untuk pembelian material, biaya bank, overhead, dan lain-lain yang dikeluarkan untuk kepentingan ventura bersama.

Represents receivable from the Joint Venture (JV) to purchase the material, bank fees, overhead, and others for the of joint venture purposes.

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**9. Pinjaman yang Diberikan – Dana Talangan
Kepada Pihak-Pihak Berelasi**

**9. The loans given to the Bailouts – the parties
closely related**

	2018 Rp	2017 Rp	
Pokok Pinjaman Dana Talangan	293,815	300,387	Fund Advances Loans Receivable
Piutang Bunga Pinjaman Dana Talangan	1,917	3,382	Fund Advances Loans Interest Receivable
Jumlah Pinjaman Dana Talangan	295,732	303,769	Total Funds Advance Loans
Dikurangi :			Less :
Penyisihan Penurunan Nilai Pinjaman Dana Talangan	(80,151)	(96,654)	Allowance for Impairment of Loans Receivable
Biaya Perolehan Yang Belum Diamortisasi	--	--	Unamortized Cost
Jumlah Pengurang	(80,151)	(96,654)	Total Deduction
Jumlah Pinjaman Dana Talangan Bersih - Bersih	215,581	207,115	Total Loans Receivable - Net
Pokok Pinjaman Dana Talangan			Principal Bailout Loans
PT Kertas Kraft Aceh (Persero)	135,836	135,836	PT Kertas Kraft Aceh (Persero)
PT Istaka Karya (Persero)	62,094	52,897	PT Istaka Karya (Persero)
PT Iglas (Persero)	47,385	34,901	PT Iglas (Persero)
PT Kertas Leces (Persero)	38,500	54,244	PT Kertas Leces (Persero)
PT Survai Udara Penas (Persero)	10,000	22,509	PT Survai Udara Penas (Persero)
Jumlah Pokok Pinjaman Dana Talangan	293,815	300,387	Total Principal Bailout Loans
Piutang Bunga Pinjaman Dana Talangan			Interest Receivable on Bailout Loans
PT Kertas Leces (Persero)	1,534	1,534	PT Kertas Leces (Persero)
PT Kertas Kraft Aceh (Persero)	343	370	PT Kertas Kraft Aceh (Persero)
PT Survai Udara Penas (Persero)	40	360	PT Survai Udara Penas (Persero)
PT Istaka Karya (Persero)	--	1,118	PT Istaka Karya (Persero)
Jumlah Piutang Bunga Pinjaman Dana Talangan	1,917	3,382	Total Receivable on Bailout Loans Interest
Jumlah Pinjaman Dana Talangan	295,732	303,769	Total Bailout Loans
Dikurangi:			Less:
Penyisihan Penurunan Nilai Pokok Pinjaman			Allowance for Impairment of Loans Receivable
PT Kertas Leces (Persero)	(30,534)	(30,534)	PT Kertas Leces (Persero)
PT Kertas Kraft Aceh (Persero)	(49,617)	(49,617)	PT Kertas Kraft Aceh (Persero)
PT Survai Udara Penas (Persero)	--	(16,143)	PT Survai Udara Penas (Persero)
Jumlah Penyisihan Penurunan Nilai Pinjaman	(80,151)	(96,294)	Total Allowance for Impairment of Loans
Penyisihan Penurunan Nilai Piutang Bunga Pinjaman			Allowance for Impairment of Interest Receivable on Loans
PT Survai Udara Penas (Persero)	--	(360)	PT Survai Udara Penas (Persero)
Pinjaman Dana Talangan	--	(360)	Receivable on Loans
Jumlah Penyisihan Penurunan Nilai Pinjaman	(80,151)	(96,654)	Total Allowance for Impairment of Loans
Jumlah Pengurangan	(80,151)	(96,654)	Total Deduction
Jumlah Pinjaman Dana Talangan - Bersih	215,581	207,115	Total Bailout Loans - Net

Mutasi penyisihan kerugian penurunan nilai piutang adalah sebagai berikut:

The movements in allowance for impairment losses of receivables are as follows:

	2018 Rp	2017 Rp	
Saldo Awal Tahun	(96,654)	(117,654)	Balance at Beginning of The Year
Pemulihan di Tahun Berjalan	16,503	21,000	Recovery in Current Year
Saldo Akhir Tahun	(80,151)	(96,654)	Balance at Ending of The Year

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10. Tagihan Bruto Kepada Pemberi Kerja**10. Gross Amount Due from Customers**

	2018 Rp	2017 Rp	
Pihak Berelasi	564,551	347,956	<i>Related Parties</i>
Pihak Ketiga	1,653,814	945,766	<i>Third Parties</i>
Jumlah - Bersih	2,218,365	1,293,722	Total - Net

11. Persediaan**11. Inventories**

	2018 Rp	2017 Rp	
Persediaan Bahan Konstruksi	119,499	138,722	<i>Construction Raw Material</i>
Persediaan Dolomit	34,779	--	<i>Dolomite Inventory</i>
Persediaan Pupuk	--	24,759	<i>Fertilizer Inventory</i>
Properti	--	6,679	<i>Property</i>
Jumlah	154,278	170,160	Total

Berdasarkan penelaahan atas kondisi persediaan pada 31 Desember 2018, Manajemen berkeyakinan bahwa atas bahan persediaan tersebut tidak terjadi penurunan nilai, serta persediaan usang sehingga manajemen tidak membentuk penyisihan persediaan.

Based on review of the inventories condition on December 31, 2018, Management believes that the inventories are not impaired, as well as obsolete inventories, therefore management does not do the impairment allowance of inventories.

12. Uang Muka dan Biaya Dibayar di Muka**12. Advances and Prepaid Expenses**

	2018 Rp	2017 Rp	
Uang Muka Pihak Ketiga	138,016	74,671	<i>Advance to Third Parties</i>
Biaya Dibayar di Muka	16,734	29,797	<i>Prepaid Expenses</i>
Jumlah	154,751	104,468	Total

Uang muka pihak ketiga merupakan uang muka kepada supplier dan subkontraktor. Biaya dibayar di muka merupakan biaya untuk sewa gedung dan asuransi.

Advance to third parties represents prepayment to suppliers and subcontractor. Prepaid expenses are for rent and insurance.

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13. Perpajakan**13. Taxation****a. Pajak Dibayar di Muka****a. Prepaid Taxes**

	2018 Rp	2017 Rp	
<u>Perusahaan</u>			<u>The Company</u>
Pajak Pertambahan Nilai	24,317	23,576	Value Added Tax
Pajak Penghasilan Pasal 22	229	132	Income Tax Article 22
Pajak Penghasilan Pasal 23	41,640	31,775	Income Tax Article 23
Pajak Penghasilan Pasal 25	9,192	8,920	Income Tax Article 25
	<u>75,378</u>	<u>64,403</u>	
<u>Entitas Anak</u>			<u>Subsidiaries</u>
Pajak Pertambahan Nilai	614,094	407,985	Value Added Tax
Pajak Penghasilan Pasal 28a	585	--	Income Tax Article 28a
Pajak Penghasilan Pasal 23	464	1,306	Income Tax Article 23
Pajak Penghasilan Pasal 25	138	447	Income Tax Article 25
Pajak Penghasilan Pasal 4 Ayat 2	951	755	Income Tax Article 4 (2)
	<u>616,232</u>	<u>410,493</u>	
Jumlah	691,610	474,896	Total

b. Utang Pajak**b. Taxes Payable**

	2018 Rp	2017 Rp	
<u>Perusahaan</u>			<u>The Company</u>
Pajak Penghasilan Pasal 21	4,147	3,624	Income Tax Article 21
Pajak Penghasilan Pasal 22	6	187	Income Tax Article 22
Pajak Penghasilan Pasal 23	943	923	Income Tax Article 23
Pajak Penghasilan Pasal 4 Ayat 2	40	16	Income Tax Article 4(2)
	<u>5,136</u>	<u>4,750</u>	
<u>Entitas Anak</u>			<u>Subsidiaries</u>
Pajak Pertambahan Nilai	19,004	23,975	Value Added Tax
Pajak Penghasilan Pasal 21	4,922	4,987	Income Tax Article 21
Pajak Penghasilan Pasal 22	3,101	5,129	Income Tax Article 22
Pajak Penghasilan Pasal 23	2,215	2,802	Income Tax Article 23
Pajak Penghasilan Pasal 25	150	517	Income Tax Article 25
Pajak Penghasilan Pasal 29	10,407	2,423	Income Tax Article 29
Pajak Penghasilan Pasal 4 Ayat 2	5,362	10,738	Income Tax Article 4 (2)
	<u>45,161</u>	<u>50,570</u>	
Jumlah	50,297	55,320	Total

c. Pajak Penghasilan Badan**c. Income Taxes**

	2018 Rp	2017 Rp	
Laba Sebelum Pajak Menurut Laporan Laba Rugi dan Penghasilan Komprehensif Lainnya Konsolidasian	441,660	332,930	Income Before Tax Based on Consolidated Statement of Profit or Loss and Other Comprehensive Income
Laba Sebelum Pajak Entitas Anak	(243,459)	(198,375)	Income Before Tax of Subsidiaries
Bagian Laba yang Telah Diperhitungkan			Portion of Income Accounted for
Pajak Penghasilan Final	(62,502)	(90,421)	Final Income Tax
Laba (Rugi) Sebelum Pajak Perusahaan	<u>135,699</u>	<u>44,134</u>	Income (Loss) Before Corporate Income Tax
Beda Waktu:			Timing Differences:
Provisi Pinjaman yang Diberikan	--	--	Provision for Loans Receivable
Apresiasi Karyawan	1,318	3,770	Employees' Appreciation
Penyisihan Penurunan Nilai	(25,445)	(33,931)	Allowance for Impairment Loss
Beban Imbalan Pasca Kerja - Bersih	(710)	(796)	Employee Benefits Expense - Net
Tantiem	--	(2,685)	Tantiems
Penyusutan Aset Tetap	66	(217)	Fixed Assets Depreciation
Amortisasi Aset Tak Berwujud	(134)	(89)	Intangible Assets Amortization
Beda Tetap:			Permanent Differences:
Kenaikan Nilai Wajar Properti Investasi	(98,025)	(31,285)	Increase in Fair Value of Investment Property
Biaya yang Tidak Dapat Dikurangkan	70,060	45,678	Non Deductible Expenses
Jumlah Koreksi Fiskal	<u>(52,870)</u>	<u>(19,555)</u>	Total Fiscal Correction
Laba Kena Pajak Sebelum Kompensasi Rugi Fiskal	82,829	24,579	Taxable Income Before Fiscal Losses Compensation
Rugi Fiskal Awal Periode			Fiscal Loss at Beginning of Period
Kompensasi Rugi Fiskal:			Fiscal Tax Losses Compensation:
Tahun 2017	(59,629)	--	Year 2017
Tahun 2016	--	(70,085)	Year 2016
Akumulasi Rugi Fiskal	23,200	(45,506)	Accumulated Fiscal Losses
Pajak Penghasilan Badan Tahun Berjalan (25%)	--	--	Corporate Income Tax Expense on Current Year (25%)
Beban Pajak Kini - Entitas Anak:			Current Tax Expenses - Subsidiaries:
PT PPAF	7,819	4,130	PT PPAF
PT BSM	7,199	--	PT BSM
PT NK	2,195	1,214	PT NK
PT Pratama Persada Airborne	--	1,232	PT Pratama Persada Airborne
Beban Pajak Kini - Entitas Anak	<u>17,213</u>	<u>6,576</u>	Current Tax Expenses - Subsidiaries
Jumlah Beban Pajak Kini - Konsolidasian	17,213	6,576	Total Current Tax Expense - Consolidation

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13. Perpajakan (Lanjutan)

13. Taxation (Continued)

d. Pajak Tangguhan

d. Deferred Tax

	2016	Dibebankan ke Laporan Laba Rugi/ Charged to Profit or Loss	Dibebankan ke Penghasilan Komprehensif/ Charged to Comprehensive Income	2017	Dampak Konsolidasian (Divestasi) Entitas Anak di Tahun Berjalan	Dibebankan ke Laporan Laba Rugi/ Charged to Profit or Loss	Dibebankan ke Penghasilan Komprehensif/ Charged to Comprehensive Income	2018	
	Rp	Rp	Rp	Rp	Rp	Rp	Rp	Rp	
Aset Pajak Tangguhan									Deferred Tax Assets
<u>Perusahaan</u>									<u>Company</u>
Rugi Fiskal Tidak Bisa Terpuhkan	8,654	(2,966)	--	5,688	--	(781)	--	4,907	Unrecoverable Tax Losses
Liabilitas Imbalan Kerja	768	(45)	--	723	--	(100)	--	623	Employee Benefits Liabilities
Akrua Tantiem	2,014	669	--	2,683	--	--	--	2,683	Accrued Tantiems
Akrua Apresiasi Karyawan	4,884	999	--	5,883	--	702	--	6,585	Accrued Employees' Appreciation
Aset Tetap	73	24	--	97	--	(13)	--	84	Property, Plant and Equipment
Aset Takberwujud	17	(50)	--	(33)	--	315	--	282	Intangible Asset
Pinjaman yang Diberikan	(672)	523	--	(149)	--	--	--	(149)	Loans Receivable
Sub Jumlah	15,738	(846)	--	14,892	--	123	--	15,015	Sub Total
<u>PT PPA Finance</u>									<u>PT PPA Finance</u>
Akrua Tantiem dan Apresiasi Karyawan	629	(301)	--	328	--	(164)	--	164	Accrued Tantiems and Employee Appreciation
Pinjaman Usaha	1,484	--	--	1,484	--	3,060	--	4,544	Accounts Receivable
Liabilitas Imbalan Kerja	95	25	24	144	--	(80)	(36)	28	Employee Benefits Liabilities
Sub Jumlah	2,208	(276)	24	1,956	--	2,816	(36)	4,736	Sub Total
<u>PT PPA Kapital</u>									<u>PT PPA Kapital</u>
Rugi Fiskal	1,248	--	--	1,248	--	--	--	1,248	Fiscal Loss
Liabilitas Imbalan Kerja	15	71	15	101	--	96	(55)	142	Employee Benefits Liabilities
Sub Jumlah	1,263	71	15	1,349	--	96	(55)	1,390	Sub Total
<u>PT Pratama Persada Airborne</u>									<u>PT Pratama Persada Airborne</u>
Aset Tetap	--	8	--	8	(8)	--	--	--	Property Plant and Equipment
Sub Jumlah	--	8	--	8	(8)	--	--	--	Sub Total
<u>PT Bondi Syad Mula</u>									<u>PT Bondi Syad Mula</u>
Liabilitas Imbalan Kerja	--	--	--	--	733	127	(24)	836	Employee Benefits Liabilities
Akrua Tantiem dan Apresiasi Karyawan	--	--	--	--	--	175	--	175	Accrued Tantiems and Employee Appreciation
Aset Tetap	--	--	--	--	--	28	--	28	Property, Plant and Equipment
Sub Jumlah	--	--	--	--	733	330	(24)	1,039	Sub Total
<u>PT Duta Mentari Raya</u>									<u>PT Duta Mentari Raya</u>
Rugi Fiskal	992	--	--	992	--	--	--	992	Fiscal Loss
Sub Jumlah	992	--	--	992	--	--	--	992	Sub Total
<u>PT Nindya Beton</u>									<u>PT Nindya Beton</u>
Rugi Fiskal	--	--	--	--	--	--	--	--	Fiscal Loss
Penyisihan Rugi Fiskal	--	--	--	--	--	--	--	--	Allowance for Fiscal Loss
Aset Tetap	234	1,174	--	1,408	--	988	--	2,397	Property Plant and Equipment
Sub Jumlah	234	1,174	--	1,408	--	988	--	2,397	Sub Total
Jumlah Aset Pajak Tangguhan	20,435	131	39	20,605	(8)	4,353	(91)	25,569	Total Deferred Tax Assets

e. Pemeriksaan Pajak dan Sengketa Pajak

e. Tax Examination and Tax Disputes

Pemeriksaan Pajak Tahun 2015

Pada tanggal 20 April 2017, Perusahaan menerima SKPLB tahun pajak 2015, dimana Kantor Pajak menyetujui untuk mengembalikan lebih bayar pajak penysetujuan badan tahun pajak 2015 sebesar Rp8.548. Pada tanggal 18 Mei 2017, Perusahaan menerima pembayaran kembali atas kelebihan bayar pajak tersebut sebesar Rp8.438 setelah memperhitungkan kompensasi utang pajak Rp111.

Tax Audit 2015

On April 20, 2017, the Company received SKPLB fiscal year 2015 wherein the Tax office approved the refund of the Company's overpayment of corporate income tax for fiscal year 2015 amounting to Rp8,548. on May 18, 2017, the Company received the refund for overpayment amounting Rp8,438 after calculating tax payable amounting to Rp111.

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13. Perpajakan (Lanjutan)

Pemeriksaan Pajak Tahun 2016

Pada tanggal 24 April 2018, Perusahaan menerima SKPLB tahun pajak 2016, dimana Kantor Pajak menyetujui untuk mengembalikan lebih bayar pajak penghasilan badan tahun pajak 2016 sebesar Rp18.663. Pada tanggal 28 Mei 2018, Perusahaan menerima pembayaran kembali atas kelebihan bayar pajak tersebut.

Pemeriksaan Pajak Tahun 2017

Pemeriksaan pajak tahun 2017 dilaksanakan karena adanya kelebihan pembayaran pajak Perusahaan sebagaimana tercantum pada SPT Tahunan PPh Badan tahun 2017, dengan status SPT Lebih Bayar sebesar Rp22.067. Pemeriksaan dilaksanakan sesuai Surat Perintah Pemeriksaan Nomor: PRIN-00300/WPJ.19/KP.0405/RIK.SIS/2018 dari Kantor Pelayanan Pajak Wajib Pajak Badan dan saat ini masih dalam proses pemeriksaan.

Laba kena pajak dan beban pajak tahun 2017 yang tercatat tidak berbeda material dengan yang dilaporkan dalam SPT 2017.

Berdasarkan peraturan perpajakan Indonesia, kerugian pajak dapat dilakukan ke depan untuk jangka waktu maksimal lima tahun.

13. Taxation (Continued)

Tax Audit 2016

On April 24, 2018, the Company received SKPLB fiscal year 2016 wherein the Tax office approved the refund of the Company's overpayment of corporate income tax for fiscal year 2016 amounting to Rp18,663. On May 28, 2018, the Company received the refund for the overpayment.

Tax Audit 2017

In 2017, tax audit conducted for the overpaid taxes as stated in the Company's Annual Income Tax in 2017, with the status of SPT overpayment amounting to Rp22,067. Examination carried out in accordance with Surat Perintah Pemeriksaan No: PRIN-00300/WPJ.19/KP.0405/RIK.SIS/2018 of the Tax Office and is currently still in the process of examination.

Reported taxable income and tax expense for the year 2017 immaterially varied from SPT 2017 submitted by the Company to the tax office

Under Indonesia taxation laws, tax losses may be carried forward for a maximum period of five years.

14. Aset Lain-lain

14. Other Assets

	2018 Rp	2017 Rp	
<u>Aset Lancar Lainnya</u>			<u>Other Current Assets</u>
Aset yang Dijaminkan Debitur PT BIM Ex BTN	243,000	--	Assets Guaranteed by PT BIM Ex BTN Debtor
Aset yang Dijaminkan Debitur KPR Ex BTN	47,445	--	Assets Guaranteed Ex BTN KPR Debtor
Piutang Proyek	22,807	29,159	Project Receivable
Lain-lain	17,381	23,823	Others
Piutang Talangan Biaya BUMN	11,376	11,790	SOEs' Bailout Loans Receivable
Dana HPA	--	14,090	HPA's Fund
Sub Total	342,009	78,862	Sub Total
Dikurangi: Penyisihan Penurunan Nilai Piutang	(9,635)	(4,167)	Less: Allowance for Impairment of Receivables
Jumlah	332,374	74,695	Total
<u>Aset Tidak Lancar Lainnya</u>			<u>Other Non-Current Assets</u>
Deposito Berjangka yang Dijaminkan	301,386	319,079	Time Deposits Pledged as Collateral
Dana yang Dibatasi Penggunaannya	33,510	--	Restricted Fund
Tanah Mentah	6,092	6,092	Undeveloped Land
Uang Jaminan	5,968	5,248	Deposit Guarantee
Aset Takberwujud - Software	3,131	3,525	Intangible Assets - Software
Lain-lain	4,191	2,147	Others
Jumlah	354,278	336,091	Total

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14. Aset Lain-lain (Lanjutan)

- a. Piutang proyek merupakan tagihan kepada PT Manunggal Muara Palma (MMP) oleh PT NK, Entitas Anak. Proyek dihentikan sebab MMP tidak memenuhi kewajiban pembayaran sesuai dengan kesepakatan yang telah dibuat oleh Badan Arbitrase Nasional (BANI) yang telah dimenangkan oleh Entitas Anak dan MMP diharuskan membayar sejumlah uang.
- b. Piutang talangan biaya BUMN merupakan piutang atas restrukturisasi/revitalisasi BUMN.
- c. Deposito berjangka yang dijaminkan sebesar Rp301.386 (Catatan 22) merupakan deposito berjangka Perusahaan pada PT Bank Tabungan Negara (Persero) Tbk atas fasilitas pinjaman Kredit Swadana Lembaga PRK dengan tingkat suku bunga sebesar 7,65% per tahun.
- d. Aset yang Dijaminkan Debitur PT BIM Ex BTN

Berdasarkan Akta Jual Beli Piutang No 115 tanggal 31 Desember 2018, Perusahaan membeli piutang PT Bank Tabungan Negara (BTN) kepada PT Batam Island Marina (BIM). Jumlah piutang yang dialihkan sebesar Rp300.669, dengan rincian sebagai berikut;

- Pokok Pinjaman sebesar Rp243.000
- Tunggakan Bunga dari bunga berjalan sebesar Rp56.352
- Tunggakan denda dari denda berjalan sebesar Rp 1.317

Berdasarkan Akta Cessie Piutang No. 116 tanggal 31 Desember 2018, BTN dan Perusahaan mengefektifkan pengalihan piutang tersebut beserta seluruh hak-hak yang melekat pada piutang berdasarkan syarat dan kondisi dalam Akta Cessie Bank BTN dan Perusahaan sepakat bahwa jual beli piutang berdasarkan akta jual beli ini dilakukan dengan harga Rp243.000.

Kemudian berdasarkan Akta Perjanjian Kerjasama Pengelola Piutang No. 117 tanggal 31 Desember 2018, Perusahaan menunjuk BTN sebagai pengelola piutang tersebut dengan jangka waktu 1 (satu) tahun terhitung sejak tanggal 31 Desember 2018.

14. Other Assets (Continued)

- a. *Project receivable on project is billed to PT Manunggal Muara Palma (MMP) owned by PT NK, a subsidiary. The project was stopped because MMP did not meet payment obligations in accordance with the agreements that have been made by Badan Arbitrase Nasional (BANI) that has been won by subsidiary and MMP is required to pay some amount of money.*
- b. *SOE's Fund advance loans receivable represent receivable to SOE's restructuring/revitalization.*
- c. *Time deposit pledged as collateral amounting to Rp301,386 (Note 22) represents the Company's time deposit at PT Bank Tabungan Negara (Persero) Tbk on the loan facility of Kredit Swadana PRK with an interest rate of 7.65% per annum.*
- d. *Assets Guaranteed by PT BIM Ex BTN Debtor*

Based on the Receivable Sale and Purchase Deed No. 115 dated December 31, 2018, The Company purchased PT Bank Tabungan Negara (BTN) receivables from PT Batam Island Marina (BIM). The amount of receivables transferred amounted to Rp300,669, with details as follows;

- *The loan principal is Rp243,000*
- *Interest arrears from current interest amounting to Rp56,352*
- *Arrears of fines from current fines of Rp1,317*

Based on the Receivable Receipt Deed No. 116 dated December 31, 2018, BTN and the Company make effective the transfer of the receivables along with all rights attached to the receivables based on the terms and conditions in the Cessie Deed. BTN and the Company agree that the sale and purchase of receivables based on this sale and purchase deed is carried out at a price of Rp243,000.

Then based on the Deed of Collaboration Management No. 117 dated December 31, 2018, the Company appoints BTN as the manager of the receivables for a period of 1 (one) year from December 31, 2018.

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14. Aset Lain-lain (Lanjutan)

e. Aset yang Dijaminkan Debitur KPR Ex BTN

- Berdasarkan Akta Jual Beli Piutang No.72 tanggal 21 Desember 2018 dan No.104 tanggal 28 Desember 2018, BTN menjual piutang nasabah Kredit Kepemilikan Rumah (KPR) kepada Perusahaan, dengan harga jual masing-masing sebesar Rp31.143 dan Rp16.302.
- Berdasarkan Akta Perjanjian Kerjasama Pengelolaan Piutang Nomor 105 tanggal 28 Desember 2018 Notaris Ashoya Ratam, S.H., M.Kn., dinyatakan bahwa dalam penyelesaian transaksi aset yang dialihkan tersebut, mekanismen yang dilakukan yaitu :
 - Melakukan eksekusi aset yang merupakan jaminan atas piutang sesuai dengan Perjanjian Kredit;
 - Menjual aset yang dijaminkan tersebut kepada pihak ketiga;
 - Menerima pelunasan dari Debitur.

Pengembalian atas transaksi aset yang dijaminkan ini diperjanjikan sebesar 120% dari total harga pembelian aset yang dialihkan tersebut secara kolektif sesuai dengan Akta Jual Beli.

f. Dana yang Dibatasi Penggunaannya

Pada tanggal 31 Desember 2018, dana yang dibatasi penggunaannya merupakan rekening di PT Bank Negara Indonesia (Persero) Tbk yang dibatasi penggunaannya oleh pihak berwenang terkait Proyek Pembangunan Dermaga Bongkar Sabang di Nagroe Aceh Darussalam (NAD) (Catatan 39.a).

Mutasi penyisihan kerugian penurunan nilai aset lain-lain adalah sebagai berikut:

	2018 Rp	2017 Rp
Saldo Awal Tahun	(4,167)	(4,167)
Penambahan di Tahun Berjalan	(5,468)	--
Pemulihan / Penghapusan di Tahun Berjalan	--	--
Saldo Akhir Periode	(9,635)	(4,167)

14. Other Assets (Continued)

e. Assets Guaranteed Ex BTN KPR Debtor

- Based on the Receivable and Purchase Deed No.72 dated December 21, 2018, and No.104 dated December 28, 2018. BTN sold receivables Housing Ownership Credit (KPR) to the Company, with selling price amounting to Rp31,143 and Rp16,302.
- Based on the Deed of Debt Management Cooperation Agreement Number 105 dated December 28, 2018 Notary Ashoya Ratam, S.H., M.Kn., stated that in the settlement of the transferred asset transaction, the mechanism carried out is:
 - Carry out assets which are collateral for accounts receivable in accordance with the Credit Agreement;
 - Sell the collateral assets to third parties;
 - Receiving repayments from the Debtor.

The return on the collateralized asset transaction is agreed to be 120% of the total purchase price of the transferred asset collectively in accordance with the Sale and Purchase Deed.

f. Restricted Fund

As of December 31, 2018, restricted funds represent account owned by PT NK in PT Bank Negara Indonesia (Persero) Tbk which is restricted in its use by the authorities related to Sabang Loading Dock Construction Projects in Nanggroe Aceh Darussalam (NAD) (Note 39.a).

The movements in allowance for impairment losses of other assets are as follows:

Balance at Beginning of The Year
Addition in Current Year
Recovery / Write off in Current Year
Balance at Ending of The Period

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15. Aset Keuangan Tersedia untuk Dijual

15. Available for Sale Financial Assets

	2018 Rp	2017 Rp
Saham	45,435	60,213
Investasi melalui <i>Fund Manager</i>		
Bahana TCW Investment Management	50,554	54,645
Nilai Wajar	95,989	114,858

Shares
Investments through Fund Managers
Bahana TCW Investment Management
Fair Value

Investasi pada saham di tahun 2018 dan 2017 merupakan investasi pada saham PT Waskita Karya (Persero) Tbk (PT WK) yang dalam kelompok LQ 45 dengan jumlah lembar saham dan nilai wajar sebagai berikut:

Investments in shares in 2018 and 2017 are investments in shares of PT Waskita Karya (Persero) Tbk (PT WK) which are in the LQ 45 group with the following number of shares and fair value

	2018	2017
Jumlah Lembar	27,044,608	27,369,608
Nilai Wajar (Rupiah Penuh)	1,680	2,200

Number of Share
Fair Value (Full Rupiah)

Investasi melalui *Fund Manager* PT Bahana TCW dilakukan berdasarkan Perjanjian No. 006/BTM-PPA/III/17 tanggal 8 Maret 2017 dan dilakukan addendum keempat dengan nomor perjanjian Nomor:022/BTIM-PPA-SCB/IX/17 pada tanggal 8 September 2017.

Investment Management through Fund Manager the PT Bahana TCW Investment Management is based on Agreement No. 006 / BTM-PPA / III / 17 dated March 8, 2017 and carried out the fourth addendum with the agreement number Number: 022 / BTIM-PPA-SCB / IX / 17 on September 8, 2017.

Pada tanggal 23 November 2018 dilakukan *redemption* dengan nilai imbal hasil sebesar Rp5.000 dengan rincian KPD1 Rp3.600 dan KPD2 Rp1.400.

On November 23, 2018 redemption was carried out with a yield value of Rp5,000 with details of KPD1 Rp3,600 and Rp1,400.

Per 31 Desember 2018 nilai investasi melalui PT Bahana TCW sebesar Rp52.215 dengan *Net Asset Value* (NAV) sebesar Rp50.554.

As of December 31, 2018, the investment value through PT Bahana TCW was Rp 52,215 with Net Asset Value (NAV) of Rp 50,554.

Kenaikan (penurunan) nilai yang belum direalisasi untuk Aset Keuangan Tersedia untuk dijual adalah sebagai berikut:

Unrealized Gain (loss) on Available for Sale Securities as of:

	2018 Rp	2017 Rp
Saham	27,290	41,850
Investasi melalui <i>Fund Manager</i>		
Bahana TCW Investment Management	(1,662)	2,429
Nilai Wajar	25,628	44,279

Shares
Investments through Fund Managers
Bahana TCW Investment Management
Fair Value

Mutasi penghasilan komprehensif lainnya atas aset keuangan tersedia untuk dijual adalah sebagai berikut:

Movement of other comprehensive income related to available for sale assets as follows:

	2018 Rp	2017 Rp
Saldo Awal		
Perubahan Kenaikan (Penurunan) Nilai yang Belum Direalisasi dari Efek Tersedia untuk Dijual	44,279	53,443
Penyesuaian Reklasifikasi Efek Tersedia untuk Dijual	(18,083)	(5,510)
Jumlah	25,628	44,279

Beginning Balance
Change in Unrealized Gain (Loss) on Available for Sale Securities
Reclassification Adjustment on Available for Sale Securities
Total

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**16. Pinjaman yang Diberikan – Restrukturisasi
dan/atau Revitalisasi kepada Pihak-pihak
Berelasi**

**16. Loans Receivable – Restructuring and/or
Revitalization Related Parties**

	2018 Rp	2017 Rp	
Pokok Pinjaman Dana Restrukturisasi/Revitalisasi			Restructuring/Revitalization
PT Dirgantara Indonesia (Persero)	605,000	605,000	PT Dirgantara Indonesia (Persero)
PT Merpati Nusantara Airlines (Persero)	634,757	623,458	PT Merpati Nusantara Airlines (Persero)
PT Penataran Angkatan Laut (Persero)	220,246	225,147	PT Penataran Angkatan Laut (Persero)
PT Kertas Kraft Aceh (Persero)	141,612	141,612	PT Kertas Kraft Aceh (Persero)
PT Survai Udara Penas (Persero)	106,789	--	PT Survai Udara Penas (Persero)
PT Iglas (Persero)	89,085	89,084	PT Iglas (Persero)
PT Industri Kapal Indonesia (Persero)	28,638	31,638	PT Industri Kapal Indonesia (Persero)
Jumlah Pokok Pinjaman Dana Restrukturisasi/Revitalisasi	1,826,127	1,715,939	Total Principal Loan Restructuring/Revitalization
Piutang Bunga Pinjaman Dana Restrukturisasi/Revitalisasi			Interest Receivable on Restructuring/Revitalization Loans
PT Dirgantara Indonesia (Persero)	11,259	15,463	PT Dirgantara Indonesia (Persero)
PT Iglas (Persero)	12,359	12,359	PT Iglas (Persero)
PT Industri Kapal Indonesia (Persero)	276	--	PT Industri Kapal Indonesia (Persero)
Jumlah Piutang Bunga Pinjaman Dana Restrukturisasi/Revitalisasi	23,894	27,822	Total Interest receivable on Restructuring/Revitalization Loans
Jumlah Pinjaman Dana Restrukturisasi/Revitalisasi	1,850,021	1,743,761	Total Restructuring/Revitalization Loans
Dikurangi:			Less:
Penyisihan Penurunan Nilai Pokok Pinjaman			Allowance for Impairment of Principal Loans
PT Merpati Nusantara Airlines (Persero)	(221,669)	(221,669)	PT Merpati Nusantara Airlines (Persero)
PT Kertas Kraft Aceh (Persero)	(141,612)	(141,612)	PT Kertas Kraft Aceh (Persero)
PT Iglas (Persero)	(23,497)	(23,497)	PT Iglas (Persero)
PT Survai Udara Penas (Persero)	(74,373)	--	PT Survai Udara Penas (Persero)
Jumlah Penyisihan Penurunan Nilai Pokok Pinjaman	(461,151)	(386,778)	Total Allowance for Impairment of Principal Loans
Biaya Perolehan yang Belum Diamortisasi			Unamortized Cost
PT Dirgantara Indonesia (Persero)	(228)	(229)	PT Dirgantara Indonesia (Persero)
PT Industri Kapal Indonesia (Persero)	(161)	(161)	PT Industri Kapal Indonesia (Persero)
PT Merpati Nusantara Airlines (Persero)	(208)	(208)	PT Merpati Nusantara Airlines (Persero)
Jumlah Biaya Perolehan yang Belum Diamortisasi	(597)	(598)	Total Unamortized Cost
Jumlah Pengurangan	(461,748)	(387,376)	Total Deduction
Jumlah Pinjaman Restrukturisasi/Revitalisasi - Bersih	1,388,273	1,356,385	Total Loans Restructuring/Revitalization Receivable - Net

Perikatan dan Perjanjian terkait pinjaman yang diberikan restrukturisasi dan/atau revitalisasi kepada pihak-pihak berelasi diungkapkan pada Catatan 40.

Commitments and agreements related to loans receivable-restructuring and/or revitalization related parties are disclosed in Note 40.

17. Properti Investasi

17. Investment Property

	2018					
	1 Januari / January 1 Rp	Penambahan/ Additions Rp	Pengurangan/ Deductions Rp	Reklasifikasi/ Reclassification Rp	31 Desember/ December 31 Rp	
Biaya Perolehan:						Acquisition Cost:
Tanah dan Bangunan	273,592	106,653	--	131,707	511,952	Lands and Buildings
Jumlah Biaya Perolehan	273,592	106,653	--	131,707	511,952	Acquisition Cost
Akumulasi Perubahan						Accumulated Changes
Nilai Wajar	122,309	152,548	--	--	274,857	Fair Value
Nilai Tercatat	395,901				786,809	Carrying Value
	2017					
	1 Januari / January 1 Rp	Penambahan/ Additions Rp	Pengurangan/ Deductions Rp	Reklasifikasi/ Reclassification Rp	31 Desember/ December 31 Rp	
Biaya Perolehan:						Acquisition Cost:
Tanah dan Bangunan	212,902	60,690	--	--	273,592	Lands and Buildings
Jumlah Biaya Perolehan	212,902	60,690	--	--	273,592	Acquisition Cost
Akumulasi Perubahan						Accumulated Changes
Nilai Wajar	79,683	42,626	--	--	122,309	Fair Value
Nilai Tercatat	292,585				395,901	Carrying Value

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17. Properti Investasi (Lanjutan)

Perusahaan

Tanah dan Bangunan Eks PT EMI (Persero)

SHGB Nomor 1393 Tanggal 6 Oktober 2010 terletak di Kelurahan Melawai, Kecamatan Kebayoran baru, Jakarta dengan luas 985 m². Diatas tanah ini berdiri bangunan sesuai dengan Izin Mendirikan Bangunan Nomor: 2862/IMB/PG/1977 Tanggal 16 Juni 1977.

Nilai atas tanah dan bangunan yang disebutkan diatas berdasarkan nilai wajar atas penilaian dari KJPP Pung's Zulkarnain dan Rekan tanggal 29 Agustus 2018 senilai Rp144.689.

Asset Settlement dari PT MNA (Persero)

Pada tahun 2016, Perusahaan memperoleh Aset tanah Syamsudin Noor dan Tompo Balang dengan total nilai sebesar Rp11.080 milik PT MNA, diserahkan kepada Perusahaan sebagai kompensasi pembayaran atas sebagian Pinjaman yang diberikan oleh Perusahaan.

Pada tahun 2017, Perusahaan memperoleh Aset tanah Maros dengan total nilai sebesar Rp57.675 milik PT MNA, diserahkan kepada Perusahaan sebagai kompensasi pembayaran atas sebagian Pinjaman yang diberikan oleh Perusahaan.

Pada tanggal 23 Agustus 2018 dilakukan penilaian Aset Syamsudin Noor yang tercantum dalam Kontrak yang disepakati No. PPJ-29/PPA/0818 tanggal 21 Agustus 2018 oleh KJPP Pung's Zulkarnain dan Rekan dengan Nilai Wajar Aset Rp3.410.

Pada tanggal 21 Agustus 2018 dilakukan penilaian Aset Maros yang tercantum dalam Kontrak yang disepakati No. PPJ-29/PPA/0818 tanggal 21 Agustus 2018 oleh KJPP Pung's Zulkarnain dan Rekan dengan Nilai Wajar Aset Rp76.186.

Pada tanggal 21 Agustus 2018 dilakukan penilaian aset Tompobalang yang tercantum dalam Kontrak yang disepakati No. PPJ-29/PPA/0818 tanggal 21 Agustus 2018 oleh KJPP Pung's Zulkarnain dan Rekan dengan Nilai Wajar Aset Rp9.602.

Asset Settlement PT Kertas Leces (Persero)

Aset yang dinilai milik Perusahaan berupa Tanah dan Bangunan Rumah Tinggal dengan total luas LT/LB +/- 1.314/816 m² disertai sarana pelengkap yang terletak di Jalan Cimanuk No. 29-31, Kelurahan Darmo, Kecamatan Wonokromo, Kota Surabaya, Provinsi Jawa Timur.

17. Investment Property (Continued)

The Company

Land and Building Eks PT EMI (Persero)

SHGB Number 1393 Date October 6, 2010 located at Melawai Village, Kecamatan Kebayoran Baru, Jakarta with an area of 985 sqm. The building stands on land in accordance with the Building Permit Number: 2862/IMB/PG/1977 on June 16, 1977.

The value of land and buildings mentioned above are based on KJPP Pung's Zulkarnain and Partners' assessment dated August 29, 2018 amounting to Rp144,689.

Asset Settlement from PT MNA (Persero)

In 2016, the Company acquired land assets Syamsudin Noor and Tompo Balang amounting to Rp11,080 which owned by PT MNA, handed over to the Company as compensation payment for partial loan given by the Company.

In 2017, the Company acquired land assets Maros amounting to Rp57,675 which owned by PT MNA, handed over to the Company as compensation payment for partial loan given by the Company.

On August 23, 2018 an assessment of Syamsudin Noor's assets was stated in the agreed Contract No. PPJ-29 / PPA / 0818 dated August 21, 2018 by KJPP Pung's Zulkarnain and Rekan with Rp.3,410 of Asset Fair Value.

On August 21, 2018 an assessment of Maros assets was stated in the agreed Contract No. PPJ-29 / PPA / 0818 dated August 21, 2018 by KJPP Pung's Zulkarnain and Rekan with Rp76,186 Asset Value Fair Value.

On August 21, 2018 an assessment of Tompobalang assets was stated in the agreed Contract No. PPJ-29/PPA/0818 dated 21 August 2018 by KJPP Pung's Zulkarnain and Rekan with Rp9,602 of Asset Fair Value.

Asset Settlement of PT Kertas Leces (Persero)

Assets rated by the Company in the form of Land and Residential Buildings with total area of LT/LB + - 1,314/816 sqm and complementary facilities located at Jalan Cimanuk No. 29-31, Darmo Village, Wonokromo District, Surabaya City, East Java Province.

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17. Properti Investasi (Lanjutan)

Pada tanggal 27 Agustus 2018 dilakukan penilaian oleh KJPP Pung's Zulkarnaen dan Rekan yang tercantum dalam kontrak No.PPJ-29/PPA/0818/ tanggal 21 Agustus 2018. Berdasarkan hasil penilaian KJPP nilai wajar aset pada tanggal 27 Agustus 2018 adalah Rp30.106.

PT DMR

Properti Investasi PT DMR merupakan tanah, bangunan dan sarana pelengkap kolam limbah yang terletak di Jalan Desa Kebon Lado, Desa Kebon Lado, Kecamatan Singingi, Kabupaten Kuantan Singingi, Provinsi Riau seluas 145.267 m².

Nilai wajar properti investasi pada tanggal 31 Desember 2016 diestimasi berdasarkan penilaian atas nilai pasar yang dilakukan oleh penilai independen KJPP Pung's Zulkarnain dan Rekan.

Nilai tercatat properti investasi telah direvaluasi pada bulan Desember 2016 sebesar Rp3.775. Kenaikan nilai wajar dicatat pada pendapatan lain-lain sebesar Rp3.272.

Berdasarkan penelaahan manajemen, tidak terdapat perubahan signifikan atas nilai wajar properti investasi di tahun berjalan

Tidak terdapat kenaikan nilai wajar atas properti investasi tanah milik PT DMR per 31 Desember 2018.

PT SKI

Pada bulan September 2018, PT SKI memenangkan lelang penjualan aset PT Super Makmur (dalam likuidasi) dari kurator. Aset yang dibeli tersebut terdiri dari tanah, bangunan dan mesin-mesin. Nilai Wajar tanah dan bangunan per 31 Desember 2018 adalah sebesar Rp103.904. Terhadap tanah dan bangunan yang dibeli tersebut dicatat sebagai Properti Investasi karena saat ini belum dapat ditentukan penggunaannya, apakah akan dijual, disewakan atau akan digunakan untuk kegiatan operasional PT SKI.

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On August 27, 2018 an assessment was carried out by KJPP Pung's Zulkarnaen and Partners listed in the contract No.PPJ-29/PPA/0818/ August 21, 2018. Based on the results of KJPP's valuation of the fair value of assets on August 27, 2018, Rp30,106.

PT DMR

Investment Properties of PT DMR include land, building, and supplementary facilities waste ponds which located in Desa Kebon Lado Street, Village of Kebon Lado, District of Singingi, Regency of Kuantan Singingi, Province of Riau, covering an area of 145,267 sqm.

The fair value of investment property as of December 31, 2016 is estimated based on market valuation which is conducted by independent appraisal KJPP Pung's Zulkarnain and Partners.

Recorded amount of investment property was revalued on December 2016, amounted to Rp3,775. Increasing of fair value is recorded on other income amounted to Rp3,272.

Based on management review, there are no significant changes on investment property fair value in the current year.

There is no increase in the fair value of PT DMR land investment properties as of December 31, 2018.

PT SKI

In September 2018, PT SKI won the auction of PT Super Makmur's asset (under liquidation) from the receiver. The assets purchased consist of land, buildings and machinery. The fair value of land and buildings as of December 31, 2018 is Rp103,904. The land and buildings purchased are recorded as Investment property because currently their use cannot be determined, whether to sell, rent or will be used for PT SKI operations.

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17. Properti Investasi (Lanjutan)

Nindya Karya

Properti Investasi merupakan tanah dan bangunan yang berlokasi di Jl. Bajak V Medan (tanah) dengan luas tanah 9.363 m², Jl. Raya Trosobo KM. 23 Kel. Sidorejo, Krian Sidoarjo (tanah dan bangunan) dengan luas tanah 10.440 m², Jl. Poros Dusun Patene Kecamatan Marusu, Kabupaten Maros, Makassar (tanah) dengan luas tanah 4.572m², dan Jl. Madrasah II/3 Cipinang Cempedak, Jakarta Timur (tanah dan bangunan) dengan luas tanah 5.828 m².

Nilai wajar properti investasi pada tanggal 31 Desember 2018 diestimasi berdasarkan penilaian atas nilai pasar yang dilakukan oleh penilaian independen KJPP Ayon Suherman dan Rekan laporan tertanggal 7 Januari 2019.

Pada tahun 2018, NK melakukan reklasifikasi dari aset tetap dalam penyelesaian ke properti investasi sebesar Rp131.707 yang merupakan properti investasi atas tanah dan bangunan Hotel Horison di Semarang.

Akumulasi kenaikan nilai wajar properti investasi setelah direvaluasi pada tanggal 31 Desember 2018 sebesar Rp114.575. Kenaikan nilai wajar dicatat sebesar Rp35.429.

Untuk penilaian tanah, penilai menggunakan pendekatan pasar (*market approach*) dengan cara mempertimbangkan penjualan dari aset sejenis atau pengganti dan data pasar terkait, serta menghasilkan estimasi nilai melalui proses perbandingan. Pada umumnya, aset yang dinilai (obyek penilaian) dibandingkan dengan transaksi aset yang sebanding, baik yang telah terjadi transaksi maupun aset yang masih dalam tahap penawaran penjualan dari suatu proses jual beli.

Pengukuran nilai wajar untuk properti investasi pada tanggal 31 Desember 2018 menggunakan hierarki nilai wajar.

Hierarki nilai wajar Tingkat 1 dari property investasi atas tanah dan bangunan yang disewakan dihitung berdasarkan hasil penilaian pendekatan berikut ini:

- Pendekatan Biaya
Input yang paling signifikan dalam pendekatan penilaian ini adalah estimasi biaya reproduksi baru atau biaya pengganti baru. Biaya pengganti baru disesuaikan dengan estimasi penyusutan dengan mempertimbangkan tingkat umur ekonomis, kemunduran fisik dan keusangan.

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17. Investment Property (Continued)

Nindya Karya

Investment Properties are the land and building located at Jl. Bajak V Medan (land) with area of 9,363 sqm, Jl. Raya Trosobo KM. 23 Kel. Sidorejo, Krian, Sidoarjo (land and building) with area of 10,440 sqm, Jl. Poros Dusun Patene Kecamatan Marusu, Kabupaten Maros, Makassar (land) with area of 4,572 sqm, dan Jl. Madrasah II/3 Cipinang Cempedak, Jakarta Timur (land and building) with area of 5,828 sqm.

The fair value of investment properties as of December 31, 2018 is estimated based on market value method based on valuation report dated January 7, 2019, KJPP Ayon Suherman & Partners.

In 2018, NK reclassified from asset in settlement to investment properties amounting to Rp131,707 which were investment properties of the land and Horison hotel building in Semarang.

Increase from accumulated fair value of investment property was revalued on December 31, 2018, amounted to Rp114,575. Increasing of fair value is recorded on other income amounted to Rp35,429.

For land valuation, the appraisal uses market approach, by considering the sale of similar assets or the alternative and related market data, and generates the value estimation through comparison process. In general, the asset valued (valuation object) is compared to a comparable asset transaction, either with one that has existed before, or with assets that are still being offered as a transaction process.

Fair value measurement of investment properties as at December 31, 2018 were using hierarchy.

The Level 1 fair value hierarchy of investment properties for land and buildings that are rented is calculated using following approaches:

- Cost Approach
The most significant input in this valuation approach is the estimated cost of the new reproduction or replacement. The replacement costs are adjusted for depreciation estimation by considering the rate of economic age, physical deterioration and obsolescence

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17. Properti Investasi (Lanjutan)

- Pendekatan Pendapatan
Input yang paling signifikan dalam pendekatan ini adalah asumsi-asumsi digunakan dalam perhitungan tingkat kapitalisasi seperti tingkat diskonto dan tingkat pertumbuhan.

17. Investment Property (Continued)

- *Income Approach*
The most significant input in this valuation approach is the estimated cost that used in capitalized rate for discount and growth rate.

18. Uang Muka Investasi

18. Advance for Investment

	2018 Rp	2017 Rp
PT Mtoa Kidung Samudra	3,125	--
PT Mtoa Kidung Bahtera	3,125	--
Jumlah	6,250	--

PT Mtoa Kidung Samudra
PT Mtoa Kidung Bahtera
Total

PT Mtoa Kidung Samudra

Berdasarkan Pernyataan Keputusan Rapat No.13 tanggal 22 Oktober 2018, Notaris Lenny Janis Ishak, S.H., Notaris di Jakarta, Perusahaan melalui entitas anaknya, PT PPAK melakukan penyeteran modal sebesar Rp3.125 dengan persentase kepemilikan sebesar 20%.

PT Mtoa Kidung Samudra

Based on Statement of Meeting Decree No.13 dated 22 October 2018, Notary Lenny Janis Ishak, S.H., Notary in Jakarta, the Company through its subsidiary, PT PPAK made a capital injection of Rp3,125 with percentage of 20% ownership.

PT Mtoa Kidung Bahtera

Berdasarkan Pernyataan Keputusan Rapat No.15 tanggal 22 Oktober 2018, Notaris Lenny Janis Ishak, S.H., Notaris di Jakarta, Perusahaan melalui entitas anaknya, PT PPAK melakukan penyeteran modal sebesar Rp3.125 dengan persentase kepemilikan sebesar 20%.

PT Mtoa Kidung Bahtera

Based on Statement of Meeting Decree No.15 dated 22 October 2018, Notary Lenny Janis Ishak, S.H., Notary in Jakarta, Company through its subsidiary entity, PT PPAK made a capital injection of Rp3,125 with a ownership percentage of 20%.

Sampai dengan 31 Desember 2018, belum ada pengesahan atas penambahan modal PT Mtoa Kidung Samudra dan PT Mtoa Kidung Bahtera di atas.

As of December 31, 2018, there has been no legalization of the additional capital of PT Mtoa Kidung Samudra and PT Mtoa Kidung Bahtera above.

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19. Investasi pada Ventura Bersama

19. Investments in Joint Venture

Nama Ventura Bersama / Name of Joint Venture	Proyek / Project	Persentase/ Percentage	2018	2017
Ventura Bersama - Pembangunan Perumahan Green Teksin	Proyek Pembangunan Perumahan Green Teksin	86%	56,397	56,256
Ventura Bersama - ISN - LBD - PPA	Proyek Pembangunan Perumahan Bekasi	33%	49,172	52,505
Ventura Bersama Nindya - Rudy Jaya	Proyek Kalimati	60%	21,810	--
Ventura Bersama Nindya - Utama Karya	Proyek Tanjung Mila	60%	18,037	18,613
Ventura Bersama Nindya - MCC - Wika - Waskita	Proyek Cisumdawu	7.5%	17,191	6,080
Ventura Bersama Nindya - Jaya Konstruksi	Proyek Tol Trans. Marga Jateng	60%	14,851	18,564
Ventura Bersama Nindya - Surya	Proyek Irigasi Lematang	70%	14,558	7,983
Ventura Bersama - Pembangunan Perumahan Cempaka Hijau	Proyek Pembangunan Perumahan Cempaka Hijau	90%	13,294	28,935
Ventura Bersama Nindya - PP	Proyek Jembatan Teluk Kendari	30%	12,257	9,839
Ventura Bersama Nindya - PP - Utama Karya	Proyek Jembatan Holtekam	15%	8,841	12,637
Ventura Bersama Nindya - Wijaya Karya	Proyek Bendungan Logung	40%	8,744	6,113
Ventura Bersama Nindya - Rudy Jaya	Proyek Sukodono	70%	8,170	--
Ventura Bersama Nindya - Paesa - Adhi Karya - Panrisau	Proyek Pembangunan Jl. Depapre	35%	7,269	7,269
Ventura Bersama Nindya - Cipuga	Proyek Takengon - Uning	75%	6,995	13,069
Ventura Bersama Nindya - Bumi Karsa	Proyek Tol Mando - Bitung	70%	5,764	8,876
Ventura Bersama Nindya - Dewa Ruci	Proyek Pantai Marore	60%	5,328	--
Ventura Bersama Nindya - Tamiang	Proyek Jl. Rianiate	60%	4,898	19,356
Ventura Bersama Nindya - Kencana	Proyek Irigasi Batang Anai Tahap 2	70%	4,315	418
Ventura Bersama Nindya - Inti	Proyek Ipal Aceh	60%	4,279	4,279
Ventura Bersama Nindya - Adhi Karya	Proyek Sei Wampu	45%	4,189	2,193
Ventura Bersama Nindya - Bumi Karsa	Proyek BKT Semarang	60%	4,019	--
Ventura Bersama Nindya - Passokkorang - Adhijaya	Proyek Jembatan Pumbiu	50%	3,804	3,804
Ventura Bersama Nindya - Bumi Karsa	Proyek Mameh Wandesi	51%	3,555	--
Ventura Bersama Nindya - Karya Sarana	Proyek Irigasi Doplang	70%	3,522	--
Ventura Bersama Nindya - Sejahtera	Proyek Jl. Enrekang	70%	3,508	1,940
Ventura Bersama Nindya - Utama Karya - Wijaya Karya	Proyek Waduk Bendo	33%	3,065	2,153
Ventura Bersama Nindya - Utama Karya	Proyek Pembangunan Universitas Jember	45%	2,708	--
Ventura Bersama Nindya - Utama Karya	Proyek Pembangunan Bandara Ahmad Yani	28%	1,940	3,695
Ventura Bersama Nindya - Brantas	Proyek Bendungan Titab III	45%	1,933	1,933
Ventura Bersama Nindya - Andesmont	Proyek Rembele Tahap II	70%	1,855	1,855
Ventura Bersama Nindya - Indah Pratama	Proyek DI. Prijetan	70%	1,368	2,423
Ventura Bersama Nindya - Brantas	Proyek Ciliwung	40%	1,300	2,600
Ventura Bersama Nindya - Wijaya - Waskita	Proyek Tol Solo -ertosono	31%	1,185	5,046
Ventura Bersama Nindya - PPA	Proyek Cempaka Hijau	14%	1,128	741
Lain-lain (masing-masing di bawah Rp 1 Miliar)			14,835	49,513
Jumlah/ Total			336,085	348,689

Ringkasan informasi keuangan PT NK di bawah ini merupakan jumlah yang disajikan dalam laporan keuangan ventura bersama dengan rincian sebagai berikut:

The summarized financial information PT NK below represents amounts shown in the joint venture's financial statements with detail belows:

	2018 Rp	2017 Rp	
Aset Lancar	3,627,801	3,071,957	Current Asset
Aset Tidak Lancar	18,773	37,291	Non-current Asset
Liabilitas Jangka Pendek	2,610,948	2,544,491	Current Liabilities
Liabilitas Jangka Panjang	204,297	207,509	Non-current Liabilities
Pendapatan Usaha	5,103,792	2,289,526	Revenue
Laba Bersih Tahun Berjalan	514,319	269,225	Net Income
Penghasilan Komprehensif Lain Tahun Berjalan	--	--	Other Comprehensive Income of the Year
Laba (Rugi) Komprehensif Tahun Berjalan	514,319	269,225	Comprehensive Income of the Year

Mutasi investasi pada ventura bersama adalah sebagai berikut:

Changes in investment in joint ventures are as follows:

	2018 Rp	2017 Rp	
Nilai tercatat awal tahun	348,689	331,607	Carrying amount at beginning of year
Mutasi Investasi - bersih	(119,425)	(115,956)	Investment movements - net
Bagian Laba Ventura Bersama	106,821	133,038	Share in profit of joint ventures
Nilai tercatat akhir tahun	336,085	348,689	Carrying amount at the end of year

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20. Pinjaman Investasi Jangka Panjang

20. Long Term Investments Loans

	2018 Rp	2017*) Rp	
Pokok Pinjaman Investasi Jangka Panjang			Long Term Investment Loans - Principal
PT Inti Adhiyasa	36,523	29,435	PT Inti Adhiyasa
PT Pratama Persada Airborne	33,050	--	PT Pratama Persada Airborne
PT Matoa Kidung Bahtera	28,870	--	PT Matoa Kidung Bahtera
PT Gali Terus Sejahtera	26,517	26,517	PT Gali Terus Sejahtera
PT Matoa Kidung Samudra	26,250	--	PT Matoa Kidung Samudra
PT Niaga Bumi Energi	24,763	--	PT Niaga Bumi Energi
PT KNE Global Persada	23,891	--	PT KNE Global Persada
PT Tropisindo Sumber Energi	13,438	13,437	PT Tropisindo Sumber Energi
PT Polytama Propindo	12,800	20,000	PT Polytama Propindo
PT Bina Patria Transmimtra	12,000	--	PT Bina Patria Transmimtra
PT Survai Udara Penas (Persero)	11,000	--	PT Survai Udara Penas (Persero)
PT Riscon Duta Sarana	10,000	11,624	PT Riscon Duta Sarana
PT Prabu Wahana International	4,794	5,093	PT Prabu Wahana International
PT National Utility Helicopters	4,712	24,362	PT National Utility Helicopters
PT Wisarada Sarana Aviassi	2,200	--	PT Wisarada Sarana Aviassi
Total Pokok Pinjaman Investasi Jangka Panjang	270,808	130,468	Total Long Term Investment Loans - Principal
Bunga Pinjaman Investasi Jangka Panjang			Interest on Long Term Investment Loans
PT Gali Terus Sejahtera	3,258	429	PT Gali Terus Sejahtera
PT Pratama Persada Airborne	2,292	--	PT Pratama Persada Airborne
PT Survai Udara Penas (Persero)	1,497	--	PT Survai Udara Penas (Persero)
PT Tropisindo Sumber Energi	461	137	PT Tropisindo Sumber Energi
PT Prabu Wahana International	286	94	PT Prabu Wahana International
PT Matoa Kidung Bahtera	119	--	PT Matoa Kidung Bahtera
PT Matoa Kidung Samudra	117	--	PT Matoa Kidung Samudra
PT Bina Patria Transmimtra	48	--	PT Bina Patria Transmimtra
PT Polytama Propindo	43	--	PT Polytama Propindo
PT National Utility Helicopters	14	71	PT National Utility Helicopters
PT Wisarada Sarana Aviassi	9	--	PT Wisarada Sarana Aviassi
PT Inti Adhiyasa	--	3,168	PT Inti Adhiyasa
PT Riscon Duta Sarana	--	8	PT Riscon Duta Sarana
Total Bunga Pinjaman Investasi Jangka Panjang	8,144	3,907	Total Interest on Long Term Investment Loans
Dikurangi:			Less:
Penyisihan Pokok Pinjaman Investasi Jangka Panjang			Allowance for Long Term Investment Loans - Principal
PT Tropisindo Sumber Energi	(13,438)	--	PT Tropisindo Sumber Energi
Jumlah Penyisihan Pokok Pinjaman Investasi Jangka Panjang	(13,438)	--	Total Allowance for Long Term Investment Loans - Principal
Penyisihan Bunga Pinjaman Investasi Jangka Panjang			Allowance for Interest on Long Term Investment Loans
PT Tropisindo Sumber Energi	(461)	--	PT Tropisindo Sumber Energi
Jumlah Penyisihan Bunga Pinjaman Investasi Jangka Panjang	(461)	--	Total Allowance for Interest on Long Term Investment Loans
Jumlah Pengurangan	(13,899)	--	Total Deduction
Jumlah Pinjaman Investasi-Bersih	265,053	134,375	Total Long Term Investment - Net

*) Direklasifikasi (Catatan 41)/ Reclassified (Note 41)

a. PT Niaga Bumi Energi

Pada tanggal 31 Mei 2018 dilakukan Perjanjian Pemberian Pinjaman Modal Kerja Kepada PT Niaga Bumi Energi dengan No. PP-121/PPA/0518. Perusahaan memberikan fasilitas pinjaman berupa pinjaman modal kerja dalam bentuk Project Financing dengan plafond sebesar Rp 22.300 dengan tingkat suku bunga 18% per tahun (gross) dan biaya provisi sebesar 1% dari plafond. Terdiri dari Fasilitas Pinjaman Tranche A yang diberikan dalam bentuk Pinjaman Berjangka dengan plafond sebesar Rp 10.500 yang jatuh tempo pada 30 Mei 2021, tujuan penggunaannya yaitu untuk cash collateral; Fasilitas Pinjaman Tranche B diberikan dalam bentuk Pinjaman Revolving dengan plafond sebesar Rp 7.500 yang jatuh tempo pada 30 Mei 2021, digunakan untuk modal kerja pembelian pelumas.

a. PT Niaga Bumi Energi

On May 31, 2018 a Working Capital Loan Agreement was granted to PT Niaga Bumi Energi with No. PP-121 / PPA / 0518. The company provides a loan facility in the form of a working capital loan in the form of Project Financing with a ceiling of Rp 22,300 with an interest rate of 18% per year (gross) and a provision fee of 1% of the ceiling. Consisting of a Tranche A Loan Facility which is given in the form of a Term Loan with a ceiling of Rp 10,500 due on May 30, 2021, the purpose of which is for cash collateral; The Tranche B Loan Facility is provided in the form of a Revolving Loan with a ceiling of Rp 7,500 which is due on May 30, 2021, used for working capital to purchase lubricants; and the Tranche C Loan Facility.

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**20. Pinjaman Investasi Jangka Panjang
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Kemudian pada tanggal 30 Oktober 2018, dilakukan addendum I No. 102 atas perjanjian pemberian Pinjaman Modal Kerja kepada PT Niaga Bumi Energi perihal penambahan *plafond* Pinjaman *Tranche C* sebesar Rp 3.400 dikarenakan adanya permintaan penambahan *Dump Truck* untuk pengangkutan batu bara proyek PADA IDI.

Sebagai jaminan atas pembayaran kembali semua utang, diserahkan jaminan berupa sebidang tanah seluas 555m² dengan nilai sebesar Rp38.179.

Saldo pada awal tahun 2018 sebesar Nihil. Total pencairan pinjaman di tahun 2018 sebesar Rp30.476. Penerimaan atas pembayaran di tahun berjalan Rp5.713. Saldo pada 31 Desember 2018 sebesar Rp24.763.

b. PT Inti Adhiyasa

Berdasarkan Perjanjian Pinjaman No.6 tanggal 29 Mei 2017, Perusahaan memberikan Fasilitas Pinjaman kepada PT Inti Adhiyasa berupa pembiayaan pembangunan rumah sederhana untuk proyek perumahan kota Kaharupan Purwakarta dengan saldo maksimum pinjaman senilai Rp50.000. Bunga kredit sebesar 10% pertahun dengan jangka waktu pinjaman adalah 24 (dua puluh empat) bulan terhitung sejak tanggal ditandatanganinya Perjanjian.

Pada tanggal 30 Mei 2018 telah dilakukan Addendum Perjanjian Pinjaman No. PP-08, perjanjian ini bertujuan untuk pembiayaan kegiatan pembangunan rumah (fasilitas pinjaman *tranche A*), untuk cadangan operasional (fasilitas pinjaman *tranche B*) dengan jangka waktu selama 24 bulan terhitung sejak ditandatanganinya perjanjian tersebut. Jumlah fasilitas pinjaman *tranche A* maksimum Rp9.816 dan fasilitas pinjaman *tranche B* maksimum Rp3.000 serta fasilitas pinjaman *tranche C* maksimum Rp37.183 (yang berasal dari kewajiban pokok, bunga tertunggak, dan biaya tertunggak per tanggal 30 April 2018) dengan bunga sebesar 15% gross.

Saldo pada awal tahun 2018 sebesar Rp29.435. Total saldo penambahan di tahun 2018 akibat restrukturisasi sebesar Rp7.749. Penerimaan atas pembayaran di tahun berjalan Rp660. Saldo pada 31 Desember 2018 sebesar Rp36.523.

20. Long Term Investments Loans (Continued)

Then on October 30, 2018, addendum I No. 102 on the agreement to grant Working Capital Loans to PT Niaga Bumi Energi regarding the addition of a ceiling of *Tranche C* Loans of Rp3,400 due to a request for the addition of a *Dump Truck* for the transportation of coal projects PADA IDI.

As collateral for repayment of all debts, a collateral in the form of a plot of land covering 555sqm was given, with a value of Rp38,179.

The balance at the beginning of the year is Nil. Total disbursement of loan in 2018 is Rp30,476. Receipt of loan payment in 2018 is Rp5,713. Balance of December 31, 2018 is Rp24,763.

b. PT Inti Adhiyasa

Based on the Loan Agreement No.6 dated May 29, 2017, the Company provides Loan Facility (Project Finance) to PT Inti Adhiyasa to finance the construction of a simple house for a Kaharupan Purwakarta residential project worth Rp50,000. Loan interest is 10% with the maturity period of 24 (twenty four) months starting from the date of signing the Loan Agreement.

On May 30, 2018 Addendum Agreement Loan No. PP-08 was made, the purpose of this agreement is to financing of house construction activities (*tranche A* loan facility), for operational reserves (*tranche B* loan facilities) with a term of 24 months from the signing of the agreement. The maximum number of *tranche A* loan facilities is Rp9,816 and a maximum *tranche B* loan facility of Rp3,000 and a maximum *tranche C* loan facility of Rp37,183 (originating from principal, outstanding interest, and outstanding fees as of April 30, 2018) with a interest of 15% gross.

The balance at the beginning of the year is Rp29,435. Total balance of loan disbursement in 2018 amounting to Rp7,749. The Receipt of loan payment in the current year is Rp660. Balance at December 31, 2018 amounting Rp36,523.

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**20. Pinjaman Investasi Jangka Panjang
(Lanjutan)**

c. PT Gali Terus Sejahtera

Berdasarkan M-102/PPA/D.2-ID/1017 yang telah di sepakati oleh Perusahaan dan PT Gali Terus Sejahtera. Pemberian Pinjaman berupa Surat Utang dengan *plafond* sebesar Rp5.100 Fasilitas Surat Utang tersebut dikenakan suku bunga 13% per tahun dengan jangka waktu fasilitas pinjaman selama 36 Bulan sejak di tanda tanganinya perjanjian. Pinjaman Investasi dengan maksimal *plafond* sebesar Rp30.000 Fasilitas Pinjaman Investasi tersebut dikenakan suku bunga 13% per tahun (termasuk pajak) dengan jangka waktu fasilitas pinjaman selama 30 Bulan sejak di tanda tanganinya perjanjian. Sampai dengan 8 Mei 2020. Bunga yang akan dibayarkan secara Triwulan. Kedua fasilitas yang akan digunakan untuk pembiayaan Pembelian modal barang untuk memenuhi kebutuhan Pengadaan Jasa Proyek Rental Fasilitas Produksi Lapangan Gas Rayu Utara.

Saldo pada awal tahun 2018 sebesar Rp26.517. Total saldo pencairan pinjaman di tahun 2018 Nihil. Penerimaan atas pembayaran di tahun berjalan Nihil. Saldo pada 31 Desember 2018 sebesar Rp26.517.

d. PT. Tropisindo Sumber Energi

Pada tanggal 22 Desember 2016 telah ditandatangani Perjanjian Nomor PP-23/PPA/1216 antara Perusahaan dan PT Tropisindo berupa pembangunan proyek pembangkit listrik tenaga *mini hydro* (PLTMh) di sungai air sengkak, kabupaten kepahiang, Provinsi Bengkulu senilai Rp12.000 dengan bunga 12,5% selama 60 bulan.

Saldo pada awal tahun 2018 sebesar Rp13.438. Total saldo pencairan pinjaman di tahun 2018 Nihil. Penerimaan atas pembayaran di tahun berjalan Nihil. Saldo pada 31 Desember 2018 sebesar Rp13.438.

e. PT Riscon Dutasarana

Pada tanggal 22 Juli 2016 PT Riscon Duta Sarana dan Perusahaan telah menandatangani Perjanjian Jual beli Surat Utang Konversi No SU-03/PPA/0716 dengan jumlah pokok fasilitas pinjaman maksimum sebesar Rp10.000, tingkat suku bunga 5% per tahun dan IRR 35% pada saat pelunasan atau konversi surat utang dilaksanakan.

20. Long Term Investments Loans (Continued)

c. PT Gali Terus Sejahtera

Based on M-102/PPA/D.2-ID/1017 which has been agreed by the Company and PT Gali Terus Sejahtera. The Company approved to lending Bonds with Rp5,100 *plafond* with 13% interest rate per annum and loan term period 36 months since the agreement was signed. Investment loan with maximum *plafond* Rp30,000 with 13% interest rate per annum and loan term period 30 months since the agreement was signed until May 8, 2020. The interest will be paid quarterly. Both facilities will be used for financing Procurement of Rental Project Service Production Facilities in Lapangan Gas Rayu Utara.

The balance at the beginning of the year is Rp26,517. Total disbursement of loan in 2018 amounting to Nil. Receipt of loan payment in 2018 is Nil. Balance at December 31, 2018 amounting to Rp26,517.

d. PT. Tropisindo Sumber Energi

On December 22, 2016 was signed Agreement No. PP-23 / PPA / 1216 between the Company and PT Tropisindo form of development cooperation projects of mini hydro power plants (MHP) in river air sengkak, Kepahiang District, Bengkulu provision amounting to Rp12,000 with interest rate 12.5% for 60 months.

The balance at the beginning of the year is Rp13,438. Total disbursement of loan in 2018 is Nil. Receipt of loan payment in 2018 amounting is Nil. Balance at December 31, 2018 amounting to Rp13,438.

e. PT Riscon Dutasarana

On July 22, 2016 PT Riscon Duta Sarana and PPA signed the sale and purchase of Bonds Convertible number SU-03 / PPA / 0716 with a maximum total principal amount Rp10,000, with an interest rate of 5% pa and an IRR of 35% at the time of redemption or conversion of debentures held.

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**20. Pinjaman Investasi Jangka Panjang
(Lanjutan)**

Surat Utang tersebut memiliki jangka waktu selama 24 bulan sejak tanggal efektif dan dapat dikonversi menjadi saham pada PT Riscon Duta Sarana sewaktu-waktu setelah 90 hari sejak tanggal penerbitan pertama kali surat utang. Surat Utang tersebut telah berlaku efektif pada tanggal 3 Agustus 2016.

Saldo pada awal tahun 2018 sebesar Rp11.624. Total saldo pencairan pinjaman di tahun 2018 sebesar Nihil. Penerimaan atas pembayaran di tahun berjalan sebesar Rp1.624. Saldo pada 31 Desember 2018 sebesar Rp10.000.

f. PT. Survai Udara Penas (Persero)

Berdasarkan Perjanjian Pemberian Pinjaman Investasi kepada PT Survai Udara Penas (Persero) yang dilakukan pada tanggal 11 Januari 2018 dengan No. PP-09 memberikan fasilitas pinjaman berupa pinjaman investasi dengan jumlah *plafond* maksimal sebesar Rp11.000. Tujuan fasilitas ini yaitu membiayai Kegiatan investasi berupa pengambilalihan 90% saham dalam PT Pratama Persada Airbone milik PT PPAK. Jangka waktu fasilitas pinjaman sampai dengan 2026 dengan tingkat suku bunga sebesar 14% per tahun.

Saldo pada awal tahun 2018 sebesar Nihil. Total saldo pencairan pinjaman di tahun 2018 sebesar Rp11.000. Penerimaan atas pembayaran di tahun berjalan sebesar Nihil. Saldo pada 31 Desember 2018 sebesar Rp11.000.

g. PT Prabu Wahana International

Pada tanggal 13 Januari 2017 PT Prabu Wahana International dan Perusahaan telah menandatangani Perjanjian Pemberian Pinjaman Modal Kerja dalam Bentuk *Project Financing* dengan plafon sebesar Rp24.500 yang akan digunakan untuk pembiayaan penyewaan pesawat di wilayah provinsi Papua dan provinsi Kalimantan Utara. Fasilitas pinjaman tersebut dikenakan suku bunga 12,5% per tahun dengan jangka waktu fasilitas pinjaman selama 48 Bulan sejak ditandatanganinya perjanjian sampai dengan 13 Januari 2021.

20. Long Term Investments Loans (Continued)

Bonds with the maturity period is 24 months from the effective date and can be converted into shares of PT Riscon Duta Sarana any time after 90 days from the date of first issuance of debt securities. Bonds has been effective on August 3, 2016.

The balance at the beginning of the year is Rp11,624. Total disbursement of loan in 2018 amounting to Nil. Receipt of payment in 2018 amounting to Rp1,624. Balance of December 31, 2018 amounting to Rp10,000.

f. PT. Survai Udara Penas (Persero)

Based on the Investment Loan Agreement to PT Survai Udara Penas (Persero) conducted on January 11, 2018 with No. PP-09 provides a loan facility in the form of an investment loan with a maximum ceiling amount of Rp11,000. The purpose of this facility is to finance investment activities in the form of taking over 90% of the shares in PT Pratama Persada Airbone owned by PT PPAK. The loan facility period is up to 2026 with an interest rate of 14% per year.

The balance at the beginning of the year is Nil. Total disbursement of loan in 2018 amounting to Rp11,000. Receipt of loan payment in 2018 amounting to Nil. The Balance at December 31, 2018 amounting to Rp11,000.

g. PT Prabu Wahana International

On January 13, 2017 PT Prabu Wahana International and The Company has signed an Agreement Working Capital Loan in the Form of Project Financing amounted to Rp 24,500 which will be used as financing aircraft leasing region of the provinces of Papua and Kalimantan North Province. This loan facility is subject to interest at 12.5% per annum. This facility will be due after 48 months as of January 13, 2021.

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**20. Pinjaman Investasi Jangka Panjang
(Lanjutan)**

Pada tanggal 28 Agustus 2017, dilakukan addendum I atas Perjanjian Pinjaman dengan No. 36, dengan melakukan penghapusan *Management Fee*, merubah *Monitoring Fee* menjadi sebesar 1,75% perbulan. Pada tanggal 25 Oktober 2018, dilakukan addendum II atas Perjanjian Pinjaman dengan No. 88, dengan melakukan penurunan *Monitoring Fee* menjadi sebesar 0,75% perbulan.

Saldo awal pada tahun 2018 sebesar Rp5.093. Total saldo pencairan pinjaman di tahun 2018 sebesar Nihil. Penerimaan atas pembayaran di tahun berjalan Rp299. Saldo pada 31 Desember 2018 sebesar Rp4.794.

h. PT Bina Patria Transmitta

Pada tanggal 16 Oktober 2018 telah dilakukan Perjanjian Kerjasama investasi Dalam Bentuk Pemberian Fasilitas Pinjaman Kepada PT Bina Patria Transmitta dengan No. PP-07/PPA/1018. Perusahaan memberikan fasilitas pinjaman berupa pinjaman investasi dan pinjaman modal kerja dengan *plafond* sebesar Rp24.500 dengan tingkat suku bunga 13% per tahun (*gross*) dan biaya provisi sebesar 1% dari *plafond*, jatuh tempo pada 15 Oktober 2020. Terdiri dari Fasilitas Pinjaman *Tranche A* yang diberikan dalam bentuk Pembiayaan Investasi dengan *plafond* sebesar Rp12.000, tujuan penggunaannya yaitu untuk *refinancing* pinjaman investasi dan pembiayaan kebutuhan capital; dan Fasilitas Pinjaman *Tranche B* diberikan dalam bentuk pembiayaan modal kerja dengan *plafond* sebesar Rp12.500, digunakan untuk pembiayaan modal.

Sebagai jaminan atas pembayaran kembali semua utang, diserahkan jaminan berupa dua bidang tanah berikut bangunan dan segala turutannya yang akan dibebani Hak Tanggungan Peringkat Pertama sebesar Rp 12.760, jaminan fidusia atas mesin dan alat berat sesuai nilai pasar berdasarkan hasil penilaian dari KJPP, dan jaminan fidusia tagihan/piutang dengan nilai penjaminan sekurang-kurangnya sebesar Rp17.500.

Saldo pada awal tahun 2018 sebesar Nihil. Total saldo pencairan pinjaman di tahun 2018 sebesar Rp12.000. Penerimaan atas pembayaran di tahun berjalan Nihil. Saldo pada 31 Desember 2018 sebesar Rp12.000.

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20. Long Term Investments Loans (Continued)

On 28 August 2017, addendum I on the loan agreement No. 36, by doing the Elimination of *Management Fee*, change *Monitoring Fee* to 1.75% per month. On October 25, 2018, addendum II over the loan agreement with the No. 88, by doing the *Monitoring Fee* decreased to 0.75% per month.

The balance at the beginning of the year Rp5,093. Total balance of loan disbursement in 2018 amounting to Nil. Receipt of payment in 2018 amounting to Rp299. The balance of December 31, 2018 amounting to Rp4,794.

h. PT Bina Patria Transmitta

On October 16, 2018 an Investment Cooperation Agreement was Formed in the Form of Providing Loan Facilities to PT Bina Patria Transmitta with No. PP-07 / PPA / 1018. The Company provides loan facilities in the form of investment loans and working capital loans with a ceiling of Rp24,500 with an interest rate of 13% per year (*gross*) and a provision fee of 1% of the ceiling, due on October 15 2020. Consisting of *Tranche A* Loan Facility given in the form of Investment Financing with a ceiling of Rp12,000, the purpose of which is to refinancing investment loans and financing capital requirements; and the *Tranche B* Loan Facility is provided in the form of working capital financing with a ceiling of Rp 12,500, which is used to finance working capital.

As a guarantee of repayment of all debts, the collateral in the form of two plots of land and buildings and all of the pledges that will be burdened with the First Rank Mortgage amounting to Rp. 12,760. fiduciary guarantees for machinery and heavy equipment according to market value based on the results of the assessment of KJPP, and collateral fiduciary bills or receivables with a guarantee value of at least Rp17,500.

The balance at the beginning of 2018 is nil. Total disbursement of loan in 2018 amounting to Rp12,000. Receipt of payment in 2018 year amounting to Nil. Balance at December 31, 2018 amounting to Rp12,000.

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**20. Pinjaman Investasi Jangka Panjang
(Lanjutan)**

I. Matoa Kidung Bahtera

Pada tanggal 22 Oktober 2018 dilakukan Perjanjian Kerjasama Pembiayaan Investasi Kapal Isap Pasir (KIP) Matoa 2 Dengan PT Matoa Kidung Bahtera dengan No. PP-17/PPA/1018. Seluruh dana fasilitas pembiayaan investasi digunakan untuk tujuan pembiayaan *refinancing* pengadaan KIP Matoa 2. Total jumlah pokok fasilitas pinjaman sebesar Rp26.250 dengan tingkat suku bunga 13,5% per tahun (*gross*) yang akan jatuh tempo pada 23 Agustus 2023.

Kemudian berdasarkan Perjanjian kerjasama Pembiayaan Modal Kerja KIP Matoa 2 Dengan PT Matoa Kidung Bahtera pada tanggal 22 Oktober 2018 dengan No. PP-19/PPA/1018. Seluruh dana fasilitas pembiayaan investasi digunakan untuk tujuan pembiayaan Modal kerja Operasional PT MKB atas Matoa 1. Total jumlah pokok fasilitas pinjaman sebesar Rp7.500 dengan tingkat suku bunga 13,5% per tahun (*gross*) yang akan jatuh tempo pada 23 Agustus 2023.

Saldo pada awal tahun 2018 sebesar Nihil. Total saldo pencairan pinjaman di tahun 2018 sebesar Rp28.870. Penerimaan atas pembayaran di tahun berjalan sebesar Nihil. Saldo pada 31 Desember 2018 sebesar Rp28.870.

m. Matoa Kidung Samudera

Berdasarkan Perjanjian kerjasama Pembiayaan Investasi KIP Matoa 1 Dengan PT Matoa Kidung Samudera tanggal 22 Oktober 2018 dengan No. PP-16/PPA/1018, total nilai pokok fasilitas pendanaan sebesar Rp26.250 dengan tingkat suku bunga 13,5% per tahun (*gross*) yang akan jatuh tempo pada 29 Oktober 2023. Tujuan penggunaan dana fasilitas pembiayaan adalah untuk tujuan pembiayaan *refinancing* pengadaan KIP Matoa 1.

Kemudian berdasarkan Perjanjian kerjasama Pembiayaan Modal Kerja KIP Matoa 1 Dengan PT Matoa Kidung Samudera pada tanggal 22 Oktober 2018 dengan No. PP-18/PPA/1018, total nilai pokok fasilitas pendanaan dengan *plafond* sebesar Rp 7.500 dengan tingkat suku bunga 13,5% per tahun (*gross*) yang akan jatuh tempo pada 30 Oktober 2023. Seluruh dana fasilitas pembiayaan investasi digunakan untuk tujuan Modal Kerja Operasional PT MKS atas KIP Matoa 1.

20. Long Term Investments Loans (Continued)

I. Matoa Kidung Bahtera

On October 22, 2018, the Investment Financing Cooperation Agreement of Sand Suction Dredges (KIP) Matoa 2 was conducted with PT Matoa Kidung Bahtera with No. PP-17 / PPA / 1018. All funds for investment financing facilities are used for the purpose of refinancing the procurement of KIP Matoa 2. The total principal amount of the loan facility is Rp26,250 with an interest rate of 13.5% per year (*gross*) which will mature on August 23, 2023.

Then based on the cooperation agreement of KIP Matoa 2 Working Capital Financing with PT Matoa Kidung Bahtera on October 22, 2018 with No. PP-19 / PPA / 1018. All funds for investment financing facilities are used for the purpose of financing PT MKB's operational working capital for Matoa 1. The total principal amount of the loan facility is Rp7.500 with an interest rate of 13.5% per year (*gross*) which will mature on August 23, 2023.

The balance at the beginning of the year is nil. Total disbursement of loan in 2018 amounting to Rp28,870. Receipt of loan payment in 2018 is Nil. The balance on December 31, 2018 is Rp28,870.

m. Matoa Kidung Samudera

Based on the Cooperation Agreement on Investment Financing KIP Matoa 1 with PT Matoa Kidung Samudera dated October 22, 2018 with No. PP-16 / PPA / 1018, the total principal value of the funding facility is Rp26,250 with an interest rate of 13.5% per year (*gross*) which will mature on October 29, 2023. The purpose of the use of funding for financing facilities is for the purpose of financing the refinancing of procurement of KIP Matoa 1.

Then based on the cooperation agreement of KIP Matoa 1 Working Capital Financing with PT Matoa Kidung Samudera on October 22, 2018 with No. PP-18 / PPA / 1018, the total principal value of the funding facility with a ceiling of Rp 7,500 with an interest rate of 13.5% per year (*gross*) which will mature on October 30, 2023. All funds for investment financing facilities are used for working capital purposes PT MKS's operations on Kato Matoa 1.

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**20. Pinjaman Investasi Jangka Panjang
(Lanjutan)**

Sebagai jaminan atas pembayaran kembali semua utang, diserahkan jaminan berupa hipotik peringkat pertama atas KIP Matoa 1 dengan nilai hipotik sebesar nilai perolehan, hipotik peringkat pertama atas KIP Matoa 2 dengan nilai hipotik sebesar nilai perolehan, hak tanggungan peringkat pertama atas Aset Karimun dengan nilai hak tanggungan sebesar nilai pasar, dan aset dan atau kekayaan PT MKS dan/atau Grup Trimitra lainnya.

Saldo pada awal tahun 2018 sebesar Nihil. Total saldo pencairan pinjaman di tahun 2018 sebesar Rp30.657. Penerimaan atas pembayaran di tahun berjalan sebesar Rp4.407. Saldo pada 31 Desember 2018 sebesar Rp26.250.

n. PT Polytama Propindo

Pada tanggal 28 Agustus 2017 berdasarkan Perjanjian Pinjaman PP-16/PPA/0817, Perusahaan memberikan Fasilitas Pinjaman Investasi Rp20.000 kepada PT Polytama Propindo yang jatuh tempo pada 27 Agustus 2020 dengan bunga kredit sebesar 12% per tahun.

Saldo pada awal tahun 2018 sebesar Rp20.000. Total saldo pencairan pinjaman di tahun 2018 sebesar Nihil. Penerimaan atas pembayaran di tahun berjalan sebesar Rp7.200. Saldo pada 31 Desember 2018 sebesar Rp12.800.

o. PT Wisarada Sarana Aviassi

Berdasarkan Perjanjian Kerjasama Investasi Dalam Bentuk Pengadaan Dan Pengoperasian Pesawat *Fixed Wing* BN-2T dengan No. PP-28/PPA/0818 tanggal 7 Agustus 2018, tujuan dari kerjasama ini yaitu dalam rangka pengadaan dan pengoperasian Pesawat BN-2T. Total pendanaan modal dengan *plafond* maksimal sebesar Rp9.900, tingkat suku biaya pendanaan sebesar 14% per tahun (*gross*) yang jatuh tempo pokok pada tahun 2022.

Sebagai jaminan atas pembayaran kembali semua utang, diserahkan jaminan berupa fidusia atas Mesin Pesawat BN-2T dengan nilai obyek dan nilai penjaminan sebesar Rp9.543, fidusia atas Badan Pesawat BN-2T dan kelengkapan lainnya dengan nilai obyek dan nilai pinjaman sebesar Rp3.181, fidusia atas tagihan PT Wisarada Sarana Aviassi dengan nilai obyek dan nilai penjaminan sebesar Rp9.279, dan pemberian jaminan pribadi.

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20. Long Term Investments Loans (Continued)

As collateral for repayment of all debts, the collateral is in the form of first rank mortgages for Matoa 1 KIP with a mortgage value of acquisition value, first rank mortgages for Matoa 2 KIP with a mortgage value of acquisition value, first rank liability for Karimun Assets with the value of mortgage amounting to market value, and assets and or assets of PT MKS and/or other Trimitra Groups.

The balance at the beginning of the year is nil. Total balance of loan disbursement in 2018 amounting to Rp30,657. Receipt of payment in 2018 year amounting to Rp4,407. The balance on December 31, 2018 is Rp26,250.

n. PT Polytama Propindo

On August 28, 2017, based on Loan Agreement No. PP-16/PPA/0817, the Company agreed give Loan Investment to PT Polytama Propindo by Rp20,000 which will due on August 27, 2020 with interest rate 12% per annum.

The balance at the beginning of the year is Rp20,000. Total disbursement of loan in 2018 is Nil. Receipt of loan payment in 2018 amounting to Rp7,200. Balance at December 31, 2018 amounting to Rp12,800.

o. PT Wisarada Sarana Aviassi

Based on the Investment Cooperation Agreement in the Form of BN-2T Fixed Wing Aircraft Supply and Operation with No. PP-28 / PPA / 0818 dated August 7, 2018, the purpose of this collaboration is in the context of procurement and operation of BN-2T aircraft. Total capital funding with a maximum ceiling of Rp9,900, the rate of funding costs is 14% per annum (*gross*) with a principal maturity in 2022.

As collateral for repayment of all debts, the collateral in the form of fiduciary over BN-2T Aircraft Machine with object value and guarantee value of Rp9,543, fiduciary for BN-2T Airframe and other objects with object value and loan value of Rp3,181 fiduciary over PT Wisarada Sarana Aviassi bills with object value and guarantee value of Rp9,279, and giving personal guarantees.

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**20. Pinjaman Investasi Jangka Panjang
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Saldo pada awal tahun 2018 sebesar Nihil. Total saldo pencairan pinjaman di tahun 2018 sebesar Rp2.200. Penerimaan atas pembayaran ditahun berjalan sebesar Nihil. Saldo pada 31 Desember 2018 sebesar Rp2.200.

p. PT National Utility Helicopters

Berdasarkan Perjanjian Pinjaman No. PP-103/PPA/1117 pada tanggal 21 November 2017, Perusahaan memberikan Fasilitas Pinjaman Modal Kerja Jangka Pendek dengan total jumlah pokok fasilitas pinjaman maksimum sebesar Rp25.000 dengan tingkat suku bunga 17,5% per tahun (*gross*), biaya provisi sebesar 0,75% dari fasilitas pinjaman yang wajib dibayarkan, dan biaya administrasi penarikan sebesar Rp 3 untuk setiap penarikan pinjaman. Jatuh tempo pada 25 Maret 2019. Tujuan penggunaan fasilitas pinjaman *Tranche A* khusus untuk penyelesaian kewajiban penerima pinjaman kepada CFC, fasilitas pinjaman *Tranche B* khusus untuk penyelesaian kewajiban penerima pinjaman kepada Pialang Asuransi, dan fasilitas *Tranche C* khusus untuk penyelesaian kewajiban Penerima Pinjaman dengan kreditur terdahulu.

Saldo pada awal tahun 2018 sebesar 24.362. Total saldo pencairan pinjaman di tahun 2018 merupakan hasil reklasifikasi dari investasi jangka panjang. Penerimaan atas pembayaran di tahun berjalan sebesar Rp19.650. Saldo pada 31 Desember 2018 sebesar Rp4.712.

q. PT Pratama Persada Airbone

Pada tanggal 22 Juni 2017 dilakukan Perjanjian Pemberian Pinjaman *Standby Loan* dengan No. PP-130/PPA/0617. Perusahaan memberikan Fasilitas Pinjaman berupa Pinjaman *Standby Loan* dengan *plafond* sebesar Rp20.000 dengan tingkat suku bunga 13% per tahun (*gross*) dan biaya provisi sebesar 0,25% dari *plafond* fasilitas pinjaman yang akan jatuh tempo pada 21 Maret 2019. Tujuan penggunaan fasilitas pinjaman adalah untuk modal kerja dalam mengerjakan Proyek.

20. Long Term Investments Loans (Continued)

The balance at the beginning of the year is Nil. Total disbursement of loan in 2018 amounting to Rp2,200. Receipt of loan payment in 2018 is Nil. Balance at December 31, 2018 amounting to Rp2,200.

p. PT National Utility Helicopters

Under the Loan Agreement No. PP-103/PPA/1117 on November 21, 2017, the Company provides a Short Term Working Capital Loan Facility with a total principal amount of a maximum loan facility of Rp25,000 with an interest rate of 17,5% per year (gross), provision fees of 0,75% of loan facilities that must be paid, and withdrawal administration fees of Rp 3 for each loan withdrawal. Due on March 25, 2019. The purpose of using a special Tranche A loan facility is to settle loan recipient obligations to CFCs, special Tranche B loan facilities to settle loan obligations to Insurance Brokers, and special Tranche C facilities for settling obligations of Borrowers with previous creditors.

The balance at the beginning of the year is Rp24,362. Total disbursement of loan in 2018 is reclassified from long-term investments loans. Receipt of loan payment in 2018 amounting to Rp19,650. Balance at December 31, 2018 amounting to Rp4,712.

q. PT Pratama Persada Airbone

On June 22, 2017 a Standby Loan Loan Agreement was made with No. PP-130 / PPA / 0617. The Company provides a Loan Facility in the form of a Standby Loan with a ceiling of Rp20,000 with an interest rate of 13% per year (gross) and a provision fee of 0.25% of the loan facility ceiling that will mature on March 21 2019. The purpose of using the loan facility is for working capital in working on the Project.

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20. Pinjaman Investasi Jangka Panjang (Lanjutan)

Berdasarkan Perjanjian Pemberian Pinjaman Investasi *Standby Loan* No. PP-50/PPA/1217 pada tanggal 12 Desember 2017, Perusahaan memberikan Fasilitas Pinjaman berupa Pinjaman Investasi *Standby Loan* dengan total jumlah pokok fasilitas pinjaman maksimum sebesar Rp 23.891 dengan tingkat suku bunga 15,3% per tahun (*gross*) dan biaya provisi sebesar 0,5% dari fasilitas pinjaman. Jatuh tempo pada 11 Desember 2022.

Tujuan penggunaan fasilitas pinjaman adalah untuk membayar harga pembelian LIDAR Tipe ALS100. Kemudian pada tanggal 10 Agustus 2018 dilakukan addendum atas Perubahan Perjanjian Pemberian Pinjaman Investasi *Standby Loan* dengan No.PP-13/PPA/0818. Para pihak sepakat untuk mengubah ketentuan mengenai definisi Perjanjian/Kontrak Proyek, Proyek, dan Tanggal Jatuh Tempo.

Saldo pada awal tahun 2018 sebesar Nihil. Total saldo pencairan pinjaman di tahun 2018 sebesar Rp33.050. Penerimaan atas pembayaran di tahun berjalan sebesar Nihil. Saldo pada 31 Desember 2018 sebesar Rp33.050.

20. Long Term Investments Loans (Continued)

Based on the Investment Loan Agreement *Standby Loan* No. PP-50/ PPA / 1217 on December 12, 2017, the Company provides a Loan Facility in the form of an Investment Loan *Standby Loan* with a total loan principal amounting to a maximum of Rp 23,891 with an interest rate of 15.3% per year (*gross*) and provision fees of 0,5% of loan facilities. Due on December 11, 2022.

The purpose of using the loan facility is to pay the purchase price of LIDAR Type ALS100. Then on the 10th of August 2018 an addendum was made on the Amendment to the Investment Loan *Standby Loan* Agreement with No.PP-13/PPA/0818. The parties agreed to amend the provisions regarding the definition of the Project Agreement / Contract, Project, and Maturity Date.

The balance at the beginning of the year is Nil. Total disbursement of loan in 2018 amounting to Rp33,050. Receipt of loan payment in 2018 is amounting to Nil. Balance at December 31, 2018 amounting to Rp33,050.

21. Investasi Jangka Panjang Lainnya

21. Other Long Term Investment

	2018 Rp	2017 Rp
PT Super Exim Sari	78,438	—
PT KNE Global Persada	49,426	27,600
PT Mattoa Kidung Samudera	15,625	—
PT Mattoa Kidung Bahtera	15,625	—
PT Asia Kaolin Raya	15,000	15,000
PT Cipta Indah Permata	10,000	10,000
Ventura Bersama PPAK Rumah Cerdas	3,246	3,246
PT Jasamarga Kunciran Cengkareng (d/h PT Marga Kunciran Cengkareng)	1,222	972
Jumlah Investasi Jangka Panjang Lainnya	188,582	56,818
Dikurangi :		
Penyisihan Penurunan Nilai Pinjaman Dana		
PT Super Exim Sari	(35,529)	—
PT Asia Kaolin Raya	(15,000)	(15,000)
Jumlah Pengurang	(50,529)	(15,000)
Jumlah	138,053	41,818

PT Super Exim Sari	—
PT KNE Global Persada	27,600
PT Mattoa Kidung Samudera	—
PT Mattoa Kidung Bahtera	—
PT Asia Kaolin Raya	15,000
PT Cipta Indah Permata	10,000
Ventura Bersama PPAK Rumah Cerdas	3,246
PT Jasamarga Kunciran Cengkareng (d/h PT Marga Kunciran Cengkareng)	972
Total Other Long-Term Investment	56,818
Less :	
Allowance for Impairment of Loans Receivable	
PT Super Exim Sari	(15,000)
PT Asia Kaolin Raya	(15,000)
Total Deduction	(30,000)
Total	26,818

1. PT KNE Global Persada

Perusahaan memiliki Surat Utang Konversi dengan PT KNE Global Persada (KNE) sesuai dengan Akta Perjanjian No. 86 tanggal 30 Agustus 2016 sebesar Rp15.000, dengan jangka waktu dari mulai tanggal efektif sampai dengan 31 Desember 2025, yang memiliki tingkat suku bunga 16% per tahun (sudah termasuk pajak). Realisasi surat utang per 31 Desember 2016 adalah sebesar Rp11.500.

1. PT KNE Global Persada

The Company has Convertible Debt Securities with PT KNE Global Persada (KNE) based on the Agreement Deed No. 86 dated August 30, 2016 amounted to Rp15,000, starting from the effective date until December 31, 2025 with net interest rate of 16% per annum (included tax). The realized convertible debt securities as of December 31, 2016 amounted to Rp11,500.

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21. Investasi Jangka Panjang Lainnya (Lanjutan)

Pada Januari dan Maret 2017 telah dilakukan pencairan atas sisa plafond Surat Utang Konversi PT KNE sejumlah Rp3.500.

Berdasarkan Perjanjian No. PJ-08/PPAK/1218 tanggal 28 Desember 2018, transaksi yang dilakukan oleh PT PPAK yaitu pengambilalihan piutang (cessie) PT KNE Global Persada dari Perusahaan dengan harga beli sebesar Rp21,826, dengan jangka waktu terhitung sejak tanggal penerbitan Surat Utang sampai dengan tanggal 28 Desember 2024, yang memiliki tingkat suku bunga pinjaman 11% per tahun (sudah termasuk pajak).

2. PT Matoa Kidung Samudra

Berdasarkan Akta Perjanjian Penerbitan Surat Utang Konversi No. 10 tanggal 22 Oktober 2018, Notaris Lenny Janis Ishak, S.H., PT PPAK memiliki Surat Utang Konversi dengan PT Matoa Kidung Samudra sebesar Rp15,625, dengan jangka waktu 60 bulan dan kupon sebesar 5% per tahun (belum termasuk pajak).

3. PT Matoa Kidung Bahtera

Berdasarkan Akta Perjanjian Penerbitan Surat Utang Konversi No. 11 tanggal 22 Oktober 2018, Notaris Lenny Janis Ishak, S.H., PT PPAK memiliki Surat Utang Konversi dengan PT Matoa Kidung Bahtera sebesar Rp15.625, dengan jangka waktu 60 bulan dan kupon sebesar 5% per tahun (belum termasuk pajak).

4. PT Asia Kaolin Raya

PT PPAK memiliki Surat Utang Konversi dengan PT Asia Kaolinraya (AKR) sesuai dengan Akta Perjanjian No. 56 tanggal 18 Januari 2016 sebesar Rp15.000 dengan jangka waktu sejak tanggal efektif sampai dengan 30 Desember 2022 yang memiliki tingkat suku bunga 20% per tahun (tidak termasuk pajak).

Pada tahun 2017, PT PPAK membentuk cadangan kerugian penurunan nilai atas investasi ke PT Asia Kaolinraya sebesar Rp15.000.

5. PT Cipta Indah Permata

PT PPAK memiliki Surat Utang Konversi dengan PT Cipta Indah Permata (CIP) sesuai dengan Akta Perjanjian No. 90 tanggal 29 Maret 2016 sebesar Rp 10.000 dengan jangka waktu 33 bulan, dengan tingkat suku bunga 16% per tahun (sudah termasuk pajak).

21. Other Long Term Investment (Continued)

In January and March 31, 2017 total disbursement Convertible Debt Securities of PT KNE amounted to Rp3,500.

Based on agreement No. PJ-08/PPAK/1218, dated December 28, 2018, transactions made by PT PPAK are factoring (cessie) of PT KNE Global Persada ("KNE") from the Company, with the agreed with the agreed purchase price amounted to Rp21,826, with the maturity period from the date date of signing the loan agreement until December 28, 2024 and the loan interest rate 11% per annum (included tax).

2. PT Matoa Kidung Samudra

Based on Deed of Convertible Bonds No. 10 dated October 22, 2018, Notary Lenny Janis Ishak, S.H., PT PPAK has Convertible Bonds with PT Matoa Kidung Samudra amounted to Rp15,625, with maturity date 60 months and interest rate 5% per annum (excluded tax).

3. PT Matoa Kidung Bahtera

Based on Deed of Convertible Bonds No. 11 dated October 22, 2018, Notary Lenny Janis Ishak, S.H., PT PPAK has Convertible Bonds with PT Matoa Kidung Bahtera amounted to Rp15,625, with maturity date 60 months and interest rate 5% per annum (excluded tax).

4. PT Asia Kaolin Raya

PT PPAK has Convertible Bonds with PT Asia Kaolinraya (AKR) based on Deed of Agreement No. 56 dated January 18, 2016 amounted to Rp15,000 starting from the effective date until December 30, 2022 with gross interest rate of 20% per annum (excluded tax).

In 2017, PT PPAK make an allowance for impairment losses on investment to PT Asia Kaolinraya amounting to Rp15,000.

5. PT Cipta Indah Permata

PT PPAK has Convertible Bonds with PT Cipta indah Permata (CIP) based on Deed of Agreement No. 90 dated March 29, 2016 amounted to Rp10,000 with period of 33 months term and net interest rate of 16% per annum (included tax).

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21. Investasi Jangka Panjang Lainnya (Lanjutan)

6. PT Super Exim Sari

PT PPAF melakukan pengalihan piutang atas aset jaminan PT Super Exim Sari (PT SES) kepada PT SKI sebesar Rp78.438. Hal tersebut terkait proses penyelesaian piutang PT SES berdasarkan Putusan Pengadilan Niaga pada Pengadilan Negeri Jakarta Pusat Nomor: 12/Pdt.SusPembatalan.Perdamaian/ 2017 / PN. Niaga.Jkt.Pst,Jo Nomor: 70/Pdt. 2015/PN.Niaga.Jkt.Pst tanggal 15 Januari 2018 menjelaskan bahwa PT Super Exim Sari dalam keadaan pailit dan aset-aset yang dimiliki dalam proses lelang oleh Kantor Pelayanan Kekayaan Negara dan Lelang Bogor.

7. Ventura Bersama PPAK Rumah Cerdas

PT PPAK memberikan fasilitas pinjaman kepada Ventura Bersama PPAK Rumah Cerdas dengan Akta Nomor 75 tanggal 28 Maret 2016 yang dibuat di hadapan Mala Mukti, S.H., LL.M. Notaris di Jakarta. Jumlah pokok fasilitas pinjaman keseluruhan sebesar Rp9.000 yang memiliki jangka waktu 36 bulan dengan tingkat suku bunga 18% per tahun netto. Realisasi pinjaman per 31 Desember 2018 adalah sebesar Rp3.246.

8. PT Jasamarga Kunciran Cengkareng

PT Jasamarga Kunciran Cengkareng merupakan perusahaan yang kegiatan usahanya adalah melaksanakan pengusahaan Jalan Tol Kunciran - Cengkareng, yang meliputi pendanaan, perencanaan teknik, pelaksanaan konstruksi, pengoperasian dan pemeliharaan jalan tol, serta usaha-usaha lainnya sesuai dengan ketentuan-ketentuan dan peraturan perundang-undangan yang berlaku.

PT NK memiliki saham sebanyak 60.010 lembar saham senilai Rp499.954.000 dan persentase kepemilikan sebesar 0,28%. Aset ini dikelompokkan ke dalam aset yang tersedia untuk dijual.

Pada tanggal 14 Desember 2017, berdasarkan akta pernyataan keputusan para pemegang saham di luar rapat umum pemegang saham PT Jasamarga Kunciran Cengkareng No. 15, nilai nominal saham PT NK adalah Rp971.752.600 dengan total lembar saham 106.786.

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21. Other Long Term Investment (Continued)

6. PT Super Exim Sari

PT PPAF undertake the transfer on the guarantee assets of PT Super Exim Sari (PT SES) to PT SKI amounted to Rp78,438. This is related to the PT SES receivables settlement process based on the Commercial Court Decision at the Central Jakarta District Court Number: 12 / Pdt.Sus Cancellation. Peace / 2017 / PN. Niaga. Jkt. Pst, Jo Number: 70 / Pdt. 2015 / PN.Niaga.Jkt.Pst dated January 15, 2018 explained that PT Super Exim Sari was in a state of bankruptcy and assets held in the auction process by the State Wealth and Bogor Auction Service Office.

7. Joint Venture PPAK Rumah Cerdas

PT PPAK provides a loan facility to Joint Venture PPAK Rumah Cerdas by Deed No. 75 dated March 28, 2016, made by Mala Mukti, S.H., LL.M. notary in Jakarta. The principal amount of overall loan facility is Rp9,000 with period of 36 months and interest of 18% net rate per annum. Loan realized as of December 31, 2018 amounted to Rp3,246.

7. PT Jasamarga Kunciran Cengkareng

PT Jasamarga Kunciran Cengkareng is a company which its business activity is concession Kunciran-Cengkareng Toll Road, which include funding, technical planning, construction implementation, operation and maintenance of the Toll Road, as well as other business activities in accordance with the provisions of the prevailing laws and regulations.

PT NK owns 60,010 shares of shares valued at Rp499,954,000 and the percentage of ownership is 0.28%. These assets are classified as available for sale.

On December 14, 2017, based on the deed of shareholder decree statement outside the general meeting of shareholders of PT Jasamarga Kunciran Cengkareng No. 15, the nominal value of PT NK shares is Rp971,752,600 with number share is 106,786 shares.

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21. Investasi Jangka Panjang Lainnya (Lanjutan)

Selama tahun 2018, Perusahaan melakukan pembayaran tambahan setoran modal kepada PT Jasamarga Kunciran Cengkareng sebesar Rp251 atau sebesar 0.28% dan total saham yang dikeluarkan berdasarkan surat PT Jasamarga Kunciran Cengkareng perihal permohonan tambahan setoran modal. Sehingga pada 31 Desember 2018, saldo investasi jangka panjang setelah pembayaran tambahan setoran modal adalah sebesar Rp1.222.

Mutasi penyisihan kerugian penurunan nilai investasi jangka panjang lainnya adalah sebagai berikut:

	2018 Rp	2017 Rp
Saldo Awal Tahun	(15,000)	(15,000)
Penambahan di Tahun Berjalan	(35,529)	--
Pemulihan / Penghapusan di Tahun Berjalan	--	--
Saldo Akhir Tahun	(50,529)	(15,000)

21. Other Long Term Investment (Continued)

During 2018, the Company paid additional paid up capital to PT Jasamarga Kunciran Cengkareng amounting to Rp251 or 0.28% of total share issued based on PT Jasa Marga Kunciran Cengkareng request for additional capital injections. On December 31, 2018, the long-term investment balance after payment of additional capital deposits was Rp1,222.

The movements in allowance for impairment losses of other long term investment are as follows:

Balance at Beginning of The Year
Addition in Current Year
Recovery / Write off in Current Year
Balance at Ending of The Year

22. Aset Tetap

22. Property, Plant and Equipment

	2018					
	1 Januari / January 1	Penambahan / Additions	Pengurangan / Deductions	Reklasifikasi/ Reclassification	Surplus Revaluasi/ Revaluation Surplus	31 Desember/ December 31
	Rp	Rp	Rp	Rp	Rp	Rp
Biaya Perolehan:						
Kepemilikan Langsung						
Tanah	480,240	139,447	--	(30,834)	79,909	668,762
Gedung	101,077	28,576	--	30,487	--	160,139
Kendaraan Bermotor	17,626	9,161	2,115	(4,872)	--	19,800
Peralatan Proyek	196,929	104,942	8,960	34,262	--	327,173
Peralatan Kantor	30,920	1,918	149	(8,866)	--	23,823
Prasarana Umum	11,023	4,736	--	(2,864)	--	12,895
Aset Dalam Penyelesaian	--	193,444	--	(148,852)	--	44,592
Jumlah	837,815	482,224	11,224	(131,539)	79,909	1,257,184

Acquisition Cost:
Direct Ownership

Lands
Buildings
Vehicles
Project Equipments
Office Equipments
Public Infrastructure
Asset in Progress
Total

	2017					
	1 Januari / January 1	Penambahan / Additions	Pengurangan / Deductions	Reklasifikasi/ Reclassification	Surplus Revaluasi/ Revaluation Surplus	31 Desember/ December 31
	Rp	Rp	Rp	Rp	Rp	Rp
Biaya Perolehan:						
Kepemilikan Langsung						
Gedung	23,556	15,725	--	--	--	39,281
Kendaraan Bermotor	16,754	4,571	1,894	(8,547)	--	14,673
Peralatan Proyek	64,229	43,294	93	5,386	--	113,003
Peralatan Kantor	16,044	3,216	18	(768)	--	18,510
Prasarana Umum	609	3,612	--	--	--	3,673
Jumlah	121,193	70,420	2,006	(3,929)	--	189,140
Nilai Tercatat	716,622					1,068,044

Accumulated Depreciation
Direct Ownership

Buildings
Vehicles
Project Equipments
Office Equipments
Public Infrastructure
Total
Carrying Value

	2017					
	1 Januari / January 1	Penambahan / Additions	Pengurangan / Deductions	Reklasifikasi/ Reclassification	Surplus Revaluasi/ Revaluation Surplus	31 Desember/ December 31
	Rp	Rp	Rp	Rp	Rp	Rp
Biaya Perolehan:						
Kepemilikan Langsung						
Tanah	207,022	--	--	8,783	264,435	480,240
Gedung	40,278	3,895	1,589	58,492	--	101,077
Kendaraan Bermotor	15,355	3,859	--	(1,588)	--	17,626
Peralatan Proyek	88,903	33,178	--	74,848	--	196,929
Peralatan Kantor	20,678	10,191	9	60	--	30,920
Prasarana Umum	--	--	--	11,023	--	11,023
Aset Dalam Penyelesaian	110,624	40,994	--	(151,618)	--	--
Jumlah	482,860	92,117	1,598	--	264,435	837,815

Acquisition Cost:
Direct Ownership
Lands
Buildings
Vehicles
Project Equipments
Office Equipments
Public Infrastructure
Asset in Progress
Total

	2017					
	1 Januari / January 1	Penambahan / Additions	Pengurangan / Deductions	Reklasifikasi/ Reclassification	Surplus Revaluasi/ Revaluation Surplus	31 Desember/ December 31
	Rp	Rp	Rp	Rp	Rp	Rp
Biaya Perolehan:						
Kepemilikan Langsung						
Gedung	18,290	6,855	1,589	--	--	23,556
Kendaraan Bermotor	14,344	2,410	--	--	--	16,754
Peralatan Proyek	48,008	16,221	--	--	--	64,229
Peralatan Kantor	16,053	--	9	--	--	16,044
Prasarana Umum	--	609	--	--	--	609
Jumlah	96,695	26,096	1,598	--	--	121,193
Nilai Tercatat	386,165					716,622

Accumulated Depreciation
Direct Ownership
Buildings
Vehicles
Project Equipments
Office Equipments
Public Infrastructure
Total
Carrying Value

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22. Aset Tetap (Lanjutan)

Aset yang dinilai milik Perusahaan berupa Tanah dan Bangunan Gudang dengan total luas LT/LB +/- 576/406,5 m disertai sarana pelengkap yang terletak di Jalan Tekno 1 Kav C 2 I, Kelurahan Pasir Gombong, Kecamatan Cikarang utara, Kabupaten Bekasi, Provinsi Jawa Barat.

Pada tanggal 21 Agustus 2018 dilakukan penilaian oleh KJPP Pung'S Zulkarnain dan rekan yang tercantum dalam kontrak yang disepakati No. PPJ-29/PPA/0818 tanggal 21 Agustus 2018. Berdasarkan penilaian KJPP Nilai Wajar dari aset tersebut pada tanggal 21 Agustus 2018 adalah Rp2.789.

Aset tetap berupa tanah dan bangunan dijadikan jaminan atas perolehan kredit pada PT Bank Negara Indonesia (Persero) Tbk, Lembaga Pembiayaan Ekspor Indonesia, PT Sarana Multi Infrastruktur (Persero), dan PT Bank Mandiri (Persero) Tbk (Catatan 22).

Berdasarkan laporan penilai independen No. Lap.032702B/HMR-JKT/PPA/2018 tanggal 27 Maret 2018 dan No. Lap 032702C/HMR-JKT/PPA/2018 tanggal 27 Maret 2018 oleh KJPP Herman Meirizki & Rekan, nilai wajar dari tanah Gresik dan Rungkut milik PT BSM per 31 Desember 2018 adalah sebesar Rp57.220 dan Rp81.585 sehingga terdapat surplus revaluasi sebesar Rp79.913, yang dicatat sebagai komponen ekuitas lainnya.

Bangunan dan kendaraan diasuransikan dengan nilai pertanggungan sebesar Rp46.284 terhadap risiko kebakaran dan risiko lainnya pada PT ASEI Asuransi Indonesia (Persero), PT Mandiri AXA General Insurance, PT Asuransi Tripakarta, PT Asuransi Jasindo dan PT Asuransi Adira Dinamika.

Manajemen berpendapat bahwa nilai pertanggungan asuransi tersebut memadai untuk menutup kemungkinan kerugian atas aset yang dipertanggungkan.

Pada tahun 2018, Grup melakukan reklasifikasi aset tetap dalam penyelesaian yang telah selesai ke properti investasi sebesar Rp100.870 dan Rp30.837 (Catatan 17).

Beban penyusutan sampai dengan tanggal 31 Desember 2018 dan 2017 masing - masing sebesar Rp22.533 dan Rp26.096 yang dialokasikan ke beban administrasi dan umum (Catatan 34).

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22. Property, Plant and Equipment (Continued)

Assets rated by the Company in the form of Land and Warehouse Building with a total area of LT / LB + - 576 / 406.5 m accompanied by complementary facilities located on Jalan Tekno 1 Kav C 2 I, Pasir Gombong Village, North Cikarang Subdistrict, Bekasi Regency, West Java Province.

On August 21, 2018 an assessment was carried out by KJPP Pung'S Zulkarnain and Partners listed in the agreed contract No.PPJ-29/PPA/0818 dated August 21, 2018. Based on the KJPP assessment, the Fair Value of these assets on August 21, 2018 is Rp2,789.

Fixed asset, such as land and building, are used as collateral for bank loans in PT Bank Negara Indonesia (Persero) Tbk, Lembaga Pembiayaan Ekspor Indonesia, PT Sarana Multi Infrastruktur (Persero), and PT Bank Mandiri (Persero) Tbk (Note 22).

Based on an independent appraisal report No. Lap.032702B / HMR-JKT / PPA / 2018 dated March 27, 2018 and No. Lap 032702C / HMR-JKT / PPA / 2018 dated March 27, 2018 by KJPP Herman Meirizki and Partners, the fair value of PT BSM's Gresik and Rungkut land as of December 31, 2018 is Rp57,220 and Rp81,585 so there is a revaluation surplus of Rp.79,913, which is recorded as other equity components.

Building and vehicle are insured with of coverage value amounting to Rp46,284 against the risk of fire accident and others to PT ASEI Asuransi Indonesia (Persero), PT Mandiri AXA General Insurance, PT Asuransi Tripakarta, PT Asuransi Jasindo and PT Asuransi Adira Dinamika.

Management believes that insurance coverage is adequate to cover possible losses on the assets insured.

In 2018, the Group reclassified fixed assets to investment properties amounting Rp100.870 and Rp30,837 (Note 17).

Depreciation expenses as of December 31, 2018 and 2017, respectively amounted Rp22,533 and Rp26,096 which are allocated to general and administrative expense (Note 34).

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22. Aset Tetap (Lanjutan)

Berdasarkan penelaahan Manajemen, tidak terdapat peristiwa atau perubahan keadaan yang mengindikasikan penurunan nilai aset tetap, sehingga Manajemen tidak membentuk cadangan penurunan nilai aset tetap pada 31 Desember 2018 dan 31 Desember 2017.

22. Property, Plant and Equipment (Continued)

Based on Management review, there are no events or changes in circumstances indicating impairment of fixed asset, the Management does not provide allowance for impairment of property plant and equipment as of December 31, 2018 and December 31, 2017.

23. Utang Usaha

	2018 Rp	2017 Rp
Pihak Berelasi	92,420	71,476
Pihak Ketiga	2,031,571	1,526,517
Jumlah	2,123,991	1,597,993

Related Parties
Third Parties
Total

23. Accounts Payable

24. Pinjaman Bank dan Lembaga Keuangan

	2018 Rp	2017 Rp
Pinjaman Bank dan Lembaga Keuangan Jangka Pendek		
Pihak Berelasi		
<u>Perusahaan</u>		
PT Bank Tabungan Negara (Persero) Tbk	547,130	189,145
<u>Entitas Anak</u>		
Lembaga Pembiayaan Ekspor Indonesia	110,000	70,000
PT Bank Negara Indonesia (Persero) Tbk	100,000	70,000
PT Sarana Multi Infrastruktur (Persero)	65,000	--
PT Bank Mandiri (Persero) Tbk	30,000	70,000
PT Bank Tabungan Negara (Persero) Tbk	--	195
Jumlah	852,130	399,340
Pihak Ketiga		
<u>Perusahaan</u>		
PT Bank China Construction Bank Indonesia Tbk	344,822	271,192
PT Bank Mega Tbk	334,028	--
Indonesia Eximbank	128,000	--
PT Shinhan Bank Indonesia	82,394	81,778
PT Bank Pembangunan Daerah Banten	30,000	50,000
<u>Entitas Anak</u>		
PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	120,000	120,000
PT Bank Pembangunan Daerah Banten Tbk	35,258	27,707
PT Bank Muamalat Indonesia Tbk	34,197	--
PT Bank Pan Indonesia Tbk	20,000	--
Jumlah	1,128,699	550,677
Jumlah Pinjaman Jangka Pendek	1,980,829	950,017
Bagian Pinjaman Jangka Panjang yang Akan Jatuh Tempo Dalam Satu Tahun		
Pihak Berelasi		
<u>Entitas Anak</u>		
PT Bank Tabungan Negara (Persero) Tbk	37,420	23,935
PT Bank Mandiri (Persero) Tbk	36,293	35,616
PT Bank Rakyat Indonesia (Persero) Tbk	9,842	--
Jumlah	83,555	59,551
Pihak Ketiga		
<u>Entitas Anak</u>		
PT Bank Pembangunan Daerah Jawa Tengah	17,969	16,435
PT Bank Muamalat Indonesia Tbk	--	17,557
Jumlah	17,969	33,992
Jumlah	101,524	93,543
Pinjaman Bank Jangka Panjang dan Non Bank Jangka Panjang		
Pihak Berelasi		
<u>Entitas Anak</u>		
PT Bank Mandiri (Persero) Tbk	99,611	47,350
PT Bank Tabungan Negara (Persero) Tbk	83,192	70,528
PT Bank Rakyat Indonesia (Persero) Tbk	7,559	--
PT Sarana Multi Infrastruktur (Persero)	--	30,000
PT Bank Negara Indonesia (Persero) Tbk	--	85,000
Jumlah	190,362	232,878
Pihak Ketiga		
<u>Entitas Anak</u>		
Medium Term Notes	600,000	600,000
PT Bank Pembangunan Daerah Jawa Tengah	33,513	1,810
PT Bank Muamalat Indonesia Tbk	--	50,655
PT Bank Pembangunan Daerah Banten	--	34,453
Jumlah	633,513	686,918
Jumlah Pinjaman Jangka Panjang	925,399	1,013,339

Short Term Bank and Financial Institution Loans

Related Parties

The Company

PT Bank Tabungan Negara (Persero) Tbk

Subsidiaries

Lembaga Pembiayaan Ekspor Indonesia

PT Bank Negara Indonesia (Persero) Tbk

PT Sarana Multi Infrastruktur (Persero)

PT Bank Mandiri (Persero) Tbk

PT Bank Tabungan Negara (Persero) Tbk

Total

Third Party

The Company

PT Bank China Construction Bank Indonesia Tbk

PT Bank Mega Tbk

Indonesia Eximbank

Shinhan Bank Indonesia

PT Bank Pembangunan Daerah Banten

Subsidiaries

PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk

PT Bank Pembangunan Daerah Banten Tbk

PT Bank Muamalat Indonesia Tbk

PT Bank Pan Indonesia Tbk

Total

Total Short Term Loans

Current Maturities of

Long Term Loans

Related Parties

Subsidiaries

PT Bank Muamalat Indonesia Tbk

PT Bank Rakyat Indonesia (Persero) Tbk

PT Bank Rakyat Indonesia (Persero) Tbk

Total

Third Party

Subsidiaries

PT Bank Pembangunan Daerah Jawa Tengah

PT Bank Muamalat Indonesia Tbk

Total

Total

Long Terms Bank and Financial Institution Loans

Related Parties

Subsidiaries

PT Bank Mandiri (Persero) Tbk

PT Bank Tabungan Negara (Persero) Tbk

PT Bank Rakyat Indonesia (Persero) Tbk

PT Sarana Multi Infrastruktur (Persero)

PT Bank Negara Indonesia (Persero) Tbk

Total

Third Parties

Subsidiaries

Medium Term Notes

PT Bank Pembangunan Daerah Jawa Tengah

PT Bank Muamalat Indonesia Tbk

PT Bank Pembangunan Daerah Banten

Total

Total Long Term Loans

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**24. Pinjaman Bank dan Lembaga Keuangan
(Lanjutan)**

**1) Shinhan Bank Indonesia
Perusahaan**

Berdasarkan Perjanjian No.38 tanggal 27 Desember 2017 dihadapan notaris Glenna Martin, S.H., MKn, Perusahaan menandatangani perjanjian kredit dengan Shinhan Bank Indonesia. Pagu pinjaman tersebut sebesar Rp100.000. Pinjaman tersebut adalah fasilitas pinjaman yang bersifat *revolving*. Tingkat suku bunga pinjaman tersebut adalah 8.75% per tahun dengan jangka waktu pinjaman selama 12 bulan dan jatuh tempo pada tanggal 28 Desember 2018.

Kemudian pada tanggal 12 Desember 2018 dengan No.227/PPWK-1/XII/2018 dilakukan perjanjian perpanjangan waktu kredit oleh Perusahaan dengan Shinhan Bank yang dimana Jangka waktu Fasilitas pinjaman sampai dengan 27 Desember 2019.

Saldo pada awal tahun 2018 sebesar Rp81.778. Total pencairan selama tahun berjalan sebesar Rp179.510. Pembayaran atas pinjaman bank pada tahun berjalan sebesar Rp178.894. Saldo pada 31 Desember 2018 adalah sebesar Rp82.394

**2) PT Bank China Construction Bank Indonesia Tbk
Perusahaan**

Berdasarkan Perjanjian kredit No.23 tanggal 28 September 2017 dihadapan Notaris Veronica Nataadmadja, S.H., M.Corp., M.Com. Perusahaan menandatangani perjanjian kredit dengan PT Bank China Construction Bank Indonesia dengan *Plafond* pinjaman tersebut sebesar Rp400.000. Tingkat suku bunga pinjaman tersebut adalah 8.75% per tahun dengan jangka waktu pinjaman selama 12 bulan dari 28 September 2017 sampai 28 September 2018.

Kemudian pada tanggal 15 Oktober 2018, dilakukan kembali Perubahan kedua atas Perjanjian Kredit yang meliputi perubahan jangka waktu fasilitas pinjaman sampai dengan 28 September 2019, dengan Tingkat suku bunga sebesar 9.25% dan Biaya provisi sebesar 0.25% dari jumlah *plafond* kredit serta mengubah persyaratan jaminan untuk memberikan *underlying* pinjaman kepada debitur investasi debitur menjadi CCR Minimum 100%.

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**24. Bank and Financial Institution Loans
(Continued)**

**1) Shinhan Bank Indonesia
The Company**

Based on Agreement No.38 dated December 27, 2017 made in presence of notary Glenna Martin, S.H., MKn., the Company signed a credit agreement with Shinhan Bank Indonesia. Maximum limit amounting to Rp. 100,000. The loan is a revolving loan facility. The loan interest rate is 8.75% per annum with a loan term of 12 months and is due on December 28, 2018.

Then on December 12, 2018 with No.227 / PPWK-1 / XII / 2018 an agreement to extend the credit time by the Company with Shinhan Bank which is the term of the loan facility up to December 27, 2019.

The beginning balance of the year 2018 amounting to Rp81,778. Total drawdown of loans in 2018 amounting to Rp179,510. Loan payment in the current year amounting to Rp178,894. Balance at December 31, 2018 amounting to Rp82,394.

**2) PT Bank China Construction Bank Indonesia Tbk
The Company**

Based on the credit agreement No.23 dated September 28, 2017 before the Notary Veronica Nataadmadja, S.H., M.Corp., M.Com. The Company signed a credit agreement with PT Bank China Construction Bank Indonesia with a loan limit of Rp400,000. The loan interest rate is 8.75% per year with a loan period of 12 months from September 28, 2017 to September 28, 2018.

Then on October 15, 2018, the second Amendment to the Credit Agreement will be carried out, including the change in the loan facility until September 28, 2019, with an interest rate of 9.25% and a provision fee of 0.25% of the credit limit and amend the guarantee requirements to provide underlying loan to investment debtor becomes Minimum 100% CCR.

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**24. Pinjaman Bank dan Lembaga Keuangan
(Lanjutan)**

Saldo pada awal tahun 2018 sebesar Rp271.192. Total pencairan selama tahun berjalan sebesar Rp510.316. Pembayaran atas pinjaman bank pada tahun berjalan sebesar Rp436.685. Saldo pada 31 Desember 2018 adalah sebesar Rp344.822.

**3) PT Bank Tabungan Negara (Persero) Tbk
Perusahaan**

Berdasarkan Perjanjian Kredit Swadana No.0001 /PK-Swad/Jkh.Ut/CSMU/VIII/2017 tanggal 30 Agustus 2017. Perusahaan menandatangani perjanjian kredit dari PT Bank Tabungan Negara Tbk. Dengan batas maksimum pinjaman sebesar Rp300.000, tingkat suku bunga 7.65% selama 12 bulan sampai 30 Agustus 2018.

Kemudian tanggal 30 Agustus 2018, dilakukan perjanjian Kredit Swadana antara PT Bank Tabungan Negara (Persero) Tbk dan Perusahaan dengan No.0008/PK-SWAD/JKH.UT/ CSMU/VIII/2018 atas perubahan Jangka waktu fasilitas pinjaman sampai dengan 30 Agustus 2019.

Jaminan atas fasilitas kredit ini berupa deposito yang dijaminkan pada dari PT Bank Tabungan Negara (Persero) Tbk. senilai Rp301.308 (Catatan 14).

Pada tanggal 28 Desember 2018, Perusahaan menandatangani perjanjian kredit No.282/S/JKH.UT/BCSU/XII/2018 dan No.283/S/JKH.UT/BCSU/XII/2018 untuk fasilitas Kredit Modal Kerja dengan plafon masing-masing Rp60.000 dan Rp19.000 tingkat suku bunga 9,75% dengan jangka waktu 12 bulan.

Saldo pada awal tahun 2018 sebesar Rp189.145. Total pencairan selama tahun berjalan sebesar Rp1.109.072. Pembayaran atas pinjaman bank pada tahun berjalan sebesar Rp761.086. Saldo pada 31 Desember 2018 adalah sebesar Rp547.130.

**24. Bank and Financial Institution Loans
(Continued)**

The beginning balance of the year 2018 amounting to Rp271.192. Total drawdown of loans in 2018 amounting to Rp510,316. Loan payment in the current year amounting to Rp436,685. Balance as of December 31, 2018 amounting to Rp344,822.

**3) PT Bank Tabungan Negara (Persero) Tbk
The Company**

Based on the Swadana Credit Agreement No.0001/PK-Swad/Jkh.Ut/CSMU/VIII/2017 dated August 30, 2017. The company signed a credit agreement from PT Bank Tabungan Negara Tbk. With a maximum loan limit of Rp300,000, the interest rate is 7.65% for 12 months until August 30, 2018.

On August 30, 2018, a Swadana Credit agreement was entered into between PT Bank Tabungan Negara (Persero) Tbk and the Company with No.0008 / PK-SWAD/JKH.UT/CSMU/VIII/2018 for changes to the loan facility tenure up to August 30, 2019.

Guarantee for this credit facility in the form of deposits pledged as collateral to PT Bank Tabungan Negara (Persero) Tbk. worth Rp301,308 (Note 14).

On December 28, 2018, the Company entered into a credit agreement No.282 / S / JKH.UT / BCSU / XII / 2018 and No.283 / S / JKH.UT / BCSU / XII / 2018 for Working Capital Credit facilities with a ceiling of Rp60,000 and Rp19,000, respectively, with an interest rate of 9.75% with a period of 12 months.

The beginning balance of the year 2018 amounting to Rp189,145. Total drawdown of loans in 2018 amounting to Rp1,109,072. Loan payment in the current year amounting to Rp761,086. Balance as of December 31, 2018 amounting to Rp547,130.

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**24. Pinjaman Bank dan Lembaga Keuangan
(Lanjutan)**

PT PPAF

Pada tanggal 31 Maret 2017 PT PPAF menandatangani Akta Perjanjian Kredit Modal Kerja No. 30 dengan PT Bank Tabungan Negara (Persero) Tbk dihadapan Notaris Eddy. F. Saparung, S.H., M.H dengan nilai pinjaman maksimum sebesar Rp100.000 dengan tingkat bunga 10,75% efektif per tahun *adjustable rate* yang dapat berubah sewaktu-waktu sesuai ketentuan bank. Sifat kredit dari pinjaman ini adalah *revolving*. Jangka waktu kredit 60 bulan sejak tanggal penandatanganan, yang jatuh tempo pada tanggal 31 Maret 2020. PT PPAF menyerahkan jaminan kepada bank berupa pengikatan jaminan fidusia atas tagihan Piutang dengan kolektibilitas lancar dengan *coverage* minimal 110% yang terdiri dari piutang yang ada dan yang akan dibiayai oleh bank dan tidak sedang dijaminakan ke pihak lain.

Saldo awal tahun 2018 pinjaman sebesar Rp94.658 Total pencairan di tahun 2018 sebesar Rp55.000 Total pembayaran di tahun berjalan adalah Rp29.046 Saldo per 31 Desember 2018 adalah Rp120.612.

**4) PT Bank Pembangunan Daerah Banten
Perusahaan**

Berdasarkan Perjanjian No.14 tanggal 21 Juni 2017, dihadapan Notaris Dewi Tenty Septi Artiany, S.H., M.H., M.Kn., Perusahaan menandatangani Perjanjian Kredit dengan PT Bank Pembangunan Daerah Banten dengan total *plafond* Rp50.000 dengan Tingkat suku bunga dari pinjaman tersebut adalah 9% per tahun selama 12 bulan

Pada tanggal 06 Juni 2018 berdasarkan perpanjangan sementara perjanjian Kredit No. 010/2018 menyatakan perpanjangan jangka waktu fasilitas pinjaman kredit selama 3 bulan sehingga jatuh tempo pada tanggal 21 September 2018.

Kemudian pada tanggal 21 September 2018 dilakukan kembali addendum II No.14 atas perubahan jangka waktu fasilitas pinjaman sampai dengan 21 Juni 2019 dan perubahan tingkat suku bunga sebesar 9,25% per tahun kemudian biaya administrasi sebesar 0,30% dan biaya provisi sebesar 0,25% dari *plafond* pinjaman.

**24. Bank and Financial Institution Loans
(Continued)**

PT PPAF

On March 31, 2017 PT PPAF signed a Deed of Agreement for Working Capital Loan No. 30 with PT Bank Tabungan Negara (Persero) Tbk before Eddy Notary. F. Saparung, S.H., M.H with a maximum loan value of Rp100,000 with an effective interest rate of 10.75% per year *adjustable rate* which can change at any time according to bank regulations. The credit nature of this loan is *revolving*. The credit period is 60 months from the date of signing, which is due on March 31, 2020. PT PPAF submits collateral to the bank in the form of binding on fiduciary collateral for receivables with current collectibility with a minimum coverage of 110% consisting of existing receivables and which will be financed by the bank and not being guaranteed to another party.

The beginning balance of the year 2018 amounting to Rp94,658. Total drawdown of loans in 2018 amounting to Rp55,000. Loan payment in the current year amounting to Rp29,046. Balance as of December 31, 2018 amounting to Rp120,612.

**4) PT Bank Pembangunan Daerah Banten
The Company**

Based on Agreement No. 14 dated June 21, 2017, before Notary Dewi Tenty Septi Artiany, S.H., M.H., M.Kn, The Company signed a Credit Agreement with PT Banten Regional Development Bank with a total ceiling of Rp 50,000 with an interest rate of the loan is 9% per year for 12 months.

On June 6, 2018 based on the temporary extension of the Credit No. agreement. 010/2018 states the extension of the credit loan facility for 3 months so that it will mature on September 21, 2018.

Then on September 21, 2018, Addendum II 14 of the revision of the loan facility period up to June 21, 2019 and changes in interest rates of 9.25% per annum then administration fees of 0.30% and provision fees of 0.25% of the loan ceiling.

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**24. Pinjaman Bank dan Lembaga Keuangan
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Saldo pada awal tahun 2018 sebesar Rp50.000. Total pencairan selama tahun berjalan sebesar Rp80.000. Pembayaran atas pinjaman bank pada tahun berjalan sebesar Rp100.000. Saldo pada 31 Desember 2018 adalah sebesar Rp30.000.

PT PPAF

Berdasarkan Adendum I Perjanjian Kredit tanggal 24 Mei 2017 Nomor 13 yang dibuat di hadapan Notaris Dewi Tenty Septi Artiany, S.H., M.H., M.Kn., PT PPAF telah mendapatkan fasilitas Kredit Pinjaman maksimum sebesar Rp95.000, yang terdiri dari fasilitas KMK Pembiayaan sebesar Rp50.000 dengan bentuk Kredit Angsuran Berjangka dan fasilitas Kredit Rekening Koran sebesar Rp45.000 dengan bentuk Kredit Berjangka. Sifat fasilitas KMK Pembiayaan adalah non-revolving, sedangkan fasilitas Kredit Rekening Koran bersifat revolving. Jangka waktu kredit KMK Pembiayaan maksimal adalah 36 bulan per-batch, sedangkan jangka waktu fasilitas Kredit Rekening Koran maksimal 12 bulan sejak 24 Mei 2017.

Perusahaan menyerahkan jaminan kepada bank berupa pengikatan jaminan fidusia atas tagihan piutang bersih senilai minimal 110% dari pokok pinjaman. Perusahaan diharuskan untuk mematuhi batasan kondisi keuangan dengan mempertahankan DER maksimal 8 kali. Pada tanggal 31 Desember 2018 dan 2017, perusahaan telah memenuhi syarat dan kondisi pinjaman yang ditetapkan bank.

Saldo awal tahun 2018 sebesar Rp27.707. Total pencairan pinjaman di tahun 2018 sebesar Rp419.566. Pembayaran selama tahun berjalan sebesar Rp412.014. Saldo pada 31 Desember 2018 sebesar Rp35.258.

**5) Lembaga Pembiayaan Ekspor Indonesia
Perusahaan**

Berdasarkan Perjanjian kredit Modal Kerja Ekspor No.39 tanggal 28 November 2018 dihadapan notaris Notaris Veronica Nataadmadja, S.H. M.Corp. M.Com. Perusahaan menandatangani perjanjian kredit dengan Lembaga Pembiayaan Ekspor Indonesia dengan *plafond* pinjaman tersebut sebesar Rp500.000. Tingkat suku Bunga adalah Tenor sampai dengan 3 bulan *lending rate* yang

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The beginning balance of the year amounting to Rp50,000. Total drawdown of loans in 2018 amounting to Rp80,000. Loan payment in the current year amounting to Rp100,000. Balance as of December 31, 2018 amounting to Rp 30,000.

PT PPAF

Based on the Credit Agreement I Addendum dated May 24, 2017 Number 13 made before Notary Dewi Tenty Septi Artiany, SH, MH, M.Kn., PT PPAF has obtained a loan facility of a maximum of Rp95,000, consisting of a KMK Financing facility of Rp50,000 with the form of Term Installment Credit and Current Account Credit facility of Rp45,000 in the form of Credit Term. The nature of the KMK Financing facility is non-revolving, while the Current Account Credit facility is revolving. The maximum KMK Financing credit period is 36 months per batch, while the facility for a maximum Account Credit facility is 12 months from May 24, 2017.

The company submits collateral to the bank in the form of binding on fiduciary guarantees for net receivables receivables valued at at least 110% of the loan principal. The company is required to comply with the limits of financial conditions by maintaining a maximum DER 8 times. As of December 31, 2018 and 2017, the company has complied with the loan terms and conditions set by the bank.

The balance at the beginning of the year is amounting to Rp27,707 Total drawdown of loan in 2018 is Rp419,566. receipt of loan payment in the current year is amounting to Rp412,014. The balance on December 31, 2018 is Rp35,258.

**5) Lembaga Pembiayaan Ekspor Indonesia
The Company**

Based on the Agreement on Export Working Capital No.39 dated November 28, 2018 before Notary Veronica Nataadmadja, S.H. M.Corp. M.Com. The Company entered into a credit agreement with the Indonesian Export Financing Agency with a loan limit of Rp500,000. The interest rate is a tenor of up to 3 months *lending rate* given above WAIR generated from assets in the form of bank

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diberikan diatas WAIR yang dihasilkan dari aset dalam bentuk penempatan pada bank, suku bunga sampai dengan per 31 Desember 2018 adalah sebesar 8.7% kemudian tenor sampai dengan 1 tahun sebesar 9.5% pa dengan jangka waktu pinjaman selama 12 bulan dari 28 November 2018 sampai 27 November 2019.

Saldo pada awal tahun sebesar Nihil. Total pencairan fasilitas pinjaman sebesar Rp128.000. Pembayaran atas pinjaman bank pada tahun berjalan sebesar nihil. Saldo pada 31 Desember 2018 adalah sebesar Rp128.000.

PT NK

Berdasarkan surat persetujuan kredit No. PDB/SP3/25/2018 tanggal 8 Juni 2018, PT NK, memperoleh kredit modal kerja dari Lembaga Pembiayaan Ekspor Indonesia, antara lain:

- 1) Fasilitas Pembiayaan Kredit Modal Kerja Ekspor
 - a. Pagu kredit yang diberikan Rp400.000;
 - b. Tujuan penggunaan untuk proyek-proyek luar negeri ataupun proyek dalam negeri yang terkait/menunjang perdagangan internasional (ekspor);
 - c. Jangka waktu 1 (satu) tahun terhitung sejak tanggal 9 Juni 2018 sampai dengan 9 Juni 2019;
 - d. Jaminan berupa:
 - Piutang atas kontrak yang dibiayai dan/atau dijamin oleh LPEI minimal 125% dari total pagu kredit (Catatan 6);
 - Tanah dan Bangunan diatas SHGB No. 19 yang berlokasi di Jl. Padma No. 6 Kotamadya Denpasar, Bali atas nama PT NK diikat dengan Hak Tanggungan peringkat I sebesar Rp1.918 (Catatan 19);
 - Tanah dan Bangunan di atas SHGB No. 352 yang berlokasi di Jl. Ciung Wanara No. 1 Kabupaten Badung, Bali atas nama PT NK telah diikat dengan Hak Tanggungan peringkat I sebesar Rp4.862 (Catatan 19);

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**24. Bank and Financial Institution Loans
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placements, interest rates up to December 31, 2018 are 8.7% then Tenor up to 1 year is 9.5% pa. with loan period of 12 months from November 28, 2018 to November 27, 2019.

The beginning balance of the year amounting to Nil. Total drawdown of loans in 2018 amounting to Rp128,000. Loan payment in the current year amounting to Nil. Balance as of December 31, 2018 amounting to Rp128,000.

PT NK

Based on the credit agreement letter No. PDB/SP3/25/2018 date June 8, 2018, PT NK, obtained working capital credit from Lembaga Pembiayaan Ekspor Indonesia, such as:

- 1) Financing facility of Working Capital Export Credit
 - a. Maximum limit amounting to Rp400,000;
 - b. The purpose of use is for overseas or domestic projects, which related to projects that support international trade (exports);
 - c. The period is for 1 (one) year, starting June 9, 2018 until June 9, 2019;
 - d. Collaterals:
 - Accounts receivable over a contract that financed and/or guaranteed by LPEI minimum 125% of total Maximum limit (Note 6);
 - Land and buildings on SHGB No. 19 located at Jl. Padma No.6 Kotamadya Denpasar, Bali registered under the name of PT NK tied with mortgage right rating I amounting to Rp1,918 (Note 19);
 - The land and building on SHGB No. 352, located at Jl. Ciung Wanara No.1 Bandung District registered under the name of PT NK tied with mortgage right rating I amounting to Rp4,862, (Note 19);

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**24. Pinjaman Bank dan Lembaga Keuangan
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- Tanah dan Bangunan di atas SHGB No. 3 dan SHGB No. 4 yang berlokasi di Jl. Hayam Wuruk No. 129-A, Desa Sumerta Kelod, Denpasar Timur, Bali atas nama PT NK diikat dengan Hak Tanggungan Peringkat I sebesar Rp11.563 (Catatan 19);
 - Tanah dan Bangunan di atas SHGB No. 65 dan SHGB No. 75 yang berlokasi di Jl. Majapahit No. 36, Kelurahan Ampenan Selatan, Mataram, Nusa Tenggara Barat atas nama PT NK diikat dengan Hak Tanggungan peringkat I sebesar Rp10.133 (Catatan 19);
 - Tanah dan Bangunan di atas SHGB No. 356 yang berlokasi di Jl. Parikesit No. 10, Kelurahan Cakranegara Barat, Cakranegara, Nusa Tenggara Barat, atas nama Perusahaan diikat dengan Hak Tanggungan peringkat I sebesar Rp999 (Catatan 19).
 - Tanah di atas SHGB No. 1347 yang berlokasi di Jl. Cisait, Kelurahan Walantaka, Kragilan, Serang, Banten.
- 2) Fasilitas Penerbitan dan/atau Pembiayaan LC/SKBDN
- a. Pagu kredit yang diberikan Rp250.000;
 - b. Penerbitan LC/SKBDN dan/atau pembiayaan LC/SKBDN untuk proyek luar negeri ataupun proyek dalam negeri yang terkait/menunjang perdagangan internasional (ekspor);
 - c. Jangka waktu 1 (satu) tahun sejak 9 Juni 2018 s/d 9 Juni 2019;
 - d. Jaminan : peningkatan piutang atas kontrak yang dibiayai dan/atau dijamin oleh Indonesia Eximbank sebesar Rp500.000.
- 3) Fasilitas Penjaminan Lembaga Pembiayaan Ekspor Indonesia
- a. Pagu kredit yang diberikan Rp200.000;
 - b. Penerbitan Jaminan Lembaga Pembiayaan Ekspor Indonesia untuk proyek-proyek infrastruktur yang dikerjakan baik dalam negeri maupun luar negeri yang menunjang kegiatan ekspor;
 - c. Jangka waktu 1 (satu) tahun sejak 23 Juni 2018 s/d 23 Juni 2019.

**24. Bank and Financial Institution Loans
(Continued)**

- The land and building on SHGB No. 3 and SHGB No. 4 located at Jl. Hayam Wuruk No. 129-A Sumerta Kelod Village, East Denpasar, Bali registered under the name of PT NK tied with mortgage right rating I amounting to Rp11,563 (Note 19);
 - The land and building on SHGB No. 65 and SHGB No. 75 located at Jl. Majapahit No. 36, Ampenan Selatan Village, Mataram, West Nusa Tenggara registered under the name of PT NK tied with mortgage right rating I amounting to Rp10,133 (Note 19);
 - The land and building on SHGB No. 356, located at Jl. Parikesit No.10, West Cakranegara Village, Cakranegara, West Nusa Tenggara, registered under the name of Company tied with mortgage right rating I amounting to Rp999 (Note 19).
 - The Land on SHGB No. 1347, located at Jl. Cisait, Walantaka Village, Kragilan, Serang, Banten.
- 2) LC/SKBDN Publishing and/or Financing Facilities.
- a. Maximum credit limit amounting to Rp250,000;
 - b. LC/SKBDN publishing and/or LC/SKBDN financing for the overseas or domestic projects, which related to projects that support international trade (exports);
 - c. The period is for 1 (one) year starting June 9, 2018 until June 9, 2019;
 - d. Collateral: Fiduciary of an receivable that financed and/or guaranteed by Indonesia Eximbank amounting to Rp500,000.
- 3) Lembaga Pembiayaan Ekspor Indonesia Guarantee Facilities.
- a. Maximum credit limit amounting to Rp200,000;
 - b. Lembaga Pembiayaan Ekspor Indonesia Surety issuance for infrastructure projects undertaken in both domestic and foreign, which support export activities;
 - c. The period is for 1 (one) year, starting June 23, 2018 until June 23, 2019.

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**24. Pinjaman Bank dan Lembaga Keuangan
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Saldo pada awal tahun 2018 sebesar Rp70.000. Pencairan pinjaman baru di tahun 2018 sebesar Rp360.311. Pembayaran pinjaman di tahun berjalan sebesar Rp320.311. Saldo pada 31 Desember 2018 sebesar Rp110.000.

6) PT Bank Mega Tbk

Perusahaan

Berdasarkan Perjanjian Kredit No.20 tanggal 09 Mei 2018 dihadapan notaris Desman, S.H., M.Hum., M.M Perusahaan menandatangani perjanjian kredit dengan PT Bank Mega Tbk. *Plafond* pinjaman tersebut maksimal sebesar Rp500.000. Tingkat suku bunga pinjaman tersebut adalah 10% per tahun. *fixed* selama 1 tahun, akan ditinjau ulang tiap perpanjangan fasilitas. Biaya provisi sebesar 0.25% dari total fasilitas yang diberikan. Jangka waktu pinjaman selama 12 bulan dan jatuh tempo pada tanggal 9 Mei 2019.

Saldo pada awal tahun 2018 sebesar Nihil. Pencairan pinjaman baru di tahun 2018 sebesar Rp761.281. Pembayaran pinjaman di tahun berjalan sebesar Rp427.253. Saldo pada 31 Desember 2018 sebesar Rp334.028.

**7) PT Bank Negara Indonesia (Persero) Tbk
PT NK**

- 1) Berdasarkan Surat No. BIN/2.2/30/R tanggal 12 Januari 2018. PT NK mendapatkan kredit modal kerja dari PT Bank Negara Indonesia (Persero) Tbk perihal penambahan fasilitas kredit kerja transaksional.

Jaminan

- Tanah/Bangunan kantor serta gudang di Jl. Brigjend Sudiarto No. 496 Kel. Pedurungan Lor, Kec. Pedurungan, Semarang, Jawa Tengah di atas SHGB No. 2 dan SHGB No. 111 atas nama PT NK.
- Tanah/Bangunan rumah tinggal di Jl. Tenggilis Tengah No. 4, Kel. Kendangsari, Kec. Tenggilis Mejoyo, Surabaya, Jawa Timur dengan SHGB No. 721 dan SHGB No. 725 atas nama PT NK.
- Tanah/Bangunan di Jl. Wolter Monginsidi No. 159, Kel. Gulak Galik, Kec. Teluk Betung Utara, Bandar Lampung, Lampung dengan SHGB No. 05 atas nama PT NK.

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Balance at beginning of the year 2018 amounting to Rp70,000. Total drawdown of loans in 2018 amounting to Rp360,311. Loan payment in the current year amounting to Rp320,311. Balance as of December 31, 2018 amounting to Rp110,000.

6) PT Bank Mega Tbk

The Company

Based on Credit Agreement No.20 dated May 9, 2018 before notary Desman, S.H., M. Hum., M.M The Company signed a credit agreement with PT Bank Mega Tbk. The loan limit is a maximum of Rp500,000. The interest rate of the loan is 10% per annum. fixed for 1 year, each facility extension will be reviewed. Provision fees are 0.25% of the total facilities provided. The loan period is 12 months and is due on May 9, 2019.

The beginning balance of the year amounting to Nil. Total drawdown of loans in 2018 amounting to Rp761,281. Loan payment in the current year amounting to Rp427,253. Balance at December 31, 2018 amounting to Rp334,028.

**7) PT Bank Negara Indonesia (Persero) Tbk
PT NK**

- 1) Based on the letter No. BIN/2.2/30/R dated January 12, 2018. PT NK obtained working capital loans from PT Bank Negara Indonesia (Persero) Tbk regarding to the addition of transactional working loan facility.

Collaterals

- Land/office buildings and warehouse on Jl. Pedurungan No. 496 Kel. Pedurungan Lor, Pedurungan District, Semarang, Central Java on SHGB No. 2 and SHGB No. 111 registered under the name of the PT NK.
- Land/building the House on Jl. Tenggilis No. 4, Kendangsari Village, Tenggilis Mejoyo District, Surabaya, East Java with SHGB No. 721 and SHGB No. 725 registered under the name of the PT NK.
- Land/building on Jl. Wolter Monginsidi No. 159, Gulak Galik Village District, Teluk Betung Utara, Bandar Lampung, Lampung with SHGB No. 05 registered under the name of the PT NK.

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**24. Pinjaman Bank dan Lembaga Keuangan
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- Tanah di Gg. Wongso, Kel. Harjosari II, Kec. Medan Amplas, Medan, Sumatera Utara dengan SHGB No. 546 atas nama PT NK.
- Tanah/Bangunan kantor serta gudang di Jl. Raya Trosobo KM 25 Desa Sidorejo, Kecamatan Krian, Sidoarjo, Jatim di atas SHGB No. 2 atas nama PT NK.
- Tanah/Bangunan rumah tinggal serta gudang terletak di Jl. Bonto Sunggu No. 22 Kel. Mangasa, Kec. Tamalate, Makassar, Sul-Sel di atas SHGB No. 20005/Manuruki (d/h 4197/Mangasa) atas nama PT NK.
- Tanah/ bangunan rumah tinggal di Jl. Pembangunan I Kel. Gurabesi Kec. Jayapura Utara, Jayapura, Irian Jaya di atas SHGB No. 798/Gurabesi (d/h No. 508/Gurabesi) atas nama PT NK.
- Tanah/ bangunan kantor serta gudang di Jl. Nindya Karya No. 9 Kel. Gurabesi Jayapura Utara, Jayapura, Irian Jaya di atas SHGB No. 599 atas nama PT NK.
- Tanah/ bangunan Gedung Kantor Pusat di Jl. Letjend. Haryono MT Kav.22, Kel. Cawang, Kec. Kramat Jati, Jakarta Timur di atas SHGB No.36 atas nama PT NK

Pagu Kredit KMK Transaksional

- a. Pagu kredit sebesar Rp375.000;
b. Jangka Waktu:
- Pagu kredit: 12 (dua belas) bulan sejak jatuh tempo fasilitas yaitu sejak tanggal 21 Januari 2018 s/d 20 Januari 2019;
 - Realisasi Kredit: Maksimal sesuai dengan jangka waktu proyek dalam kontrak.

Pagu Kredit KMK Revolving

- a. Pagu kredit sebesar Rp50.000;
b. Jangka Waktu: 12 (dua belas) bulan sejak tanggal 21 Januari 2018 s/d 20 Januari 2019;
c. Tujuan penggunaan: Tambahan modal kerja untuk keperluan operasional perusahaan.

Non Cash Loan

- a. Pagu kredit sebesar Rp2.675.000;
b. Jangka waktu 12 (Dua Belas) bulan sejak tanggal 21 Januari 2018 s/d 20 Januari 2019;

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**24. Bank and Financial Institution Loans
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- Land in Gg. Wongso, Kel. Harjosari II, Medan Amplas District, Medan, North Sumatra with SHGB No. 546 registered under the name of the PT NK.
- Land/building of Office and warehouse on Jl. Raya Trosobo KM 25, Sidorejo Village, Krian District, Sidoarjo, East Java, on SHGB No. 2 registered under the name of the PT NK
- Land/building of House and warehouse located on Jl. Bonto Sunggu No. 22 Mangasa Village, Tamalate District, Makassar, South Sulawesi on SHGB No. 20005/Manuruki (formerly 4197/Mangasa) registered under the name of the PT NK.
- Land/ building of House on Jl. Pembangunan I Gurabesi Village, , North Jayapura District, Jayapura, Irian Jaya, on SHGB No. 798/Gurabesi (formerly No. 508/Gurabesi) registered under the name of the PT NK.
- Land/ building of Office and warehouse on Jl. Nindya Karya No. 9 Gurabesi Villagem North Jayapura District, Jayapura, Irian Jaya, on SHGB No. 599 registered under the name of the PT NK.
- Land/ building of Main Office Building on Jl. Letjend. Haryono MT Kav.22, Cawang Village, Kramat Jati District, East Jakarta, on SHGB No. 36 registered under the name of PT NK.

Maximum limit of KMK Transactional

- a. Maximum credit limit to Rp375,000;
b. Period:
- Maximum limit: 12 (twelve) months since maturity of the facility starting January 21, 2018 until January 20, 2019;
 - Credit realization: Maximum realization in accordance with the duration of the project in the contract.

Maximum limit of KMK Revolving

- a. Maximum limit to Rp50,000;
b. Period: 12 (twelve) months starting January 21, 2018 until January 20, 2019;
c. The purpose: additional working capital for the company operating necessary.

Non Cash Loan

- a. Maximum credit limit amounting to Rp2,675,000;
b. The period is 12 (twelve) months since January 21, 2018 until January 20, 2019;

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**24. Pinjaman Bank dan Lembaga Keuangan
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c. Jaminan dikaitkan jaminan KMK *revolving*.

- 2) Berdasarkan Surat No. BIN/2.3/063/R tanggal 21 Maret 2018, PT NK mendapatkan Fasilitas KMK Transaksional dari PT Bank Negara Indonesia (Persero) Tbk.

Fasilitas Kredit Modal Kerja

- Pagu kredit sebesar Rp70.000;
- Tujuan penggunaan: tambahan modal kerja Proyek Rehabilitasi Pasar Johar Kota Semarang TA 2018 - 2019;
- Jangka Waktu: 15 (limabelas) bulan sejak tanggal 18 September 2018 s/d 08 Desember 2019;
- Jaminan: Piutang termin atas proyek yang dibiayai akan diikat *cessie* dan dikaitkan dengan fasilitas berjalan.

Saldo pada awal tahun 2018 sebesar Rp155.000. Total pencairan pinjaman di tahun 2018 sebesar Rp7.637.065. Pelunasan pinjaman di tahun berjalan sebesar Rp7.692.065. Saldo pada 31 Desember 2018 sebesar Rp100.000.

PT NK diharuskan untuk mematuhi beberapa batasan untuk mempertahankan rasio keuangan sebagai berikut:

- Rasio lancar minimal 1 kali;
- DER maksimal 5 kali; dan
- Rasio DSC minimal 100%

Pada tanggal 31 Desember 2018 dan 2017, PT NK telah memenuhi syarat dan kondisi pinjaman yang ditetapkan bank.

**8) PT Sarana Multi Infrastruktur (Persero)
PT NK**

- Berdasarkan surat yang diterbitkan No. S-439/SMI/DPI/0618 tanggal 08 Juni 2018, PT NK mendapatkan kredit modal kerja dari PT Sarana Multi Infrastruktur (Persero) (PT SMI) melalui Fasilitas Pembiayaan Modal Kerja Revolving Fasilitas Pembiayaan dan Perjanjian Pembiayaan.
 - Jenis Fasilitas berupa Pembiayaan Modal Kerja;
 - Pagu kredit sebesar Rp200.000 (Total Fasilitas Pembiayaan);

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c. Collateral is related with KMK revolving collateral.

- 2) Based on the letter No. BIN/2.3/063/R dated March 21, 2018, PT NK, obtained Transactional KMK Facility from PT Bank Negara Indonesia (Persero) Tbk.

Working Capital Credit Facility

- Maximum limit amounting to Rp70,000;
- The purpose: additional working capital for The Rehabilitation Project of Johar Market in Semarang City FY 2018 – 2019;
- Period: 15 (Fifteen) months starting September 18, 2018 until December 8, 2019;
- Collateral: Accounts receivable termin of financed projects is tied with *cessie* and is associated with current facilities.

The beginning balance of the year 2018 amounting to Rp155,000. Total drawdown of loans in 2018 amounting to Rp7,637,065. Loan payment in the current year amounting to Rp7,692,065. Balance as of December 31, 2018 amounting to Rp100,000.

PT NK is required to comply with several restrictions to maintain financial ratio as follows:

- Current ratio minimum 1 time;
- DER maximum 5 times; and
- DSC ratio minimum 100%

As of December 31, 2018 and 2017, PT NK complied with the terms and conditions of the loans.

**8) PT Sarana Multi Infrastruktur (Persero)
PT NK**

- Based on the credit agreement No. S-439/SMI/DPI/0618 dated June 08, 2018, PT NK obtained working capital loans from PT Sarana Multi infrastructure (Persero) (PT SMI) through a Revolving Working Capital Financing Facility Agreement and Financing Facilities.
 - Types of Facilities are Working Capital Financing;
 - Maximum credit limit amounting to Rp200,000 (Total Financing Facilities);

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c. Keperluan modal kerja untuk melaksanakan pembangunan proyek-proyek infrastruktur sebagai berikut:

- Proyek Bendungan Rotiklot berada di Kabupaten Belu, Provinsi Nusa Tenggara Timur, berdasarkan Surat Perjanjian Kontrak Harga Satuan No. HK.02.03/SATKER/PJSA SDA-NT.II/BEND/108/XI/2015 tanggal 27 November 2015;
- Proyek Preservasi dan Pelebaran Jalan Kota Takengon – Sp. Uning – Uwak (MYC 2016 – 2018), Provinsi Nangroe Aceh Darussalam, berdasarkan Surat Perjanjian (Kontrak) No. HK.02.03/CTR-Br.A2/13/ APBN/2016 tanggal 4 Oktober 2016;
- Proyek Rehabilitasi Jaringan Irigasi Daerah Irigasi Prijetan (4.513 Ha), Kabupaten Lamongan, Provinsi Jawa Timur (Multiyears Contract) berdasarkan Surat Perjanjian No. HK0203-An/IRWAI/K-PRJTN/SPK/MYC/01 tanggal 24 Agustus 2016;
- Proyek Revitalisasi Danau Tempe, Kabupaten Wajo, Provinsi Sulawesi Selatan, berdasarkan Surat Perjanjian Kontrak Harga Satuan No. HK.02.03/AU/SB-RDT/56 tanggal 19 Desember 2016.
- Proyek Bendungan Temef berada di Kabupaten Timor Tengah Selatan, Provinsi Nusa Tenggara Timur, berdasarkan Surat Perjanjian Kontrak Harga Satuan No.HK.02.03/SNVT/PEM-BEND-NT.II/DSE.I/89/XII/2017 tanggal 22 Desember 2017.
- Proyek-proyek infrastruktur lain yang dibiayai dari dana APBN dan sektornya sesuai dengan Peraturan Menteri Keuangan No.100/PMK.010/2009 dan Surat Otoritas Jasa Keuangan No. S-48/D.05/2015 tanggal 30 April 2015.

d. Jangka Waktu: 12 (dua belas) bulan sejak 28 Juni 2018 s/d 27 Juni 2019;

e. Jaminan berupa jaminan yang lazim dipersyaratkan oleh Kreditur dalam Fasilitas Pembiayaan ini, termasuk namun tidak terbatas pada:

**24. Bank and Financial Institution Loans
(Continued)**

c. Working capital purposes to carry out the construction of infrastructure project as below:

- Rotiklot Dam Project is located in Belu Regency, East Nusa Tenggara Province, based on the letter of unit price contract No. HK.02.03/SATKER/PJSA SDA-NT.II/BEND/108/XI/2015 dated November 27, 2015;
- Takengon City – Sp. Uning – Uwak (MYC 2016 – 2018) Prseservation and Widening Project, Nangroe Aceh Darussalam Province, based on the letter of contract No. HK.02.03/CTR-Br.A2/13/APBN/2016 dated October 4, 2016;
- Prijetan Irrigation Network rehabilitation project (4,513 Ha), Lamongan Regency, East Java Province (Multiyears Contract) based on the contract No. HK0203-An/IRWAI/K-PRJTN/SPK/MYC/01 dated August 24, 2016.
- Tempe Lake Revitalization Project, Wajo Regency, South Sulawesi Province, based on the letter of unit price contract No. HK.02.03/AU/SB-RDT/56 dated December 19, 2016.
- Temef Dam Project is located in Timor Tengah Selatan Regency, East Nusa Tenggara Province, based on the letter of unit price contract No. HK.02.03/SNVT/PEM-BEND-NT.II/DSE.I/89/XII/2017 dated December 22, 2017;
- Other projects that are financed from state budget funds and sectors according the Minister of Finance Regulation No. 100/PMK.010/2009 and the Finance Authority Service letter No. S-48/D.05/2015 dated April 30, 2015.

d. Period: 12 (twelve) months starting June 28, 2018 until June 27, 2019;

e. Collateral in the form of a guarantee is normally required by creditors in this financing facility, including but not limited to:

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**24. Pinjaman Bank dan Lembaga Keuangan
(Lanjutan)**

- Tanah dan Bangunan SHGB No. 366/Harjosari II atas Nama PT NK dengan luas tanah sebesar 5.170 m² yang terletak di Jl. Sisingamaraja Kel. Harjosari II, Kec. Medan Amplas, Kota Medan, Sumatera Utara (Catatan 19).
- Tanah dan Bangunan SHGB No. 118/Harjosari II atas nama Perusahaan dengan luas tanah sebesar 1.442 m² yang terletak di Jl. Kampung/Lorong IX Kel. Harjosari, Kec. Medan Amplas, Kota Medan, Sumatera Utara (Catatan 19).
- Tanah dan Bangunan SHGB No. 20019/Losari atas nama PT NK dengan luas tanah sebesar 966 m² yang terletak di Jl. Lamadukelleng No. 28 Kel. Losari, Kec. Ujung Pandang, Kota Makassar, Sulawesi Selatan (Catatan 19).
- Tanah dan Bangunan SHGB No. 601/Sukarami atas nama PT NK dengan luas tanah sebesar 1.619 m² yang terletak di Kel. Sukarami, Kec. Sukarami, Kota Palembang, Sumatera Selatan (Catatan 19).
- Tanah dan Bangunan SHGB No. 22/Neglasari atas nama PT NK dengan luas tanah sebesar 1.085 m² yang terletak di Jl. Penghulu H. Hasan Mustofa No. 67 Kec. Cibeunying Kaler, Kota Bandung, Jawa Barat (Catatan 19).
- Tanah dan Bangunan SHGB No. 23/Neglasari atas nama PT NK dengan luas tanah sebesar 1.085 m² yang terletak di Jl. Penghulu H. Hasan Mustofa No. 65A Kec. Cibeunying Kaler, Kota Bandung, Jawa Barat (Catatan 19).
- Tanah dan Bangunan SHGB No. 00023/Besusu Tengah atas nama PT NK dengan luas tanah sebesar 1.548 m² yang terletak di Kel. Basusu Tengah Kec. Palu Timur Kab. Dongkala, Sulawesi Tengah (Catatan 19).
- Tanah dan Bangunan SHGB No. 18/Besusu atas nama PT NK dengan luas tanah sebesar 2.016 m² yang terletak di Kel. Basusu Tengah Kec. Palu Timur Kab. Dongkala, Sulawesi Tengah (Catatan 19).

**24. Bank and Financial Institution Loans
(Continued)**

- The land and Building with SHGB No. 366/Harjosari II registered under the name of PT NK with a land area of 5,170 sqm located on Jl. Sisingamaraja Harjosari II Village, Medan Amplas District, Medan, North Sumatra (Note 19).
- The land and Building with SHGB No. 118/Harjosari II registered under the name of PT NK with a land area of 1,442 sqm located on Jl. Kampung/Hallway IX Harjosari, Medan Amplas District, Medan, North Sumatra (Note 19).
- The land and Building with SHGB No. 20019/Losari registered under the name PT NK with a land area of 966 sqm located on Jl. Lamadukelleng No. 28 Losari Village, Ujung Pandang District, Makassar, South Sulawesi (Note 19).
- The land and Building with SHGB No. 601/Sukarami registered under the name of PT NK with a land area of 1,619 sqm located in Sukarami Village, Sukarami District, Palembang, South Sumatra (Note 19).
- The land and Building with SHGB No. 22/Neglasari registered under the name of PT NK with a land area of 1,085 sqm located on Jl. Penghulu H. Hasan Mustofa No. 67 Cibeunying Kaler District, Bandung, West Java (Note 19).
- The land and Building with SHGB No. 23/Neglasari registered under the name of PT NK with a land area of 1,085 sqm located on Jl. Penghulu H. Hasan Mustofa No. 65A Kec. Cibeunying Kaler, Bandung, West Java (Note 19).
- The land and Building with SHGB No. 00023/ Central Besusu registered under the name of PT NK with a land area of 1,548 sqm located in Kel. Central Basusu Kec. East Palu Kab. Dongkala, Central Sulawesi (Note 19).
- The land and Building ownership proven with SHGB No. 18/Besusu registered under the name of PT NK with a land area of 2,016 sqm located in Central Basusu Village, Palu District, Dongkala, Central Sulawesi (Note 19).

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**24. Pinjaman Bank dan Lembaga Keuangan
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- Tanah dan Bangunan SHGB No. 00022/Besusu Tengah atas nama PT NK dengan luas tanah sebesar 1.078 m² yang terletak di Kel. Basusu Tengah Kec. Palu Timur Kab. Dongkala, Sulawesi Tengah (Catatan 19).
- Tagihan/piutang (sisa termin) atas proyek yang dibiayai dan akan dilakukan pengikatan awal secara Fidusia minimal sebesar 150% dari Total Fasilitas Pembiayaan. Selanjutnya nilai tagihan/piutang (sisa termin) dijaga minimal 150% dari *outstanding* Fasilitas Pembiayaan.
- Pembayaran utang Pokok Fasilitas Pembiayaan ini dilakukan selambat-lambatnya pada saat berakhirnya perjanjian kontrak antara Debitur dengan pemberi Kerja atau pemilik proyek infrastruktur (*bowheer*) atau berakhirnya jangka waktu Fasilitas Pembiayaan.

Saldo awal tahun 2018 sebesar Rp30.000. Total pencairan pinjaman di tahun 2018 sebesar Rp200.000. Pembayaran pinjaman di tahun berjalan sebesar Rp165.000. Saldo pada 31 Desember 2018 sebesar Rp65.000.

**9) PT Bank Mandiri (Persero) Tbk
PT NK**

Berdasarkan Surat No. WBG.CB2/SCD.SPPK.-026/2017 tanggal 24 November 2017 dan Surat No. CBG.LC2/SCD.SPPK.049/2018 tanggal 16 Agustus 2018. PT NK mendapatkan Fasilitas KMK Transaksional dan Tambahan Limit Fasilitas Non *Cash Loan* dari PT Bank Mandiri (Persero) Tbk.

- 1) Fasilitas Kredit Modal Kerja
 - a. Pagu kredit sebesar Rp300.000;
 - b. Tujuan penggunaan: Tambahan modal kerja Proyek Pekerjaan Pembangunan Dermaga 005 Tanjung Priok;
 - c. Jangka Waktu: 24 bulan sejak 13 Desember 2017 s/d 13 Desember 2019;
 - d. Jaminan:

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**24. Bank and Financial Institution Loans
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- The land and Building with SHGB No. 00022/Besusu Central registered under the name of PT NK with a land area of 1,584 sqm located in Central Basusu Village, Palu Timur District, Dongkala, Central Sulawesi (Note 19).
- Billing/accounts receivable (the remainder of the term) for a project that was financed and will be conducted early in a binding Fiduciary minimum of 150% of the Total financing facility. Next invoice/ receivable (residual term) is kept for a minimum of 150% of the outstanding financing facility.
- Principal of payment financing facility is conducted no later than at the of expiry of the contractual agreements between the debtor and employer or the owner of the infrastructure projects or the expiry of the period of financing facility.

The beginning balance of the year 2018 amounting to Rp30,000. Total drawdown of loans in 2018 amounting to Rp200,000. Loan payment in the current year amounting to Rp165,000. Balance as of December 31, 2018 amounting to Rp65,000.

**8. PT Bank Mandiri (Persero) Tbk
PT NK**

Based on the letter No. WBG.CB2/SCD.SPPK.-026/2017 dated November 24, 2017 and No. CBG.LC2/SCD.SPPK.049/2018 dated August 16, 2018. PT NK, obtained Transactional KMK Facility from PT Bank Mandiri (Persero) Tbk.

- 1) Working capital credit facility
 - a. Maximum limit amounting to Rp300,000;
 - b. The purpose: additional working capital for The Construction of Port 005 Tanjung Priok;
 - c. Period: 24 months since December 13 2017 until December 13, 2019;
 - d. Collateral:

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- Piutang usaha dan stock persediaan barang diikat fiducia;
- Sebidang tanah dan bangunan SHGB No. 414/Cipinang Cempedak, seluas 5.828 m², terletak di Kelurahan Cipinang Cempedak, Kecamatan Jatinegara, Jakarta Timur atas nama PT NK;
- Dua bidang tanah dan bangunan SHGB No. 1689 dan 1690, seluas 159 m² dan 100 m² di Komp. Sudirman Business Center Kav. 1 & 2, Desa Simpang Tiga, Pekanbaru atas nama PT NK (Catatan 19).

2) Non Cash Loan

- a. Pagu kredit sebesar Rp1.100.000;
- b. Jangka Waktu: sejak penandatanganan add PK s.d. 25 Agustus 2019;
- c. Jaminan dikaitkan dengan jaminan KMK.

Saldo awal tahun 2018 sebesar Rp70.000. Total pencairan pinjaman di tahun 2018 sebesar Nihil. Pembayaran pinjaman di tahun berjalan sebesar Rp40.000. Saldo pada 31 Desember 2018 sebesar Rp30.000.

PT PPAF

Pada tanggal 29 November 2017, PT PPAF menandatangani Akta Perjanjian Kredit Modal Kerja I Nomor 154 dengan PT Bank Mandiri (Persero) Tbk dihadapan Notaris M. Kholid Artha, S.H., dengan nilai pinjaman maksimum sebesar Rp75.000 dengan tingkat bunga 9,75% sampai dengan 1 tahun pertama, selanjutnya 9,90% dari tahun pertama sampai tahun kedua, selanjutnya 10,00% dari tahun kedua sampai dengan tahun ketiga. Jangka waktu kredit 48 bulan sejak tanggal penandatanganan sampai dengan tanggal 29 November 2021. Perusahaan menyerahkan jaminan kepada bank berupa pengikatan jaminan fidusia senilai minimal 110% dari jumlah pokok fasilitas kredit kepada bank.

Saldo awal tahun 2018 pinjaman jangka pendek sebesar Rp35.615. Total pencairan di tahun berjalan sebesar Nihil. Pembayaran atas pinjaman bank pada tahun berjalan sebesar Rp35.615. Saldo pada 31 Desember 2018 adalah sebesar Nihil.

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- Account receivable and inventory conducted in a binding fiduciary;
- Land and building SHGB No.414/Cipinang Cempedak, with a land area 5,828 Sqm, located at Cipinang Cempedak Village, Jatinegara District, East Jakarta registered under the name of PT NK;
- Two land and buildings SHGB No.1689 and 1690, with a land area 159 Sqm and 100 Sqm, located at Sudirman Bussines Center Kav. 1 & 2, Simpang Tiga Village, Pekanbaru registered under the name of PT NK (Note 19).

2) Non Cash Loan

- a. Maximum limit amounting to Rp1,100,000;
- b. Period: since the signing of credit add until August 25, 2019;
- c. Collateral is related with KMK revolving collateral.

The beginning balance of the year 2018 amounting to Rp70,000. Total drawdown of loans in 2018 amounting to Nil. Loan payment in the current year amounting to Rp40,000, Balance as of December 31, 2018 amounting to Rp30,000.

PT PPAF

On November 29, 2017, PT PPAF signed a Agreement Deed of Working Capital Loan I Number 154 with PT Bank Mandiri (Persero) Tbk before Notary M. Kholid Artha, S.H, with a maximum loan value of Rp75,000 with an interest rate of 9.75% up to the first 1 year, then 9.90% from the first year to the second year, then 10.00% from the second year to the third year. The credit period is 48 months from the date of signing up to November 29, 2021. The company submits a guarantee to the bank in the form of binding a fiduciary guarantee of at least 110% of the principal amount of the credit facility to the bank.

The beginning balance of the year 2018 amounting to Rp35,615. Total drawdown in the current year is Nil. Loan payment in the current year amounting to Rp35,615. Balance as of December 31, 2018 amounting to Nil.

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**24. Pinjaman Bank dan Lembaga Keuangan
(Lanjutan)**

**24. Bank and Financial Institution Loans
(Continued)**

Pada tanggal 29 November 2017 PT PPAF menandatangani Akta Perjanjian Kredit Modal Kerja Revolving II Akta No. 155 dengan PT Bank Mandiri (Persero) Tbk dihadapan Notaris M. Kholid Artha S.H., dengan nilai pinjaman maksimum sebesar Rp 75.000 dengan tingkat bunga 9,75% efektif per tahun adjustable rate yang dapat berubah sewaktu-waktu sesuai ketentuan bank dengan pemberitahuan secara tertulis. Jangka waktu kredit 24 bulan sejak tanggal penandatanganan sampai dengan tanggal 29 November 2019. Perusahaan menyerahkan jaminan kepada bank berupa pengikatan jaminan fidusia senilai minimal 110% dari jumlah pokok fasilitas kredit kepada bank. PT PPAF diharuskan untuk mematuhi batasan kondisi keuangan dengan DPD lebih dari 60 hari atas seluruh portfolio tidak melebihi 3%.

On November 29, 2017 PT PPAF entered into a Revolving II Working Capital Loan Agreement Deed No. 155 with PT Bank Mandiri (Persero) Tbk before Notary M. Kholid Artha S.H., with a maximum loan value of Rp75,000 with an interest rate of 9.75% effective per year adjustable rate which can change at any time according to bank provisions with written notice. Credit period is 24 months from the date of signing up to November 29, 2019. The company submits a guarantee to the bank in the form of binding a fiduciary guarantee of at least 110% of the principal amount of the credit facility to the bank. PT PPAF are required to comply with financial conditions with DPD more than 60 days for all portfolios not exceeding 3%.

Saldo awal tahun 2018 pinjaman jangka panjang sebesar Rp47.350 Total pencairan di tahun berjalan sebesar Rp281.369, total pembayaran pokok di tahun berjalan sebesar Rp192.814. Saldo per 31 Desember 2018 atas fasilitas pinjaman tersebut sebesar Rp135.904.

The initial balance of 2018 in the long-term loan was Rp47,350. The total disbursement in the current year amounted to Rp281,369, the total principal payment in the current year was Rp192,814. The balance as of December 31, 2018 for the loan facility amounted to Rp135,904.

**10) PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk
PT NK**

Berdasarkan Surat Pemberitahuan Persetujuan Pemberian Kredit (SP2K) No. 351/KOM-KKI/2018 tanggal 12 April 2018, PT NK mendapatkan pinjaman dari PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk (Bank BJB), sebagai berikut:

- Jenis fasilitas kredit yaitu KMKK *Standby Loan* dan sublimit fasilitas *non cash loan*.
- Pagu kredit yang diberikan Rp700.000.
- Tujuan:
Modal kerja usaha jasa konstruksi dan pengadaan untuk proyek yang sumber dananya berasal dari APBN/APBD/BUMN.
 - Fasilitas *Cash Loan* maksimum sebesar Rp350.000, yang dapat ditarik untuk pembiayaan proyek sedangkan Fasilitas *Non Cash Loan* maksimum sebesar Rp350.000.

**9. PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk
PT NK**

Based on the Notice of Credit Approval (SP2K) No. 351/KOM-KKI/2018 dated April 12, 2018, PT NK obtained loans from PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk (Bank BJB) as follows:

- Type of credit facility is KMKK *Standby Loan* and sublimit *non cash loan*
- Maximum credit limit amounting to Rp700,000.
- Purposes:
Working capital of construction and procurement services for the project which the funds originate from APBN/APBD/SOE.
 - The maximum of *Cash Loan Facility* is Rp350,000, which could be drawn for project financing, while the maximum of *Non-Cash Loan Facility* is Rp350,000.

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- Fasilitas kredit *Non Cash Loan* per sub pagu kredit dapat berubah menjadi fasilitas kredit *Cash Loan* per sub pagu kredit apabila Fasilitas sub pagu kredit *Non Cash Loan* tersebut dinyatakan *default*. Selanjutnya atas seluruh fasilitas akan dilakukan *stop booking* (tidak dapat dicairkan) sampai dengan fasilitas sub pagu kredit yang *default* telah dilunasi oleh debitur.
- Fasilitas *Non Cash Loan* dapat digunakan sebagai sarana disposisi untuk transaksi seperti SKBDN, L/C, Bank Garansi, dan *Hedging*.

-Jangka waktu
12 (dua belas) bulan sejak tanggal jatuh tempo kredit sebelumnya 11 April 2018 sampai dengan 11 April 2019.

-Jaminan:
Tidak ada jaminan atas pinjaman bank ini

Saldo awal tahun 2018 sebesar Rp120.000. Pencairan pinjaman di tahun 2018 sebesar Rp225.000. Pembayaran pinjaman di tahun berjalan sebesar Rp225.000 Saldo pada 31 Desember 2018 sebesar Rp120.000.

**11) PT Bank Pan Indonesia Tbk
PT NK**

Berdasarkan Surat No. 388/IBD/EXT/18 tanggal 18 September 2018. PT NK mendapatkan Fasilitas Pinjaman *Money Market*, SKBDN/Bank Garansi dan Transaksi Valuta Asing dari PT Bank Pan Indonesia Tbk.

- 1) Fasilitas Pinjaman *Money Market*;
 - a. Pagu kredit sebesar Rp350.000;
 - b. Tujuan penggunaan: Modal kerja umum;
 - c. Jangka Waktu: 12 (dua belas) bulan sejak penandatanganan kredit;
 - d. Jaminan: Fidusia atas kontrak proyek yang sudah ada dengan nilai minimal 100% dari Pokok Pinjaman.

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- Sub-Plafon of *Non Cash Loan Credit Facility* can be turned into sub-plafon *Cash Loan Credit Facility* if the sub-plafon *Non Cash Loan Facility* is declared in default. Furthermore, the entire facilities will be stopped booking (could not be drawn) until the default sub-plafon facilities have been paid by the debtor.
- *Non-Cash Loan Facility* can be used as a mean of disposition for such transactions, such as SKBDN, L/C, Bank Bond, and *Hedging*.

- Time Period
12 (twelve) months since the previous credit's due date on April 11, 2018 until April 11, 2019.

- Collaterals:
No collaterals for this bank loan.

The beginning balance of the year 2018 amounting to Rp120,000. Total drawdown of loans in 2018 amounting to Rp225,000. Loan payment in the current year amounting to Rp225,000. Balance as of December 31, 2018 amounting to Rp120,000.

**10. PT Bank Pan Indonesia Tbk
PT NK**

Based on the letter No. 388/IBD/EXT/18 dated September 18, 2018, PT NK obtained Money Market Loan Facility, SKBDN / Bank Guarantee and Foreign Exchange Transaction from PT Bank Pan Indonesia Tbk.

- 1) Money Market Loan Facility;
 - a. Maximum credit limit amounting to Rp350,000;
 - b. The purpose: general working capital;
 - c. Period: 12 (twelve) months since the signing of the credit;
 - d. Collateral: Fiduciary of an existing project contract with a value of at least 100% of Principal.

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**24. Bank and Financial Institution Loans
(Continued)**

- 2) Fasilitas Pembukaan SKBDN/ Bank Garansi
- Pagu kredit sebesar Rp200.000;
 - Tujuan penggunaan: Merealisasi pembelian bahan baku, bahan pendukung produksi dan suku cadang;
 - Jangka Waktu: 12 (dua belas) bulan sejak penandatanganan kredit pada tanggal 18 September 2018 sampai dengan 7 Juli 2019;
 - Jaminan:
 - Margin Deposit 0%;
 - Fidusia atas kontrak proyek yang sudah ada dengan nilai minimal 50% dari Nilai SKBDN.

- 2) SKBDN Facility/Bank Guarantee Facility
- Maximum credit limit amounting to Rp200,000;
 - The purpose: Realizing the purchase of raw materials, production support and spare parts;
 - Period: 12 (twelve) months since September 18, 2018 until July 7, 2019;
 - Collateral:
 - 0% Margin Deposit;
 - Fiduciary of an existing project contract with a value of at least 50% of Principal.

- 3) Berdasarkan Surat No. 217/IBD/EXT/17, tanggal 30 Mei 2017, Perusahaan mendapatkan perpanjangan Fasilitas Transaksi Valuta Asing dari PT Bank Pan Indonesia Tbk

- 3) Based on the letter No. 217/IBD/EXT/17 dated May 30, 2017, Company obtained Foreign Exchange Transaction Facility from PT Bank Pan Indonesia Bank Tbk.

Fasilitas Transaksi Valuta Asing:

- Plafond sebesar USD2,000,000.
- Tujuan penggunaan: Memenuhi kebutuhan transaksi valuta asing dan lindung nilai posisi valuta asing yang timbul dari kegiatan operasional.
- Jangka Waktu 12 (dua belas) bulan sejak taggal perubahan PVA.

Foreign Exchange Transaction Facility

- Maximum limit amounting to USD2,000,000.
- The purpose: operational transaction for foreign exchange to fulfill the foreign exchange transaction needs and hedging which arising from the operational activities.
- Period: 12 (twelve) months since PVA switch;

PT NK diharuskan untuk mematuhi beberapa batasan untuk mempertahankan rasio keuangan sebagai berikut:

- Pinjaman berbunga dikurangi saldo kas dan bank dibagi total ekuitas tidak melebihi 3;
- EBITDA dibagi beban bunga pinjaman lebih besar dari 1,5; dan
- Rasio lancar minimal 1

PT NK is required to comply with several restriction to maintain financial ratio as follows:

- Interest Loans after deducting cash and bank balance divided by total Equity do not exceed 3 times;
- EBITDA divided by interest expense do not exceed 1.5 times; and
- Current ratio minimum of 1

Pada tanggal 31 Desember 2018, Perusahaan telah memenuhi syarat dan kondisi pinjaman yang ditetapkan bank.

As of December 31, 2018, the Company is compliance with the terms and conditions.

Saldo awal tahun 2018 sebesar Nihil. Total pencairan pinjaman di tahun 2018 sebesar Rp1.014.000. Pembayaran pinjaman di tahun berjalan sebesar Rp994.000. Saldo pada 31 Desember 2018 sebesar Rp20.000.

Balance at the beginning of the year 2018 amounting to Nil. Total drawdown of loans in 2018 amounting to Rp1,014,000. Loan payment in the current year amounting to Rp994,000. Balance as of December 31, 2018 amounting to Rp20,000.

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**24. Pinjaman Bank dan Lembaga Keuangan
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**12.) PT Bank Pembangunan Daerah Jawa Tengah
PT PPAF**

Pada tanggal 17 November 2017 PT PPAF menandatangani Perjanjian KUP Modal Kerja No. Akta 38 dengan PT Bank Pembangunan Daerah Jawa Tengah dihadapan Notaris Dini Handanayatie, S.H., dengan nilai pinjaman maksimal sebesar Rp75.000 dengan tingkat bunga 11,50% efektif per tahun *adjustable rate* yang dapat berubah sewaktu-waktu sesuai ketentuan bank. Jangka waktu kredit 60 bulan sejak tanggal penandatanganan sampai dengan tanggal 17 November 2022. Perusahaan menyerahkan jaminan kepada bank berupa pengikatan jaminan fidusia atas daftar piutang yang dijaminan saldo per tanggal 23 November 2017 kolektibilitas lancar sebesar Rp23.347.

Saldo pada awal tahun 2018 pinjaman sebesar Rp18.245. Total pencairan selama tahun berjalan sebesar Rp55.253. Pembayaran atas pinjaman bank pada tahun berjalan sebesar Rp22.016. Saldo pada 31 Desember 2018 adalah sebesar Rp51.482.

**13.) PT Bank Muamalat Indonesia Tbk
PT DMR**

Berdasarkan "Perjanjian Pemberian *Line Facility* Murabahah I" yang diaktakan oleh Notaris Nurhasanah, S.H., M.Kn. No. 09 tanggal 14 September 2016, PT DMR menandatangani perjanjian pinjaman dengan PT Bank Muamalat Indonesia Tbk, untuk Pemberian *Line Facility* Rp70.000 yang akan digunakan untuk pembelian Obyek Akad. Fasilitas pinjaman ini berjangka waktu 60 bulan dengan *grace period* 60 bulan.

Berdasarkan "Perjanjian Pemberian *Line Facility* Murabahah II" yang diaktakan oleh Notaris Nurhasanah, S.H., M.Kn. No. 10 tanggal 14 September 2016, PT DMR menandatangani perjanjian pinjaman dengan PT Bank Muamalat Indonesia Tbk, untuk Pemberian *Line Facility* Rp5.000 bersifat *Revolving* yang akan digunakan untuk pembelian Obyek Akad. Fasilitas pinjaman ini berjangka waktu 12 bulan dengan jangka waktu per pencairan 6 bulan.

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**24. Bank and Financial Institution Loans
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**12.) PT Bank Pembangunan Daerah Jawa Tengah
PT PPAF**

On November 17, 2017 PT PPAF signed the KUP Working Capital Agreement No. Deed 38 with PT Central Java Regional Development Bank before Notary Dini Handanayatie, S.H., with a maximum loan value of Rp75,000 with an effective interest rate of 11.50% per year *adjustable rate* which can change at any time according to bank regulations. The credit period is 60 months from the date of signing up to November 17, 2022. The company submits collateral to the bank in the form of binding on fiduciary guarantees on the list of receivables, which guarantee the balance as of November 23, 2017 for a collectibility of Rp23,347.

The beginning balance of the year 2018 amounting to is Rp18,245. Total drawdown of loans in 2018 amounting to Rp55,253. Loan payment in the current year amounting to Rp22,016. Balance as of December 31, 2018 amounting to Rp51,482.

**13.) PT Bank Muamalat Indonesia Tbk
PT DMR**

Based on "Line Facility Agreement Murabahah I" Deed No.19 by Notary Nurhasanah, S.H., M.Kn. dated September 14, 2016, PT DMR signed a loan agreement with PT Bank Muamalat Indonesia Tbk, for the Line Facility of Rp70,000, which will be used to purchase Akad Object. This loan facility has a 60 months term with *grace period* of 60 months.

Based on "Line Facility Agreement Murabahah II" Deed No.10 by Notary Nurhasanah, S.H., M.Kn. dated September 14, 2016, PT DMR signed a revolving loan agreement with PT Bank Muamalat Indonesia Tbk, for the Line Facility of Rp5,000 which will be used to to purchase Akad Object. This loan facility has a 12 months term with time span per disbursement is 6 months.

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**24. Pinjaman Bank dan Lembaga Keuangan
(Lanjutan)**

Saldo pada awal tahun 2018 sebesar Rp68.212. Total pencairan di tahun berjalan sebesar Nihil. Pembayaran pada tahun berjalan sebesar Rp34.015. Saldo pada 31 Desember 2018 sebesar Rp34.197.

**14.) PT Bank Rakyat Indonesia (Persero) Tbk
PT PPAF**

Berdasarkan Akta Perjanjian No. 08 tanggal 13 Juli 2018, PT PPAF memperoleh Fasilitas Kredit Modal Kerja Sewa Pembiayaan (Leasing) dari PT Bank Rakyat Indonesia (Persero) Tbk dengan jumlah maksimum pinjaman sebesar Rp125.000 yang bersifat non revolving dengan suku bunga kredit sebesar 10,25% per tahun. Jangka waktu kredit adalah 60 bulan dihitung sejak tanggal 13 Juli 2018 sampai dengan tanggal 12 Juli 2023. Atas pinjaman ini Perusahaan memberikan jaminan berupa tagihan lancar atau fidusia senilai 110%. Perusahaan diharuskan untuk mematuhi beberapa batasan untuk mempertahankan rasio keuangan sebagai berikut:

1. Tidak mengalami kolektabilitas 2/3/4/5 di Bank BRI dan Bank lain;
2. Tidak terdapat tunggakan pembayaran dengan angsuran pokok maupun bunga atas piutang debitur yang dibiayai dana BRI;
3. Gearing ratio maksimal 8 kali;
4. NPF atas piutang yang dibiayai BRI dan atau piutang total milik debitur >3%.

Saldo awal tahun 2018 pinjaman sebesar Nihil. Total pencairan di tahun 2018 sebesar Rp17.920. Total pelunasan di tahun berjalan sebesar Rp519. Saldo per 31 Desember 2018 sebesar Rp17.401.

**15) Medium Term Notes
PT PPAF**

Pinjaman jangka panjang lainnya merupakan pinjaman bukan bank berupa penerbitan MTN (Medium Term Notes) dengan jumlah maksimal pokok MTN sebesar Rp200.000 yang dibagi menjadi 3 seri dengan jangka waktu tiga tahun.

Berdasarkan akta No. 107 tanggal 19 Juni 2014 yang dibuat dihadapan notaris Arry Supratno, S.H. mengenai penerbitan MTN, sampai dengan 31 Desember 2015, MTN yang sudah cair

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**24. Bank and Financial Institution Loans
(Continued)**

The beginning balance of the year 2018 amounting to Rp68,212. Total drawdown of loans in 2018 amounting to Nil. Loan payment in the current year amounting to Rp34,015. Balance as of December 31, 2018 amounting to Rp34,197.

**14.) PT Bank Rakyat Indonesia (Persero) Tbk
PT PPAF**

Based on the Deed of Agreement No. 08 dated July 13, 2018, PT PPAF obtained a Leasing Working Capital Credit Facility from PT Bank Rakyat Indonesia (Persero) Tbk with a maximum loan amount of Rp125,000 which is non revolving with a loan interest rate of 10.25% per year. The loan period is 60 months calculated from July 13, 2018 to July 12, 2023. For this loan, the Company provides collateral in the form of current bills or fiduciary worth 110%. Companies are required to comply with certain restrictions to maintain the following financial ratios:

1. Not having collectability 2/3/4/5 at BRI Bank and other Banks;
2. There are no arrears in payments with principal or interest installments on debtor receivables financed by BRI funds;
3. The maximum gearing ratio is 8 times;
4. NPF of receivables financed by BRI and / or total debts owned by the debtor > 3%.

The loan balance for 2018 is Nil. Total drawdown of loans in 2018 is amounting to Rp17,920. Loan payment in the current year is amounting to Rp519. The balance as of December 31, 2018 is Rp17,401.

**15) Medium Term Notes
PT PPAF**

Other long-term loan is a loan not a bank in the form of the issuance of MTN (Medium Term Notes) with a maximum principal amount of MTN amounting Rp200,000 are divided into three series with three years maturities.

Based on Notarial Deed No. 107 dated June 19, 2014 by Notary Arry Supratno, S.H. regarding issuance of MTN, the MTN which has been disbursed until December 31, 2015,

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**24. Pinjaman Bank dan Lembaga Keuangan
(Lanjutan)**

Rp140.000. Seri A sebesar Rp50.000 dengan jangka waktu 24 Juni 2014 sampai dengan 24 Juni 2017, Seri B sebesar Rp40.000 dengan jangka waktu 1 September 2014 sampai dengan 1 September 2017 dan Seri C sebesar Rp50.000. dengan jangka waktu 2 Juli 2015 sampai dengan 24 Juni 2017. Dana hasil penerbitan MTN digunakan untuk modal kerja proyek pembiayaan di bidang infrastruktur.

Suku bunga MTN 12% efektif per tahun dan *fixed* selama jangka waktu MTN.

Pada 26 Oktober 2016, telah ditandatangani perjanjian pengakuan utang dari penerbitan MTN dengan jumlah maksimal pokok MTN setinggi-tingginya adalah sebesar Rp300.000, berdasarkan akta No.88 tanggal 26 Oktober 2016, MTN II seri A tersebut yang sudah cair di 2016 adalah sebesar Rp100.000 Tingkat suku bunga MTN adalah 11,99% efektif per tahun, dan *fixed* selama jangka waktu MTN.

Saldo awal tahun sebesar Rp240.000. Total pencairan pinjaman di tahun 2017 sebesar Rp200.000. pembayaran selama tahun berjalan sebesar Rp140.000 Saldo pada 31 Desember 2018 sebesar Rp300.000.

PT NK

Pada tanggal 28 Juli 2017, PT NK menerbitkan Surat Utang Jangka Menengah dengan nilai Rp300.000 dengan jangka waktu selama 3 (tiga) tahun. Bunga surat utang jangka menengah adalah 10,35% per tahun. Jaminan berupa aset lancar perusahaan sebesar 120% dari nilai surat utang menengah yang diterbitkan. Jangka waktu jatuh tempo surat utang jangka menengah adalah tanggal 28 Juli 2020.

Atas penerbitan MTN tersebut, bertindak selaku Arranger adalah PT BNI Sekuritas. Sedangkan yang bertindak sebagai Agen Pemantau dan Agen Jaminan untuk kepentingan dan atas nama pemegang MTN adalah PT Bank Negara Indonesia (Persero) Tbk.

Dana tersebut akan digunakan untuk pengembangan bisnis perusahaan dan tambahan modal kerja.

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**24. Bank and Financial Institution Loans
(Continued)**

amounted to Rp140,000, which are Serie A amounted to Rp50,000 with period from June 24, 2014 to June 24, 2017, Serie B amounted to Rp40,000 with period from September 1, 2014 to September 1, 2017, and Serie C amounted to Rp50,000 with period from July 2, 2015 to June 24, 2017. Proceeds from MTN issuance are used for financing working capitals in infrastructure projects.

MTN interest rate is fixed at 12% per year until maturity.

Based on Deed No. 88 dated October 26, 2016, the Company signed agreement of debt recognition from the MTN issuance with maximum MTN principal amounted to Rp300,000. Based on Agreement No: 88 dated October 26, 2016 MTN II Serie A disbursed on 2016 amounted to Rp100,000. MTN interest rate is fixed at 11,99% per year until maturity.

The beginning balance of the year amounting to Rp240,000. Total drawdown of loans in 2018 amounting to Rp200,000. Loan payment in the current year amounting to Rp140,000. Balance as of December 31, 2018 amounting to Rp300,000.

PT NK

On July 28, 2017 PT NK issued Medium Term Notes amounting to Rp300,000 for 3 (three) years. Interest on Medium Term Notes is 10.35% per year. Guarantee in the form of company's current assets amounting to 120% of the value of medium term notes issued. The due date of the medium-term notes is July 28, 2020.

On the issuance of the MTN, PT BNI Sekuritas is acting as Arranger, while The Monitoring and Collateral Agent on behalf of MTN holders is PT Bank Negara Indonesia (Persero) Tbk.

The fund would be used for bussiness expanding and additional working capital.

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25. Utang Bruto Kepada Pihak Ketiga

25. Gross Amount Due to Third Parties

	2018 Rp	2017 Rp	
Wilayah I	252,403	129,101	Region I
Wilayah II	281,664	349,565	Region II
Wilayah III	6,046	6,308	Region III
Wilayah IV	94,034	21,953	Region IV
Wilayah V	20,228	77,955	Region V
Divisi EPC	17,644	38,544	EPC Division
Divisi Properti	7,424	346	Division of Property
Unit Penunjang Produksi	13	--	Production Supporting Unit
PT Nindya Beton	5,734	1,611	PT Nindya Beton
Kantor Pusat	1,490	3,075	Head Office
Jumlah	686,680	628,457	Total

26. Uang Muka Pemberi Kerja Jangka Pendek

26. Short-term Advances from Customers

	2018 Rp	2017 Rp	
Pihak Berelasi:			Related Parties
PT Krakatau Steel (Persero) Tbk	6,250	9,832	PT Krakatau Steel (Persero) Tbk
Ventura Bersama Nindya - PT PPA	4,595	4,594	Joint Venture Nindya - PT PPA
Ventura Bersama Nindya - Surya	2,822	5,367	Joint Venture Nindya - Surya
PT Pelabuhan Indonesia III (Persero)	963	7,707	PT Pelabuhan Indonesia III (Persero)
PT Perusahaan Gas Negara (Persero)	--	4,367	PT Perusahaan Gas Negara (Persero)
Jumlah Pihak Berelasi	14,630	31,867	Total Related Parties
Pihak Ketiga:			Third Parties
Kementerian Pekerjaan Umum dan Perumahan Rakyat	165,829	99,644	The Ministry of Public Works and Public Housing
Bank Indonesia	41,776	10,631	Bank Indonesia
Universitas Islam Negeri Raden Fatah	24,618	--	Raden Fatah State Islamic University
Kementerian Pemuda dan Olahraga	21,888	--	Ministry of Youth and Sports
Pemerintah Kabupaten Pesisir Barat	9,364	22,727	Pesisir Barat District Government
RSUD Undata	4,734	--	RSUD Undata
PT Maleo	2,500	2,500	PT Maleo
PT Karya Unggulan Gemilang	1,310	1,310	PT Karya Unggulan Gemilang
Kementerian Pendidikan dan Kebudayaan	--	21,440	Ministry of Education and Culture
Kementerian Perhubungan	--	9,050	Ministry of Transportation
Pemerintah Provinsi Papua	--	5,168	Papua District Government
Kementerian Kesehatan	--	4,285	Ministry of Health
Direktorat Jenderal Sumber Daya Air	--	1,310	Directorate General of Water Resources
Lain-lain (masing-masing di bawah Rp 1 Milyar)	--	863	Others (Each below Rp 1 Billion)
Jumlah Pihak Ketiga	272,019	178,928	Total Third Parties
Jumlah Uang Muka Pemberi Kerja	286,649	210,795	Total Advances From Customers

27. Beban Akrua dan Utang Lain-lain

27. Accrued Expenses and Other Payables

	2018 Rp	2017 Rp	
Beban Akrua			Accrued Expense
Akrua Biaya Apresiasi Karyawan	26,340	49,306	Accrued Employee Appreciation
Akrua Biaya Tantiem	20,860	20,733	Accrued Tantiem
Akrua Gaji dan Upah	15,547	909	Accrued Salaries and Wages
Akrua Beban Kantor dan Umum	2,984	1,318	Accrued Office and General Expenses
Akrua Bunga Bank	8,275	6,434	Accrued Interest Loan
Jumlah Beban Akrua	74,006	78,700	Total Accrued Expense
Utang Lain-lain			Other Payables
Utang Operasional Proyek	67,462	54,011	Projects Operational Payable
Utang Lain-lain	53,200	9,043	Other Payables
Total Utang Lain-lain	120,662	63,054	Total Other Payables
Jumlah	194,668	141,754	Total

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**27. Beban Akruai dan Utang Lain-lain
(Lanjutan)**

Utang operasional proyek merupakan utang atas beban ventura bersama yang terjadi atas pinjaman-pinjaman sementara ke proyek-proyek yang dikerjasamakan. Utang-utang ini akan diperhitungkan dengan laba ataupun kerugian yang dialami oleh masing-masing ventura bersama, setelah proyek dinyatakan selesai dan ventura bersama ditutup.

Akrual biaya tantiem dan biaya apresiasi karyawan adalah pencatatan biaya secara akrual berdasarkan anggaran yang telah disetujui oleh Rapat Umum Pemegang Saham (RUPS).

**27. Accrued Expenses and Other Payables
(Continued)**

Projects operational payables are joint venture payable that occurred over the temporary loans to projects that cooperated. These debts will be calculated with a profit or loss experienced by each of the joint venture, after the project was finished and ventura joint closed.

Accrued tantiem and employee appreciation were recorded based on accrual basis in accordance with budget approved by the General Meeting of Shareholders (RUPS).

28. Pendapatan Diterima Dimuka

	2018 Rp	2017 Rp
Proyek Perumahan Asmat	5,813	--
Proyek Gedung Poltek Pariwisata	4,455	1,739
Retail Readymix	2,531	1,019
Proyek Dermaga Dumai	1,258	--
PT Telekomunikasi Selular	556	851
Proyek Rest Area	365	--
PT Indosat Tbk	284	54
PT Inti Bangun	192	--
Proyek Jalur Ganda KAI	--	9,546
Proyek Jaringan Gas Lampung	--	5,202
Proyek Gedung Universitas Airlangga	--	2,838
Proyek Jembatan KA BNB5	--	1,694
Proyek GOR Jatidiri	--	845
Proyek Gedung Universitas Udayana	--	724
Lain-lain (masing-masing di bawah Rp 100)	138	417
Jumlah	15,592	24,929

28. Unearned Revenues

Asmat Housing Project
Tourism Polytechnic Building Project
Retail Readymix
Dumai Dock Project
PT Telekomunikasi Selular
Rest Area Project
PT Indosat Tbk
PT Inti Bangun
Double Track Railway Project
Lampung Gas Networking Project
Airlangga University Building Project
BNB5 Railway Bridge Project
GOR Jatidiri Project
Udayana University Building Project
Others (Each below Rp 100)
Total

**29. Hasil Pengelolaan Aset yang Masih Harus
Disetor**

Selama tahun 2018, Perusahaan telah melakukan penyetoran HPA kepada Pemerintah Cq Menteri Keuangan. Perhitungan penerimaan dan pengurangan kas dana HPA untuk periode yang berakhir pada tanggal 31 Desember 2018 dan 2017 adalah sebagai berikut:

	2018 Rp	2017 Rp
Saldo Awal	12,722	50,627
Penerimaan HPA:		
Denda dari Tuban Petro	--	27,080
Jumlah HPA	--	27,080
Bunga dari Dana Hasil Pengelolaan Aset yang Belum Disetor	199	463
Jumlah Penerimaan	199	27,543
Pengurangan:		
Penggantian Biaya Aset	--	30
PPN atas Penggantian Biaya Aset	--	3
Imbalan Pengelolaan Aset	--	13,444
PPN atas Imbalan Pengelolaan Aset	--	1,344
Total Pengurangan	--	14,821
HPA yang Dapat Disetor kepada Pemerintah	12,921	63,349
HPA yang Telah Disetor kepada Pemerintah	12,921	50,627
Hasil Pengelolaan Aset yang Masih Harus Disetor	--	12,722

**29. Proceeds from Asset Management For
Remittance**

For the year 2018, the Company has made deposits the HPA to the Government Cq the Minister of Finance Calculation of cash receipts and a reduction in HPA funds for the years ended December 31, 2018 and 2017 are as follows:

Beginning Balance
Proceed from Asset Management:
Penalty from Tuban Petro
Total Proceed from Asset Management
Interest Received from Proceed from Asset Management for Remittance
Total Receipts
Deductions:
Reimbursable Cost
VAT on Reimbursable Cost
Assets Management Fee
VAT of Assets Management Fee
Total Deductions
Proceeds from Asset Management Which Should be Remitted to Government
Proceeds from Asset Management Remitted to Government
Proceeds from Asset Management for Remittance

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**29. Hasil Pengelolaan Aset yang Masih Harus
Disetor (Lanjutan)**

PPA telah menyetorkan dana HPA ke rekening Kas Negara sebesar Rp 12.998 termasuk saldo di rekening giro HPA telah disetorkan ke rekening Kas Negara sehingga saldo HPA per Desember 2018 menjadi Nihil. Tahun 2018 PPA tidak lagi melakukan pengelolaan terhadap aset pengelolaan pemerintah.

**29. Proceeds from Asset Management For
Remittance (Continued)**

PPA has deposited HPA funds into the State Treasury account in the amount of Rp12,998 including the balance in the HPA checking account that has been deposited into the State Cash account so that the HPA balance per December 2018 becomes Nil. In 2018 PPA no longer manages the management assets of the government.

30. Liabilitas Imbalan Kerja Karyawan

30. Employee Benefit Liabilities

Liabilitas Imbalan Kerja Karyawan/ <i>Employee Benefit Liabilities</i>	2018 Rp	2017 Rp
Perusahaan	2,493	2,728
PT PPAF	119	581
PT PPAK	571	405
PT BSM	3,345	--
PT NK	16,032	24,183
PT NB	206	--
Jumlah/Total	22,766	27,897

Perusahaan dan Entitas Anak memberikan imbalan pascakerja minimum kepada karyawan yang berhak berdasarkan Undang-undang No. 13 tentang Ketenagakerjaan.

The Company and Subsidiaries provide minimum of employment benefits to its eligible employees based on Labor Law No. 13 regarding Employment.

Perusahaan menyelenggarakan program iuran pasti untuk imbalan pascakerja karyawan bekerja sama dengan Dana Pensiun Lembaga Keuangan ("DPLK") BRI, sesuai Perjanjian Kerjasama antara Perusahaan dengan DPLK BRI Nomor: PPJ-39/PPA/1111 dan No. B.51-DPLK/11/2011 yang ditandatangani pada tanggal 21 November 2011. Untuk beberapa karyawan Perusahaan yang tidak diikutkan dalam program tersebut (sebanyak 5 orang per 31 Desember 2018 dan 3 orang per 31 Desember 2017), Perusahaan telah menghitung liabilitas imbalan pascakerja sebesar Rp2.493 dan Rp2.728 per 31 Desember 2018 dan 2017.

The Company has organized the defined contribution program for post-employment benefits of employees working with Financial Institution Pension Fund ("Pension Fund") BRI, according to the Cooperation Agreement between the Company and Pension Fund BRI Number: PPJ-39/PPA/1111 and No. B.51-DPLK/11/2011 signed on November 21, 2011. For several employees that are not included in this program (5 persons per December 31, 2018 and 3 persons per December 31, 2017), the Company has calculated the post-employment benefit liabilities as of December 31, 2018 and 2017 amounting to Rp2,493 and Rp2,728, respectively.

Penilaian aktuaris atas estimasi manfaat karyawan pascakerja Perusahaan dan Entitas anak 31 Desember 2018 dan 2017 dilakukan oleh perusahaan konsultan aktuaria PT Katsir Imam Sapto, berdasarkan *Projected Unit Credit Method (PUC Method)* dengan asumsi sebagai berikut:

Actuarial valuation of post employment employee benefits the Company and Subsidiaries as of December 31, 2018 and 2017 were conducted by the actuarial consulting firm of PT Katsir Imam Sapto, based on the *Projected Unit Credit Method (PUC Method)*, with assumptions as follows:

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30. Liabilitas Imbalan Kerja Karyawan (Lanjutan)

30. Employee Benefit Liabilities (Continued)

	2018 Rp	2017 Rp	
Dasar Perhitungan			Basic Calculation
Tingkat diskonto	8.2% per tahun/ year	7.1% per tahun/ year	Discount rate
Tingkat kenaikan gaji	8.0% per tahun/ year	8.0% per tahun/ year	Salary increase rate
Usia pensiun	56 tahun/ year		Retirement age
Tabel mortalita	Table Mortalita Indonesia (TMI) III 2011/ Indonesia Mortality Table (TMI) III 2011		Mortality table
Metode perhitungan	Projected Unit Credit		Method of calculation

Perusahaan

Rincian beban imbalan kerja yang diakui di tahun berjalan milik Perusahaan adalah sebagai berikut:

The Company

The details of the Company's employee benefit expenses for the current year are as follow:

	2018 Rp	2017 Rp	
Biaya Jasa Kini	266	210	Current Service Cost
Beban Bunga	142	187	Interest Cost
Jumlah Beban Imbalan Kerja	408	397	Total Post-employment Benefits

Rincian liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan Perusahaan adalah sebagai berikut:

The details of the Company's employee benefit liabilities recognized in the statement of financial position are as follow:

	2018 Rp	2017 Rp	
Nilai Kini Kewajiban Imbalan Pasti	1,618	1,728	Present Value of Defined Benefit Obligation
Penambahan Cadangan	875	1,000	Additional of Reserve
Liabilitas Imbalan Kerja	2,493	2,728	Post-employment Benefits Liability

Mutasi liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan Perusahaan adalah sebagai berikut:

Movement in the Company's employee benefit liabilities recognized in the statement of financial position are as follow:

	2018 Rp	2017 Rp	
Kewajiban pada Awal Tahun	2,728	3,073	Beginning Balance of Liabilities
Beban Imbalan Kerja	408	397	Employee Benefit Expense
Penghasilan Komprehensif Lain	(518)	(1,343)	Other Comprehensive Income
Penambahan (Penurunan) Cadangan	(125)	601	Additional (Decrease) of Reserves
Liabilitas pada Akhir Tahun	2,493	2,728	Ending Balance of Liabilities

PT NK

Rincian beban imbalan kerja yang diakui di tahun berjalan milik PT NK adalah sebagai berikut:

PT NK

The details of the employee benefit expenses for PT NK the current year are as follow:

	2018 Rp	2017 Rp	
Biaya Jasa Kini	1,814	2,646	Current Service Cost
Beban Bunga	3,512	2,549	Interest Cost
Hasil Aset Program yang Diharapkan	(1,457)	(1,197)	Expected Return on Plan Assets
Jumlah Beban Imbalan Kerja	3,869	3,998	Total Employee Benefit Expense

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30. Liabilitas Imbalan Kerja Karyawan (Lanjutan)

30. Employee Benefit Liabilities (Continued)

Rincian liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan PT NK adalah sebagai berikut:

The details in the employee benefit liabilities recognized in the statement of financial position of PT NK are as follow:

	2018 Rp	2017 Rp	
Nilai Kini Kewajiban Imbalan Pasti	37,309	41,320	Present Value of Defined Benefit Obligation
Nilai Wajar Aset Program	(21,277)	(17,137)	Fair Value of Plan Assets
Liabilitas Imbalan Kerja	16,032	24,183	Post-employment Benefits Liability

Mutasi liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan PT NK adalah sebagai berikut:

Movement in the employee benefit liabilities recognized in the statement of financial position of PT NK are as follow:

	2018 Rp	2017 Rp	
Liabilitas pada Awal Tahun	24,183	19,040	Beginning Balance of Liabilities
Beban Imbalan Kerja	3,869	3,998	Employee Benefit Expense
Pembayaran Imbalan Kerja	(4,445)	(2,324)	Benefit Payment
Beban (Penghasilan) Komprehensif Lain	(324)	4,162	Other Comprehensive Loss (Income)
Iuran Dana Pensiun/Premi Asuransi	(7,251)	(693)	Dues Pension Fund / Insurance Premiums
Liabilitas pada Akhir Tahun	16,032	24,183	Ending Balance of Liabilities

PT PPAF

Rincian beban imbalan kerja yang diakui di tahun berjalan milik PT PPAF adalah sebagai berikut:

PT PPAF

The details of the employee benefit expenses for PT PPAF in the current year are as follow:

	2018 Rp	2017 Rp	
Biaya Jasa Kini	368	122	Current Service Cost
Beban Bunga	208	28	Interest Cost
Jumlah Beban Imbalan Kerja	576	150	Total Employee Benefit Expense

Rincian liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan PT PPAF adalah sebagai berikut:

The details in the employee benefit liabilities recognized in the statement of financial position of PT PPAF are as follow:

	2018 Rp	2017 Rp	
Nilai Kini Kewajiban Imbalan Pasti	119	581	Present Value of Defined Benefit Obligation
Liabilitas Imbalan Kerja	119	581	Post-employment Benefits Liability

Mutasi liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan PT PPAF adalah sebagai berikut:

Movement in the employee benefit liabilities recognized in the statement of financial position of PT PPAF are as follow:

	2018 Rp	2017 Rp	
Kewajiban pada Awal Tahun	581	382	Beginning Balance of Liabilities
Beban Imbalan Kerja	576	150	Employee Benefit Expense
Beban (Penghasilan) Komprehensif Lain	(143)	98	Other Comprehensive Loss (Income)
Iuran Dana Pensiun / Premi Asuransi	(895)	(49)	Dues Pension Fund / Insurance Premiums
Liabilitas pada Akhir Tahun	119	581	Ending Balance of Liabilities

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30. Liabilitas Imbalan Kerja Karyawan (Lanjutan)

30. Employee Benefit Liabilities (Continued)

PT PPAK

Rincian beban imbalan kerja yang diakui di tahun berjalan milik PT PPAK adalah sebagai berikut:

	2018 Rp	2017 Rp
Biaya Jasa Kini	352	279
Beban Bunga	33	4
Jumlah Beban Imbalan Kerja	385	283

Current Service Cost
Interest Cost
Total Employee Benefit Expense

Rincian liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan PT PPAK adalah sebagai berikut:

	2018 Rp	2017 Rp
Nilai Kini Kewajiban Imbalan Pasti	571	405
Jumlah Liabilitas Imbalan Kerja	571	405

Present Value of Defined Benefit Obligation
Total Post-employment Benefit Expense

Mutasi liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan PT PPAK adalah sebagai berikut:

	2018 Rp	2017 Rp
Kewajiban pada Awal Tahun	405	62
Beban Imbalan Kerja	385	283
Beban (Penghasilan) Komprehensif Lain	(219)	60
Liabilitas pada Akhir Tahun	571	405

The details in the employee benefit liabilities recognized in the statement of financial position of PT PPAK are as follow:

Movement in the employee benefit liabilities recognized in the statement of financial position of PT PPAK are as follow:

Beginning Balance of Liabilities
Employee Benefit Expense
Other Comprehensive Loss (Income)
Ending Balance of Liabilities

PT NB

Rincian beban imbalan kerja yang diakui di tahun berjalan milik PT NB adalah sebagai berikut:

	2018 Rp	2017 Rp
Biaya Jasa Kini	60	--
Jumlah Beban Imbalan Kerja	60	--

Current Service Cost
Total Employee Benefit Expense

Rincian liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan PT NB adalah sebagai berikut:

	2018 Rp	2017 Rp
Nilai Kini Kewajiban Imbalan Pasti	60	--
Keuntungan (Kerugian) Aktuaria yang Belum diakui	146	--
Jumlah Liabilitas Imbalan Kerja	206	--

Present Value of Defined Benefit Obligation
Unrecognized Actuarial Gains (Losses)
Total Post-employment Benefit Expense

Mutasi liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan PT NB adalah sebagai berikut:

The details in the employee benefit liabilities recognized in the statement of financial position of PT NB are as follow:

Movement in the employee benefit liabilities recognized in the statement of financial position of PT NB are as follow:

	2018 Rp	2017 Rp
Kewajiban pada Awal Tahun	--	--
Beban Imbalan Kerja	60	--
Beban (Penghasilan) Komprehensif Lain	146	--
Liabilitas pada Akhir Tahun	206	--

Beginning Balance of Liabilities
Employee Benefit Expense
Other Comprehensive Loss (Income)
Ending Balance of Liabilities

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30. Liabilitas Imbalan Kerja Karyawan (Lanjutan)

30. Employee Benefit Liabilities (Continued)

PT BSM

Rincian beban imbalan kerja yang diakui di tahun berjalan milik PT BSM adalah sebagai berikut:

	2018 Rp	2017 Rp
Biaya Jasa Kini	207	207
Beban Bunga	300	229
Jumlah Beban Imbalan Kerja	507	436

Current Service Cost
Interest Cost
Total Employee Benefit Expense

Rincian liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan PT BSM adalah sebagai berikut:

PT BSM

The details of the employee benefit expenses for PT BSM in the current year are as follow:

The details in the employee benefit liabilities recognized in the statement of financial position of PT BSM are as follow:

	2018 Rp	2017 Rp
Nilai Kini Kewajiban Imbalan Pasti	3,345	3,614
Keuntungan (Kerugian) Aktuarial yang Belum diakui	--	(681)
Jumlah Liabilitas Imbalan Kerja	3,345	2,933

Present Value of Defined Benefit Obligation
Unrecognized Actuarial Gains (Losses)
Total Post-employment Benefit Expense

Mutasi liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan PT BSM adalah sebagai berikut:

Movement in the employee benefit liabilities recognized in the statement of financial position of PT BSM are as follow:

	2018 Rp	2017 Rp
Kewajiban pada Awal Tahun	2,933	2,961
Beban Imbalan Kerja	507	436
Iuran Dana Pensiun / Premi Asuransi	--	(463)
Beban (Penghasilan) Komprehensif Lain	(95)	--
Liabilitas pada Akhir Tahun	3,345	2,933

Beginning Balance of Liabilities
Employee Benefit Expense
Dues Pension Fund / Insurance Premiums
Other Comprehensive Loss (Income)
Ending Balance of Liabilities

Program pensiun imbalan pasti memberikan eksposur Grup terhadap risiko aktuarial seperti risiko investasi, tingkat suku bunga dan risiko gaji.

The defined benefit pension plan typically provides exposure for the Group to actuarial risks such as investment risk, interest rate risk and salary risk.

Risiko Investasi

Nilai kini kewajiban imbalan pasti pensiun kesehatan dihitung menggunakan tingkat diskonto yang ditetapkan dengan mengacu pada imbal hasil obligasi korporasi berkualitas tinggi; jika pengembalian aset program di bawah tingkat tersebut, hal itu akan mengakibatkan defisit program. Saat ini program tersebut memiliki investasi yang relatif seimbang pada efek reksadana dan saham, instrumen utang dan lainnya. Karena sifat jangka panjang dari liabilitas program, dewan dana pensiun perlu menetapkan

Investment Risk

The present value of the defined benefit health care plan liability is calculated using a discount rate determined by reference to high quality corporate bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently, the plan has relatively balanced investment in mutual fund and equity securities, and debt instruments and others. Due to the long-term nature of the plan liabilities, the board of the pension fund considers it appropriate that a reasonable portion of the plan assets should be invested portion of the plan

bahwa bagian wajar dari aset program harus diinvestasikan pada efek reksadana dan saham dan obligasi untuk meningkatkan imbal hasil yang dihasilkan oleh dana.

and equity securities and in debt instruments to leverage the return generated by the fund.

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30. Liabilitas Imbalan Kerja Karyawan (Lanjutan)

Risiko Tingkat Bunga

Penurunan suku bunga obligasi akan meningkatkan liabilitas program; namun, sebagian akan di *offset* (saling hapus) oleh peningkatan imbal hasil atas investasi instrumen utang.

Risiko Gaji

Nilai kini kewajiban imbalan pasti dihitung dengan mengacu pada gaji masa depan peserta program. Dengan demikian, kenaikan gaji peserta program akan meningkatkan liabilitas program itu.

Asumsi aktuarial yang signifikan untuk penentuan liabilitas imbalan pasti adalah tingkat diskonto dan kenaikan gaji yang diharapkan. Analisis sensitivitas analisis dibawah ini ditentukan berdasarkan masing-masing perubahan asumsi yang mungkin terjadi pada akhir periode pelaporan, dengan semua asumsi yang lain konstan.

Analisis sensitivitas yang disajikan di atas mungkin tidak mewakili perubahan yang sebenarnya dalam kewajiban imbalan pasti mengingat bahwa perubahan asumsi terjadinya tidak terisolasi satu sama lain karena beberapa asumsi tersebut mungkin berkorelasi.

Selanjutnya dalam menyajikan analisis sensitivitas di atas, nilai kini kewajiban imbalan pasti dihitung dengan menggunakan metode projected unit credit pada akhir periode pelaporan, yang sama dengan yang diterapkan dalam menghitung kewajiban manfaat pasti diakui dalam laporan posisi keuangan konsolidasian.

Tidak ada perubahan dalam metode dan asumsi yang digunakan dalam penyusunan analisis sensitivitas dari tahun sebelumnya.

30. Employee Benefit Liabilities (Continued)

Interest Risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability

Significant actuarial assumptions for the determination of the defined liabilities are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the of the reporting period, while holding all other assumptions constans.

The sensitivity analysis presented above may not be representative of the actual charge in the defined benefits obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefits obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefits obligation recognized in the consolidated statement of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

	2018 Rp	
Sensitivitas (-1%) terhadap tingkat bunga		Sensitivity (-1%) to Interest Rate
Nilai Kini Kewajiban	52,007	Present Value of Liabilities
Biaya Jasa Kini	4,960	Current Service Cost
Biaya Bunga	2,616	Interest Cost
Sensitivitas (+1%) terhadap tingkat bunga		Sensitivity (+1%) to Interest Rate
Nilai Kini Kewajiban	45,028	Present Value of Liabilities
Biaya Jasa Kini	4,109	Current Service Cost
Biaya Bunga	3,488	Interest Cost

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31. Uang Muka Pemberi Kerja Jangka Panjang

31. Long-term Advances from Customers

	2018 Rp	2017 Rp	
Pihak Berelasi:			Related Parties:
PT Pelabuhan Indonesia II (Persero)	60,501	--	PT Pelabuhan Indonesia II (Persero)
Jumlah Pihak Berelasi	60,501	--	Total Related Parties
Pihak Ketiga:			Third Parties:
Kementerian Pekerjaan Umum dan Perumahan Rakyat	115,332	51,624	The Ministry of Public Work and Public Housing
Pemerintah Kabupaten Jembrana	11,005	--	Jembrana District Government
Kementerian Perhubungan	8,749	55,103	The Ministry of Transportation
Pemerintah Kabupaten Kapuas	--	727	Kapuas District Government
Jumlah Pihak Ketiga	135,086	107,454	Total Third Parties
Jumlah Uang Muka Pemberi Kerja Jangka Panjang	195,587	107,454	Total Long-Term Advances from Customers

Akun ini merupakan saldo uang muka yang telah diterima dari pemberi pekerjaan yang pembayarannya dipotongkan dengan tagihan atas setiap pekerjaan yang telah diselesaikan.

This account represents the advance balance that has been received from the customers (bowheer), which is deducted with the payment for any work on progress that had been completed.

32. Ekuitas

32. Shareholders' Equity

a. Modal Saham

Perusahaan dimiliki sepenuhnya oleh Negara Republik Indonesia. Modal yang ditempatkan dan disetor penuh oleh Negara Republik Indonesia pada tanggal 31 Desember 2018 sebesar Rp2.996.688 yang mewakili 2.996.688 lembar saham.

Modal saham yang ditempatkan per tanggal 31 Desember 2018 seluruhnya berjumlah Rp2.996.688 telah disetor penuh oleh Negara Republik Indonesia, terdiri dari:

a. Share Capital

The Company is owned by the Republic of Indonesia. Issued and fully paid shares capital made by the Republic of Indonesia as of December 31, 2018 amounting to Rp2,996,688, representing 2,996,688 shares.

Shares capital issued and fully paid as of December 31, 2018 amounting to Rp2,996,688 have been fully paid by the Republic of Indonesia, consists of:

	Lembar Saham/ Shares	
Setoran modal awal berdasarkan Peraturan Pemerintah No. 10 Tahun 2004 juncto Keputusan Menteri Keuangan Nomor 82/KMK.02/2004 tanggal 27 Februari 2004 dan telah dituangkan dalam akta Nomor 7 tanggal 27 Februari 2004 yang dibuat di hadapan Notaris Lenny Janis Ishak S.H. yang telah memperoleh pengesahan dari Menteri Kehakiman dan Hak Asasi Manusia RI Nomor C-05780 HT.01.01.TH.2004 tanggal 9 Maret 2004.	300,000	<i>Initial capital contribution by Government Regulation no. 10 year 2004 juncto Decree of the Minister of Finance No.82/KMK.02/2004 dated February 27, 2004 and has stasted under deed No. 7 dated February 27, 2004 in the presence of Notary Lenny Janis Ishak S.H. have been approved by the Minister of Justice and Human Rights No. C-05780 HT.01.01.TH.2004 on March 9, 2004.</i>
Setoran Modal Pemerintah RI sesuai dengan Pasal 2 Keputusan Menteri Keuangan No. 82/KMK.02/2004 tanggal 27 Pebruari 2004 dalam bentuk aset tetap dan aset takberwujud eks BPPN yang telah ditetapkan nilainya berdasarkan Keputusan Menteri Keuangan No.32/KMK.06/2007 tanggal 31 Juli 2007 masing-masing sebesar Rp 1.205 dan Rp 153.	1,358	<i>Capital from the Goverment of the Republic of Indonesia in accordance with Article 2 Decree of the Minister of Finance No. 82/KMK.02/2004 February 27, 2004 in form of fixed assets and intangible assets of ex-BPPN which were pre determined value based on the Minister of Finance Decree No.32/KMK.06/2007 July 31, 2007 amounted to Rp 1,205 and Rp 153, respectively.</i>
Setoran Modal Pemerintah RI yang dialokasikan dari Laba Bersih Tahun 2007 sesuai dengan Risalah Rapat Umum Pemegang Saham PT PPA tentang Persetujuan Laporan Tahunan Tahun Buku 2007 tanggal 8 Mei 2008.	1	<i>Capital from the Government of the Republic of Indonesia were allocated from Net Income year 2007 in accordance with the General Meeting of Shareholders of PT PPA concerning the Approval of Annual Report for Year 2007 dated May 8, 2008.</i>
Penambahan Penyertaan Modal Negara RI yang berasal dari Anggaran Pendapatan dan Belanja Negara Tahun 2008 berdasarkan Peraturan Pemerintah Nomor 78 Tahun 2008.	1,500,000	<i>Additional capital from the Government of Republic Indonesia from the 2009 state budget in accordance with the Government Regulation No 78 year 2008.</i>

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32. Ekuitas (Lanjutan)

32. Shareholders' Equity (Continued)

	Lembar Saham/ Shares	
Penambahan Penyertaan Modal Negara RI yang berasal dari Anggaran Pendapatan dan Belanja Negara Tahun 2009 berdasarkan Peraturan Pemerintah Nomor 77 Tahun 2009.	1,000,000	Additional capital from the Government of the Republic of Indonesia from the 2009 state budget in accordance with the Government Regulation No 77 year 2009.
Setoran modal Pemerintah RI yang dialokasikan dari cadangan umum Perusahaan sesuai dengan Keputusan Menteri BUMN selaku RUPS PT PPA Nomor:SK-366/MOU/2012 tanggal 9 Oktober 2012.	1	Deposit the Government the Republic of Indonesia allocated capital of the Company pursuant to the general reserve Minister of SOEs as GMS PT PPA Number: SK-366/MOU/2012 dated October 9, 2012.
Pengurangan penyertaan modal Negara RI berdasarkan Peraturan Pemerintah RI Nomor 86 Tahun 2012 Tanggal 20 Oktober 2012 terkait dengan pengalihan saham PT PPA pada PT Waskita Karya (99%) kepada Pemerintah RI.	(804,672)	RI State equity reduction in Government the Republic of Indonesia Regulation Number 86 Year 2012 Date October 20, 2012 relating to the transfer of the shares of PT PPA on PT Waskita Karya (99%) to the Government of Indonesia.
Penambahan Penyertaan Modal Negara RI yang berasal dari Anggaran Pendapatan dan Belanja Negara Tahun 2015.	1,000,000	Additional capital from the Government of the Republic of Indonesia from the 2015.
Jumlah Modal Saham per 31 Desember 2018	2,996,688	Total Shares Capital per December 31, 2018

Berdasarkan Akta No. 27 dari Desman, S.H., M.Hum., M.M., Notaris di Jakarta pada tanggal 15 Februari 2016 menyatakan persetujuan penambahan modal Perusahaan sebesar Rp1.000.000 yang berasal dari Anggaran Pendapatan dan Belanja Negara Tahun Anggaran 2015, dengan demikian modal ditempatkan yang semula sebesar Rp1.996.688 menjadi sebesar Rp2.996.688. Perubahan ini telah dicatat oleh Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia Direktorat Jenderal Administrasi Hukum Umum pada tanggal 08 Maret 2016.

Based on Notarial deed no. 27 of Desman, S.H., M.Hum., M.M., Notary in Jakarta, on February 15, 2016, declared approval of the capital increase of the Company Rp1,000,000 from the State Budget for Fiscal Year 2015, thus the original issued capital amounted Rp1,996,688 amounted to Rp2,996,688. These changes have been noted by the Ministry of Justice and Human Rights of the Republic of Indonesia, Directorate General of Legal Administration on March 8, 2016.

b. Dividen dan Cadangan

Undang-Undang Perseroan Terbatas Republik Indonesia No.1/1995 yang diterbitkan di bulan Maret 1995, dan telah diubah dengan Undang-Undang No. 40/2007 yang diterbitkan pada bulan Agustus 2007, mengharuskan pembentukan cadangan umum dari laba bersih sejumlah minimal 20% dari jumlah modal yang ditempatkan dan disetor penuh. Tidak ada batasan waktu untuk membentuk cadangan tersebut.

Berdasarkan risalah Rapat Umum Pemegang Saham Tahunan (RUPST) tanggal 20 Mei 2018 dan 18 Mei 2017, para pemegang saham memutuskan untuk membentuk cadangan masing-masing sebesar Rp35.175 dan Nihil, serta membagikan dividen tunai masing-masing sebesar Rp20.000 dan Rp19.090.

b. Dividend and Reserves

Limited Liability Company Law of the Republic of Indonesia No.1/1995 issued in March 1995, and amended by Law No. 40/2007 which was published in August 2007, requires the establishment of a general reserve from net income to a minimum of 20% of the number of issued and fully paid. There is no time limit for the allowance.

Based on the minutes of the General Meeting of Shareholders dated May 20, 2018 and May 18, 2017, Shareholders have decided to the shareholders decided to form reserves of Rp35,175 and Nil, respectively, and distributed cash dividends of Rp20,000 and Rp19,090 respectively.

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32. Ekuitas (Lanjutan)**32. Shareholders' Equity (Continued)****c. Saldo Laba Sebelum Ditetapkan**

	2018 Rp	2017 Rp
Saldo Awal	1,404,335	1,103,641
Pembagian Dividen	(20,000)	(19,090)
Penambahan Cadangan Umum	(35,175)	--
Laba Bersih	426,077	324,045
Penghasilan Komprehensif Lainnya	520	(4,261)
Saldo Akhir	1,775,757	1,404,335

*Beginning Balance
Dividend Paid
Addition of General Reserve
Net Income
Other Comprehensive Income
Ending Balance*

d. Surplus Revaluasi Aset Tetap

Berdasarkan laporan penilai independen No. Lap.032702B/HMR-JKT/PPA/2018 tanggal 27 Maret 2018 dan No. Lap. 032702C/HMR-JKT/PPA/2018 tanggal 27 Maret 2018 oleh KJPP Herman Meirizki & Rekan, nilai wajar dari tanah Gresik dan Rungkut milik PT BSM per 31 Desember 2018 adalah sebesar Rp57.220 dan Rp81.585 sehingga terdapat surplus revaluasi sebesar Rp79.910, yang dicatat sebagai penghasilan komprehensif lain.

d. Revaluation Surplus of Property Plant and Equipment

Based on an independent appraisal report No. Lap.032702B / HMR-JKT / PPA / 2018 dated March 27, 2018 and No. Lap. 032702C / HMR-JKT / PPA / 2018 dated March 27, 2018 by KJPP Herman Meirizki and Partners, the fair value of PT BSM's Gresik and Rungkut land as of December 31, 2018 is Rp57,220 and Rp81,585 so there is a revaluation surplus of Rp79,910, which is recorded as other comprehensive income.

e. Kepentingan Non Pengendali**e. Non Controlling Interest**

	2018 Rp	2017 Rp
Saldo Awal	10,847	5,805
Atribusi Laba Tahun Berjalan	2,723	2,440
Dividen	(175)	--
Dampak Akuisisi dan Pendirian Entitas Anak	84,239	--
Atribusi Penghasilan Komprehensif Lain	19,978	2,602
Jumlah	117,612	10,847

*Beginning Balance
Attribution of Income for the Year
Dividend
Impact of Acquisition and Establishment of Subsidiaries
Attribution of Other Comprehensive Income
Total*

33. Pendapatan Usaha**33. Revenues**

	2018 Rp	2017 Rp
Pendapatan Jasa Konstruksi	6,077,796	5,768,613
Pinjaman yang Diberikan	210,458	203,674
Pendapatan Hasil Investasi	223,398	133,686
Pendapatan Manufaktur	144,629	89,988
Penjualan	120,611	62,015
Pendapatan Imbalan Jasa Konsultasi	41,745	17,859
Pendapatan Properti	3,031	4,561
Pendapatan Sewa alat	1,455	--
Pendapatan Penggantian Biaya	878	26,667
Pendapatan Imbalan Pengelolaan Aset (IPA)	--	13,444
Pemetaan	--	35,250
Jumlah	6,824,001	6,355,757

*Construction Services Revenues
Revenue from Interest and Provision of Loans
Revenue from Investment
Manufacturing Income
Sales
Revenue from Consultation Fee
Property Income
Revenue from Rent Equipment
Revenue from Reimbursable Cost
Revenue from Asset Management Fee
Mapping
Total*

a. Pendapatan jasa konstruksi diakui ketika bagian dari pekerjaan telah selesai dikerjakan dan ditentukan berdasarkan tahap penyelesaian aktivitas kontrak pada tanggal akhir periode pelaporan (metode persentase penyelesaian). Persentase penyelesaian konstruksi ditetapkan berdasarkan survei atas pekerjaan yang telah dilaksanakan.

a. Revenue from construction services are recognized when part of the work has been completed and are determined based on stage of completion of the contract activity at the end of reporting period (percentage of completion method). Construction percentage of completion is determined based on surveys of work performed.

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33. Pendapatan Usaha (Lanjutan)

33. Revenues (Continued)

- b. Dari hasil kegiatan investasi, Perusahaan memperoleh hasil sebagai berikut:

	2018 Rp	2017 Rp
Laba Penjualan Saham	3,026	9,737
Bunga Deposito Berjangka	57,401	66,034
Dividen Tunai	2,175	1,320
Laba (Rugi) Belum Realisasi Saham	(1,376)	(2,765)
Hasil Investasi Bunga	80,336	43,260
Lain-lain	81,836	16,100
Jumlah	223,398	133,686

Gain on Sales of Shares
Interest on Time Deposits
Cash Dividend
Unrealized Gain (Loss) from Shares
Interest income from investment
Others
Total

- c. Pendapatan bunga atas pinjaman yang diberikan tahun 2018 dan 2017 adalah sebagai berikut:

	2018 Rp	2017 Rp
PT Dirgantara Indonesia (Persero)	44,670	61,598
PT Istaka Karya (Persero)	8,245	6,504
PT Kertas Kraft Aceh (Persero)	6,586	11,817
PT Industri Kapal Indonesia (Persero)	3,413	3,585
PT Penataran Angkatan Laut Indonesia (Persero)	2,659	2,702
PT Artha Bangun Pratama	1,692	1,673
PT Merpati Nusantara Airlines (Persero)	--	1,350
Lain-lain (di bawah Rp 1.000)	143,193	114,445
Jumlah	210,458	203,674

PT Dirgantara Indonesia (Persero)
PT Kertas Leces (Persero)
PT Kertas Kraft Aceh (Persero)
PT Industri Kapal Indonesia (Persero)
PT Penataran Angkatan Laut Indonesia (Persero)
PT Artha Bangun Pratama
PT Merpati Nusantara Airlines (Persero)
Others (less than Rp 1,000)
Total

- d. Pendapatan jasa konsultasi terbesar berasal dari Fee Proyek PT Wisarada Sarana Aviati, Jasa R/R PT Merpati Nusantara Airlines, Management Fee PT Carpediem, Jasa Konsultansi PT Duta Cipta Pakarperkasa, dan Jasa Konsultasi PT Pupuk Kujang pada tahun 2018 dan 2017 masing-masing sebesar Rp41.745 dan Rp17.859

- d. The largest consultancy service revenue comes from PT Wisarada's Aviation Facility Fee, PT Merpati Nusantara Airlines R / R Services, PT Carpediem Management Fee, PT Duta Cipta Pakarperkasa Consulting Services, and PT Pupuk Kujang Consulting Services in 2018 and 2017 amounting to Rp41,745 and Rp17,859, respectively.

- e. Pendapatan penggantian biaya selama tahun 2018 dan 2017 masing-masing sebesar Rp878 dan Rp26.667.

- e. Revenue from reimbursable cost in 2018 and 2017 amounting to Rp878 and Rp26,667, respectively.

- f. PT PPA dan PT SIG ASIA melakukan kerjasama kegiatan jual beli ikan tuna dimana PT PPA bertindak sebagai penjual dan PT SIG ASIA sebagai pembeli. PT PPA membukukan Penjualan ikan Per 31 Desember 2018 adalah sebesar Rp7.261. PT PPA membeli ikan Tuna GG dari pemasok sesuai dengan kesepakatan harga antara PT PPA dan Pemasok (nelayan). PT PPA menyerahkan ikan tuna tersebut kepada PT SIG ASIA dengan jumlah (kg) sesuai dengan jumlah yang tercatat pada Weighting Note. Pembelian kepada pemasok dilakukan setiap hari begitu pula dengan penjualan kepada PT SIG ASIA.

- f. PT PPA and PT SIG ASIA have a cooperation in tuna fish trading activities in which PT PPA act as a seller and PT SIG ASIA as a buyer. PT PPA recorded the sale of dish in 2018 amounted to Rp7,261. PT PPA bought Tuna GG fish from the supplier in accordance with the price agreement between PT PPA and Supplier (fisherman). PT PPA handed over the tuna to PT SIG ASIA by the number of kilogram in based on with the amount recorded on the Weighting Note. Purchases to suppliers are made daily as well as it sales to PT SIG ASIA.

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g. PT PPA dan PT PG melakukan kerjasama investasi jual beli pupuk majemuk dimana PT PPA bertindak sebagai penjual dan PT PG sebagai pembeli, PT PPA membukukan Penjualan pupuk per 31 Desember 2018 sebesar Rp60.384. PT PPA membeli bahan baku pupuk dan menunjuk pabrik pengolahan bahan baku untuk produksi pupuk majemuk yang kemudian dibeli oleh PT PG. PT PG bertanggungjawab untuk melakukan uji mutu dan kualitas pupuk, serta menjual kepada pihak ketiga berdasarkan kontrak pengadaan pupuk yang diterima PT PG.

33. Revenues (Continued)

h. PT PPA and PT PG have a cooperation in buying and selling investments compound fertilizers where PT PPA act as a seller and PT PG as a buyer, PT PPA posted sales of fertilizer per December 31, 2018 amounted to Rp 60.384 million. PT PPA bought the raw materials and assigned to a processing plant raw materials for the production of compound fertilizer which was later purchased by PT PG. PT PG is responsible to perform quality assurance and quality fertilizer, and sold to third parties based fertilizer procurement contracts received by PT PG.

34. Beban Usaha

	2018 Rp	2017 Rp
Beban Proyek	5,534,321	5,203,415
Pegawai	280,170	240,992
Beban Bunga Bank	149,891	89,149
Harga Pokok Penjualan	77,148	58,161
Penyisihan (Pemulihan)		
Penurunan Nilai Piutang	65,927	(19,652)
Keperluan Kantor	51,519	36,287
Sewa dan Asuransi	35,788	35,418
Penyusutan	22,533	26,096
Perjalanan Dinas	21,299	18,442
Pemasaran dan Penjualan	12,857	12,285
Jasa Konsultan	7,472	6,297
Imbalan Pascakerja - Bersih	6,039	5,673
Investasi	244	8,043
Lain-lain (di bawah Rp 1 milyar)	27,357	62,308
Jumlah Beban Usaha	6,292,565	5,782,914

34. Operating Expenses

Constructions Services
Employee
Interest Expenses
Cost of Good Sold
Impairment (Recovery)
of Receivables
Office Supplies
Rent and Insurance
Depreciation
Business Travelling
Sales and Marketing
Consultant Fees
Employees Benefit - Net
Investment
Others (below Rp 1 billion)
Total Operating Expense

35. Bagian Laba Ventura Bersama

	2018 Rp	2017 Rp
Nindya - Rudy Jaya	40,480	4,187
Nindya - MCC - Wika - Waskita	14,702	2,765
Nindya - Universal	12,962	28,822
Nindya - Wijaya Karya	12,774	17,015
Nindya - Surya	6,575	1,897
Nindya - Dewa Ruci	5,328	--
Nindya - Adhi Karya	5,146	5,343
Nindya - Hutama Karya - Wijaya Karya	4,911	5,720
Nindya - Bumi Karsa	4,462	5,594
Nindya - Kencana	3,898	418
Nindya - Hutama Karya	3,631	12,426
Nindya - Karya Sarana	3,522	--
Nindya - Indah Pratama	3,145	4,596
Nindya - Adhi Karya - Wira	2,754	1,269
Nindya - Pembangunan Perumahan	2,402	5,359
Nindya - Sejahtera	1,583	1,940
PPAK - Rumah Cerdas	1,506	738
Nindya - Leo Tunggal Mandiri	(3,030)	4,121
Nindya - Cipuga	(6,074)	5,165
Nindya - Tamiang	(14,458)	13,069
Nindya - Jaya Konstruksi	--	9,298
Nindya - Brantas	--	1,933
Nindya - Inti	--	1,415
Lain-lain (masing-masing di bawah Rp 1 Milyar)	602	(51)
Jumlah	106,821	133,038

35. Share of the profit of Joint Venture

Nindya - Rudy Jaya
Nindya - MCC - Wika - Waskita
Nindya - Universal
Nindya - Wijaya Karya
Nindya - Surya
Nindya - Dewa Ruci
Nindya - Adhi Karya
Nindya - Hutama Karya - Wijaya Karya
Nindya - Bumi Karsa
Nindya - Kencana
Nindya - Hutama Karya
Nindya - Karya Sarana
Nindya - Indah Pratama
Nindya - Adhi Karya - Wira
Nindya - Pembangunan Perumahan
Nindya - Sejahtera
PPAK - Rumah Cerdas
Nindya - PP - Hutama Karya
Nindya - Leo Tunggal Mandiri
Nindya - Cipuga
Nindya - Tamiang
Nindya - Brantas
Nindya - Inti
Others (Less than Rp 1 Billion each)
Total

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36. Laba per Saham**36. Earning per Share**

	2018 Rp	2017 Rp	
Laba (Nilai penuh)	426,076,501,124	324,045,177,512	Income (In full of Rupiah)
Jumlah Lembar Saham	2,996,688	2,996,688	Number of Shares
Laba Per Saham (Nilai penuh)	142,183	108,134	Earning per Share (In full of Rupiah)

37. Beban Pajak Penghasilan Final**37. Final Income Tax Expenses**

	2018 Rp	2017 Rp	
Jasa Konstruksi			Construction
Pendapatan Jasa Konstruksi	6,077,796	5,768,613	Construction Income
Pendapatan Jasa Konstruksi Tidak Dikenakan Pajak	(279,230)	(170,608)	Construction Non-taxable Income
Jumlah Pendapatan Jasa Konstruksi yang Dikenakan Pajak	<u>5,798,566</u>	<u>5,598,006</u>	Total Taxable Construction Income
Jasa Non Konstruksi			Non-Construction
Pendapatan Jasa Non Konstruksi	149,115	94,549	Non-Construction Income
Pendapatan Jasa Non Konstruksi Tidak Dikenakan Pajak Final	146,659	90,567	Non-Construction Non-Final taxable Income
Jumlah Pendapatan Non Jasa Konstruksi	<u>2,456</u>	<u>3,982</u>	Construction Total Income
Ditambah (Dikurangi):			Added (Less):
Penambahan Beda Waktu Pengenaan Pajak	--	--	Addition of Time Difference of Tax
Pendapatan Jasa Konstruksi Kena pajak	5,798,567	5,598,006	Construction Taxable Income
Pendapatan Non Jasa Konstruksi Kena Pajak	<u>2,456</u>	<u>3,982</u>	Non-construction Taxable Income
Jumlah Pendapatan Perusahaan Kena Pajak	<u>5,801,022</u>	<u>5,601,988</u>	Total Taxable Income
Beban Pajak Final			Final Tax Expenses
Beban Pajak Final Konstruksi			Constructions Final Tax Expenses
3% x 2018 : Rp5.798.567	173,957	--	3% x 2018 : Rp5,798,567
3% x 2017 : Rp5.598.006	--	167,940	3% x 2017 : Rp5,598,006
Beban Pajak Final Pendapatan Sewa Tanah dan Bangunan			Land and Building Rental Final Tax Expenses
10% x 2018 : Rp2.456	200	--	10% x 2018 : Rp2,456
10% x 2017 : Rp3.982	--	397	10% x 2017 : 3,982
Beban Pajak Final atas Penjualan Properti			Property Final Tax Expenses
2.5% x 2018 : Rp458	11	--	10% x 2018 : Rp458
2.5% x 2017 : Nihil	--	--	10% x 2017 : Nil
Jumlah Beban Pajak Final	174,168	168,337	Total Final Income Tax Expenses

38. Transaksi Non Kas**38. Non Cash Transactions**

Perusahaan dan Entitas Anak memiliki transaksi non kas sehubungan dengan penambahan aset tetap, Aset Tak berwujud dan properti investasi dengan rincian berikut ini:

The Company and Subsidiaries have non-cash transactions regarding acquisition of Property, Plant and Equipment, intangible Assets and investment property, as follows:

	2018 Rp	2017 Rp	
Perolehan Aset Tetap melalui Utang Usaha	3,448	42,682	Property, Plant, Equipment Acquisition through Account Payable
Perolehan Aset Takberwujud melalui Utang Usaha	--	140	Intangible Assets Acquisition through Account Payable
Perolehan Properti Investasi melalui Dana Restrukturisasi/ Revitalisasi	--	57,675	Investment Property Acquisition through Restructuring/ Revitalization Loan Receivables
	<u>3,448</u>	<u>100,497</u>	

39. Kontinjensi**39. Contingencies****a. PT NK**

PT NK sedang menghadapi beberapa perkara hukum baik dalam proses mengajukan gugatan maupun yang saat ini sedang menunggu putusan pengadilan atau kasasi. PT NK meyakini bahwa keputusan pengadilan atau kasasi dalam kasus-kasus tersebut tidak akan membawa dampak material terhadap kondisi keuangan dan kinerja PT NK.

a. PT NK

PT NK is facing several lawsuits, some of those are in process of being filed, while some others are awaiting for the court decision or appeal. PT NK believes that the court decision or appeal in these cases will not have any material impact on the Company's financial condition and performance.

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39. Kontinjensi (Lanjutan)

Sampai dengan tanggal 31 Desember 2018 perkara hukum yang sedang berjalan antara lain:

- a. Piutang kepada PT Buana Risma (PT BR) adalah sisa tagihan proyek kerjasama pembangunan perumahan Malaka Asri. PT BR sebagai konsultan manajemen proyek pembangunan serta membuat program pemasaran, akan tetapi PT BR telah melampaui batas kewenangannya dengan melakukan penjualan atas rumah dan menerima pembayaran langsung dari pembeli. Namun hasilnya tidak disetorkan kepada PT NK.

Berdasarkan kesepakatan PT BR mengakui memiliki utang kepada PT NK sebesar Rp3.083 termasuk bunga dan status penyelesaian tagihan saat ini adalah menunggu PT BR melakukan perhitungan kewajiban dan pelepasan hak tanggungan untuk aset yang akan diserahkan kepada PT NK. Perkara ini ditangani oleh Jaksa Agung Muda Perdata dan Tata Usaha Negara (Jamdatun).

Pada Tanggal 13 November 2014 Pengadilan Negeri Jakarta Selatan telah mengeluarkan putusan yang dalam perkara tersebut PT NK sebagai Pihak Penggugat dan PT BR sebagai Tergugat. Putusan tersebut menyatakan gugatan PT NK tidak diterima. Sehingga PT NK mengajukan Banding.

Kemudian pada tanggal 19 Juni 2015 terbit putusan Pengadilan Tinggi yang isinya menerima permohonan banding PT NK dan membatalkan putusan Pengadilan Negeri Jakarta Selatan. Putusan Pengadilan Tinggi tersebut juga menyatakan PT BR telah melakukan wanprestasi yang menimbulkan kerugian terhadap PT NK dan menghukum PT BR untuk membayar ganti rugi sebesar Rp3.083.

Sesuai surat dari Pengadilan Negeri Jakarta Selatan Nomor: W10.U3/1656/HK.02/8/2016 tanggal 30 Agustus 2016 Perihal Permohonan Keterangan Incracht, disampaikan bahwa dalam perkara perdata antara PT NK dan PT BR jika sampai dengan batas waktu yg ditentukan oleh Undang-undang para pihak (Penggugat & Tergugat) tidak mengajukan upaya hukum, sehingga Putusan PN Selatan

39. Contingencies (Continued)

Up to December 31, 2018, legal cases in progress, are as follows:

- a. Account receivables to PT Buana Risma (PT BR) is remaining billing of Malacca Asri residential construction cooperation project. PT BR as the projects construction management consultant as well as the creator of marketing program has exceeded its limit by selling home and receive direct payment from the buyer. Meanwhile, the payment has not been received by PT NK.

Based on the deal, PT BR admits that it has debt to PT NK as Rp3,083 including interest. The current status of the bill is waiting PT BR to calculate liabilities and mortgage waiver for assets which shall be submitted to PT NK. These matters are handled by the Young Attorney General Civil and State Administration (Jamdatun).

On November 13, 2014 the District Court of South Jakarta has determined the verdict that contains PT NK accusation. The verdict stated that PT NK lawsuit is not accepted. So that, PT NK decided to fill the appeal.

Then, on June 19, 2015, High Court declared the verdict which stated that the Supreme Court had received the appeal of PT NK and issued cancelation of the South Jakarta District Court Verdict. The Supreme Court also stated that PT BR had done a default that caused losses to PT NK and punished PT BR to pay compensation as much as Rp3,083.

Based on the letter from South Jakarta District Court Number: W10.U3/1656/HK.02/8/2016 dated August 30, 2016 about Incracht Certification Request, stated that the civil case between PT NK and PT BR up to the time limit specified by Law, the parties (Prosecutor & Defendant) would not filled a legal action, then the Sentence of South Jakarta District Court No.171/Pdt.G/ 2014PN.Jkt. Sel juncto

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39. Kontinjensi (Lanjutan)

No.171/Pdt.G/2014PN.Jkt.Sel juncto No.131/PDT/2015/PT.DKI telah mempunyai kekuatan hukum tetap (inkrach van gewisjde).

Karena tidak ada upaya hukum lagi dari PT BR, dan sebagai tindak lanjut dari putusan PN Jakarta Selatan No.171/Pdt.G/2014PN.Jkt.Sel juncto Putusan PT No.131/PDT/2015/PT.DKI telah mempunyai kekuatan hukum tetap (incracht van gewisjde), PT NK mengajukan permohonan eksekusi putusan melalui Pengadilan Negeri Jakarta Selatan.

Kemudian, Tanggal 23 Agustus 2017 telah diterbitkan Surat Penetapan Eksekusi Putusan dari Ketua Pengadilan Negeri. Melalui Penetapan Eksekusi Tersebut, PT BR dipanggil sebanyak 2 kali oleh PN Jakarta Selatan. Kemudian pada tanggal 10 Oktober PT NK mengajukan permohonan sita dan eksekusi putusan perkara No. 171/PDT.G/2014/PN.JKT SEL juncto Putusan PT No.131/PDT/2015/PT.DKI.

Saat ini PT NK sedang menyiapkan KJPP untuk melakukan *appraisal* terhadap aset yang akan disita, dan hasil *appraisal* akan diajukan ke Pengadilan Negeri agar mengeluarkan surat penetapan penunjukan KJPP.

- b. Proyek Aston adalah proyek paket pekerjaan struktur dan general finishing Aston Mangga Dua Jakarta dengan PT Mandiri Karya Cipta Indah (PT MKCI) sebagai pemilik pekerjaan. Nilai proyek sebesar Rp52.000, proyek berakhir karena PT MKCI selalu menghindari untuk penetapan progress fisik pekerjaan termasuk menunda pembayaran sebagai akibat belum adanya kesepakatan progress. Tagihan yang diajukan sebesar Rp13.678 termasuk kenaikan harga (eskalasi) dan status penyelesaian tagihan pada 2013 adalah menunjuk Tim Jamdatun sebagai kuasa direksi PT NK untuk mengajukan gugatan melalui Pengadilan Negeri Jakarta Pusat dan telah dilakukan registrasi perkara melalui Kepaniteraan Pengadilan Negeri Jakarta Pusat. Kemudian PN Jakarta Pusat mengeluarkan putusan yang menyatakan bahwa gugatan PT NK tidak dapat diterima. PT NK mengajukan upaya banding dan pada tanggal 23 April 2013 telah

39. Contingencies (Continued)

No.131/PDT/2015/PT.DKI has a permanent legal course (*inkrach van gewisjde*).

Due to no further legal remedies from PT BR, and as a follow up to the South Jakarta DC decision No. 171/Pdt.G/2014PN.JktSel juncto HC Decision No.131/PDT/2015 /PT.DKI has legal force still (incracht van gewisjde), PT NK submitted an application for the execution of the verdict through the South Jakarta District Court.

Then, on August 23, 2017, a Decision Letter on the Execution of Decisions has been issued from the Chair of the District Court. Through the Determination of Execution, PT BR was summoned twice by the South Jakarta DC. Then on October 10, PT NK submitted a petition for seizure and the execution of case decision No. 171/PDT.G/2014/PN.JKT SEL juncto HC Decision No.131/PDT/2015/ PT.DKI.

Currently PT NK is preparing PAOB to appraise the assets to be confiscated, and the appraisal results will be submitted to the District Court in order to issue a letter stipulating the appointment of PAOB.

- b. Aston Project is a structural work package project and general finishing for Aston Mangga Dua Jakarta with PT Mandiri Karya Cipta Karya (PT MKC) as the owner of the project. The project which values for Rp52,000 had to be ended due to PT MKC always evading the establishment of physical work progress, included delaying payments as the result of the lack of progress agreement. The proposed Bill of Rp13,678 including price increases (escalation) and the status of the settlement Bill in 2013 is pointing to the Jamdatun Team as the power of the directors of PT NK to file a lawsuit through the Central Jakarta District Court and registration have been made through the Registrar of the District Court in Central Jakarta. Then the Central Jakarta PN issued a ruling stating that the PT NK lawsuit was not acceptable. PT NK submitted an appeal attempt and on April 23, 2013,*

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39. Kontinjensi (Lanjutan)

menyampaikan memori banding kepada Pengadilan Tinggi melalui Pengadilan Negeri Jakarta Pusat. Pada tanggal 20 Mei 2014 Pengadilan Tinggi Jakarta Pusat mengeluarkan putusan yang menyatakan menguatkan putusan Pengadilan Negeri. PT NK mengajukan permohonan kasasi di Mahkamah Agung. Putusan dari Kasasi tersebut antara lain menolak permohonan Kasasi PT NK.

Tanggal 2 Oktober 2017 sesuai surat Direksi nomor: 1676/DIRUT/SEKPER/10/2017 perihal Permohonan Pendapat Hukum, PT NK bersurat kepada Jamdatun meminta pertimbangan hukum atas penghapusan piutang macet pada proyek Aston Mangga Dua. Sampai saat ini Jamdatun masih mengkaji pertimbangan hukum atas penghapusan piutang macet tersebut.

- c. Proyek Pembangunan Dermaga Bongkar Sabang di Nanggroe Aceh Darussalam (NAD) merupakan proyek tahun Anggaran 2004-2011. Nilai total kontrak proyek sebesar Rp771.599 dengan Badan Pengusahaan Kawasan Perdagangan Bebas dan Pelabuhan Bebas Sabang (BPKS) sebagai pemilik pekerjaan. Dalam mengerjakan proyek tersebut PT NK menjalin kerjasama operasi dengan PT Tuah Sejati, dan membentuk perjanjian kerjasama dengan nama Nindya Sejati *Joint Operation* (JO).

Persentase nilai kepesertaan masing-masing perusahaan tersebut adalah PT NK (Persero) sebesar 55% dan PT Tuah Sejati 45%. Laba yang dibukukan dari pembangunan Dermaga Bongkar Sabang Lanjutan porsi PT NK yaitu sebesar Rp44.681.

39. Contingencies (Continued)

delivered a memory of the appeal to the High Court through the Central Jakarta District Court. On May 20, 2014 the Central Jakarta High Court issued a ruling stating that the District Court's verdict was upheld. PT NK submitted a request for cassation at the Supreme Court. The decision of the Cassation, among others, rejected the application for the Cassation of PT NK.

On October 2, 2017 according to the Directors' letter number: 1676/DIRUT/SEKPER/10/2017 regarding the Request for Legal Opinion, PT NK corresponded to Jamdatun asking for legal considerations for the elimination of bad debts in the Aston Mangga Dua project. Until now, Jamdatun is still reviewing legal considerations for the elimination of bad debts.

- c. *Sabang Loading Dock Construction Projects in Nanggroe Aceh Darussalam (NAD) is a project for 2004-2011 fiscal year. Total project's value amounting to Rp771,599 with Badan Pengusahaan Kawasan Perdagangan Bebas dan Pelabuhan Bebas Sabang (BPKS) as the project owner. In the project implementation, PT NK established joint operations with PT Tuah Sejati, and formed a joint venture as Nindya-Sejati Joint Operation (JO).*

The share value percentage for each companies is PT NK amounted to 55% and PT Tuah Sejati 45%. Accounted operating income from the Sabang Loading Dock Construction Projects in the portion of PT NK which amounted to Rp44,681.

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39. Kontinjensi (Lanjutan)

Pada tanggal 21 Februari 2018 pihak berwenang bersurat kepada PT NK melalui surat nomor : B/98/DIK.00/23/02/2018, yang isinya pemberitahuan dimulainya penyidikan perkara Tindak Pidana Korupsi dalam Pelaksanaan Pembangunan Dermaga Bongkar Pada Kawasan Perdagangan Bebas yang diduga dilakukan oleh PT NK bersama-sama dengan PT Tuah Sejati.

Pada tanggal 09 April 2018 PT Bank Negara Indonesia (BNI) bersurat kepada PT NK menyampaikan bahwa BNI telah melakukan pemblokiran terhadap rekening tertentu sejak tanggal 4 April 2018. Kemudian pada tanggal 11 April 2018 telah dilakukan pembukaan dan penyitaan terhadap rekening PT NK di BNI.

Pada tanggal 29 Oktober 2018, pihak berwenang telah melakukan penyitaan dokumen berupa prosedur pemasaran, operasi, dan satuan pengawas internal PT NK. Sampai 31 Desember 2018, perkara ini masih dalam proses hukum.

Pada tanggal 31 Desember 2018, PT NK telah membukukan beban lain-lain sebesar Rp11.170 atas pencadangan dana yang dibatasi penggunaannya.

b. PT DMR

Pada tanggal 4 Desember 2017, *Supplier* TBS yaitu Teddy, Sihol Parhosip dan Kaswadi mengajukan Gugatan Perbuatan Melawan Hukum ke Pengadilan Negeri Rengat dengan tergugat PT Duta Mentari Raya (DMR) sebagai Tergugat I bersama dengan PT PPA Kapital (PPAK) sebagai Tergugat II dan PT Karya Kuala Kubu (KKK) sebagai tergugat III. Atas gugatan tersebut PT DMR dan PT PPAK yang diwakili Kantor Hukum Tony Hendarto, pada tanggal 10 Januari 2018 telah hadir memenuhi panggilan Pengadilan Negeri Rengat. Sampai dengan saat ini belum ada keputusan dari kasus tersebut.

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39. Contingencies (Continued)

On February 21, 2018 the authorities corresponded to PT NK by letter No : B/ 98 / DIK.00 /23/02/2018, the notice of which the investigation into the corruption Case Investigation in the implementation of the Unloading Pier in the Free Trade Zone was allegedly carried out by PT NK and PT Tuah Sejati.

On April 9, 2018 PT Bank Negara Indonesia (Persero) corresponded to the Company saying that BNI had blocked the certain account from April 4, 2018. Then on April 11, 2018, the opening and confiscation of PT NK at BNI was carried out.

On October 29, 2018, the authorities have confiscated documents in the form of marketing procedures, operations, and the PT NK internal supervisory unit. Until December 31, 2018, this case still be in the legal process.

On December 31, 2018, PT NK has charged into other expenses amounted to Rp11,170 for the allowance of restricted fund.

b. PT DMR

On December 4, 2017, TBS supplier named Teddy, Sihol Parhosip and Kaswadi filed a Lawsuit against Legal Agreement to the Rengat District Court with defendant PT Duta Mentari Raya (DMR) as Defendant I together with PT PPA Kapital (PPAK) as Defendant II and PT Karya Kuala Kubu (KKK) as defendant III. On the lawsuit PT DMR and PT PPAK represented by Tony Hendarto's Law Office, on January 10, 2018 has been present to meet the call from Rengat District Court. Until now there has been no decision of the case.

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40. Perikatan dan Perjanjian

**a. Perjanjian Restrukturisasi dan Dana
Talangan Badan Usaha Milik Negara (BUMN)
1. PT Merpati Nusantara Airlines (MNA)**

Berdasarkan Surat Menteri Badan Usaha Milik Negara No. S-716/MBU/2008 tanggal 4 September 2008 perihal Penyehatan PT MNA dan Surat Menteri Keuangan No. S-478/MK.06/2008 tanggal 5 September 2008 perihal persetujuan Restrukturisasi dan/atau Revitalisasi PT MNA, Perusahaan memberikan pinjaman dengan plafon sebesar Rp300.000 dengan tingkat suku bunga Sertifikat Bank Indonesia (SBI) yang berlaku pada awal periode pembayaran bunga. Pinjaman akan jatuh tempo 8 (delapan) tahun terhitung sejak ditandatanganinya perjanjian pinjaman atau selambat-lambatnya tanggal 8 September 2016, sedangkan jatuh tempo pembayaran bunga pertama kali pada tanggal 8 Maret 2010.

Berdasarkan surat keputusan Menteri Negara Badan Usaha Milik Negara No. KEP-152/MBU/2011 tanggal 27 Juni 2011 tentang Restrukturisasi dan/atau Revitalisasi MNA dan surat persetujuan Menteri Keuangan No. S-427/MK.06/2011 tanggal 27 Juli 2011 perihal persetujuan usulan Menteri BUMN terkait tambahan pemberian fasilitas pinjaman oleh Perusahaan kepada MNA sebesar Rp561.000 dalam rangka restrukturisasi dan/atau revitalisasi MNA sebagai dana talangan untuk MNA sementara menunggu pencairan dana tambahan Penyertaan Modal Negara.

Pada tanggal 21 Oktober 2011 dilakukan Adendum IV No. 15 Perjanjian Pinjaman Yang Dapat Dikonversikan Dalam Rangka Penyelamatan Usaha MNA yang diantaranya mengatur tentang penambahan Fasilitas Pinjaman dengan jumlah maksimal Rp861.000 dengan rincian Rp300.000 sebagai Fasilitas Pinjaman CLF (*Convertible Loan Facility*) dan Rp561.000 sebagai Fasilitas Pinjaman Talangan RR (Restrukturisasi dan Revitalisasi) serta perubahan mekanisme pembayaran bunga, tunggakan kewajiban, denda serta provisi dan biaya administrasi.

40. Commitments and Agreements

**a. Restructuring and Fund Advance of State
Own Enterprise (SOE's) Agreement
1. PT Merpati Nusantara Airlines (MNA)**

Based On The Letter Of The Minister of State-Owned Enterprises No. S-716/MBU/2008 September 4, 2008 subject Bank PT MNA and the letter of the Minister of Finance No. S-478/MK. 06/2008 dated September 5, 2008 subject to approval of restructuring and/or Revitalizing PT MNA, the company provides loans with a ceiling of Rp300,000 with an interest rate of Bank Indonesia Certificates (SBI) in effect at the beginning of the the period of interest payments. The loan will be due 8 (eight) years counted since the signing of the loan agreement or no later than September 8, 2016, while overdue interest payments the first time on March 8, 2010.

Based on the decision letter of the Minister of State-owned enterprises no. KEP-152/MBU/2011 June 27, 2011 about the restructuring and revitalization of the MNA and/or approval of Finance Minister no. S-427/MK. 06/2011 July 27, 2011 subject to approval of the proposals of the Minister of State-Owned Enterprises the granting of additional related facilities loans by the company to the MNA Rp561.000 restructuring and/or revitalization of MNA as bailouts for MNA While waiting for the disbursement of additional Equity Capital of the country.

On October 21, 2011 done Adendum IV No.15 Loan Agreement can be converted in order to Rescue the MNA Ventures among them set about adding loan facility with maximum amount of Rp861,000 with details Rp300,000 loan facility as a CLF (Convertible Loan Facility) and Rp561,000 as Bridging loan facility RR (Restructuring and Revitalization) as well as changes in the mechanism of interest payments in arrears, liabilities, fines and fees and costs Administration.

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40. Perikatan dan Perjanjian (Lanjutan)

Berdasarkan Surat Menteri Badan Usaha Milik Negara No. S-107/MBU/02/2016 tanggal 3 Februari 2016 tentang pelaksanaan Restrukturisasi dan /atau Revitalisasi PT Merpati Nusantara Airlines (Persero) oleh PT Perusahaan Pengelola Aset (Persero) dan surat persetujuan Menteri Keuangan No. S-21/MK.06/2016 tanggal 20 Januari 2016 tentang Permohonan Persetujuan atas Penggunaan Dana RR PT Perusahaan Pengelola Aset (Persero) dan penanganan RR PT MNA secara keseluruhan.

Pada Tanggal 16 Februari 2016, Perusahaan melalui Akta Perjanjian Pemberian Pinjaman Dalam Rangka Restrukturisasi dan/atau Revitalisasi PT Merpati Nusantara Indonesia Airlines (Persero) Nomor 17 memberikan pinjaman dengan plafon sebesar Rp 500.000 dengan tingkat suku bunga sebesar 10,5 %per tahun bruto (termasuk pajak atas bunga). Pinjaman akan jatuh tempo 2 (dua) tahun dihitung sejak ditandatangani perjanjian pinjaman atau selambat-lambatnya tanggal 15 Februari 2018. Pinjaman akan dialokasikan untuk membayar upah tertunggak dan/atau sebagian pesangon karyawan PT MNA serta biaya proses RR lainnya.

Pada tanggal 16 November 2016 dilakukan Addendum V No. 09 Perjanjian Pinjaman Yang Dapat Dikonversikan Dalam Rangka Penyelamatan Usaha MNA yang diantaranya mengatur perpanjangan jangka waktu Fasilitas Pinjaman dengan masa perpanjangan selambat-lambatnya 10 (sepuluh) tahun sejak tanggal penandatanganan Perjanjian Pinjaman CLF serta penyampaian informasi perubahan outstanding utang atas Fasilitas Pinjaman CLF.

Sejak tahun 2016 sampai dengan tahun 2018, telah dilakukan beberapa kali addendum perubahan atas Akta Perjanjian Pemberian Pinjaman Dalam Rangka Restrukturisasi dan/atau Revitalisasi PT Merpati Nusantara Indonesia Airlines (Persero). Pada tanggal 26 April 2018 melalui Addendum VII Akta Perjanjian Pemberian Pinjaman Dalam Rangka Restrukturisasi dan/atau Revitalisasi PT Merpati Nusantara Indonesia Airlines (Persero) No. 90 telah dilakukan perpanjangan jatuh tempo fasilitas pinjaman menjadi tanggal 15 Februari 2019.

40. Commitments and Agreements (Continued)

Based On The Letter of The Minister of State-Owned Enterprises No. S-107/MBU /02/2016 February 3, 2016 on the implementation of Restructuring and/or Revitalization of PT Merpati Nusantara Airlines (Persero) by the Asset management company PT (Persero) and Letter of the Minister of Finance's approval No.S/MK-06/2016 dated January 20, 2016 about applying for Approval for the use of the Fund Asset management company RR PT (Persero) and PT MNA RR handling overall.

On February 16, 2016, based on Deed of Agreement Fund Lending for Restructuring and/or Revitalization Loan PT Merpati Nusantara Indonesia Airlines (Persero) No.17, the Company approved loans with maximum credit facility amounting to Rp500,000 with the interest rate of 10.5% per annum gross (including tax on interest). The loan will due date 2 (two) years from the signing of the loan agreement or at the latest dated February 15, 2018. The loan will be allocated to pay the owed wages and / or some of PT MNA employee severance and other RR process costs.

On November 16, 2016 do Addendum V No. 09 Loan Agreement can be converted in order to Rescue the MNA Ventures including arranging an extension period of loan facility with a maximum extension period 10 (ten) years from the date of the signing of the loan agreement as well as the delivery of information changes to CLF outstanding debt over loan facility CLF.

Since the year 2016 to 2018, has done a number of times changes to the deed of addendum Agreement Granting a loan Restructuring and/or Revitalization of PT Merpati Nusantara Airlines Indonesia (Persero). On April 26, 2018 through Addendum VII Deed Agreement Granting a loan Restructuring and/or Revitalization of PT Merpati Nusantara Airlines Indonesia (Persero) No. 90 has done an extension of the maturity of the loan facilities be February 15, 2019.

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40. Perikatan dan Perjanjian (Lanjutan)

Dalam pelaksanaannya atas program restrukturisasi dan/atau revitalisasi PT MNA, pada tanggal 15 Januari 2018 terdapat salah satu kreditur PT MNA yang mengajukan permohonan Penundaan Kewajiban Pembayaran Utang (PKPU) pada Pengadilan Niaga di Pengadilan Negeri Surabaya. Pasca dikabulkannya permohonan dari kreditur tersebut, PT MNA masuk ke dalam kondisi "Dalam PKPU" dengan pengawasan dari Tim Pengurus PKPU yang ditunjuk oleh Majelis Hakim di Pengadilan Negeri Surabaya.

Sehubungan dengan kondisi PT MNA yang belum memiliki kemampuan keuangan dan telah berhenti beroperasi, PT MNA melakukan program pencarian mitra strategis sejak bulan April 2018, dengan harapan dapat memperoleh mitra yang mendukung PT MNA agar dapat beroperasi kembali. Pada tanggal 2 Juli 2018, setelah melalui tahapan program pencarian mitra strategis, PT MNA berhasil memperoleh mitra strategis yang akan melakukan penyetoran modal bersyarat untuk menjadi pemegang saham mayoritas PT MNA.

Pasca diperolehnya mitra strategis, PT MNA bersama Perusahaan menyusun rancangan proposal perdamaian untuk ditawarkan kepada para kreditur dalam rapat kreditur. Pada tanggal 31 Oktober 2018, telah dilakukan voting atas proposal perdamaian dengan hasil memperoleh persetujuan dari mayoritas para kreditur. Pada tanggal 14 November 2018, Majelis Hakim Pengadilan Niaga di Pengadilan Negeri Surabaya telah membacakan putusan PKPU dan mengesahkan homologasi atas proposal perdamaian PT MNA.

Dalam proses masuknya mitra menjadi pemegang saham PT MNA, terdapat persyaratan pendahuluan yang harus dipenuhi, antara lain:

- i. Salinan putusan yang mengesahkan homologasi atas perdamaian PT MNA dari Majelis Hakim pada Pengadilan Niaga di Pengadilan Negeri Surabaya;
- ii. Persetujuan dari Pemerintah Republik Indonesia dan/atau Dewan Perwakilan Rakyat Republik Indonesia terkait dengan (i) terdilusinya saham Negara dalam

40. Commitments and Agreements (Continued)

In practice upon a program of restructuring and/or revitalize PT MNA, on January 15, 2018 there is one lender PT MNA that apply for Suspension of payment (PKPU) at the Court of Commerce in District Court Surabaya. Post dikabulkannya the petition from the lender, PT MNA enters into conditions "in the PKPU" with oversight from the PKPU Sysop Team appointed by Tribunal judges in the District Court of Surabaya

With respect to the condition of the MNA has not had the PT financial capability and has ceased operations, PT MNA programme search strategic partner since April 2018, in hopes of gaining a supportive partner PT MNA to be able to operate back. On July 2, 2018, after going through the stages of the program search strategic partner, PT MNA gaining a strategic partner who will do a conditional capital remittance to become the majority shareholder of PT MNA

Post acquired a strategic partner, PT MNA joint peace proposal drafting Company to offer to lenders in the meeting of creditors. On the date of October 31, 2018 has done voting up proposals for peace with the results obtained the consent of a majority of its creditors. On November 14, 2018, the Commercial Court judge in the District Court of Surabaya has read out the verdict and homologation certify the PKPU over peace proposals PT MNA.

In the process of inclusion of the partners became shareholders of PT MNA, there is a preliminary requirement which must be met, including:

- i. *a copy of the verdict that affirms the homologation over peace PT MNA from Tribunal Judges on the Court of Commerce in Surabaya District Court;*
- ii. *The approval of the Government of the Republic of Indonesia and the Republic of Indonesia people's representative Council related to (i) terdilusinya shares*

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40. Perikatan dan Perjanjian (Lanjutan)

PT MNA sebagai konsekuensi atas masuknya modal dari investor dan dikonversinya piutang menjadi saham; dan (ii) berubahnya status PT MNA dari BUMN menjadi Perusahaan Swasta;

- iii. Persetujuan dari Kementerian Keuangan Republik Indonesia atas skema restrukturisasi utang Pajak;
- iv. Surat dan/atau dokumen lain terkait keabsahan proses restrukturisasi dan/atau revitalisasi PT MNA yang dikeluarkan oleh Jaksa Agung Muda Perdata dan Tata Usaha Negara.

Sampai dengan tanggal 31 Desember 2018, PT MNA masih berupaya memenuhi persyaratan pendahuluan.

2. PT Penataran Angkatan Laut

Pada tanggal 30 Desember 2015, telah dilakukan restrukturisasi utang terhadap pemberian pinjaman untuk pembiayaan korporasi – *Tranche D* yang dituangkan dalam Perjanjian Restrukturisasi Utang PT PAL Indonesia (Persero) Nomor 47. Tanggal Jatuh Tempo perjanjian menjadi 31 Desember 2030. Utang pokok sebesar Rp151.841 direstrukturisasi menjadi Fasilitas *Tranche A*, utang bunga sebesar Rp88.742 dan denda pokok sebesar Rp4.465 direstrukturisasi menjadi Fasilitas *Tranche B*.

Dengan dilakukannya restrukturisasi utang PT PAL kepada Perusahaan, maka seluruh Perjanjian Pemberian Pinjaman Dalam Rangka Pembiayaan Proyek Kapal (*Project Financing*) tanggal 16 Desember 2009 No 09 (*Tranche A*), No 10 (*Tranche B*) dan No 11 (*Tranche C*) dinyatakan tidak berlaku lagi.

3. PT Kertas Kraft Aceh (Persero) (KKA)

Pada tanggal 19 November 2013, ditandatangani Perjanjian No PP-11/PPA/1113 antara Perusahaan dengan PT KKA perihal Perubahan Menyeluruh Perjanjian Pemberian Pinjaman Dana Talangan menjadi Pinjaman Restrukturisasi dan/atau Revitalisasi. Adapun pokok-pokok dari pinjaman tersebut antara lain:

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of State in PT MNA as consequences of the influx of capital from investors and dikonversinya receivables into shares; and (ii) of changing the status of STATE-OWNED PT MNA became a private company;

- iii. approval of Ministry of Finance of the Republic of Indonesia over Tax debt restructuring scheme;
- iv. Letter and/or other related documents the validity of the process of restructuring and revitalization of the PT or MNA/issued by the Young Attorney General Civil and Administrative State.

Until 31 December 2018, PT MNA still strives to meet the requirements of the introduction.

2. PT Penataran Angkatan laut

On December 30, 2015, a debt restructuring was made to a loan lent to finance corporation – *Tranche D*, as outlined in the Debt Restructuring Agreement PT PAL Indonesia (Persero) Number 47. The expiry date of the agreement is on December 31, 2030. Debt principal amounted to Rp151,841 was restructured into Facility *Tranche A*, interest payable amounted to Rp88,742, and fine charged to loan amounted to Rp4,465 were restructured into Facility *Tranche B*.

In conjunction with the debt restructuring of PT PAL to the Company, therefore the entire Lending Agreement to Finance Ship Project (*Project Financing*) dated December 16, 2009 No. 09 (*Tranche A*), No. 10 (*Tranche B*), and No. 11 (*Tranche C*) are no longer valid.

3. PT Kertas Kraft Aceh (Persero) (KKA)

On November 19, 2013, an agreement was signed, that is the Agreement No PP-11/PPA/1113 between the Company and PT KKA regarding the Comprehensive Amendment of Lending Bailout Loan Agreement to become Restructuring and/or Revitalization Loan. The basic terms of Loan are as follows :

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40. Perikatan dan Perjanjian (Lanjutan)

- Dengan keluarnya Keputusan Menteri Negara BUMN selaku ketua Komite Restrukturisasi dan Revitalisasi BUMN No. KEP-02/MBU/2012 tanggal 4 Januari 2012 tentang Restrukturisasi dan/atau Revitalisasi Perusahaan PT Kertas Kraft Aceh (Persero). Maka Perusahaan melakukan pengalihan atas pinjaman dana talangan yang termasuk dalam program Restrukturisasi dan/atau Revitalisasi. menjadi pinjaman Restrukturisasi dan/atau Revitalisasi.
- Adapun perjanjian awal yang dialihkan status sumber pendanaan dari dana talangan menjadi dana RR adalah:
 1. Akta Perjanjian Pemberian Pinjaman No. 25 tanggal 28 Agustus 2009 tentang Perjanjian Pemberian Pinjaman Dana Talangan dari Perusahaan kepada PT KKA;
 2. Perjanjian No. PP-04/PPA/0710 tanggal 26 Juli 2010 untuk Biaya Jasa Konsultan Keuangan dan Konsultan Teknik;
 3. Perjanjian No. PP-01/PPA/0111 tanggal 31 Januari 2011 tentang Pemberian Pinjaman Dana Talangan Untuk Biaya Pengamanan dan Pemeliharaan Aset;
 4. Perjanjian No. PP-13/PPA/1111 tanggal 23 November 2011 tentang Pemberian Pinjaman Dana Talangan Untuk Biaya Pengamanan dan Pemeliharaan Aset Periode April – Juni 2011.

Berdasarkan Perjanjian No. PP-03/PPA/0414 tanggal 14 April 2014, Perusahaan memberikan pokok fasilitas pinjaman maksimal sebesar Rp120.132 berupa Fasilitas Pinjaman untuk Modal Kerja Pengadaan Gas sebesar Rp112.132 dengan peruntukan; uang jaminan kepada PT PIM selama kerjasama penyaluran gas secara proposional berdasarkan pemakaian volume gas alam, biaya pemakaian gas untuk *start up* dan *shut down*, dan pembayaran kargo gas.

Tingkat suku bunga yang diberlakukan atas pokok Fasilitas Pinjaman adalah sebesar 13% per tahunan dan wajib dibayarkan kepada Perusahaan pada setiap hari kerja terakhir selama jangka waktu peminjaman.

40. Commitments and Agreements (Continued)

- As with the release of the Decision of State-Owned Enterprises Minister as the Chairman of State-Owned Enterprises Restructuring and Revitalizing Committee No. KEP-02/MBU/2012 on 4 January 2012 about Restructuring and/or Revitalization of PT Kertas Kraft Aceh (Persero). Therefore the Company transferred the bailout loan that was included in Restructuring and Revitalizing Program into Restructuring and/or Revitalization Loan.
- The initial agreement which status of source of funding are transferred from bailouts loan into Restructuring and Revitalization funds are:
 1. Deed of Loan Agreement No. 25 on August 28, 2009 about Bailouts Loan Agreement from the Company to PT KKA;
 2. Agreement No. PP-04/PPA/0710 on July 26, 2010 for Costs of Financial Consultant and Engineering Consultant Services;
 3. Agreement No. PP-01/PPA/0111 on January 31, 2011 about Distribution the Bailout Loan for the Costs of Security and Safeguarding of Assets;
 4. Agreement No. PP-13/PPA/1111 on November 23, 2011 about Distribution of Bailouts Loan for Security and Safeguarding of Assets for the period April until June 2011.

Based on Agreement No. PP - 03 / PPA / 0414 on April 14, 2014, the Company provides a loan facility principal with maximum amount of Rp120,132 with details as Loan Facility of Working Capital for Gas Procurement amounted to Rp112,132 with allocation; bail to PT PIM during the cooperation of proportionate gas distribution based on the volume of natural gas used, gas usage fee to start up and shut down, and the gas cargo payment.

The interest rate imposed on the principal loan facility is amounted to 13% per year and must be paid to the Company on every last business days during the loan period.

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40. Perikatan dan Perjanjian (Lanjutan)

Addendum I No. PP-04/PPA/0614 tanggal 10 Juni 2014 merupakan perubahan atas Perjanjian Pemberian Pinjaman Dana Talangan Dalam Rangka Pengoperasian dan Pemeliharaan Pembangkit Listrik Tenaga Uap (PLTU) PT Kertas Kraft Aceh (Persero) pada pasal Fasilitas Pinjaman Untuk Biaya Pra Operasi dan Fasilitas Pinjaman Untuk Modal Kerja Pengadaan Gas.

Pada Addendum II PP-01/PPA/0115 tanggal 15 Januari 2015 dilakukan perubahan atas Fasilitas Pinjaman Untuk Biaya Pra Operasi, Tanggal Pembayaran Bunga, Provisi dan Administrasi serta jadwal angsuran pokok.

Addendum III PP-04/PPA/0515 tanggal 28 Mei 2015 dilakukan realokasi Fasilitas Pinjaman Untuk Modal Kerja Pengadaan Gas menjadi Fasilitas Pinjaman Pra Operasi, ketentuan penarikan dana fasilitas pinjaman untuk biaya pra operasi serta jadwal angsuran pokok.

Addendum IV PP-03/PPA/0216 tanggal 4 Februari 2016 dilakukan realokasi Fasilitas Pinjaman Untuk Modal Kerja Pengadaan Gas menjadi Fasilitas Pinjaman Pra Operasi serta jadwal pembayaran angsuran pokok.

Tanggal jatuh tempo pinjaman adalah pada tanggal 31 Desember 2017 atau tanggal pencairan fasilitas pinjaman dana restrukturisasi dan/atau revitalisasi atau tanggal *refinancing* (mana yang lebih dulu)

Berdasarkan No.S-397/PPA/DU/0119 merupakan surat persetujuan Perpanjangan fasilitas Dana Talangan Modal Kerja Pengadaan Gas yang diperpanjang sampai dengan 28 Februari 2019 dengan tujuan agar PT KKA dapat melakukan pembayaran atas pemakaian gas operasi periode Desember 2018 dan Januari 2019 tepat waktu.

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40. Commitments and Agreements (Continued)

Addendum I No. PP-04 / PPA / 0614 dated June 10, 2014 is an amendment to the Bailout Agreement for the Operation and Maintenance of Electric Steam Power Plant (PLTU) PT Kertas Kraft Aceh (Persero), in the article Loan Facility for Pre-Operation Cost and Loan Facility to Gas Procurement Working Capital.

Addendum II PP-01 / PPA / 0115 dated January 15, 2015 is an amendment to the Loan Facility for Pre-Operating Costs, Interest Payment Date, Provision, Administration and Principal Repayment Schedule.

Addendum III-04 PP / PPA / 0515 dated May 28, 2015 is reallocation of Loan Facility for Gas Procurement Working Capital into Loan Facility for Pre-Operation, which include provision of loan facility withdrawal for pre-operating costs and principal payment schedule.

Addendum IV PP-03 / PPA / 0216 dated February 4, 2016 is reallocation Working Capital Loan Facility To Supply Gas into Pre Loan Facility Operations and principal installment payment schedule.

The maturity date of the loan is on December 31, 2017 or the date of restructuring and/or revitalization loan facility disbursement or refinancing date (whichever is earlier).

Based on No.S-397 / PPA / DU / 0119, it is a letter of approval for the extension of the Gas Procurement Working Capital Bailout facility extended to February 28, 2019 with the aim that PT KKA can make payments for operating gas usage for the period December 2018 and January 2019 on time.

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40. Perikatan dan Perjanjian (Lanjutan)

40. Commitments and Agreements (Continued)

4. PT Dirgantara Indonesia (Persero) (DI)

Berdasarkan surat Menteri Negara BUMN No. S-720/MBU/2010 tanggal 23 November 2010 perihal pinjaman dalam rangka project financing bagi PT DI serta surat No.S-735/MBU/2010 tanggal 1 Desember 2010 perihal penegasan penggunaan dana korporasi Perusahaan yang dituangkan dalam Perjanjian Kredit/Pinjaman Jangka Pendek Nomor 13 tanggal 2 Desember 2010, Perusahaan memberikan pinjaman dengan jumlah pokok fasilitas maksimal sebesar Rp237.180 dan telah direalisasikan sebesar Rp234.610 dengan tingkat suku bunga sebesar 11% per tahun.

Jatuh tempo pinjaman adalah setiap dibayarkannya tagihan atas proyek Super Puma dan/atau Bell ke rekening PT DI di Bank BNI yang menampung pembayaran Super Puma dan Bell atau tanggal 28 Februari 2010; mana yang lebih dulu.

Perjanjian pinjaman ini dijamin dengan Hak tagih atau piutang PT DI terhadap proyek Super Puma dan proyek Bell yang masing-masing bernilai Rp179.335 dan Rp99.866 yang selain kepada Perusahaan juga dijamin kepada Bank BRI dengan hak klaim secara pari pasu, 2 (dua) unit mesin pesawat helikopter, yaitu NAS332 C1 SPUMA N-20 (Super Puma) dan Bell-412EP berikut komponennya yang masing-masing bernilai Rp179.335 dan Rp99.866.

Pinjaman tahap II kepada PT DI yang diberikan berdasarkan surat Menteri Negara BUMN No.S-79/MBU/2011 tanggal 23 Februari 2011 perihal Persetujuan Pinjaman Dana dari Perusahaan dan surat No.S-114/MBU/2011 tanggal 14 Maret 2011 perihal Penetapan RUPS Perusahaan untuk memberikan Pinjaman Jangka Pendek Tahap II kepada PT DI. Pinjaman tersebut dituangkan dalam Perjanjian Pinjaman Jangka Pendek No.182 tanggal 25 Maret 2011.

4. PT Dirgantara Indonesia (Persero) (DI)

In accordance with the letter of the Ministry of SOE No. S-720/MBU/2010 dated November 23, 2010 regarding loan for PT DI project financing, as well as Letter No. S-735/MBU/2010 dated December 1, 2010 regarding the confirmation of the use of corporate funds as set in the Credit/Short Term Loan Agreement No. 13 dated December 2, 2010, the Company provides loans with a maximum of principal amount of Rp237,180, amount which has been realized is Rp234,610, with an interest rate of 11% per annum.

Loan maturity is on any bill-payment on the Super Puma and / or Bell project to the account of PT DI in Bank BNI that holds payment of Super Puma and Bell or on February 28, 2010 whichever is earlier.

The loan agreement is secured with Claim right or receivable of PT DI to the Super Puma and Bell projects, each worths Rp179,335 and Rp99,866 which in addition to the Company, also secured to Bank BRI with rights claims on pari passu, two (2) units of helicopter engines, i.e. NAS332 C1 SPUMA N-20 (Super Puma) and Bell-412EP along with the components, each of which is worth Rp179,335 and Rp99,866, respectively.

Phase II credit to PT DI given based on the Letter of the Minister of SOE No. S-79/MBU/2011 dated February 23, 2011 regarding the Approval of Fund Loan from the Company and Letter No. S-114/MBU/2011 dated March 14, 2011 regarding the Stipulation of Company RUPS to provide Short-Term Loans Phase II to PT DI. The loan was set into Short-Term Loan Agreement No. 182 dated March 25, 2011.

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40. Perikatan dan Perjanjian (Lanjutan)

Jumlah pokok fasilitas pinjaman maksimum sebesar Rp89.000, pinjaman tersebut akan digunakan untuk keperluan penyelesaian proyek, pembiayaan operasional, modal kerja dan pembiayaan tagihan PT DI lainnya yang dibagi dalam 3 (tiga) jenis pinjaman yaitu:

- *Tranche A* untuk penyelesaian proyek AD TRADE dan pembayaran gaji bulan Februari 2011, dengan pokok pinjaman maksimal Rp32.800.
- *Tranche B* untuk pembiayaan modal kerja, pokok pinjaman maksimal Rp54.500.
- *Tranche C* untuk pembiayaan tagihan PT DI lainnya, dengan pokok pinjaman maksimal Rp1.700.

Bunga pinjaman adalah sebesar 11% per tahun dan denda keterlambatan pembayaran pokok dan bunga sebesar 6% per tahun.

Pada tanggal 30 Desember 2014, terdapat perubahan VI (keenam) Perjanjian Pembiayaan Korporasi PT DI mengenai perubahan jatuh tempo dari sisa pagu kredit Rp655.000 menjadi tanggal 31 Desember 2016 atau tanggal pencairan dana Penyertaan Modal Negara (PMN) pada PT DI (yang akan diajukan kembali oleh PT DI) yang mana terlebih dahulu.

Pada tanggal 29 Desember 2016, terdapat perubahan VII (ketujuh) Perjanjian Pembiayaan Korporasi PT DI Nomor 48 yang dibuat oleh Notaris Muhamat Hatta, S.H., mengenai perubahan jatuh tempo dari sisa pagu kredit Rp605.000 menjadi tanggal 31 Desember 2018 atau tanggal pencairan dana Penyertaan Modal Negara (PMN) pada PT DI (yang akan diajukan kembali oleh PT DI) yang mana terlebih dahulu. Dalam perubahan tersebut, juga dilakukan perubahan pemenuhan kewajiban lanjutan dalam proses sertifikasi atas aset properti yang dimiliki oleh PT DI yaitu seluruh Tanah Gudang MMC dan seluruh Tanah KPTA Paledang wajib diselesaikan selambat-lambatnya tanggal 30 Juni 2017.

40. Commitments and Agreements (Continued)

The principal amount of the loan facility to a maximum of Rp89,000, the loan will be used for completion of the project, financing operations, working capital and other financing charges of PT DI which are divided into three (3) types of loans as follows:

- *Tranche A for completion of AD TRADE project and payroll of February 2011, with a maximum loan principal of Rp32,800.*
- *Tranche B for the financing of working capital, with a maximum loan principal of Rp54,500.*
- *Tranche C for PT DI other financing charges, with a maximum loan principal of Rp1,700.*

The loan interest is 11% per year and fine for late payment of principal and interest is 6% per year.

On December 30, 2014, there is a change VI (sixth) Corporate Financing Agreement PT DI regarding changes in the maturity of the remaining credit limit Rp655,000 be dated December 31, 2016 or the date of the disbursement of the State Capital (PMN) at PT DI (to be filed back by PT DI) whichever comes first.

On December 29, 2016, Amendment VII (seventh) Corporate Financing Agreement PT DI No. 48 with Notary Muhamat Hatta, S.H., regarding changes in the maturity of the remaining credit limit of Rp605,000 to December 31, 2018 or the date of the disbursement of the State Capital Investment (PMN) at PT DI (which will be re-submitted by PT DI) whichever is earlier. In such changes, changes was made in continuing obligations fulfillment in the process of certification of the property assets owned by PT DI, i.e. the entire MMC Land Warehouses and the entire Land Warehouses MMC KPTA Paledang must be completed no later than the date of June 30, 2017.

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40. Perikatan dan Perjanjian (Lanjutan)

Berdasarkan Perubahan VIII (Kedelapan) Perjanjian Pembiayaan Korporasi PT Dirgantara Indonesia (Persero) tanggal 28 Maret 2018 No. PP-03/PPA/0318, PT DI dan Perusahaan sepakat untuk mengubah ketentuan pasal 6 dan pasal 11 ayat 1 perjanjian. Perubahan pasal 6 mengenai; periode pembebanan bunga, tingkat suku bunga yang berlaku yaitu sebesar 6,19% per tahun (*netto*), pembayaran bunga, keterlambatan dan kelalaian pembayaran bunga, dan cara perhitungan bunga. Sedangkan perubahan pasal 11 ayat 1 yaitu mengenai proses sertifikasi atas aset properti yang dimiliki PT DI sebagai jaminan dan wajib melakukan pengikatan segera setelah proses sertifikasinya selesai.

Berdasarkan Perubahan IX (Kesembilan) Perjanjian Pembiayaan Korporasi PT Dirgantara Indonesia (Persero) tanggal 26 Desember 2018 No. PP-23/PPA/1218, PT DI dan Perusahaan sepakat untuk mengubah ketentuan Pasal 1 huruf I perjanjian mengenai tanggal jatuh tempo yaitu tanggal 31 Desember 2020, dan perubahan ketentuan pada Pasal 11 ayat 1 perjanjian, mengenai proses sertifikasi atas aset properti yang dimiliki PT DI sebagai jaminan dan wajib melakukan pengikatan segera setelah proses sertifikasinya selesai.

5. PT Industri Kapal Indonesia (Persero) (IKI)

Berdasarkan surat Menteri Keuangan Nomor S-415/MK.06/2012 tanggal 11 Juni 2012 perihal Restrukturisasi dan/atau Revitalisasi PT Industri Kapal Indonesia (Persero) dan surat Menteri BUMN Nomor S-365/MBU/2012 tanggal 13 Juli 2012 perihal Penugasan Pelaksanaan Restrukturisasi atau Revitalisasi PT Industri Kapal Indonesia (Persero) oleh Perusahaan, perusahaan memberikan pinjaman dengan *plafond* maksimal sebesar Rp191.380 untuk restrukturisasi korporasi yang diberikan dalam 4 (empat) *Tranche* (*Tranche* A, B, C dan D). Pinjaman tersebut dituangkan dalam Perjanjian Pemberian Pinjaman kepada PT Industri Kapal Indonesia (Persero) tanggal 07 Agustus 2012 Nomor 12.

40. Commitments and Agreements (Continued)

Based on Amendment VIII (Eighth) PT Dirgantara Indonesia (Persero) Corporate Financing Agreement dated March 28, 2018 No. PP-03 / PPA / 0318, PT DI and the Company agreed to amend the provisions of article 6 and article 11 paragraph 1 of the agreement. Amendment to article 6 concerning; the period of interest charging, the prevailing interest rate of 6.19% per year (*net*), interest payments, late and negligent interest payments, and how to calculate interest. Whereas the amendment to article 11 paragraph 1 is about the process of certification of assets owned by PT DI as collateral and is obliged to make binding as soon as the certification process is complete.

Based on Amendment IX (Ninth) PT Dirgantara Indonesia (Persero) Corporate Financing Agreement dated December 26, 2018 No. PP-23 / PPA / 1218, PT DI and the Company agreed to amend the provisions of Article 1 letter I of the agreement regarding the maturity date of December 31, 2020, and changes the provisions in Article 11 paragraph 1 of the agreement, regarding the process of certification of assets owned PT DI is a guarantee and is obliged to make an engagement as soon as the certification process is complete.

5. PT Industri Kapal Indonesia (Persero) (IKI)

Based on the Ministry of Finance letter No. S-415 / MK.06 / 2012 dated June 11, 2012 regarding the Restructuring and / or revitalization of PT Industri Kapal Indonesia (Persero) and the letter of the Minister of SOE No. S-365 / MBU / 2012 dated July 13, 2012 concerning the Implementation Assignment restructuring or revitalization PT Industri Kapal Indonesia (Persero) by the Company, the company provides loans with a maximum limit of Rp191,380 for corporate restructuring given in 4 (four) *Tranche* (*Tranche* A, B, C and D), The loans are set forth in the Loan Agreement to the Shipbuilding Industry PT Indonesia (Persero) dated August 7, 2012 No. 12.

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40. Perikatan dan Perjanjian (Lanjutan)

Tingkat suku bunga pinjaman (*Tranche* A, B, C dan D) per tahun adalah sebesar tingkat suku bunga Bank Indonesia (BI rate) ditambah 3% (tiga persen) (netto). Seluruh pinjaman (*Tranche* A, B, C dan D) dijamin dengan tanah, bangunan dan mesin/peralatan senilai Rp192.796.

Jangka waktu fasilitas pinjaman *Tranche* A, B dan C dihitung sejak tanggal efektif sampai dengan 14 (empat belas) hari kerja setelah dana PMN diterima IKI. Sedangkan untuk jangka waktu fasilitas pinjaman *Tranche* D dihitung sejak tanggal efektif sampai dengan tanggal 30 Juni 2016.

Pada tanggal 08 Oktober 2012, telah dilakukan Addendum I Perjanjian Pemberian Pinjaman kepada IKI yang isinya mengenai perubahan jaminan yaitu dengan mengeluarkan tanah dan bangunan SHGB No. 309/Pateten dari daftar jaminan kepada Perusahaan dan diganti melalui penambahan nilai jaminan fidusia perlengkapan dan peralatan produksi sebesar nilai hak tanggungan yang telah disepakati, yakni sebesar Rp5.000. Dengan demikian, total nilai jaminan fidusia perlengkapan dan peralatan produksi akan menjadi sebesar Rp45.000.

Sehubungan dengan telah diterimanya dana PMN tahun 2012 oleh IKI, maka pada tanggal 18 Januari 2013, IKI telah melunasi seluruh pinjaman fasilitas *Tranche* A, B dan C kepada Perusahaan.

Pada tanggal 28 April 2015, telah dilakukan Addendum II Perjanjian Pemberian Pinjaman dalam rangka penjadwalan kembali pembayaran pokok fasilitas pinjaman *Tranche* D. Jangka waktu pinjaman menjadi dihitung sejak tanggal efektif sampai dengan 31 Desember 2020. Dengan dilakukannya Addendum II Perjanjian maka fasilitas pinjaman *Tranche* A, B dan C dinyatakan tidak berlaku lagi.

40. Commitments and Agreements (Continued)

The interest rate on the loan (Tranche A, B, C and D) per year is equal to the interest rate of Bank Indonesia (BI) plus 3% (three percent) (net). The whole loan (Tranche A, B, C and D) are secured by land, buildings and machinery/equipment worth Rp192,796.

The term of the loan facility Tranche A, B and C as from the effective date up to 14 (fourteen) working days after the funds received IKI PMN. As for the term of the loan facility Tranche D commencing from the effective date until the date of June 30, 2016.

On October 8, 2012, Addendum I Loan Lending Agreement to IKI which contains change in warrants by excluding land and buildings SHGB No. 309 / Pateten from the list of the Company and replace with addition of fiduciary value of equipments and production equipments amounted to the mortgage right value agreed upon, which is Rp5,000. Thus, the total value of fiduciary equipment and production equipment will be amounting to Rp45,000.

In connection with the receipt of PMN funds in 2012 by IKI, then on January 18, 2013, IKI has repaid the entire loan facility Tranche A, B and C to the Company.

On April 28, 2015, has been conducted Addendum II Lending Agreement in order rescheduling of principal payments loan facility Tranche D. The loan term be counted from the effective date until December 31, 2020. The effect of the Agreement Addendum II facility under Tranches A, B and C is no longer valid.

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40. Perikatan dan Perjanjian (Lanjutan)

Restrukturisasi Utang

Pada tanggal 27 Desember 2016, telah dilakukan restrukturisasi utang terhadap seluruh kewajiban IKI kepada Perusahaan yang dituangkan dalam Perjanjian Restrukturisasi Utang PT Industri Kapal Indonesia (Persero) No. 42. tanggal jatuh tempo perjanjian menjadi 31 Desember 2022. Utang pokok sebesar Rp31.639 direstrukturisasi menjadi *Tranche A*, utang bunga sebesar Rp2.061 direstrukturisasi menjadi *Tranche B*.

Fasilitas Dana Talangan

Pada tanggal 11 Juni 2010, telah dilakukan penandatanganan Perjanjian Pemberian Pinjaman Dana Talangan No. PP-03/PPA/0610 antara Perusahaan dan IKI. Perusahaan memberikan pinjaman dana talangan sebesar Rp570 dengan tujuan penggunaan untuk biaya jasa konsultan keuangan dan konsultan hukum dalam rangka proses Restrukturisasi dan/atau Revitalisasi IKI. Tingkat suku bunga pinjaman adalah sebesar tingkat suku bunga Bank Indonesia 3 bulanan. Jangka waktu pinjaman yaitu 12 bulan terhitung sejak tanggal efektif. Pinjaman atas dana talangan dijaminkan dengan tanah dan bangunan senilai Rp712.

Pada tanggal 29 Maret 2011 telah dilaksanakan penandatanganan Addendum I Perjanjian Pemberian Pinjaman No. PP-05/PPA/0311 dalam rangka penambahan jumlah *plafond* pinjaman sebesar Rp333, sehingga total *plafond* seluruhnya menjadi Rp903. Selanjutnya pada tanggal 10 Juni 2011 telah ditandatangani Addendum II Perjanjian Pemberian Pinjaman No. PP-09/PPA/0611 yang mengatur mengenai perpanjangan jangka waktu perjanjian yaitu selambatnya tanggal 31 Juli 2012.

40. Commitments and Agreements (Continued)

Debt restructuring

On December 27, 2016, debt restructuring was conducted to the entire IKI obligations to the Company, as outlined in the Debt Restructuring Agreement PT Industri Kapal Indonesia (Persero) No. 42, the maturity date of the agreement became December 31, 2022. The principal amount of debt of Rp31,639 restructured into *Tranche A*, interest payable amounted to Rp2,061 was restructured into *Tranche B*.

Bailout Loan Facility

On June 11, 2010, a signing to Agreement of Bailout Loan Facility No. PP-03/PPA/0610 between the Company and IKI. The Company lent bailout loan amounted to Rp570 in order to be used for finance consulting costs and law consulting costs in Restructuring and/or Revitalization of IKI. The interest borrowing rate is amounted to 3-months rate of Bank Indonesia. The borrowing term is 12 months started the effective date. The borrowing on bailout loan is secured with land and building amounted to Rp712.

On March 29, 2011 a signing was performed to Addendum I Loan Agreement No. PP-05 / PPA / 0311 in order to increase the amount of the loan limit of Rp333, bringing the total ceiling entirely into Rp903. Subsequently on June 10, 2011. Addendum II Loan Agreement No. PP-09 / PPA / 0611 was signed, concerning the extension of the term of agreement to be no later than July 31, 2012.

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40. Commitments and Agreements (Continued)

6. PT Iglas (Persero)

Pemberian pinjaman dalam rangka restrukturisasi dan atau revitalisasi PT Iglas (Persero), berdasarkan Surat Menteri Badan Usaha Milik Negara Nomor S-15/MBU/2011 tanggal 14 Januari 2011 perihal Penugasan Pelaksanaan Restrukturisasi dan /atau Revitalisasi PT Iglas dan Surat Menteri Keuangan Nomor S-621/MK.06/2010 tanggal 29 November 2010 perihal persetujuan Restrukturisasi dan/atau Revitalisasi PT Iglas (Persero). Plafon pinjaman sebesar Rp106.770 untuk pembayaran kekurangan dana atas pembangunan kembali pabrik yang berlokasi di Gresik yang dikenal dengan rebuild G-1 dan pembayaran utang, dengan tingkat bunga sebesar tingkat suku bunga SBI 1 bulan + 3% per tahun (netto). Jangka waktu pinjaman sampai dengan 31 Desember 2017.

Berdasarkan Perubahan Perjanjian Restrukturisasi Utang Atas Pinjaman Dalam Rangka Restrukturisasi dan/atau Revitalisasi PT Iglas (Persero) tanggal 19 Desember 2018 No. PP-84/PPA/1218, sebelumnya telah dibuat dan ditandatangani akta Perjanjian Restrukturisasi Utang Atas Pinjaman Dalam Rangka Restrukturisasi dan/atau Revitalisasi PT Iglas (Persero). Dalam perubahan ini Perusahaan menyetujui usulan perpanjangan jangka waktu pelunasan fasilitas restrukturisasi yang diajukan PT Iglas (Persero) sampai dengan tanggal 31 Desember 2019.

Pada tanggal 25 Mei 2018 dilakukan penandatangan addendum IV. Berdasarkan dengan Addendum No.28 perihal penambahan fasilitas baru yaitu Tranche B sebesar Rp10.000 serta penyelesaian kewajiban pembayaran fasilitas pinjaman atas pesangon eks karyawan PT Iglas (Persero). Plafon pinjaman sebesar Rp10.000 digunakan untuk pembayaran pesangon eks karyawan PT Iglas (Persero). Tingkat suku bunga sebesar 14.5% dengan Jangka waktu Tranche B yaitu tanggal 24 Mei 2019 atau tanggal diterimanya termin pembayaran pertama oleh PT Iglas (Persero) atas penjualan atau penyewaan Aset Gresik.

6. PT Iglas (Persero)

Loan granted in order to restructure and/or revitalize PT Iglas (Persero), is according to the Letter of the Minister of SOEs' No. S-15/MBU/2011 dated January 14, 2011 about Restructuring and/or Revitalization Assignment of PT Iglas and the Letter of Minister of Finance No. S-621/MK.06/2010 dated November 29, 2010 about Restructuring and/or Revitalization approval of PT Iglas (Persero). Maximum credit facility amounted to Rp106,770 is intended to cover the fund shortage of factory rebuilding which located in Gresik known as rebuild G-1, and to the settlement of the debt, bearing interest rate of 1 month SBI + 3% per annum (netto). The Loan will due in December 31, 2017.

Based on Amendments to the Debt Restructuring Agreement on Loans in the Context of the Restructuring and / or Revitalization of PT Iglas (Persero) dated December 19, 2018 No. PP-84 / PPA / 1218, previously made and signed deed of Debt Restructuring Agreement on Loans for the Restructuring and / or Revitalization of PT Iglas (Persero). In this amendment, the Company approved the proposal to extend the repayment period of the restructuring facility submitted by PT Iglas (Persero) until December 31, 2019.

On May 25, 2018 a signatory to addendum IV. Based on Addendum No.28 regarding the addition of new facilities, namely Tranche B of Rp10,000 and the completion of the payment obligations of loan facilities for severance pay of former PT Iglas (Persero) employees. The loan ceiling of Rp10,000 is used for payment of severance pay for former PT Iglas (Persero) employees. The interest rate is 14.5% with the Tranche B Term, which is dated May 24, 2019 or the date of receipt of the first payment term by PT Iglas (Persero) for the sale or rental of Gresik Assets.

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40. Perikatan dan Perjanjian (Lanjutan)

Berdasarkan Addendum V No.06 tanggal 09 Juli 2018 Perusahaan dan PT Iglas (Persero) melakukan perubahan perjanjian kelima perihal perpanjangan jangka waktu fasilitas pinjaman *Tranche A* sampai dengan tanggal 31 Desember 2018.

Kemudian perusahaan dan PT Iglas (Persero) melakukan kembali Addendum VI No. 85 tanggal 19 Desember 2018 perihal penambahan *plafond* fasilitas Pinjaman dan perpanjangan jangka waktu fasilitas pinjaman. Dalam addendum VI Perpanjangan waktu Fasilitas *Tranche A* sampai dengan tanggal 30 Juni 2019 dengan penambahan *plafond* maksimal Rp40.000 dengan Tingkat suku bunga sebesar 13.5%.

7. PT Boma Bisma Indra (Persero) (PT BBI)

Sesuai dengan Akta Perjanjian Penerbitan *Secured Promissory Notes* No. 71, tanggal 23 Juli 2012, PT BBI bermaksud menerbitkan SPN I dan SPN II, yang kemudian akan dibeli oleh Perusahaan, untuk membiayai proyek Tubafa I dan Azzour dengan nilai penerbitan maksimum sebesar Rp33.320, dan Rp4.450. Terkait dengan penerbitan SPN tersebut, PT BBI menjaminkan aset Perusahaan berupa Aset Tebet-Jakarta dan Aset Ampel-Pasuruan dengan nilai Hak Tanggungan peringkat I masing-masing sebesar Rp3.200 dan Rp1.000.

Realisasi pencairan SPN I hanya sebesar Rp29.700 sementara SPN II batal diterbitkan.

Pada tanggal 27 Desember 2012, dilakukan penandatanganan Akta No.90 yang merupakan Addendum I atas Akta Perjanjian Penerbitan *Secured Promissory Notes* No. 71. Dalam Addendum I tersebut disebutkan bahwa PT BBI dapat menerbitkan SPN tambahan (SPN III) dengan nilai maksimum sebesar Rp32.000 yang akan dipergunakan untuk menyelesaikan tunggakan pinjaman kepada Bank Mandiri. Jatuh tempo SPN III adalah 31 Januari 2014, dengan tingkat bunga 12%.

40. Commitments and Agreements (Continued)

Based on Addendum V No. 06 dated July 9, 2018 the Company and PT Iglas (Persero) amended the fifth agreement regarding the extension of the term of the *Tranche A* loan facility due to December 31, 2018.

Then the company and PT Iglas (Persero) resumed Addendum VI No. 85 dated December 19, 2018 regarding the addition of the loan facility ceiling and the extension of the term of the loan facility. In addendum VI Extension of the *Tranche A* Facility until June 30, 2019 with the addition of a maximum ceiling of Rp40,000 with an interest rate of 13.5%.

7. PT Boma Bisma Indra (Persero) (PT BBI)

In accordance with the Deed of Secured Promissory Notes Issuance Agreement No. 71, dated July 23, 2012, PT BBI intends to issue SPN I and SPN II, which will then be purchased by the Company, to finance the project Tubafa I and Azzour with a maximum issuance value of Rp33,320, and Rp4,450. In regards of the SPN issuance, PT BBI pledged the Company's assets i.e. Tebet-Jakarta assets, and Ampel-Pasuruan value with Mortgage Right Rank I amounting to Rp3,200 and Rp1,000, respectively.

The actual disbursement of SPN I was only Rp29,700, while the SPN II was unpublished.

On December 27, 2012, signing to Deed No.90 that is Addendum I to Agreement Deed of Secured Promissory Notes Issuance No. 71. In the Addendum I it is mentioned that PT BBI may issue additional SPN (SPN III) with maximum value of Rp32,000, which will be used to complete the loan arrears to Bank Mandiri. The SPN III maturity is on January 31, 2014, with interest rate of 12%.

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Pada tanggal 30 April 2013 PT BBI melakukan pembayaran atas seluruh kewajiban SPN I, sehingga seluruh kewajiban PT BBI terkait SPN I telah selesai. Sementara itu, pada tanggal 30 Agustus 2013 dilakukan penandatanganan Akta No.56 yang merupakan Addendum II atas Akta Perjanjian Penerbitan *Secured Promissory Notes* No. 71. Dalam Addendum II tersebut PT BBI bermaksud meningkatkan batas fasilitas pinjaman, melalui penerbitan SPN IV dengan nilai plafon maksimal sebesar Rp 9.000. Tanggal jatuh tempo fasilitas tersebut adalah pada 31 Januari 2014 dengan tingkat bunga 12%. Jumlah realisasi pencairan SPN IV adalah sebesar Rp8.663. Adapun jaminan yang diberikan PT BBI atas penerbitan SPN III dan SPN IV adalah Aset KH M Mansyur, dengan nilai Hak Tanggungan peringkat I sebesar Rp82.500.

Pada tanggal 9 November 2013 Perusahaan dan PT BBI melakukan penandatanganan Akta No.20 yang merupakan Addendum III atas Akta Perjanjian Penerbitan *Secured Promissory Notes* No. 71. Dalam Addendum III tersebut PT BBI mengajukan kenaikan fasilitas pembiayaan dalam bentuk, penerbitan SPN V, SPN VI dan SPN VII.

Peruntukan SPN V adalah untuk pembiayaan proyek CPO-CBI dengan nilai maksimal sebesar R37.000. Sementara itu, SPN VI dan SPN VII ditujukan untuk membiayai penyelesaian proyek Tubafa II, dengan nilai maksimum masing-masing sebesar Rp16.000 dan Rp3.000. Jatuh tempo atas fasilitas SPN V dan SPN VI masing-masing adalah 8 Februari 2015 dan 8 Juni 2014 dengan tingkat bunga 14%. Dalam perkembangannya SPN VII tidak pernah diterbitkan. Sementara itu, jaminan yang diberikan atas penerbitan SPN V dan SPN VI adalah Aset Tebet-Jakarta, Aset Ampel-Pasuruan dan Aset KH M Mansyur. Realisasi pencairan SPN V adalah sebesar Rp19.587, sementara realisasi pencairan SPN VI adalah sebesar Rp11.090. Dalam perkembangannya pada tanggal 15 April 2014, PT BBI telah melakukan pembayaran atas sebagian pokok SPN VI dengan nilai Rp3.321.

40. Commitments and Agreements (Continued)

On April 30, 2013 PT BBI paid all the liabilities of SPN I, therefore the entire liabilities PT BBI regarding SPN I has finished. Meanwhile, on August 30, 2013 signing to Deed No. 56 which is the Addendum II for Agreement Deed of Issuance of Secured Promissory Notes No. 71. In the Addendum II PT BBI intends to increase the limit of loan facility, through the issuance of SPN IV with maximum ceiling value of Rp9,000. The maturity date of the facility is January 31, 2014 with interest rate of 12%. The amount of actual disbursement SPN IV is Rp8,663. Meanwhile the warrants provided by PT BBI for the issuance of SPN III and SPN IV are assets KH M Mansyur, with amount of Mortgage Rights Rank I amounted to Rp82,500.

On November 9, 2013, the Company and PT BBI signed Deed No. 20 which is Addendum III for Agreement Deed of Secured Promissory Notes Issuance No. 71. In Addendum III PT BBI proposed raise in financing facility in all forms, issuance of SPN V, SPN VI, and SPN VII.

Appropriation of SPN V is to finance CPO-CBI project with maximum amount of Rp37,000. Meanwhile SPN VI and SPN VII are intended to finance completion of Tubafa II Project, with maximum amount of each Rp16,000 and Rp3,000. The maturity dates are each February 8, 2015 and June 8, 2014 with interest rate of 14%. The SPN VII was never published. Meanwhile, warrants for issuance of SPN V and SPN VI is asset Tebet- Jakarta, asset Ampel-Pasuruan, and asset KH M Mansyur. Realization of disbursement of SPN V is Rp19,587, while the realization of SPN VI is Rp11,090. Later on April 15, 2014, PT BBI completed the payment to some principal of SPN VI with amount of Rp3,321.

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40. Perikatan dan Perjanjian (Lanjutan)

40. Commitments and Agreements (Continued)

8. PT Survai Udara Penas (Persero)

Berdasarkan Perjanjian No. PP-13/PPA/1112 tanggal 23 November 2012 tentang Perjanjian Penerbitan *Promissory Notes* (PN) PT Penas akan menerbitkan dan menjual PN kepada Perusahaan dengan jumlah pokok maksimum Rp25.000. jangka waktu PN adalah mana yang lebih terlebih dahulu antara 1 (satu) tahun sejak tanggal efektif perjanjian atau diterimanya PMN oleh PT Penas.

Hasil penjualan PN akan digunakan untuk Modal Kerja, Investasi Peralatan Produksi dan Kebutuhan lain-lain. Tingkat suku bunga adalah 12 % per tahun (termasuk pajak) dan dapat berubah sewaktu-waktu sesuai ketentuan Perusahaan. Sebagai jaminan atas pembayaran kembali semua utang, PT Penas menjaminkan :

- Paripasu dengan jaminan yang telah diikat untuk menjamin pembayaran utang PT Penas berdasarkan Perjanjian Pemberian Pinjaman Dana Talangan No. PP-08/PPA/0511 tanggal 23 Mei 2011.
- Aset atau kekayaan yang telah dan/atau dimiliki PT Penas dari waktu ke waktu yang belum dijaminkan kepada pihak ketiga.

Addendum I No. PP-10/PPA/0711 ini dibuat karena ada perubahan pada jumlah nilai jaminan pada perjanjian, yang semula merupakan 1 bidang tanah, menjadi dua bidang tanah.

Perubahan II nomor PP- 12/PPA/1213 tanggal 18 Desember 2013 dibuat karena ada perubahan pada jangka waktu. Perubahan III nomor PP-02/PPA/0414 tanggal 11 April 2014 dibuat karena adanya perubahan pada syarat & ketentuan pada penggunaan PN. Perubahan terletak pada sisa plafond fasilitas investasi peralatan produksi diubah menjadi fasilitas modal kerja dan fasilitas modal kerja diubah menjadi *revolving*. Perubahan IV nomor SU-08/PPA/0615 tanggal 10 Juni 2015 dibuat karena adanya perubahan jangka waktu. Perubahan V nomor SU-01/PPA/0216 tanggal 10 Februari 2016 dibuat karena adanya perubahan jangka waktu. Perubahan VI nomor SU-06/PPA/1116 tanggal 3

8. PT Survai Udara Penas (Persero)

Based on the Agreement No. PP-13/PPA/1112 dated November 23, 2012 on the Issuance Agreement *Promissory Notes* (PN) PT Penas will issue and sell to the Company with the maximum principal amount of Rp25,000. PN period covers from which is earlier between 1 (one) year since effective date of agreement or PMN acceptance by PT Penas.

The sale proceeds from PN will be used for working capital, Investment and Production Equipment Needs others. The interest rate is 12% per year (excluding taxes) and can be change at any time in accordance with the Company. As warrants for the repayment of the debt, PT Penas pledges the following:

- *Pari passu* with a guarantee tied to pledge the debt payment of PT Penas based on Fund Advance Loan Receivables Agreement No. PP-08/PPA/0511 dated May 23, 2011.
- Assets that have been owned by PT Penas from time to time but are not pledged to a third party.

Addendum I No. PP-10/PPA/0711 was made because there is a change in the amount of the guaranteed value on the agreement, which was originally one plot of land to two plots of land.

Amendment II number PP-12 / PPA / 1213 dated December 18, 2013 were made due to changes in the time period. Amendment III-number PP-02/PPA/0414 dated April 11, 2014 was made due to a change in the terms and conditions on the use of PN. Changes lies in the rest of the facility limit production equipment investment which is converted into working capital and working capital facilities converted into revolving. Amendment IV number SU-08/PPA/ 0615 dated June 10, 2015 was made due to a change period. Changes V number SU-01 / PPA / 0216 dated February 10, 2016 was made due to a change period. Amendment

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40. Perikatan dan Perjanjian (Lanjutan)

November 2016 dibuat karena adanya perubahan jaminan untuk PN. Perubahan VII nomor SU-07/PPA/1216 tanggal 16 Desember 2016 dibuat karena adanya perubahan jangka waktu.

Pinjaman Dana Talangan diberikan untuk PT Penas berdasarkan surat dari Kementerian BUMN menerbitkan Surat kepada Perusahaan No. S-747/MBU/2010 8 Desember 2010, agar Perusahaan mengusulkan kajian langkah-langkah penyelamatan PT Penas. Pemberian dana talangan ditujukan untuk perbaikan pesawat, peralatan pemetaan, dan modal kerja serta penyelesaian sebagai kewajiban. Perjanjian Pemberian Dana Talangan dibuat tanggal 23 Mei 2011 dengan nomor PP-08/PPA/0511, dengan plafond sebesar Rp15.000 dan bunga sebesar 11%.

Addendum I No. PP-10/PPA/0711 ini dibuat karena ada perubahan pada jumlah nilai jaminan pada perjanjian, yang semula merupakan satu bidang tanah, menjadi dua bidang tanah.

Addendum II No. PP-14/PPA/1211 dibuat karena ada perubahan pada definisi nilai jaminan pada perjanjian, antara lain: Untuk jaminan berupa pesawat terbang, nilai jaminan ditentukan dari nilai buku atau nilai appraisal dari konsultan independen, untuk jaminan berupa tanah dan bangunan.

Nilai jaminan adalah sebesar nilai yang diperoleh dari penilai independen atau sebesar nilai jual objek pajak, serta PT Penas berjanji untuk menandatangani SKMHT dan APHT dengan nilai hak tanggungan sebesar Rp1.180.

Addendum III No. PP-08/PPA/0812 dibuat karena ada perubahan pada Jangka waktu fasilitas pinjaman (tanggal jatuh tempo), Bunga fasilitas pinjaman (tunggakan bunga, tingkat suku bunga, periode pembebanan bunga, jadwal pembayaran bunga, serta cara perhitungan dan pembayaran bunga).

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VI number SU-06/PPA/1116 dated November 3, 2016 was made due to the change guarantees for PN. Amendment VII number SU-07/PPA/1216 dated December 16, 2016 was made due to a change in time period.

Bailout Loans granted to PT Penas based on Letter from the Ministry of SOEs issuing Letter to the Company No. S-747 / MBU / 2010 December 8, 2010, so that the Company proposed assessment measures to save PT Penas. The bailout lending was aimed to repair aircrafts, imaging equipment, and working capital as well as the settlement of liabilities. Bailout Agreement made on May 23, 2011 with number PP-08 / PPA / 0511, with a ceiling of Rp15,000 and an interest rate of 11%.

Addendum I No. PP-10/PPA/0711 was made due to changes in the amount of the guaranteed value on the agreement, which was originally a one plot of land, into two parcels.

Addendum II No. PP-14/PPA/1211 was made due to changes in the definition of the value of collateral on the agreement, as follows: aircraft warrants, the guaranteed value is determined from the book value or the appraisal value of an independent consultant, for collateral such as land and buildings.

the value of the guarantee is of the value obtained from a independent Assessor or of taxable value, as well as PT Penas promised to sign SKMHT and APHT with encumbrance value of Rp1,180.

Addendum III No. PP-08 / PPA / 0812 was made because there is a change in the term of the loan facility (the maturity date), interest loan facility (interest arrears, interest rate, period of interest charges, interest payment schedule, as well as the calculation and payment of interest).

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40. Perikatan dan Perjanjian (Lanjutan)

Pembayaran kembali pokok fasilitas pinjaman dan Pembayaran dipercepat. Addendum IV No. PP-01/PPA/0414 dibuat karena ada perubahan Jangka waktu fasilitas pinjaman (tanggal jatuh tempo), Bunga fasilitas pinjaman (tingkat suku bunga, periode pembebanan bunga, tanggal pembayaran bunga, serta cara perhitungan dan pembayaran bunga), Pembayaran kembali pokok fasilitas pinjaman dan Sumber pelunasan fasilitas pinjaman. Addendum V No. PP-01/PPA/0414 dibuat karena ada perubahan pada Tanggal jatuh tempo, Susunan anggota Direksi PT Penas, dan Tanggal efektif Addendum V.

Perjanjian Pinjaman Jangka Pendek diberikan untuk pembelian *engine* pesawat Cessna 4-2B PK-VCD demi menyelesaikan proyek dan operasional perusahaan. Pada tanggal 20 Maret 2015, Perusahaan dan PT Penas mendandatangani Perjanjian pemberian fasilitas pinjaman jangka pendek kepada PT Penas Nomor: PP-01/PPA/0315. Pinjaman Jangka Pendek memiliki plafond sebesar Rp2.205 dengan bunga sebesar 12%.

Addendum I nomor PP-02/PPA/0415 tanggal 24 April 2015 dilakukan karena PT Penas mengajukan permohonan pinjaman dana yang akan digunakan untuk pembelian *extra spare part* untuk pengoperasian Cessna 402B. Plafond pinjaman berubah menjadi sebesar Rp3.889. Addendum II nomor PP-02/PPA/0616 tanggal 10 Juni 2016 dilakukan karena adanya perubahan tanggal jatuh tempo pinjaman.

Pada tanggal 20 Agustus 2015, Perusahaan dan PT Penas menandatangani Perjanjian penerbitan *promissory notes* seri A PT Penas dengan No SU-09/PPA/0815, dengan *plafond* sebesar Rp4.000 dan bunga sebesar 12% yang akan digunakan untuk modal kerja perusahaan.

Addendum I nomor SU-05/PPA/1116 tanggal 3 November 2016 dilakukan karena adanya perubahan tanggal jatuh tempo menjadi 31 Desember 2017.

40. Commitments and Agreements (Continued)

Repayment to principal of loan facility is expedited. Addendum IV No. PP-01 / PPA / 0414 was made because there are changes in facility term loan (maturity date), interest of loan facility (the interest rate, the period of interest charges, interest payment dates, as well as the calculation and payment of interest), Repayment of the principal loan facilities and source of repayment of the loan. Addendum V No. PP-01 / PPA / 0414 was made because there is a change in the date of maturity, composition of the Board of Directors of PT Penas, and the effective date of the Addendum V.

Short-Term Loan Agreement was provided to purchase aircraft engine Cessma 4-2B PK-VCD to complete project and operational of the company. On 20 March 2015, the Company and PT Penas signed Agreement for short-term facility lending to PT Penas No: PP-01/PPA/0315. The short-term loan has plafond amounted to Rp2,205 with interest of 12%.

Addendum I number PP-02/PPA/0415 dated April 24, 2015 because PT Penas apply for grant funds to be used to purchase extra sparepart for Cessna 402B operational. Ceiling loan changes to Rp3,889. Addendum II number PP-02/PPA/0616 dated June 10, 2016 was made because there was change in loan maturity date.

On August 20, 2015, the Company and PT Penas signed a Agreement to published Promissory Notes Serie A PT Penas No. SU-09/PPA/0815, with ceiling of Rp4,000 and interest rate of 12% which will be used for working capital.

Addendum I No. SU-05/PPA/1116 dated November 3, 2016 was made because there were changes in maturity date on December 31, 2017.

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40. Commitments and Agreements (Continued)

Sepanjang tahun 2017, terdapat Addendum VIII nomor PP-03/PPA/2017 dan PERJ.02/Penas-PPA/2017 antara Perusahaan dengan PT Penas pada tanggal 9 Februari 2017 dilakukan karena adanya perubahan tanggal jatuh tempo menjadi 2 Februari 2018.

During 2017, there was Addendum VIII nomor PP-03/PPA/2017 and PERJ.02/Penas-PPA/2017 between the Company and PT Penas on February 9, 2017 which was made due to changes in maturity date on February 2, 2018.

Berdasarkan Perjanjian Pemberian Pinjaman Investasi kepada PT Survai Udara Penas yang dilakukan pada tanggal 11 Januari 2018 dengan No. PP-09 memberikan fasilitas pinjaman berupa pinjaman investasi dengan jumlah plafond maksimal sebesar Rp 11.000. Tujuan fasilitas ini yaitu membiayai Kegiatan investasi berupa pengambilalihan 90% saham dalam PT Airbone milik PT PPA Kapital. Jangka waktu fasilitas pinjaman sampai dengan 2026 dengan tingkat suku bunga sebesar 14% per tahun.

Based on the Investment Loan Agreement to PT Suras Air Penas conducted on January 11, 2018 with No. PP-09 provides a loan facility in the form of an investment loan with a maximum ceiling amount of Rp. 11,000. The purpose of this facility is to finance investment activities in the form of taking over 90% of the shares in PT Airbone owned by PT PPA Kapital. The loan facility period is up to 2026 with an interest rate of 14% per year.

Sebagai jaminan atas pembayaran kembali semua utang, diserahkan jaminan berupa gadai atas 9.009 lembar saham dalam PT Airbone dan aset – aset lainnya yang dimiliki oleh PT Penas dari waktu ke waktu yang belum dijaminkan untuk kepentingan pihak lain, untuk jumlah Nilai penjamin yang dipandang cukup oleh Perusahaan.

As collateral for repayment of all debts, the collateral in the form of pawn for 9,009 shares in PT Airbone is surrendered and other assets owned by PT Penas from time to time that have not been pledged as collateral for the benefit of other parties, for the amount of guarantor value deemed sufficient by the Company.

Berdasarkan Perjanjian Restrukturisasi Utang PT Survai Udara Penas (Persero) tanggal 22 Desember 2017 No. PP-40/PPA/1217, PT Penas menyatakan berutang kepada Perusahaan yang jumlahnya akan bertambah sesuai dengan besarnya bunga dan/atau denda atas Fasilitas Tranche A dan Fasilitas Tranche B serta besarnya denda keterlambatan atas pembayaran Bunga Fasilitas Tranche A dan Fasilitas Tranche B.

Based on the Debt Restructuring Agreement of PT Survai Udara Penas (Persero) dated December 22, 2017 No. PP-40 / PPA / 1217, PT Penas stated that it owed the Company whose amount will increase according to the amount of interest and / or fine for Tranche A Facility and Tranche B Facility and the amount of late fine for payment of Tranche A Facility and Tranche B Facility.

Perjanjian Restrukturisasi Utang ini merupakan perubahan secara keseluruhan atas syarat-syarat dan ketentuan-ketentuan dalam Perjanjian Pinjaman Awal berikut turunannya dalam rangka pembayaran kembali atas kewajiban pembayaran PT Penas kepada Perusahaan.

This Debt Restructuring Agreement is an overall change to the terms and conditions of the Initial Loan Agreement and its derivatives in order to repay PT Penas' payment obligations to the Company.

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40. Perikatan dan Perjanjian (Lanjutan)

Sebagian utang restrukturisasi yaitu utang pokok restrukturisasi sebesar Rp80.739 direstrukturisasi menjadi fasilitas *Tranche A* yang wajib dilunasi pada tanggal 31 Desember 2019, tingkat suku bunga yang diberlakukan adalah sebesar 0,59%. Sedangkan utang bunga restrukturisasi sebesar Rp26.007 yang wajib dilunasi pada tanggal 31 Desember 2020, tingkat suku bunga yang diberlakukan yaitu sebesar 0,59%.

Saldo pada awal tahun 2018 sebesar nihil. Total saldo pencairan pinjaman di tahun 2018 sebesar Rp106.789. Penerimaan atas pembayaran di tahun berjalan sebesar nihil. Saldo pada 31 Desember 2018 sebesar Rp106.789.

9. PT Kertas Leces (Persero)

Berdasarkan surat menteri BUMN No. S-511/MBU/2012 tanggal 18 September 2012 perihal Pemberian Dana Talangan kepada PT Kertas Leces (Persero) untuk *Revolving Working Capital* yang dituangkan dalam Perjanjian Pemberian Pinjaman Dana Talangan kepada PT Kertas Leces (Persero) No. 13 tanggal 11 Oktober 2012. Berdasarkan Perjanjian tersebut Perusahaan memberikan Pinjaman Dana Talangan dengan jumlah pokok fasilitas maksimum Rp50.000.

Jangka waktu Fasilitas Pinjaman adalah selama 1 (satu) tahun kalender terhitung sejak tanggal efektif dan dapat dilakukan pelunasan dipercepat baik sebagian maupun seluruhnya tanpa dikenakan penalti. Tingkat suku bunga pinjaman adalah 12% per tahun (*gross*) dan dapat berubah sewaktu-waktu sesuai pemberitahuan dari Perusahaan. Denda keterlambatan pembayaran bunga adalah 6% per tahun.

Sebagai jaminan atas pembayaran kembali semua utang yang harus dibayara oleh PT Kertas Leces (Persero) kepada Perusahaan maka PT Kertas Leces (Persero) menyerahkan jaminan-jaminan sebagai berikut:

40. Commitments and Agreements (Continued)

Part of the restructuring debt, namely restructuring principal amounting to Rp80,739 was restructured to become a *Tranche A* facility that must be repaid as of December 31, 2019, the interest rate applied was 0.59%. While the restructuring interest payable is Rp26,007 which must be repaid on December 31, 2020, the interest rate imposed is 0.59%.

The balance at the beginning of 2018 is nil. The total balance of loan disbursement in 2018 is Rp106,789. Receipt of payments in the current year is nil. The balance on December 31, 2018 is Rp106,789.

9. PT Kertas Leces (Persero)

According to Minister of SOE Letters No.S-511/MBU/2012 dated September 18, 2012 concerning provision of PT Kertas Leces (Persero) Loan Receivables for the *Revolving Working Capital* set forth in the Fund Advance Loan Receivables Agreement to PT Kertas Leces (Persero) No. 13 dated October 11, 2012. Based on the agreement, the Company provides Loans Receivables facility with maximum principal amount Rp50,000.

The period of loan facility is for 1 (one) calendar year starting from the effective date and can be settled early either partially or fully, without penalty. The interest rate of loan is 12% per year (*gross*) and may change at any time in accordance with notice from Company. Fine for late payment interest rate is 6% per year.

To secure repayment of all debts must be paid by PT Kertas Leces (Persero) to the Company, therefore PT Kertas Leces (Persero) must provide warrants as follows:

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40. Perikatan dan Perjanjian (Lanjutan)

- Dua bidang tanah dan bangunan berikut turutannya yang terletak di Kelurahan Darmo, Kecamatan Wonokromo, Kota Surabaya, Provinsi Jawa Timur, masing-masing seluas 667 m2 dengan Sertifikat (Tanda Bukti Hak) Guna Bangunan (SHGB) No. 644/Darmo tanggal 22 Agustus 2002 senilai Rp5.200 dan tanah seluas 647 m2 dengan SHGB No. 658/Darmo tanggal 30 September 2003 senilai Rp6.300.
- Bidang tanah dan bangunan berikut turutannya yang terletak di Kelurahan Kramat Pela, Kecamatan Kebayoran Baru, Kota Jakarta Selatan, Provinsi DKI seluas 623 M2 dengan SHGB No. 227/Kramat tanggal 3 September 1979 senilai Rp9.500.
- *Unit Boiler* (Pesawat Uap) Batu Bara berikut perlengkapannya yang berada di Pabrik PT Kertas Leces (Persero) Jl. Raya Leces, Probolinggo senilai Rp87.298.

Merujuk surat PT Kertas Leces (Persero) kepada Perusahaan Nomor: 64/A-KEU/IX/2013 tanggal 11 September 2013 perihal : Perpanjangan Pokok Pinjaman Kredit KL telah diterbitkan Addendum I Perjanjian Pemberian Pinjaman Dana Talangan (*Revolving Working Capital*) Kepada PT Kertas Leces (Persero) Nomor: PP-09/PPA/1013 tanggal 10 Oktober 2013.

Perjanjian dilakukan dibawah tangan antara Perusahaan dengan PT Kertas Leces (Persero). Dimana dalam Addendum I menerangkan bahwa para pihak sepakat untuk:

- a. Mengubah ketentuan "Tanggal Jatuh Tempo" dalam Pasal 1 Perjanjian Pemberian Pinjaman Dana Talangan kepada PT Kertas Leces (Persero) No.13 tanggal 11 Oktober 2012 menjadi 2 (dua) tahun kalender terhitung sejak tanggal efektif atau dalam hal penyelesaian permasalahan PT Kertas Leces (Persero) ditetapkan melalui restrukturisasi dan/atau reitalisasi, sampai dengan tanggal pencairan pertama kali atas dana fasilitas pinjaman restrukturisasi dan/atau reitalisasi yang diterima oleh PT Kertas Leces (Persero) dari Perusahaan (tergantung mana yang terjadi terlebih dahulu).

40. Commitments and Agreements (Continued)

- Two pieces of land and buildings are located in the following turutannya Darmo Village, District Wonokromo, Surabaya, East Java Province, each covering an area of 667 sqm with Certificate (Certificate of Proof of Rights) Building Purpose ("SHGB") No. 644/Darmo dated August 22, 2002 worth Rp5,200 and a land area of 647 sqm with SHGB No. 658/Darmo dated September 30, 2003 in worth to Rp6,300.
- Land and buildings located on Kramat Pela, District of Kebayoran Baru, South Jakarta, DKI, covers 623 sqm with SHGB No. 227/Kramat dated 3 September 1979 valued at Rp9,500.
- Boiler Units (Steam Aircraft) Coal with the following equipment is located in the Factory PT Kertas Leces (Persero) Jl. Raya Leces, Probolinggo in worth to Rp87,298.

Based on PT Paper Leces letter to the Company Number: 64/A-KEU/IX/2013 dated September 11, 2013 regarding :Extension of Loan Principal KL, Addendum I Bailout Lending Agreement (Revolving Working Capital) to PT Kertas Leces (Persero) Number: PP-09/PPA/1013, dated October 10, 2013 was made.

The agreement was made between the Company with PT Kertas Leces (Persero). Where in Addendum I are explained that the parties agree to:

- a. Changing the provisions of "Maturity Date" in Article 1 of Bailout Lending Agreement to PT Kertas Leces (Persero) No.13 dated October 11, 2012 into 2 (two) years commencing from the effective date or in terms of PT Kertas Leces (Persero) problem solving determined through Restructuring and / or Revitalization, until the date of the first withdrawal of funds loan restructuring and/or Revitalization that received by PT Kertas Leces (Persero) from the Company (whichever occurs first);

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- b. Mengubah ketentuan "Jangka Waktu Fasilitas Pinjaman" dalam ayat 2.2 dalam Perjanjian Pemberian Pinjaman Dana Talangan kepada PT Kertas Leces (Persero) No.13 tanggal 11 Oktober 2012 menjadi 2 (dua) tahun kalender terhitung sejak tanggal efektif atau dalam hal penyelesaian permasalahan PT Kertas Leces (Persero) ditetapkan melalui restrukturisasi dan/atau reitalisasi, sampai dengan tanggal pencairan pertama kali atas dana fasilitas pinjaman restrukturisasi dan/atau reitalisasi yang diterima oleh PT Kertas Leces (Persero) dari Perusahaan (tergantung mana yang terjadi terlebih dahulu).

PT Kertas Leces (Persero) dengan surat No. 19/A-UM/jkt/XII/2014 tanggal 18 Desember 2014 mengajukan Penundaan Kewajiban Pembayaran utang (PKPU). Berdasarkan surat Perusahaan kepada PT Kertas Leces (Persero) No. S-3586/PPA/PD/2014 tanggal 29 Desember 2014, Perusahaan antara lain menyarankan agar PT Kertas Leces (Persero) meminta tambahan jangka waktu PKPU selama 150 hari pada sidang PKPU tanggal 19 Januari 2015.

Melakukan pendampingan pada PT Kertas Leces (Persero) dalam mengimplementasikan program restrukturisasi PT Kertas Leces (Persero) sesuai hasil perdamaian PKPU termasuk monitoring pelaksanaannya.

Proses Penundaan Kewajiban Pembayaran Utang (PKPU) PT Kertas Leces (Persero) telah selesai dengan disahkannya Perjanjian Perdamaian antara PT KL dengan Para Kreditur PT KL tertanggal 18 Mei 2015 yang tertuang Proposal Perdamaian Perjanjian Perdamaian No.05/PKPU/2014/PN.Niaga.sby.

Merujuk kepada Perjanjian Perdamaian PKPU yang telah disahkan pada tanggal 18 Mei 2015 adapun kewajiban PT Kertas Leces (Persero) adalah sebagai berikut:

a. Kreditur Preferen

- Pajak, Rp10.800, diangsur 12 tahun, *grace period* 2 tahun
- Utang Gaji dan Pesangon, Rp221.400 miliar, diangsur 12 tahun, *grace period* 2 tahun

40. Commitments and Agreements (Continued)

- b. Changing the provisions of the "Loan Facility Term" in paragraph 2.2 in Bailout Lending Agreement to PT Kertas Leces (Persero) No.13 dated October 11, 2012 into 2 (two) years commencing from the effective date or in terms of PT Kertas Leces (Persero) problem solving determined through Restructuring and/or Revitalization, until the date of the first withdrawal of funds loan restructuring and/or Revitalization that received by PT Kertas Leces (Persero) from the Company (whichever occurs first).

PT Kertas Leces (Persero) through Letter No. 19/A- UM/jkt/XII/2014 dated December 18, 2014 filed a Suspension of Debt Payments (PKPU). Based on the Letters of the Company to PT Kertas Leces (Persero) No. S - 3586 / PPA / PD / 2014 dated December 29, 2014 , the Company suggests that PT Kertas Leces (Persero) PKPU should request additional time period of PKPU for 150 days on hearing PKPU dated January 19, 2015.

Conducting advocacy on PT Kertas Leces (Persero) in implementing the restructuring program of PT Kertas Leces (Persero) according to peace agreement of PKPU including monitoring its implementation.

Suspension of Payment Process ("PKPU") PT Kertas Leces (Persero) has been completed with the ratification of the Peace Treaty between PT KL with the Creditor PT KL, dated May 18, 2015 Peace Proposal contained Peace Agreement No.05/PKPU/ 2014 / PN.Niaga.Sby.

Referring to the PKPU Peace Agreement which was passed on May 18, 2015, PT Kertas Leces (Persero) liabilities are as follows:

a. Preferred creditors

- Taxes, Rp10,800, paid in installments of 12 years, *grace period* of 2 years
- Salaries and Severance Payables, Rp221,400, paid in installments of 12 years, *grace period* of 2 years

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- Kementerian Keuangan, Rp515.700 miliar, diangsur 45 tahun, *grace period* 5 tahun

b. Kreditur Separatis

- KAM/Eldorado (haircut 77,5%), Rp218.000 dibayar dalam waktu 9 bulan
- PT Waskita Karya dan Perusahaan, hapus bunga denda, pokok utang dikonversi menjadi *convertible bond zero coupon* 10 tahun, diangsur 15 tahun (jaminan tetap melekat).

c. Kreditur Konkuren

- PT PGN dan PT Mega Eltra, hapus bunga denda, *grace period* 3 tahun diangsur 15 tahun
- Kreditur <Rp1.500, tanpa *haircut* *grace period* 2 tahun diangsur 2 tahun
- Kreditur Rp1.500 - Rp7.500, *haircut* 30% *grace period* 3 tahun diangsur 5 tahun
- Kreditur >Rp7.500, *haircut* 50% *grace period* 3 tahun diangsur 8 tahun.

d. Kewajiban Imbalan Jasa Pengurus PKPU dan Biaya PKPU (dalam Penetapan tersendiri)

- Imbalan jasa Pengurus PKPU ditetapkan Rp9.500
- Biaya Pengurus PKPU Rp961

Berdasarkan Perjanjian No.C-92.HT.03.02-TH.2003 tentang Perjanjian Penerbitan *Secured Promissory Notes* PT Istaka Karya bahwa Penerbit SPN yaitu PT Istaka Karya dan Pemegang SPN yaitu Perusahaan, dimana pada tanggal 9 Maret 2017 Penerbit SPN mengajukan permohonan perpanjangan jangka waktu Perjanjian dan tanggal jatuh tempo penebusan SPN yang diterbitkan sebelum tanggal amandemen ini, serta diberikan penambahan nilai pokok setinggi-tingginya Rp100.000 dengan tingkat suku bunga SPN sebesar 12% per tahun belum termasuk pajak. Bunga atas seluruh SPN wajib dibayarkan oleh penerbit SPN kepada pemegang SPN secara bulanan, yaitu setiap akhir bulan.

40. Commitments and Agreements (Continued)

- Ministry of Finance, Rp515,700, paid in installments of 45 years, *grace period* of 5 years

b. Separatists creditors

- KAM / Eldorado (77.5% haircut), Rp218,000 paid within 9 months
- PT Waskita Karya and the Company, remove penalty interest, the loan principal is converted into zero coupon convertible bond of 10 years, in installments of 15 years (guarantees remain attached).

c. Concurrent creditor

- PT PGN and PT Mega Eltra, remove penalty interest, *grace period* of 3 years in installments of 15 years
- Creditors <Rp1,500 without haircut *grace period* of 2 years 2 years in installments
- Creditors Rp1,500 - Rp7,500, haircut 30% 3-year *grace period* in installments 5 years
- Creditors > Rp7,500, haircut of 50% 3-year *grace period* of 8 years in installments

d. Rewards Liabilities Management Services PKPU and PKPU fee (in separate Stipulation)

- Rewards Management services set PKPU Rp9,500
- Cost Management PKPU Rp961.

Based on Agreement No.C-92.HT.03.02-TH.2003 about SPN Agreement PT Istaka Karya that PT Istaka Karya as a SPN issuer and the Company as a SPN holder which on March 9, 2017 PT Istaka Karya proposed extension for the term of agreement and maturity date SPN which issued before the date of this amandement, and granted the addition of the principal amount up to Rp100,000 with interest rate 12% per annum (exc. Tax). Interest for SPN shall be paid by the issuer to holder monthly, on the end of the month.

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40. Commitments and Agreements (Continued)

Perjanjian pinjaman dana talangan antara Perusahaan dan PT Kertas Leces (Persero) dalam rangka permohonan bantuan dana talangan untuk membayar sebagian utang hak-hak normatif karyawan sebanyak 1.879 eks karyawan, termasuk untuk biaya provisi, biaya peningkatan jaminan dan biaya notaris telah ditanda tangani pada tanggal 16 Juni 2017. Tanggal jatuh tempo atas fasilitas jaminan ini adalah 15 Juni 2018. PT Kertas Leces (Persero) menyerahkan jaminan berupa; Tanah berikut bangunan di kelurahan Darmo Surabaya seluas 667 m² dan 647m². Total pinjaman yang diberikan yang diberikan Perusahaan kepada PT Kertas Leces Persero selama tahun 2017 adalah sebesar Rp5.219 dan pada tahun 2017 PT Kertas Leces (Persero) membayar sebagian dari pokok pinjaman sebesar Rp975.

Bailout loan agreement between the Company and PT Kertas Leces (Persero) is an appeals for bailout assistance to paid off the debt of the employee normative rights totaling 1.879 of ex employee, including provision fee, warranty fee and notary fee have been signed on June 16, 2017. The maturity date of this warranty facility is June 15, 2018. PT Kertas Leces (Persero) have submit the land following the bulding in Darmo Surabaya which has 667 sqm and 647 sqm width as a warranty. Total loans were given by the Company to PT Kertas Leces (Persero) during 2017 amounted to Rp5.219 and during 2017 PT Kertas Leces (Persero) paid Rp975 for the loan principle.

Berdasarkan Akta No.03 tanggal 05 Februari 2018 perihal perjanjian penyelesaian sebagian utang perusahaan dan PT Kertas Leces (Persero). Dalam perjanjian Dana Talangan II menyebutkan bahwa salah satu sumber pelunasan kewajiban PT Kertas Leces (Persero) kepada Perusahaan adalah dengan hasil penjualan Aset PT KL yaitu berupa SHGB Nomor 644/Darmo seluas 667m² SHGB Nomor 658/Darmo seluas 647m². Kedua Tanah tersebut memiliki total Nilai harga transaksi sebesar Rp27.535. Sebagian harga transaksi tersebut sebesar Rp11.500 akan dikompensasikan sebagian utang yang timbul berdasarkan perjanjian Dana Talangan I, dengan perincian sebesar Rp5.200 pelunasan atas HSGB No.644/Darmo dan sebesar Rp6.300 atas pelunasan HSGB No.658/Darmo.

Based on Deed No. 03 dated February 5, 2018 concerning the agreement to settle part of the company's debt and PT Kertas Leces (Persero). In the Talnagan Fund II agreement, one of the sources of repayment of PT kertas Leces (Persero) obligations to the Company is the proceeds of the sale of PT Kertas Leces (Persero) assets, namely in the form of SHGB Number 644 / Darmo covering an area of 667sqm SHGB Number 658 / Darmo covering an area of 647sqm. The two lands have a total value of transaction prices of Rp27,535. Part of the price of the transaction amounting to Rp11,500 will be compensated for a portion of the debt arising under the Bailout I agreement, with details of Rp5,200 repayment of HSGB No.644 / Darmo and Rp6,300 for the settlement of HSGB No.658 / Darmo.

10. PT Istaka Karya (Persero)

Akta Perjanjian Penerbitan *Secured Promissory Notes* Perusahaan dan PT Istaka Karya (Persero) Nomor: 13 tanggal 24 September 2013, dan Akta Perjanjian Pembebanan Jaminan Fidusia atas barang bergerak PT Istaka Karya (Persero) dan PT Perusahaan Pengelola Aset (Persero) Nomor: 14 tanggal 24 September 2013. Perjanjian ditandatangani kedua pihak dihadapan Notaris Sita Listiani, SH.,MKn.

10. PT Istaka Karya (Persero)

Deed Agreement of Secured Promissory Notes of the Company and PT Istaka Karya (Persero) Number: 13 on September 24, 2013, and Deed Agreement of Fiduciary Imposition for moving goods PT Istaka Karya (Persero) and PT Perusahaan Pengelola Aset (Persero) Number: 14 on September 24, 2013. The Agreement is signed by both parties in front of Notary Sita Listiani, S.H.,M.Kn.

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Adapun isi dari perjanjian tersebut adalah:

- a. Bahwa PT Istaka Karya (Persero) akan menerbitkan dan menjual SPN kepada Perusahaan dengan jumlah pokok setinggi-tingginya Rp30.000.
- b. Penerbitan SPN dilakukan secara bertahap dengan jumlah dan tanggal disesuaikan dengan kebutuhan pendanaan Istaka.
- c. Jangka Waktu SPN adalah 18 (delapan belas) bulan sejak tanggal efektif (tanggal ditandatanganinya perjanjian).
- d. Tujuan penggunaan dana hasil penerbitan dan penjualan SPN akan dipergunakan oleh Istaka untuk membiayai proyek yang menjadi porsi Istaka.
- e. Tingkat suku bunga periode September 2013 sebesar 12%, setelah periode September 2013 akan disesuaikan oleh Perusahaan, keterlambatan atas pembayaran bunga sebagaimana telah ditentukan akan dikenakan denda sebesar 6%.
- f. Sebagai Jaminan atas seluruh utang, Istaka menyerahkan jaminan berupa piutang dan barang bergerak yang sekarang dimiliki dan yang akan dimilikinya dikemudian hari dari Proyek Pembangunan Tol Cikampek-Palimanan Seksi 1D, yang diikat secara fidusia dengan nilai objek dan nilai penjaminan masing-masing sebesar 120% dari nilai SPN yang diterbitkan.

Atas kewajiban Perjanjian tersebut PT Istaka Karya (Persero) telah melakukan pelunasan pada awal tahun 2015.

PT Istaka Karya (Persero) melalui suratnya Nomor DU/2014-34b tanggal 9 Oktober 2014 perihal Permohonan Addendum Perjanjian Penerbitan SPN No. 13 tanggal 24 September 2013 antara lain memohon agar sisa *plafond* pinjaman dapat digunakan untuk pembiayaan proyek yang dikerjakan oleh PT Istaka Karya (Persero), namun mengingat potensi proyek-proyek yang akan diperoleh PT Istaka Karya (Persero) maka diputuskan untuk dibuatkan Perjanjian Penerbitan *Secured Promissory Notes* untuk proyek-proyek baru PT Istaka Karya (Persero) sebagaimana termasuk dalam Akta Penerbitan *Secured Promissory Notes* nomor 23 tanggal 25 Maret 2015 Perjanjian ditandatangani kedua pihak dihadapan Notaris Sita Listiani, S.H., MKn.

40. Commitments and Agreements (Continued)

Contents of the agreement are:

- a. *PT Istaka Karya (Persero) will issue and sell SPN to the Company with the highest principles Rp30,000.*
- b. *Publishing of SPN applied gradually with total and periode of date adjusted with financing requirement of PT Istaka Karya.*
- c. *The term of SPN is 18 months since the effective date (date of signing agreement)*
- d. *The purpose of using funds from issuance and selling of SPN is to be used by Istaka to fund the project that became Istaka's portion.*
- e. *Interest rate on September 2013 is 12%, after September 2013 will be adapted by the Company, tardiness in interest payments as set before will be fined 6%.*
- f. *As a collateral for the rest of debts, Istaka gives assurance of receivable and chattels which are owned now and will be had in the future from The Cikampek-Palimanan 1D Section toll road building project, that is bound by fiduciary with the object value and the value of the respective guarantee amounting to 120% of the SPN value that is published.*

Treaty obligations on the PT Istaka Karya (Persero) has been repaid in early 2015.

PT Istaka Karya (Persero) through its Letter No. DU / 2014-34b dated October 9, 2014 regarding Request for Addendum of SPN Publishing Agreement No. 13 dated September 24, 2013 i.e. request for the remainder of loan to be used go finance projects undertaken by PT Istaka Karya (Persero), however given the potential of projects which PT Istaka Karya (Persero) will acquire therefore it was decided to make Secured Promissory Notes Issuance Agreement for new projects of PT Istaka Karya (Persero) as set forth in the Deed of Issuance of Secured Promissory Notes No. 23 dated March 25, 2015. The agreement signed by both parties before the Notary Sita Listiani, S.H., M.Kn.

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40. Perikatan dan Perjanjian (Lanjutan)

Adapun isi dari perjanjian tersebut adalah:

- a. Bahwa PT Istaka Karya (Persero) akan menerbitkan dan menjual SPN kepada Perusahaan dengan jumlah pokok setinggi-tingginya Rp60.000.
- b. Tujuan dana hasil penerbitan dan penjualan SPN digunakan khusus pembiayaan Proyek yang diperoleh PT Istaka Karya (Persero).
- c. Penerbitan SPN dilakukan secara bertahap dengan jumlah dan tanggal disesuaikan dengan kebutuhan pendanaan Proyek PT Istaka Karya (Persero).
- d. Jangka Waktu SPN adalah 24 (dua puluh empat) bulan sejak tanggal efektif (tanggal ditandatanganinya perjanjian).
- e. Tingkat suku bunga sebesar 14%, keterlambatan atas pembayaran bunga sebagaimana telah ditentukan akan dikenakan denda sebesar 6%.
- f. Sebagai Jaminan atas seluruh utang, PT Istaka Karya (Persero) menyerahkan jaminan berupa:
 - Piutang yang sekarang dimiliki dan yang akan dimilikinya dikemudian hari dari Proyek PT Istaka Karya (Persero) yang dibiayai Perusahaan, yang diikat secara fidusia dengan nilai penjaminan masing-masing sebesar 120% dari nilai SPN yang diterbitkan.
 - Bidang tanah dan bangunan berikut turutannya yang terletak di Desa Kedungbunder, Kecamatan Palimanan, Kotamadya Cirebon, Provinsi Jawa Barat seluas 93.450 M2 dengan Sertipikat Hak Guna Bangunan nomor : 188/Kedungbunder senilai Rp18.690
 - Bidang tanah dan bangunan berikut turutannya yang terletak di Desa Nanggela, Kecamatan Beber, Kotamadya Cirebon, Provinsi Jawa Barat seluas 11.195 M2 Sertipikat Hak Pakai nomor : 1/Nanggela senilai Rp190
 - Bidang tanah dan bangunan berikut turutannya yang terletak di Desa Sinarancang, Kecamatan Beber, Kotamadya Cirebon, Provinsi Jawa Barat seluas 100.000 M2 Sertipikat Hak Pakai nomor : 2/Sinarancang senilai Rp2.000

40. Commitments and Agreements (Continued)

The contents of the agreement are:

- a. PT Istaka Karya (Persero) will publish and sell SPN to the Company with principal amount as high as Rp60,000.
- b. The purpose of the proceeds from the issuance and sale of SPN is used specifically for the Project financing obtained by PT Istaka Karya (Persero).
- c. Issuance of SPN are conducted gradually and the amount and date is adjusted with the financing needs of PT Istaka Karya (Persero) projects.
- d. SPN term is 24 (twenty four) months from the effective date (the date of signing of the agreement).
- e. Interest rate is 14%, tardiness in paying interest will be fined 6% as regulated.
- f. As collaterals for the entire debt, PT Istaka Karya (Persero) submit guarantees in the form of:
 - Accounts receivable owned now and will be owned in the future of Project PT Istaka Karya (Persero) which was financed by the Company, which is bound by fiduciary with amount of each guarantee value of 120% from the SPN value published.
 - Plot of land and buildings and their successions located in Village of Kedungbunder, District Palimanan, Municipality of Cirebon, West Java covers 93.450 sqm with SHGB no: 188/Kedungbunder amounted to Rp18,690.
 - Plots of land and buildings and their successions located in the Village Nanggela, District Beber, Municipality of Cirebon, West Java Province area of 11,195 sqm Certificate of Use number: 1 / Nanggela worth Rp190
 - Plot and the following buildings and its successions located in the village Sinarancang, District Beber, Municipality of Cirebon, West Java province covering 100,000 sqm Certificate of Use number: 2 / Sinarancang worth Rp2,000

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40. Perikatan dan Perjanjian (Lanjutan)

- Bidang tanah dan bangunan berikut turutannya yang terletak di Desa Setu Patok, Kecamatan Mundu, Kotamadya Cirebon, Provinsi Jawa Barat seluas 65.490 M2 Sertipikat Hak Pakai nomor : 11/Setu Patok senilai Rp18.690

- g. Sehubungan dengan adanya penambahan Proyek baru yang diperoleh PT Istaka Karya (Persero) dan penggunaan plafond SPN dari beberapa Proyek yang telah dibiayai tidak seluruhnya diterbitkan, maka telah dilakukan beberapa kali Perubahan Perjanjian untuk menambah Proyek baru dan perubahan plafond masing-masing Proyek dengan jumlah total pokok SPN setinggi-tingginya Rp60.000.

Adapun perubahan-perubahan Perjanjian, sebagai berikut:

- Akta 01 Perubahan I Perjanjian Penerbitan *Secured Promissory Notes* PT Istaka Karya (Persero) tanggal 03 September 2015;
- Akta 05 Perubahan II Perjanjian Penerbitan *Secured Promissory Notes* PT Istaka Karya (Persero) tanggal 06 Oktober 2015
- Akta 14 Perubahan III Perjanjian Penerbitan *Secured Promissory Notes* PT Istaka Karya (Persero) tanggal 20 Oktober 2015;
- Akta Perubahan IV Perjanjian Penerbitan *Secured Promissory Notes* PT Istaka Karya (Persero) nomor: 04 tanggal 2 Desember 2015; dan
- Akta Perubahan V Perjanjian Penerbitan *Secured Promissory Notes* PT Istaka Karya (Persero) nomor: 08 tanggal 19 Mei 2016.
- Akta Perubahan VI Perjanjian Penerbitan *Secured Promissory Notes* PT Istaka Karya (Persero) nomor: 01 tanggal 01 Agustus 2016.

40. Commitments and Agreements (Continued)

- Plot and buildings along with its successions located in the village of stilt Setu, District Mundu, Municipality of Cirebon, West Java Province area of 65,490 sqm Certificate of Use number: 11 / Setu Stakes worth Rp18,690

- g. Regarding the addition of new projects acquired by PT Istaka Karya (Persero) and the use of SPN ceilings from some of the projects funded but not fully published, therefore several changes was done to add new projects and change in ceilings of each project with the total amount of SPN principal as much as Rp60,000.

As for changes in the Agreement, are as follows:

- Deed 01 Amendment I Secured Promissory Notes Issuance Agreement PT Istaka Karya (Persero) dated September 3, 2015;
- Deed 05 Amendment II Secured Promissory Notes Issuance Agreement PT Istaka Karya (Persero) dated October 6, 2015
- Deed 14 Amendment III Secured Promissory Notes Issuance Agreement PT Istaka Karya (Persero) dated October 20, 2015;
- Deed Amendment IV of the Agreement Secured Promissory Notes PT Istaka Karya (Persero) number: 04 dated December 2, 2015; and
- Deed Amendment V Agreement Secured Promissory Notes PT Istaka Karya (Persero) number: 08 dated May 19, 2016.
- Deed of Amendment VI Secured Promissory Notes Issuance Agreement PT Istaka Karya (Persero) number: 01 dated August 1, 2016.

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Berdasarkan Perjanjian No.C-92.HT.03.02-TH.2003 tentang Perjanjian Penerbitan *Secured Promissory Notes* PT Istaka Karya (Persero) bahwa Penerbit SPN yaitu PT Istaka Karya (Persero) dan Pemegang SPN yaitu Perusahaan, dimana pada tanggal 9 Maret 2017 Penerbit SPN mengajukan permohonan perpanjangan jangka waktu Perjanjian dan tanggal jatuh tempo pennebusan SPN yang diterbitkan sebelum tanggal amandemen ini, serta diberikan penambahan nilai pokok setinggi-tingginya Rp100.000 dengan tingkat suku bunga SPN sebesar 12% per tahun belum termasuk pajak. Bunga atas seluruh SPN wajib dibayarkan oleh penerbit SPN kepada pemegang SPN secara bulanan, yaitu setiap akhir bulan.

40. Commitments and Agreements (Continued)

Based on Agreement No.C-92.HT.03.02-TH.2003 about SPN Agreement PT Istaka Karya that PT Istaka Karya (Persero) as a SPN issuer and the Company as a SPN holder which on March 9, 2017 PT Istaka Karya (Persero) proposed extension for the term of agreement and maturity date SPN which issued before the date of this amendment, and granted the addition of the principal amount up to Rp100,000 with interest rate 12% per annum (exc. Tax). Interest for SPN shall be paid by the issuer to holder monthly, on the end of the month.

41. Reklasifikasi Laporan Keuangan

Beberapa akun dalam laporan posisi keuangan konsolidasian pada tanggal dan untuk tahun yang berakhir pada tanggal 31 Desember 2017 telah direklasifikasi agar sesuai dengan penyajian laporan keuangan konsolidasian pada tanggal dan untuk tahun yang berakhir pada tanggal 31 Desember 2018.

41. Reclassification of Consolidated Financial Statement

Certain accounts in the consolidated financial statements as of and for the year ended December 31, 2017 have been reclassified to conform with the presentation of the consolidated financial statements as of and for the year ended December 31, 2018.

	31 Desember 2017/ December 31, 2017			
	Sebelum Reklasifikasi/ Before Reclassification	Reklasifikasi/ Reclassification	Setelah Reklasifikasi/ After Reclassification	
Laporan Posisi Keuangan:				Statement of Financial Position
Aset				Assets
Pinjaman Investasi Jangka Pendek				Short-term Investment Loans
Pihak Berelasi	10,427	3,349	13,776	Related Parties
Pihak Ketiga	298,517	(23,349)	275,168	Third Parties
Piutang Usaha				Accounts Receivable
Pihak Berelasi	341,684	(26,118)	315,566	Related Parties
Pihak Ketiga	879,482	22,211	901,693	Third Parties
Pinjaman Investasi Jangka Panjang				Short-term Investment Loans
Pihak Berelasi	110,468	23,907	134,375	Related Parties

42. Manajemen Risiko Keuangan

42. Financial Risks Management

Aset Keuangan

Financial Assets

	2018 Rp	2017 Rp	
Kas dan Setara Kas	1,365,617	1,694,156	Cash and Cash Equivalent
Aset Keuangan untuk Diperdagangkan	81,220	83,235	Securities Held for Trading
Piutang Usaha - Bersih	1,176,353	1,217,259	Accounts Receivable - Net
Piutang Retensi - Bersih	166,823	216,966	Retention Receivables - Net
Dana Talangan - Bersih	215,581	207,115	Loans Receivable Bailout - Net
Tagihan Bruto kepada Pengguna Jasa	2,218,365	1,293,722	Gross Amount Due from Customers
Aset Lancar Lainnya	332,374	74,695	Other Current Assets
Aset Keuangan Tersedia untuk Dijual	95,989	114,858	Available for Sale Financial Assets
Investasi Jangka Panjang Lainnya	138,053	41,818	Other Long -Term Investments
Restrukturisasi/Revitalisasi -Bersih	1,388,273	1,356,385	Restructuring/Revitalization SOEs-net
Pinjaman Investasi Jangka Pendek	445,264	288,944	Short-Term Investment Loans
Jumlah Aset Keuangan	7,623,912	6,589,153	Total Financial Assets

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42. Manajemen Risiko Keuangan (Lanjutan)

42. Financial Risks Management (Continued)

Liabilitas Keuangan

Financial Liabilities

	2018 Rp	2017 Rp	
Utang Usaha	2,123,994	1,597,995	Account Payable
Pinjaman Bank dan Lembaga Keuangan	2,822,673	1,963,356	Bank and Financial Institution Loans
Utang Bruto kepada Pihak Ketiga	686,680	628,457	Gross Amount Due to Third Parties
Beban Akrua dan Utang Lain-lain	194,668	141,754	Accrued Expense and Other Payables
Jumlah Liabilitas Keuangan	5,828,015	4,331,562	Total Financial Liabilities

Dalam menjalankan dan mengelola aktivitasnya Perusahaan dan entitas anak terekspos terhadap berbagai risiko. Perusahaan dan entitas anak telah memetakan risiko-risiko potensial yang dihadapi oleh Perusahaan dan entitas anak yang digunakan sebagai acuan untuk menetapkan langkah-langkah tindak lanjut penanganan risiko sebagai upaya pencegahan agar risiko-risiko tersebut berada pada level yang diharapkan dan melakukan langkah-langkah mitigasi agar risiko yang dihadapi tidak meningkat ke level yang tidak dapat diterima oleh Perusahaan dan entitas anak.

Various activities undertaken by the Company and subsidiary make it exposed to various risks. The Company and subsidiary has mapped potential risks faced by the Company and subsidiary to be used as a reference to establish measures of risk as a follow-up of prevention efforts for these risks at the expected level and to conduct mitigation measures for the risks faced to avoid increasing to the levels that can not be accepted by the Company and subsidiary.

Untuk memastikan bahwa pelaksanaan manajemen risiko berjalan efektif dan efisien, maka proses manajemen risiko harus mengikuti kaidah, metode, dan sistem yang dibuat bersama antara satuan kerja yang terkait langsung dengan suatu kegiatan bersama dengan satuan kerja manajemen risiko dan kepatuhan.

To ensure that the implementation of risk management runs effectively and efficiently, then the risk management process should comply the rules, methods, and systems that are made between the units of work that are directly related to an activity together with a unit of work risk management and compliance.

Untuk mengkoordinasikan dan memfasilitasi pelaksanaan manajemen risiko, Perusahaan membentuk satuan kerja manajemen risiko dan kepatuhan yang independen dan bertanggung jawab langsung kepada Direktur Utama.

To coordinate and facilitate the Implementation of risk management, the Company formed a unit work of risk management and compliance that are independent and responsible directly to the President Director.

Untuk memastikan bahwa pelaksanaan manajemen risiko berjalan efektif dan efisien, maka proses manajemen risiko harus mengikuti kaidah, metode, dan sistem yang dibuat bersama antara satuan kerja manajemen risiko dengan satuan kerja terkait

To ensure that the implementation of risk management is effective and efficient, then the risk management process should follow the rules, methods, and systems made jointly between risk management work unit with related work units

Penerapan manajemen risiko oleh Grup antara lain bertujuan:

The implementation of risk management by the Group, among other aims at:

- Mendukung pencapaian tujuan Perusahaan dan Entitas Anak melalui penerapan sistem manajemen risiko yang efektif.
- Menyediakan *early warning signal* bagi pengambilan keputusan dengan pengendalian risiko yang baik.
- Mencapai keseimbangan pada tingkat yang dapat diterima antara risiko dan tingkat pengembalian serta meminimalisasi potensi efek memburuknya kinerja keuangan Perusahaan dan Entitas Anak.
- Memastikan kepatuhan terhadap hukum dan perundang-undangan.

- *Supporting the achievement of goals of the Company and Subsidiaries through the implementation of effective risk management system.*
- *Provides early warning signal for decision making with good risk control.*
- *Achieving a balance at an acceptable level of risk and returns and minimize potential adverse effects of the financial performance of the Company and Subsidiaries.*
- *Ensuring compliance with laws and legislations.*

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42. Manajemen Risiko Keuangan (Lanjutan)

Perusahaan

Risiko-risiko utama yang dihadapi Perusahaan dan aktivitas pengelolaan risiko antara lain sebagai berikut:

(i) Risiko Kredit

Perusahaan terekspos risiko kredit pada kegiatan pencairan dana atau pembiayaan yang berkaitan dengan kegiatan restrukturisasi dan/atau revitalisasi BUMN serta kegiatan investasi.

Risiko kredit timbul ketika pihak lawan (*counterparty*) gagal memenuhi memenuhi liabilitasnya sehingga menyebabkan kerugian pada Perusahaan.

Instrumen keuangan Perusahaan yang memiliki potensi risiko kredit terdiri dari akun Piutang Usaha, Pinjaman, dan Piutang Lain-lain.

Pengelolaan risiko kredit antara lain dilakukan melalui kegiatan sebagai berikut:

a. Kegiatan restrukturisasi dan/atau revitalisasi BUMN

Pengelolaan risiko kredit pada kegiatan restrukturisasi dan/atau revitalisasi BUMN, antara lain dilakukan melalui:

- Pelaksanaan kajian kelayakan restrukturisasi dan/atau revitalisasi BUMN. Kajian kelayakan dilakukan terhadap seluruh aspek yang dapat mempengaruhi kinerja usaha dan kemampuan BUMN guna merumuskan dan merekomendasikan opsi restrukturisasi dan/atau revitalisasi terbaik, sehingga BUMN dapat mengembalikan dana yang diterima dari Perusahaan.
- Mensyaratkan adanya jaminan/agunan.
- Memantau pemenuhan persyaratan dan kondisi yang telah ditetapkan antara Perusahaan dan BUMN yang direstrukturisasi dan/atau revitalisasi.
- Memantau pencapaian target kinerja BUMN yang direstrukturisasi dan/atau revitalisasi dan mengusulkan langkah antisipasi untuk meningkatkan kinerja.
- Melakukan upaya penagihan yang efektif agar pembayaran kewajiban BUMN yang direstrukturisasi dan/atau revitalisasi (kepada Perusahaan) dapat dilakukan secara teratur sesuai dengan jadwal pembayaran yang telah ditetapkan.

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42. Financial Risks Management (Continued)

The Company

The primary risks faced by the Company and risk management activities are as follows:

(i) Credit Risk

The Company is exposed to credit risk on the disbursement of funds or financing activities related to restructuring activities and / or revitalization of state-owned enterprises and investment activities.

Credit risk arises when a counterparty failed to meet its liabilities, causing loss to the Company.

The Company's financial instruments that have the potential credit risk consist of Accounts Receivable, Loans Granted and Other Receivables.

Credit risk management, among others carried out through the following activities:

a. SOE's Restructuring activities and/or revitalization.

Credit risk management on restructuring activities and / or revitalization of enterprises, among others by:

- Implementation of the feasibility study of restructuring and / or revitalization of SOE. A feasibility study was conducted on all aspects that may affect the business performance and the ability to formulate and recommend SOE restructuring options and / or the best revitalization, so that SOE can return the funds received from the Company.
- The determination of the requirements of assurance/collateral.
- Monitoring of fulfill requirement and conditions that has been agreed between company and state-owned companies that restructured and/or revitalized.
- Monitoring of the achievement of the performance of SOEs were restructured and / or revitalized and propose anticipatory steps in order to improve performance.
- Conducting effective collection efforts so that the payment obligations of SOE's restructured and / or revitalization (the Company) may be carried out regularly in accordance with the payment schedule has been set.

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42. Manajemen Risiko Keuangan (Lanjutan)

- Melakukan langkah-langkah dalam rangka mengupayakan agar program restrukturisasi dan/atau revitalisasi BUMN dapat selesai tepat waktu sesuai perencanaan.
- b. Kegiatan investasi
Pengelolaan risiko kredit berkaitan dengan kegiatan investasi adalah sebagai berikut:
 - Pengelolaan risiko atas kegiatan investasi pada surat berharga (surat utang) dilakukan dengan melakukan investasi pada surat berharga yang memiliki peringkat *investment grade* berdasarkan peringkat kredit yang diterbitkan oleh Lembaga Pemeringkat. Dalam hal tidak terdapat peringkat kredit maka surat berharga yang menjadi target investasi harus didukung dengan jaminan yang memadai
 - Pengelolaan risiko pada kegiatan investasi melalui pembiayaan proyek-proyek tertentu dilakukan dengan *due diligence* dan kajian mengenai kelayakan suatu investasi sebelum membuat keputusan investasi
 - Memantau dan mengevaluasi kinerja debitur/proyek/penerbit surat utang untuk memastikan pemenuhan persyaratan / kondisi yang diatur dalam perjanjian kredit atau perjanjian penerbitan penerbitan utang.

Entitas Anak (PT NK)

Instrumen keuangan PT NK yang mempunyai potensi atas risiko kredit terdiri dari kas dan setara kas, piutang usaha, piutang retensi dan piutang lain-lain. Jumlah eksposur risiko kredit maksimal sama dengan nilai tercatat atas akun-akun tersebut.

Pada tanggal 31 Desember 2017 piutang usaha PT NK tidak terkonsentrasi pada pelanggan tertentu.

PT NK mengelola risiko kredit dengan menetapkan batasan jumlah risiko yang dapat diterima untuk masing-masing pelanggan dan lebih selektif dalam pemilihan bank dan institusi keuangan, yaitu hanya bank dan institusi keuangan ternama dan berpredikat baik yang dipilih.

42. Financial Risks Management (Continued)

- Perform steps in order to devices for the restructuring and / or revitalization of SOE can be completed on time according to plan.
- b. *Investment Activities*
Credit risk management that be related with investment activity as follows:
 - *Management of risk on investment activity in securities (bonds) is done by investing in securities that are rated investment grade by credit rating issued by rating agencies. In the event that there are no credit ratings of the securities in the investment target must be backed by sufficient collateral.*
 - *The management of risk on investment activities through the financing of certain projects conducted with due diligence and feasibility studies adequate investment before making an investment decision.*
 - *Monitor and evaluate the performance of the debtor / project / issuer of debt securities to ensure compliance with the requirements / conditions set forth in the credit agreement or the agreement issuance of debt issuance.*

Subsidiary (PT NK)

PT NK financial instruments which have the potential for credit risk consists of cash and cash equivalents, accounts receivable, retention receivables and other receivables. Total maximum credit risk exposure equal to carrying value of these accounts.

As of December 31, 2017 accounts receivable of PT NK are not concentrated on a certain customer.

PT NK managed credit risk by pre-defined limit of the acceptable risk for each customer and be more selective in election of banks and financial institutions, such well-known reputation banks and financial institutions.

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42. Manajemen Risiko Keuangan (Lanjutan)

- (i) Risiko Suku Bunga
Risiko tingkat bunga arus kas adalah risiko dimana arus kas masa depan dari suatu instrumen keuangan berfluktuasi karena perubahan suku bunga pasar.

Tingkat suku bunga yang cukup tinggi dan terjadi secara tiba-tiba dapat berpengaruh terhadap menurunnya laba NK.

Dampak dari pergerakan suku bunga di pasar tidak signifikan. NK mengelola risiko suku bunga melalui pengawasan terhadap dampak pergerakan suku bunga untuk meminimalisasi dampak negatif terhadap NK. NK akan mengawasi secara ketat pergerakan suku bunga di pasar dan apabila suku bunga mengalami kenaikan yang signifikan maka NK akan menegosiasikan suku bunga tersebut dengan para lender.

- (ii) Risiko Likuiditas
Risiko likuiditas adalah risiko di mana posisi arus kas menunjukkan pendapatan jangka pendek tidak cukup untuk menutupi pengeluaran jangka pendek.

Eksposur risiko likuiditas berupa kesulitan NK dalam memenuhi Liabilitas keuangan yang harus dibayar dengan kas atau aset keuangan lainnya. NK diharapkan dapat membayar seluruh Liabilitasnya sesuai dengan jatuh tempo kontraktual. Dalam memenuhi Liabilitas tersebut, maka PT NK harus menghasilkan arus kas masuk yang cukup.

PT NK mengelola risiko likuiditas dengan mempertahankan kas dan setara kas yang mencukupi dalam memenuhi komitmen PT NK untuk operasi normal dan secara rutin mengevaluasi proyeksi arus kas dan arus kas aktual, serta jadwal tanggal jatuh tempo aset dan liabilitas keuangan.

42. Financial Risks Management (Continued)

- (i) Interest Rate Risk
Interest rate risk is defined as the risk that future cash flows of a financial instrument fluctuate due to movement of market interest rates.

High interest rate which suddenly occurs could affect in declining of NK profit.

The impact of interest rate movements in the market was not significant. NK managed interest rate risk and monitoring the impact of interest rate movements to minimize the negative impact on NK. NK might be closely monitoring interest rate movements in the market and if interest rates increase significantly, NK might negotiate the interest rates with the Creditors.

- (ii) Liquidity Risk
Liquidity risk is defined as the risk in which the positions of cash flows indicate short-term cash inflow is not sufficient to short-term cash outflow.

Liquidity risks exposures are NK difficulties in fulfilling financial liabilities that must be settled by cash or other financial assets. NK is expected to settle all its obligations in accordance with contractual maturities. In fulfilling this obligation, PT NK should generate sufficient cash inflows.

PT NK manages liquidity risk by maintaining cash and cash equivalents that sufficient to meet the commitments of PT NK for normal operation and regularly evaluate cash flow projections and actual cash flows, and the schedule date of maturity of assets and financial liabilities.

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42. Manajemen Risiko Keuangan (Lanjutan)

- (iii) Risiko Perubahan Kebijakan Pemerintah, Kondisi Ekonomi dan Sosial Politik
Kebijakan pemerintah baik yang menyangkut ekonomi dan moneter, serta kondisi sosial dan politik yang kurang kondusif akan berakibat menurunnya investasi dan pembangunan. Hal ini dapat mengakibatkan tertundanya proyek-proyek yang telah maupun akan diperoleh PT NK. Risiko ini merupakan risiko yang bersifat sistemik dimana bila risiko ini terjadi maka akan mempengaruhi secara negatif seluruh variabel yang terlibat, sehingga membuat kinerja Perusahaan menurun, bahkan diversifikasi pun belum mampu menghilangkan risiko ini.

Entitas Anak (PT PPA Finance)

Bisnis PT PPAF mencakup aktivitas pengambilan risiko dengan sasaran tertentu dengan melakukan pembiayaan yang profesional. Fungsi utama dari manajemen risiko PPA Finance adalah untuk mengidentifikasi seluruh risiko kunci, mengukur dan mengelola posisi risiko. PPA Finance secara rutin menelaah kebijakan dan sistem manajemen risiko untuk menyesuaikan dengan perubahan di pasar, produk dan praktek pembiayaan terbaik.

PT PPAF mendefinisikan risiko keuangan sebagai kemungkinan kerugian atau laba yang hilang, yang disebabkan oleh faktor internal maupun faktor eksternal yang memberikan efek negatif terhadap pencapaian tujuan PT PPAF.

Tujuan PT PPAF dalam mengelola risiko keuangan adalah untuk mencapai keseimbangan yang terukur antara risiko dan tingkat pengembalian serta meminimalisasi kemungkinan efek memburuknya kinerja keuangan PT PPAF.

Risiko keuangan utama yang dihadapi PT PPAF adalah risiko kredit, risiko pasar di dalamnya terdapat risiko suku bunga dan risiko nilai tukar mata uang, risiko likuiditas dan risiko perubahan kebijakan Pemerintah, kondisi ekonomi dan sosial politik.

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42. Financial Risks Management (Continued)

- (iii) Risk of Changes in Government Policy, Economic and Social Politics.
Government policies concerning economic, monetary, social and political conditions that are less conducive might results in decrease of investment and development. These could lead to delay in projects which have been or might be acquired by PT NK. This risk is systemic risk if its incur then, the risk might negatively affect toward variables involved, thus declining performance of the Company, even diversification risk is unable to eliminate it.

Subsidiary (PT PPA Finance)

Business of PT PPAF covers risk-taking activities with a particular target by operating a professional financing. The primary function of the PPA Finance risk management is to identify all key risks, measure and manage risk. PPA Finance regularly reviews its policies and risk management system to conform with changes in market, product and best financing practices.

PT PPAF defines financial risk as the possibility of loss or lost profit, caused by factors both internal and external factors which have negative effects on the PT PPAF goals achievement.

The purpose of PT PPAF in managing financial risks is to achieve balance measurement between risk and returns then minimize the possibility effects of deteriorating PT PPAF financial performance.

The primary financial risks faced by the PT PPAF are credit risk, market risk including interest rate and currency exchange rate risk, liquidity risk and the risk of changes in government policy, social and political conditions.

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42. Manajemen Risiko Keuangan (Lanjutan)

Risiko kredit di PT PPAF merupakan risiko yang timbul atas pembiayaan yang diberikan. Risiko ini muncul apabila terjadi penurunan kemampuan debitur dalam melakukan pembayaran sehingga tidak dapat melunasi pinjamannya.

Risiko suku bunga merupakan risiko yang terjadi karena fluktuasi suku bunga di pasar sehingga akan berdampak pada kenaikan *cost of fund* dan penurunan laba. Risiko ini muncul apabila terjadi kondisi makro ekonomi tidak kondusif sehingga tingkat suku bunga meningkat.

Entitas Anak (PPA Kapital)

Bisnis PT PPAK mencakup aktivitas pengambilan risiko dengan sasaran tertentu dengan melakukan pembiayaan yang profesional. Fungsi utama dari manajemen risiko PT PPAK adalah untuk mengidentifikasi seluruh risiko kunci, mengukur dan mengelola posisi risiko. PT PPAK secara rutin menelaah kebijakan dan sistem manajemen risiko untuk menyesuaikan dengan perubahan di pasar, produk dan praktek pembiayaan terbaik.

PT PPAK mendefinisikan risiko keuangan sebagai kemungkinan kerugian atau laba yang hilang, yang disebabkan oleh faktor internal maupun faktor eksternal yang memberikan efek negatif terhadap pencapaian tujuan PT PPAK.

Tujuan PT PPAK dalam mengelola risiko keuangan adalah untuk mencapai keseimbangan yang terukur antara risiko dan tingkat pengembalian serta meminimalisasi kemungkinan efek memburuknya kinerja keuangan PT PPAK.

Risiko keuangan utama yang dihadapi PT PPAK adalah risiko kredit, risiko pasar di dalamnya terdapat risiko suku bunga dan risiko nilai tukar mata uang, risiko likuiditas dan risiko perubahan kebijakan Pemerintah, kondisi ekonomi dan sosial politik.

42. Financial Risks Management (Continued)

PT PPAF credit risk is the risk arising from financing. This risk arises when there is a decrease in the ability of borrowers to make payments so it can not repay the loan.

Interest rate risk is the risk that occurs due to fluctuations in market interest rates that will increase the cost of funds and earnings decline. This risk arises in case of macro-economic conditions are not conducive to the interest rate increases.

Subsidiary (PPA Kapital)

Business of PT PPAK covers risk-taking activities with a particular target by operating a professional financing. The primary function of the PT PPAK risk management is to identify all key risks, measure and manage risk. PT PPAK regularly reviews its policies and risk management system to conform with changes in market, product and best financing practices.

PT PPAK defines financial risk as the possibility of loss or lost profit, caused by factors both internal and external factors which have negative effects on the PT PPAK's goals achievement.

The purpose of PT PPAK in managing financial risks is to achieve balance measurement between risk and returns then minimize the possibility effects of deteriorating PT PPAK's financial performance.

The primary financial risks faced by the PT PPAK are credit risk, market risk including interest rate and currency exchange rate risk, liquidity risk and the risk of changes in government policy, social and political conditions.

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43. Manajemen Permodalan

Tujuan Perusahaan dan entitas anak dalam mengelola permodalan adalah untuk melindungi kemampuan Perusahaan 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 secara efektif. Dalam rangka mengelola struktur modal sejalan dengan tujuan pendirian Perusahaan untuk kesejahteraan pekerja maka para pemegang saham memutuskan untuk tidak membagi dividen.

43. Capital Management

The objectives of the Company and Subsidiary in managing capital is to protect the Company's ability to maintain business continuity, therefore the entity can continue to provide returns for shareholders and benefits for other stakeholders and to manage the optimal capital structure to minimize the cost of capita effectively. In order to manage the capital structure in line with objectives of the Company's establishment to provide welfare for the workers, then the shareholders distribute not to divide the dividend.

44. Saldo dan Transaksi dengan Pihak Berelasi

Pengungkapan saldo dan transaksi signifikan dengan pihak-pihak berelasi adalah sebagai berikut:

44. Related Parties Balance and Transactions

Disclosure of Related parties significant balance and transaction are as follows:

Pihak-pihak Berelasi / Related Parties	Hubungan/ Relationship	Transaksi/ Transactions
PT Bank Negara Indonesia (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Kas dan Setara Kas, Pinjaman Bank dan Lembaga Keuangan/Cash and cash equivalent, Bank and Financial Institution Loans
PT Bank Mandiri (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Kas dan Setara Kas/Cash and cash equivalent
PT Bank Rakyat Indonesia (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Kas dan Setara Kas, Pinjaman Bank dan Lembaga Keuangan/Cash and cash equivalent, Bank and Financial Institution Loans
PT Bank Tabungan Negara (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Kas dan Setara Kas, Pinjaman Bank dan Lembaga Keuangan/Cash and cash equivalent, Bank and Financial Institution Loans
PT Boma Bisma Indra (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Aset Keuangan Diperdagangkan/Financial Assets Held for Trading
PT Survei Udara Panas (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Aset Keuangan Diperdagangkan/Financial Assets Held for Trading
PT Industri Sandang Nusantara (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Aset Keuangan Diperdagangkan/Financial Assets Held for Trading
PT Istaka Karya (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Aset Keuangan Diperdagangkan/Financial Assets Held for Trading
PT Kertas Kraft Aceh (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Dana Talangan, Pinjaman yang Diberikan Restrukturisasi/Revitalisasi/Loans Receivable Restructuring and/or Revitalization
PT Kertas Leces (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Dana Talangan/Fund Advance Loans Receivable
PT Industri Sandang Nusantara (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Dana Talangan/Fund Advance Loans Receivable
PT Boma Bisma Indra (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Dana Talangan/Fund Advance Loans Receivable
PT Survei Udara Panas (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Dana Talangan/Fund Advance Loans Receivable
PT Artha Bangun Pratama	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Dana Talangan/Fund Advance Loans Receivable
PT Djakarta Lloyd (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Dana Talangan/Fund Advance Loans Receivable
PT Merpati Nusantara Airlines (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Dana Talangan, Pinjaman yang Diberikan Restrukturisasi/Revitalisasi/Loans Receivable Restructuring and/or Revitalization, Fund Advance Loans Receivable
PT Penataran Angkatan Laut Indonesia (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Dana Talangan, Pinjaman yang Diberikan Restrukturisasi/Revitalisasi/Loans Receivable Restructuring and/or Revitalization, Fund Advance Loans Receivable
PT Dirlantara Indonesia (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Restrukturisasi/Revitalisasi/Loans Receivable Restructuring and/or Revitalization
PT Iglas (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Restrukturisasi/Revitalisasi/Loans Receivable Restructuring and/or Revitalization
PT Industri Kapal Indonesia (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Restrukturisasi/Revitalisasi/Loans Receivable Restructuring and/or Revitalization
PT Sarana Multi Infrastruktur (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman Bank dan Lembaga Keuangan/Bank and Financial Institution Loans
Lembaga Pembiayaan Ekspor Indonesia	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman Bank dan Lembaga Keuangan/Bank and Financial Institution Loans

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**44. Saldo dan Transaksi dengan Pihak Berelasi
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**44. Related Parties Balance and Transactions
(Continued)**

Pihak-pihak Berelasi / Related Parties	Hubungan/ Relationship	Transaksi/ Transactions
PT ASDP Indonesia Ferry (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Piutang Usaha, Tagihan Bruto, Uang Muka Jk. Pendek/Gross Amount due to from Customer , Revenues
PT Adhi Karya (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Piutang Usaha, Piutang Retensi/Accounts Receivable, Retention Receivable
PT Angkasa Pura II (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Piutang Usaha, Tagihan Bruto/Accounts Receivable, Gross Amount Due from Customers
PT DOK & Perkapalan Surabaya (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Piutang Usaha/Accounts Receivable
PT Pelabuhan Indonesia II (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Piutang Retensi, Tagihan Bruto/Retention Receivable, Gross Amount Due from Customers
PT Pelabuhan Indonesia III (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Piutang Usaha, Tagihan Bruto, Uang Muka Jk. Pendek/Accounts Receivable, Gross Amount Due from Customers
PT Pertamina (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Tagihan Bruto/Gross Amount Due from Customers
PT Bukit Asam (Persero) Tbk	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Tagihan Bruto/Gross Amount Due from Customers
PT Perusahaan Gas Negara (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Dana Talangan/Fund Advance Loans Receivable
PT Berdikari (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman yang Diberikan Dana Talangan/Fund Advance Loans Receivable
PT Pertani (Persero)	Dikendalikan oleh Pemerintah Pusat RI/Control by the Central Government of the RI	Pinjaman Investasi Jangka Pendek/Short-Term Investment Loans

Rincian item yang terkait dengan transaksi pihak-pihak berelasi:

Detail of items associated with the related parties transaction:

	2018 Rp	2017 Rp	2018 %	2017 %	
Kas dan Setara Kas	735,265	1,029,827	6.26%	10.86%	Cash and Cash Equivalent
Piutang Usaha	294,170	358,623	2.50%	3.78%	Accounts Receivable
Piutang Retensi	70,007	90,323	0.60%	0.95%	Retention Receivable
Pinjaman yang Diberikan - Dana Talangan	215,581	207,115	1.84%	2.18%	Loans Bailout
Tagihan Bruto	564,551	1,293,722	4.81%	13.65%	Gross Amount Due from Customers
Pinjaman yang Diberikan - Restrukturisasi dan/atau Revitalisasi	1,388,273	1,356,385	11.82%	14.31%	Loans Receivable Restructuring and/or Revitalization
Liabilities					Liabilities
	2018 Rp	2017 Rp	2018 %	2017 %	
Utang Usaha	92,420	71,476	0.79%	0.75%	Accounts Payable
Pinjaman Bank dan Lembaga Keuangan	1,126,047	691,769	9.59%	7.30%	Bank and Financial Institution Loans
Uang Muka Pemberi Kerja Jangka Pendek	14,630	24,575	0.12%	0.26%	Short-Term Advances from Customers
Pendapatan					Revenue
	2018 Rp	2017 Rp	2018 %	2017 %	
Pendapatan Usaha	92,978	121,939	1.36%	1.92%	Sales Revenue

Persentase diatas merupakan perbandingan dengan total aset, total kewajiban, dan total pendapatan.

Above percentage is a comparison with total assets, total liabilities and total revenue.

45. Standar Akuntansi Baru

45. New Accounting Standards

DSAK-IAI telah menerbitkan beberapa standar baru, amandemen dan penyesuaian standar baru, serta interpretasi standar, namun belum berlaku efektif untuk tahun buku 2018. Standar baru, amandemen dan penyesuaian standar berikut efektif untuk periode yang dimulai pada atau setelah 1 Januari 2019:

DSAK-IAI has issued the following new standards, amendments and adjustments of standards and interpretations, but not yet effective for the financial year 2018. The following are new standard, amendment and improvement of standards effective for period beginning on or after January 1, 2019:

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45. Standar Akuntansi Baru (Lanjutan)

- PSAK 22 (penyesuaian), Kombinasi Bisnis
- PSAK 24 (amandemen), Imbalan Kerja tentang Amandemen, Kurtailmen, atau Penyelesaian Program
- PSAK 26 (penyesuaian), Biaya Pinjaman
- PSAK 46 (penyesuaian), Pajak Penghasilan
- PSAK 66 (penyesuaian), Pengaturan Bersama
- ISAK 33, Transaksi Valuta Asing dan Imbalan di muka
- ISAK 34 Ketidakpastian dalam Perlakuan Pajak Penghasilan

Standar dan amandemen standar berikut efektif untuk periode yang dimulai pada atau setelah tanggal 1 Januari 2020, dengan penerapan dini diperkenankan yaitu:

- PSAK 15 (amandemen), Investasi pada Entitas Asosiasi dan Ventura Bersama tentang Kepentingan Jangka Panjang pada Entitas Asosiasi dan Ventura Bersama.
- PSAK 62 (amandemen), Kontrak Asuransi: Menerapkan PSAK 71: Instrumen Keuangan dengan PSAK 62: Kontrak Asuransi
- PSAK 71, Instrumen Keuangan
- PSAK 71 (amandemen), Instrumen Keuangan tentang Fitur Percepatan Pelunasan dengan Kompensasi Negatif
- PSAK 72, Pendapatan dari Kontrak dengan Pelanggan
- PSAK 73, Sewa

Standar berikut efektif untuk periode yang dimulai pada atau setelah tanggal 1 Januari 2021, dengan penerapan dini diperkenankan yaitu:

- PSAK 112, Akuntansi Wakaf

Hingga tanggal laporan keuangan konsolidasian ini diotorisasi, Grup masih melakukan evaluasi atas dampak potensial dari penerapan standar baru dan amandemen standar tersebut.

45. New Accounting Standards (Continued)

- PSAK 22 (improvement), Business Combination
- PSAK 24 (amendment), Plan Amendment, Curtailment or Settlement
- PSAK 26 (improvement), Borrowing Cost
- PSAK 46 (improvement), Income Tax
- PSAK 66 (improvement), Joint Arrangement
- ISAK 33, Foreign Currency Transactions and Advance Consideration
- ISAK 34 Uncertainty Over Income Tax Treatments

Standards and amendments to standards effective for periods beginning on or after January 1, 2020, with early application permitted as follow:

- PSAK 15 (amendment), Investments in Associates and Joint Ventures: Long Term Interest in Associate and Joint Ventures
- PSAK 62 (amendment), Insurance Contract: Applying PSAK 71: Financial Instruments with PSAK 62: Insurance Contracts
- PSAK 71, Financial Instruments
- PSAK 71 (amendment), Financial Instruments: Prepayment Features with Negative Compensation
- PSAK 72, Revenue from Contracts with Customers
- PSAK 73, Leases

Standard effective for periods beginning on or after January 1, 2021, with early application permitted as follow:

- PSAK 112, Wakaf Accounting

Until the date of the consolidated financial statements being authorized, the Group is still evaluating the potential impact of the adoption of new standards and amendments these standards.

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN (Lanjutan)**
Untuk Tahun-tahun yang Berakhir
Pada Tanggal 31 Desember 2018 dan 2017
(Dalam Jutaan Rupiah, kecuali Data Saham)

**PT PERUSAHAAN PENGELOLA ASET (PERSERO)
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS (Continued)**
For The Years Ended
December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)

46. Rekonsiliasi Liabilitas yang Timbul dari Aktivitas Pendanaan

Tabel di bawah ini menjelaskan perubahan dalam liabilitas Grup yang timbul dari aktivitas pendanaan, termasuk perubahan yang timbul dari aktivitas pendanaan adalah liabilitas yang arus kas, atau arus kas masa depannya, diklasifikasikan dalam laporan arus kas konsolidasian Grup sebagai arus kas dari aktivitas pendanaan.

46. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flow were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

1 Januari 2018 / January 1, 2018	Arus Kas untuk Aktifitas Pendanaan/ Financing Cash Flows	Perubahan Transaksi NonKas/ Non-Cash Changes			31 Desember 2018 / December 31, 2018
		Selisih Kurs/ Foreign Exchange	Nilai Wajar/ Fair Value		
Pinjaman Bank dan Lembaga Keuangan	1,869,813	890,862	--	--	2,760,675
					Bank and Financial Institution Loan

47. Tanggung Jawab Manajemen atas Laporan Keuangan Konsolidasian

Manajemen Perusahaan bertanggung jawab terhadap penyusunan dan penyajian laporan keuangan konsolidasian. Laporan keuangan konsolidasian telah diotorisasi untuk terbit oleh Direksi pada tanggal 13 Maret 2019.

47. Management Responsibility on the Consolidated Financial Statements

The Company's management is responsible for the preparation and presentation of the consolidated financial statement. The consolidated financial statement were authorized for issue by the Directors on March 13, 2019.

48. Informasi Keuangan Tambahan

Informasi keuangan Perusahaan (entitas induk) terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2018, serta laporan laba-rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut (secara kolektif disebut sebagai "Informasi Keuangan Entitas Induk"), yang disajikan sebagai informasi tambahan terhadap laporan keuangan konsolidasian terlampir, disajikan untuk tujuan analisis tambahan dan bukan merupakan bagian dari laporan keuangan konsolidasian terlampir yang diharuskan menurut Standar Akuntansi Keuangan di Indonesia. Informasi Keuangan Entitas Induk merupakan tanggung jawab manajemen serta dihasilkan dari dan berkaitan secara langsung dengan catatan akuntansi dan catatan lainnya yang mendasarinya yang digunakan untuk menyusun laporan keuangan konsolidasian terlampir.

48. Supplementary Financial Information

The accompanying financial information of the Company (parent entity), which comprises the statement of financial position as of December 31, 2018 and the statement of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended (collectively referred to as the "Parent Entity Financial Information"), which is presented as a supplementary information to the accompanying consolidated financial statements, is presented for the purposes of additional analysis and is not a required part of the accompanying consolidated financial statements under Indonesian Financial Accounting Standards. The Parent Entity Financial Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the accompanying consolidated financial statements.

LAMPIRAN I

APPENDIX I

PT PERUSAHAAN PENGELOLA ASET (PERSERO)
LAPORAN POSISI KEUANGAN
INDUK PERUSAHAAN

Tanggal 31 Desember 2018 dan 2017
(Dalam Jutaan Rupiah, kecuali Data Saham)

PT PERUSAHAAN PENGELOLA ASET (PERSERO)
STATEMENTS OF FINANCIAL POSITION
PARENT COMPANY

As of December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)

	2018 Rp	2017 Rp
ASET		
ASET LANCAR		
Kas dan Setara Kas	773,774	763,292
Pinjaman Investasi Jangka Pendek		
Pihak Berelasi	144,033	193,415
Pihak Ketiga	423,196	275,168
Aset Keuangan Diperdagangkan		
Pihak Berelasi	70,260	80,921
Pihak Ketiga	10,961	2,314
Piutang Usaha		
Pihak Berelasi	17,274	27,174
Pihak Ketiga	21,951	24,288
Piutang Anak Perusahaan	284	3,121
Pinjaman yang Diberikan - Dana Talangan		
Pihak Berelasi	581,154	207,115
Persediaan	--	24,759
Uang Muka dan Biaya Dibayar Di Muka	4,343	26,451
Pajak Dibayar Di Muka	75,377	64,403
Aset Lancar Lainnya	292,694	22,194
Jumlah Aset Lancar	2,415,301	1,714,615
ASET TIDAK LANCAR		
Aset Keuangan Tersedia untuk Dijual	95,989	114,858
Pinjaman yang Diberikan - Restrukturisasi dan/atau		
Pihak Berelasi	1,388,273	1,356,385
Pinjaman Investasi Jangka Panjang		
Pihak Berelasi	317,319	134,375
Properti Investasi	354,966	247,080
Aset Pajak Tangguhan	15,015	14,891
Investasi pada Ventura Bersama	118,356	137,188
Investasi Jangka Panjang - Entitas Anak	798,995	798,995
Piutang Lain-lain	13,905	13,905
Aset Tetap	4,179	4,702
Aset Tidak Lancar Lainnya	308,485	324,766
Jumlah Aset Tidak Lancar	3,415,482	3,147,145
JUMLAH ASET	5,830,783	4,861,760
LIABILITAS DAN EKUITAS		
LIABILITAS JANGKA PENDEK		
Utang Usaha		
Pihak Ketiga	3,194	3,229
Pinjaman Bank dan Lembaga Keuangan		
Pihak Berelasi	547,131	189,145
Pihak Ketiga	919,242	402,970
Utang Pajak	5,135	4,749
Beban Akrua dan Utang Lain-lain	254,404	244,205
Hasil Pengelolaan Aset yang Masih		
Harus Disetor	--	12,722
Jumlah Liabilitas Jangka Pendek	1,729,106	857,020
LIABILITAS JANGKA PANJANG		
Liabilitas Imbalan Kerja Karyawan	2,494	2,729
Jumlah Liabilitas Jangka Panjang	2,494	2,729
JUMLAH LIABILITAS	1,731,600	859,749
EKUITAS		
Modal Saham-Nilai Nominal Rp 1.000.000		
per saham - Modal Dasar 5.000.000 saham		
Modal Ditempatkan dan Disetor Penuh		
per 31 Desember 2018 dan 2017, masing-masing		
2.996.688 saham	2,996,688	2,996,688
Saldo Laba:		
Telah Ditentukan Penggunaannya	171,528	141,353
Belum Ditentukan Penggunaannya	905,339	819,691
Labas (Rugi) Belum Direalisasi dari Efek Tersedia untuk		
Dijual - Bersih	25,628	44,279
JUMLAH EKUITAS	4,099,183	4,002,011
JUMLAH LIABILITAS DAN EKUITAS	5,830,783	4,861,760

ASSETS
CURRENT ASSETS
Cash and Cash Equivalents
Short-term Investment Loans
Related Parties
Third Parties
Held for Trading Financial Assets
Related Parties
Third Parties
Accounts Receivable
Related Parties
Third Parties
Subsidiaries Receivable
Loans Receivable-Bailout
Related Parties
Inventories
Advances and Prepaid Expenses
Prepaid Taxes
Other Current Assets
Total Current Assets
NON-CURRENT ASSETS
Available for Sale Financial Assets
Loans Receivable - Restructuring and/or Revitalization
Related Parties
Long-term Investment Loans
Related Parties
Investment Property
Deferred Tax Assets
Investment in Joint Ventures
Long Term Investments-Subsidiary
Receivables to Subsidiary
Fixed Assets
Other Non-Current Assets
Total Non-Current Assets
TOTAL ASSETS
LIABILITIES AND EQUITY
CURRENT LIABILITIES
Accounts Payable
Third Parties
Bank and Financial Institution Loans
Related Parties
Third Parties
Taxes Payable
Accrued Expenses and Other Payables
Proceeds from Assets Management for
Remittance
Total Current Liabilities
NON-CURRENT LIABILITIES
Employee Benefit Liabilities
Total Non-Current Liabilities
TOTAL LIABILITIES
EQUITY
Share Capital - Rp 1,000,000 par value
per share - Authorized Capital 5,000,000 shares
Issued and Fully Paid
As of December 31, 2018 and 2017
2,996,688 shares, respectively
Retained Earnings:
Appropriated
Unappropriated
Unrealized Gain (Loss) on Available
for Sale Securities - Net
Total Equity Attributable to Owner of
the Parent
TOTAL LIABILITIES AND EQUITY

LAMPIRAN II

APPENDIX II

PT PERUSAHAAN PENGELOLA ASET (PERSERO)
LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN
INDUK PERUSAHAAN

Untuk Tahun-tahun yang Berakhir pada
Tanggal 31 Desember 2018 dan 2017
(Dalam Jutaan Rupiah, kecuali Data Saham)

PT PERUSAHAAN PENGELOLA ASET (PERSERO)
STATEMENTS OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
PARENT COMPANY

For the Years Ended
December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)

	2018 Rp	2017 Rp	
PENDAPATAN USAHA	482,338	392,586	REVENUES
BEBAN USAHA	(353,100)	(258,614)	OPERATING EXPENSE
LABA USAHA	129,238	133,972	OPERATING INCOME
Pendapatan Bunga	15,512	10,785	Interest Income
Beban Bunga dan Keuangan	(3,166)	(2,147)	Interest Expense and Financial Charge
Bagian Laba Ventura Bersama	(832)	(1,633)	Share of the Profit of Joint Ventures
Pendapatan (Beban) Lain-lain	(5,571)	(5,081)	Other Income (Expenses)
LABA SEBELUM PAJAK	135,181	135,896	INCOME BEFORE TAX
PAJAK PENGHASILAN			INCOME TAXES
Manfaat (Beban) Pajak Kini	--	--	Current Tax Benefit (Expenses)
Manfaat (Beban) Pajak Tangguhan	124	(846)	Deferred Tax Benefit (Expenses)
Jumlah Beban Pajak Penghasilan	124	(846)	Total Income Tax Expense
LABA TAHUN BERJALAN	135,305	135,050	INCOME FOR THE YEAR
PENDAPATAN KOMPREHENSIF LAIN			OTHER COMPREHENSIVE INCOME
Pos yang akan direklasifikasi ke laba rugi			Item that will be reclassified to profit or loss
Keuntungan Aktuarial atas Liabilitas Imbalan Pasti	518	--	Actuarial Gain from Defined Benefit Liabilities
Aset Keuangan Tersedia untuk Dijual	(18,651)	(9,164)	Available for Sale Financial Assets
Total Penghasilan Komprehensif Lain	(18,133)	(9,164)	Total Other Comprehensive Income
JUMLAH LABA KOMPREHENSIF TAHUN BERJALAN	117,172	125,886	TOTAL COMPREHENSIVE INCOME FOR THE YEAR

LAMPIRAN III

APPENDIX III

PT PERUSAHAAN PENGELOLA ASET (PERSERO)
LAPORAN PERUBAHAN EKUITAS
INDUK PERUSAHAAN

Untuk Tahun-tahun yang Berakhir pada
Tanggal 31 Desember 2018 dan 2017
(Dalam Jutaan Rupiah, kecuali Data Saham)

PT PERUSAHAAN PENGELOLA ASET (PERSERO)
STATEMENTS OF CHANGES IN EQUITY
PARENT COMPANY

For the Years Ended
December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)

	Jumlah Ekuitas/Total Equity				
	Modal Saham/ Capital Stock	Aset Keuangan Tersedia untuk Dijual/ Available for Sale Financial Assets	Saldo Laba/Retained Earnings *) Telah Ditentukan Penggunaannya/ Appropriated	Belum Ditentukan Penggunaannya/ Unappropriated	Jumlah/ Total
Saldo Per 31 Desember 2016	Rp 2.996,688	Rp 53,443	Rp 141,353	Rp 703,731	Rp 3,895,215
Penggunaan Saldo Laba 2016	--	--	--	(19,090)	(19,090)
Dividen Tunai	--	--	--	135,050	135,050
Laba Tahun Berjalan	--	(9,164)	--	--	(9,164)
Penghasilan Komprehensif Lain Tahun Berjalan	2.996,688	44,279	141,353	819,691	4,002,011
Saldo Per 31 Desember 2017					
Penggunaan Saldo Laba 2017	--	--	--	(20,000)	(20,000)
Dividen	--	--	30,175	(30,175)	--
Cadangan Umum	--	--	--	135,305	135,305
Laba Tahun Berjalan	--	(18,651)	--	--	(18,651)
Penghasilan Komprehensif Lain Tahun Berjalan	2.996,688	25,628	171,528	904,821	4,098,665
Saldo Per 31 Desember 2018					

*) Saldo laba termasuk keuntungan (kerugian) aktuarial dari program imbalan pensiun/ Retained earnings includes actuarial gain (loss) arising from defined benefit plan

Balance as of December 31, 2016

Distribution of 2016 Retained Earnings
Cash Dividends
Income for the Year
Other Comprehensive Income for the Year
Balance as of December 31, 2017

Distribution of 2017 Retained Earnings
Dividend
General Reserve
Income for the Year
Other Comprehensive Income for the Year
Balance as of December 31, 2018

LAMPIRAN IV

APPENDIX IV

PT PERUSAHAAN PENGELOLA ASET (PERSERO)
LAPORAN ARUS KAS
INDUK PERUSAHAAN

Untuk Tahun-tahun yang Berakhir pada
Tanggal 31 Desember 2018 dan 2017
(Dalam Jutaan Rupiah, kecuali Data Saham)

PT PERUSAHAAN PENGELOLA ASET (PERSERO)
STATEMENTS OF CASH FLOWS
PARENT COMPANY

For the Years Ended
December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)

	2018 Rp	2017 Rp
ARUS KAS DARI AKTIVITAS OPERASI		
Penerimaan Kas dari Pelanggan	101,571	9,412
Penerimaan IPA Eks BPPN	--	13,444
Penerimaan Restitusi Pajak	18,656	--
Penerimaan Bunga atas Pinjaman yang Diberikan	70,923	47,924
Penerimaan Penggantian Biaya	1,558	243
Pembayaran Beban Usaha	(196,177)	(266,368)
Pembayaran Beban Bunga	(74,735)	(28,549)
Pembayaran Pajak	(47,759)	(24,683)
Penerimaan Hasil Investasi	165,248	124,900
Pencairan Surat Berharga Diperdagangkan	638	4,341
Pengelolaan Pinjaman Karyawan	--	(1,204)
Penerimaan Lainnya	30,751	38,716
Kas Bersih Diperoleh dari (Digunakan untuk)		
Aktivitas Operasi	70,674	(81,824)
ARUS KAS DARI AKTIVITAS INVESTASI		
Penempatan Deposito yang Dijaminkan	--	(316,000)
Investasi pada Ventura Bersama	18,000	--
Penambahan Setoran Modal pada Entitas Anak	--	(58,205)
Pencairan Surat Berharga Tersedia untuk Dijual	17,779	3,970
Hasil Penjualan Properti Investasi	--	(3,015)
Pengeluaran Pinjaman yang Diberikan - Bersih	(963,671)	(411,397)
Kas Bersih Digunakan untuk Aktivitas Investasi	(927,892)	(784,647)
ARUS KAS DARI AKTIVITAS PENDANAAN		
Penerimaan Pinjaman Bank dan Non Bank	2,757,183	1,235,382
Pembayaran Pinjaman Bank dan Non Bank	(1,890,408)	(800,944)
Pembayaran Dividen	(20,000)	(19,088)
Penerimaan Dividen	20,925	--
Kas Bersih Diperoleh dari Aktivitas Pendanaan	867,700	415,350
KENAIKAN (PENURUNAN) BERSIH KAS DAN SETARA KAS	10,482	(451,121)
KAS DAN SETARA KAS AWAL TAHUN	763,292	1,214,413
KAS DAN SETARA KAS AKHIR TAHUN	773,774	763,292

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Receipts from Customers
Proceeds from SOEs' Asset Management
Cash Receipts from Tax Refund
Proceeds from Loan Receivables Interest
Reimbursable Cost of Assets
Payment of Operating Expenses
Payment of Interest Expenses
Tax Paid
Proceeds of Investment
Receipt from Trading Securities
Jointly Controlled Loan of Employee
Other Income
Net Cash Provided by (Used in)
Operating Activities

CASH FLOWS FROM INVESTING ACTIVITIES

Placement Deposit Guaranteed
Proceeds from Disposal of Fixed Assets
Additional Paid Up Capital for Subsidiaries
Disbursement Securities Available for Sale
Proceeds from Sales of Property Investment
Disbursement of Loans
Net Cash Used in Investing Activities

CASH FLOWS FROM FINANCING ACTIVITIES

Receipts from Loan
Payment for Loan
Dividend Payment
Dividend Receipt
Net Cash Provided by Financing Activities

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR
CASH AND CASH EQUIVALENTS AT END OF YEAR

LAMPIRAN V

APPENDIX V

PT PERUSAHAAN PENGELOLA ASET (PERSERO)
INFORMATION TAMBAHAN
INDUK PERUSAHAAN

Untuk Tahun-tahun yang Berakhir pada
Tanggal 31 Desember 2018 dan 2017
(Dalam Jutaan Rupiah, kecuali Data Saham)

PT PERUSAHAAN PENGELOLA ASET (PERSERO)
ADDITIONAL INFORMATION
PARENT COMPANY

For the Years Ended
December 31, 2018 and 2017
(In Million of Rupiah, unless Share Data)

1 Laporan Keuangan Tersendiri

Laporan posisi keuangan, laporan laba rugi komprehensif, laporan perubahan ekuitas dan laporan arus kas terlampir adalah laporan keuangan tersendiri yang merupakan informasi tambahan atas laporan keuangan konsolidasian.

1 Separate Financial Statements

The statements of financial position, statements of comprehensive income, statement of changes in equity and the related statements of cash flows are separate financial statements which are additional information on the consolidated financial statements.

2 Investasi Pada Entitas Anak

Investasi pada entitas anak sebagaimana disebutkan dalam laporan keuangan tersendiri dicatat menggunakan metode biaya perolehan.

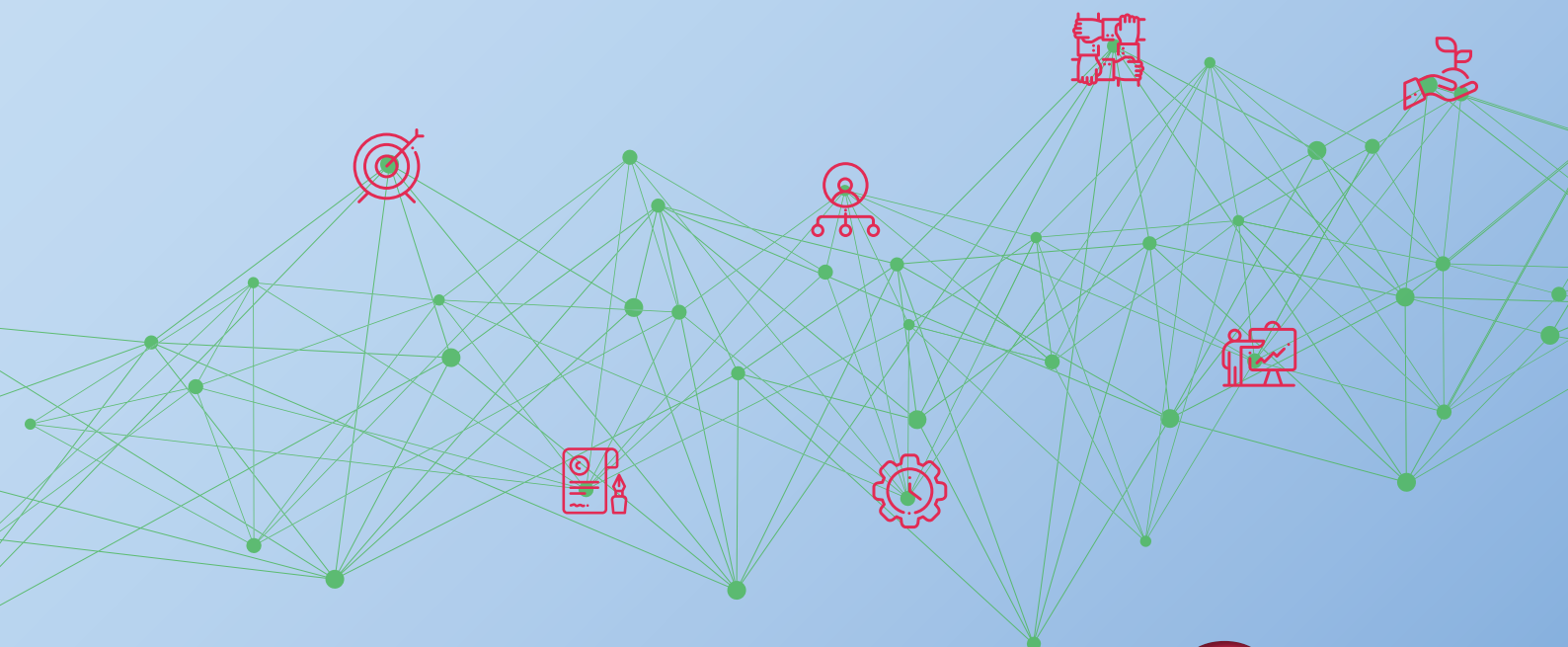
2 Investment in Subsidiaries

Investments in subsidiaries as stated in separate financial statements are recorded using the cost method.

2018						
Perubahan Selama Tahun Berjalan/ Changes in Current Year						
Entitas Anak	Kepemilikan/ Ownership %	Saldo Awal	Penambahan	Pengurangan	Saldo Akhir	Subsidiaries
		Biaya Perolehan/ Beginning Balance of Acquisition Cost	Penyertaan/ Addition in Participation	Penyertaan/ Reduction in Participation	Biaya Perolehan Ending Balance of Acquisition Cost	
Entitas Anak						Subsidiaries
PT PPA Finance	99.999	149,999	--	--	149,999	PT PPA Finance
PT PPA Kapital	99.996	99,999	--	--	99,999	PT PPA Kapital
PT Nindya Karya (Persero)	99.000	499,997	--	--	499,997	PT Nindya Karya (Persero)
PT Nindya Beton	100	49,000	--	--	49,000	PT Nindya Beton
Jumlah		798,995			798,995	Total

REPOSITIONING FOR THE FUTURE GROWTH

Annual Report 2018



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2018