

OFFERING MEMORANDUM
CONFIDENTIAL



PT KENCANA ENERGI LESTARI TBK
(incorporated with limited liability under the laws of the Republic of Indonesia)

733,262,500 New Ordinary Shares
Offer Price: Rp396 per Share

PT Kencana Energi Lestari Tbk, a company incorporated under the laws of the Republic of Indonesia (the “**Company**”), is offering 733,262,500 new ordinary shares with a nominal value of Rp100 per share (the “**Shares**”). The Shares are being offered and sold (i) in the Republic of Indonesia in connection with an initial public offering of the Shares (the “**Indonesian Public Offering**”) and (ii) in offshore transactions to selected eligible institutional investors outside of the Republic of Indonesia and the United States (the “**International Offering**”) in reliance on Regulation S (“**Regulation S**”) under the United States Securities Act of 1933, as amended (the “**US Securities Act**”). The Indonesian Public Offering and the International Offering are collectively referred to in this offering memorandum as the “**Offering**”.

This offering memorandum is being made available to potential investors solely with respect to the International Offering and consists of (i) this international offering memorandum, (ii) the Indonesian Prospectus dated August 23, 2019 that was prepared for the Indonesian Offering (the “**Indonesian Prospectus**”) and (iii) the English translation of the Indonesian Prospectus (the “**English Prospectus**”), each of which should be read together prior to making an investment decision to acquire the Shares. As used in this offering memorandum, the term “**Offering Memorandum**” refers collectively to this offering memorandum, the Indonesian Prospectus and the English Prospectus. In the event of any inconsistency between the Indonesian Prospectus and the English Prospectus, the Indonesian Prospectus shall prevail. The Joint Lead Underwriters are not responsible for the accuracy of the translation of the Indonesian Prospectus to the English Prospectus.

The closing of the International Offering is conditional upon the effectiveness of the Indonesian Public Offering and certain other conditions. See “**Plan of Distribution**” on page W-25 of this Offering Memorandum.

This Offering Memorandum may only be distributed outside Indonesia to persons who are neither citizens of Indonesia (wherever located) nor residents of Indonesia.

Prior to the Offering, there has been no public market for the Shares within or outside of the Republic of Indonesia. Application has been made for the listing and quotation of the Shares on the Main Board of the Indonesia Stock Exchange (“**IDX**”).

The final price for the Shares will be determined following a book-building process. The offer price of the Shares may not reflect the market price of our shares after the closing of the Offering. Delivery of the Shares is expected to be made on or about August 30, 2019, and the listing of the Shares is expected to occur on or about September 2, 2019.

Investing in the Shares involves risks. For a discussion of certain risks investors should consider in connection with an investment in the Shares, see “Additional Risk Factors” on page W-4 of this Offering Memorandum, “Risk Factors” in the attached English Prospectus and Chapter VI of the Indonesian Prospectus.

The Shares have not been and will not be registered under the US Securities Act or securities laws of any state of the United States or other jurisdiction. The Shares may not be offered or sold within the United States, except in transactions exempt from, or not subject to, the registration requirements under the US Securities Act and the securities laws of any state of the United States. The Shares are being offered and sold solely outside the United States in offshore transactions in reliance on Regulation S under the US Securities Act. For further details about the eligible offerees and resale restrictions, please refer to “Notice to Investors” on page W-1 of this Offering Memorandum, “Selling Restrictions” on page W-28 of this Offering Memorandum and “Transfer Restrictions” on page W-30 of this Offering Memorandum.

This document does not constitute an offer, solicitation or invitation to subscribe for and/or purchase the Shares in any jurisdiction in which such offer, solicitation or invitation is unlawful or is not authorized or to any person to whom it is unlawful to make such offer, solicitation or invitation. No action has been or will be taken under the requirements of the legislation or regulations of, or of the legal or regulatory authorities of Hong Kong, Singapore or any other jurisdiction, except for the registration of the Indonesian Prospectus in Indonesia in order to permit a public offering of the Shares and the public distribution of the Indonesian Prospectus in Indonesia. The distribution of this Offering Memorandum and the Offering of the Shares in jurisdictions other than Indonesia may be prohibited or restricted by the relevant laws in such jurisdictions. Persons who may come into possession of this Offering Memorandum are required by the Company and the Joint Lead Underwriters to inform themselves about, and observe and comply with, any such prohibitions or restrictions at their own expense and without liability to the Company and the Joint Lead Underwriters. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

Joint Lead Underwriters



PT Bahana Sekuritas



PT Mirae Asset Sekuritas Indonesia



PT RHB Sekuritas Indonesia

The date of this Offering Memorandum is August 23, 2019

TABLE OF CONTENTS

NOTICE TO INVESTORS	1
ADDITIONAL RISK FACTORS.....	4
EXCHANGE CONTROLS AND EXCHANGE RATES	10
INDONESIAN CAPITAL MARKETS	12
PLAN OF DISTRIBUTION	25
SELLING RESTRICTIONS.....	28
TRANSFER RESTRICTIONS.....	30

NOTICE TO INVESTORS

Investors should rely only on the information contained in this Offering Memorandum. The Company has not authorized anyone to provide investors with information that differs from that contained in this Offering Memorandum. No representation or warranty, express or implied, is made by the Joint Lead Underwriters as to the accuracy or completeness of the information contained in this Offering Memorandum. Neither the delivery of this Offering Memorandum nor the offer of the Shares shall, under any circumstances, constitute a representation or create any implication that there has been no change in the Company's affairs since the date of this Offering Memorandum or that any information contained herein is correct as of any date subsequent to the date hereof.

The attached English Prospectus is an unofficial English translation of the prospectus that has been prepared by the Company. No representation or warranty, express or implied, is or will be made in relation to, and no responsibility or loss is or will be accepted by the Company, the Joint Lead Underwriters or any of their respective affiliates, representatives or advisors in relation to, the accuracy of the translation of the contents from the Indonesian Prospectus and any liability therefore is hereby expressly disclaimed. The Indonesian Financial Services Authority (*Otoritas Jasa Keuangan*) ("**OJK**") has not and will not declare its approval or disapproval of the Shares, nor has it or will it declare the accuracy or adequacy of this Offering Memorandum. Any statement to the contrary is a violation of Indonesian law. This Offering Memorandum will not be filed with OJK and has not been and will not be registered as a prospectus in Indonesia.

This Offering Memorandum is confidential and has been prepared by the Company solely for use in connection with the International Offering. This Offering Memorandum is personal to each offeree in the International Offering and does not constitute an offer to any person or to the public generally to purchase, or otherwise acquire, the Shares. Distribution of this Offering Memorandum to any person other than an intended offeree in the International Offering and those persons, if any, retained to advise such offeree in the International Offering with respect thereto is unauthorized and any disclosure of any of its contents, without the Company's prior written consent, is prohibited.

In making an investment decision, each investor must rely on its own examination of the Company and the terms of the Offering, including the merits and risks involved. By receiving this Offering Memorandum, each investor acknowledges that (i) it has been afforded an opportunity to request from the Company and to review, and has received, all information that it considers necessary to verify the accuracy of, or to supplement, the information contained in this Offering Memorandum, (ii) it has not relied on any of the Joint Lead Underwriters or any person affiliated with the Joint Lead Underwriters in connection with its investigation of the accuracy of any information in this Offering Memorandum or its investment decision and (iii) no person has been authorized to give any information or to make any representation concerning the Company or the Shares other than as contained in this Offering Memorandum and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Company or the Joint Lead Underwriters.

This Offering Memorandum does not constitute an offer to sell, or an invitation by or on behalf of the Company or the Joint Lead Underwriters or any affiliate or representative of the Company or the Joint Lead Underwriters to purchase, any of the Shares, and this Offering Memorandum may not be used for the purpose of an offer to, or a solicitation by, anyone, in each case in any jurisdiction or in any circumstances in which such offer or solicitation is not authorized or is unlawful, further details of which are set out under "**Plan of Distribution**" on page W-25 of this Offering Memorandum and "**Transfer Restrictions**" on page W-30 of this Offering Memorandum. Recipients of this Offering Memorandum are required to inform themselves about and observe any applicable restrictions.

Neither the Company nor the Joint Lead Underwriters, nor any affiliate or representative of such persons, makes any representation to any purchaser of Shares regarding the legality of any investment by such purchaser under applicable laws. In addition, you should not construe the contents of this Offering Memorandum as legal, tax, business or financial advice. Each investor should be aware that it may be required to bear the financial risks of an investment in the Shares for an indefinite period of time. Investors should consult with their own advisors as to the legal, tax, business, financial and related aspects of a purchase of Shares.

The Shares have not been and will not be registered under the US Securities Act or the securities laws of any state in United States or other jurisdiction and, unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and the securities laws of any state of the United States. The Shares are being offered and sold solely outside the United States in offshore transactions in reliance on Regulation S under

the US Securities Act. Any reproduction or distribution of this Offering Memorandum in the United States, in whole or in part, and any disclosure of its contents to any other person other than the intended recipient is prohibited.

Each purchaser of Shares must comply with all applicable laws and regulations in force in each jurisdiction in which it purchases, offers or sells the Shares or possesses or distributes this Offering Memorandum and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of such Shares under the laws and regulations in force in any jurisdictions to which it is subject or in which it makes such purchases, offers or sales and none of the Company or the Joint Lead Underwriters shall have any responsibility therefor. Each prospective purchaser in the International Offering, by accepting delivery of this Offering Memorandum, agrees to the foregoing, agrees to make no copies of, and otherwise not to circulate or distribute any information in, this Offering Memorandum and agrees, if the offeree in the International Offering does not purchase Shares or the Offering is terminated, to return this Offering Memorandum to the Joint Lead Underwriters.

AVAILABLE INFORMATION

The Company will be required to comply with the regulations, including information requirements, of IDX and the OJK.

PRESENTATION OF FINANCIAL AND CERTAIN OTHER INFORMATION

Our consolidated statements of financial position as of March 31, 2019, December 31, 2018, 2017, and 2016, and the consolidated statements of profit and lost and other comprehensive income for the three months ended March 31, 2019 and 2018, and the years ended December 31, 2018, 2017, and 2016 are presented in this Offering Memorandum. Our consolidated financial statements as of March 31, 2019, and December 31, 2018 and 2017, and for the three months ended March 31, 2019, and the years ended December 31, 2018 and 2017, have been audited by the public accounting firm Kosasih, Nurdyaman, Mulyadi, Tjahjo & Rekan (member of Crowe Global), an independent auditor, based on the auditing standards stipulated by the Indonesian Institute of Public Accountants (*Institut Akuntan Publik Indonesia*, “**IAPI**”). Our consolidated financial statements as of December 31, 2016 have been restated in connection with the implementation of ISAK (*Interpretasi Standar Akuntansi Keuangan*, Interpretation of Accounting Standards) No. 15 and PSAK (*Pernyataan Standar Akuntansi Keuangan*, Statement of Financial Accounting Standard) No. 38. The consolidated financial statements as of December 31, 2016, and the year then ended, have been audited by the public accounting firm Drs. Bambang Sudaryono & Rekan, an independent auditor, based on the auditing standards stipulated by the IAPI. The statements of profit or loss and other comprehensive income, statements of changes in equity, and statements of cash flows for the three-month period ended March 31, 2018, were not audited. By receiving this Offering Memorandum, you acknowledge that the consolidated financial statements included in this Offering Memorandum have been prepared in accordance with Indonesian FAS, which differ in certain respects from the International Financial Reporting Standards (“**IFRS**”) and are subject to Indonesian auditing standards.

Market data and certain industry forecasts used throughout this Offering Memorandum have been obtained from market research, publicly available information and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, industry forecasts and market research, while believed to be reliable, have not been independently verified, and none of the Company, the Government of Indonesia or the Joint Lead Underwriters makes any representation as to the accuracy of that information.

In this Offering Memorandum, unless otherwise specified or the context otherwise requires, all references to “Indonesia” are references to the Republic of Indonesia. All references to the “Government” herein are references to the Government of Indonesia. All references to “Rupiah” and “Rp” herein are to the lawful currency of Indonesia and all references to “U.S. dollars” or “US\$” herein are to the lawful currency of the United States.

In this Offering Memorandum, unless the context otherwise requires, “the Company” refers to PT Kencana Energi Lestari Tbk. Further, unless the Company specifies otherwise or the context otherwise requires, all references to the “ordinary shares” or the “Shares” refer to the Company’s ordinary shares, par value Rp100 each.

Certain numbers, including percentages, have been rounded for convenience. Any discrepancies in the tables included in this Offering Memorandum between the listed amounts and their totals are due to rounding.

FORWARD-LOOKING STATEMENTS

Certain statements in this Offering Memorandum constitute “forward-looking statements”, including statements regarding the Company’s expectations and projections for future operating performance and business prospects. The words “believe”, “expect”, “anticipate”, “estimate”, “project”, “will”, “aim”, “will likely result”, “will continue”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “should”, “will pursue” and similar expressions or variations of these expressions identify forward-looking statements. In addition, all statements other than statements of historical facts included in this Offering Memorandum, including, without limitation, those regarding the Company’s financial position and results, business strategy, plans and objectives of management for future operations are forward-looking statements.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which it will operate in the future.

The important factors that could cause some or all of those assumptions not to occur or cause the Company’s actual results, performance or achievements to differ materially from those in the forward-looking statements include, among other things, the risks related to the Company and its business as discussed in “**Risk Factors**” and “**Management Discussion and Analysis**” in the attached English Prospectus and Chapters VI and V in the Indonesian Prospectus. Additional factors that could cause the Company’s actual results, performance or achievements to differ materially include, but are not limited to, risks relating to conditions in Indonesia and the risks associated with investment in the Company’s Shares as discussed in more detail under “**Additional Risk Factors**” on page W-4 of this Offering Memorandum.

These forward-looking statements speak only as of the date hereof. The Company and the Joint Lead Underwriters expressly disclaim any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions, assumptions or circumstances on which any such statement is based.

ENFORCEABILITY OF CIVIL LIABILITIES

The Company is a limited liability company incorporated under the laws of Indonesia. Most of the Company’s commissioners, and all of its directors and executive officers reside in Indonesia. Most of the Company’s assets and most of the assets of the Indonesian-citizen/resident directors and executive officers of the Company are located in Indonesia. As a result, it may be difficult for purchasers to effect service of process upon such persons, or to enforce against the Company or any of them any court judgments obtained in courts outside of Indonesia.

Judgments of courts outside Indonesia are not recognized or directly enforceable in Indonesia, although such judgments could be admissible as evidence in a proceeding on the underlying claim in an Indonesian court with respect to the matter of law of the jurisdiction of such non-Indonesian court and may be given such evidentiary weight as the Indonesian court deems appropriate in its sole discretion. Accordingly, to obtain an order of an Indonesian court in respect of a claim, a successful party in a foreign proceeding must commence a new action in an Indonesian court on the basis of Indonesian law and re-argue the matter on its merits. Re-examination of the underlying claim *de novo* would be required before an Indonesian court.

ADDITIONAL RISK FACTORS

Prospective investors should carefully consider the additional risk factors set out below and information included elsewhere in this Offering Memorandum, including the risk factors under “**Risk Factors**” in the English Prospectus and Chapter VI of the Indonesian Prospectus, before making a decision to invest in the Shares. Certain risks not presently known to the Company may also affect the Company’s business operations. In the risk factors set out below, information relating to the Government of Indonesia and Indonesian macroeconomic data has been extracted from official government publications or other third party sources and has not been independently verified by the Company.

Limitations of this Offering Memorandum

The English Prospectus attached hereto has been prepared by the Company as a courtesy for prospective investors in the Institutional Offering. Neither the Joint Lead Underwriters nor any dealer makes any representation or warranty as to the accuracy or completeness of the English Prospectus. The English Prospectus is a translation of the Indonesian Prospectus prepared for the Indonesian Public Offering based on statutory requirements and disclosure practices in Indonesia. Each person receiving this Offering Memorandum acknowledges that disclosure requirements and practices in Indonesia, as in other emerging markets, differ significantly from disclosure requirements and practices in the United States, the European Union and other jurisdictions and accordingly acknowledges that this Offering Memorandum does not necessarily provide the level or type of disclosure that a prospective investor typically receives in connection with its investigation of the Company or when making an investment decision.

Risks Relating to Indonesia

The Company is subject to the political, economic, legal and regulatory environment in Indonesia and substantially all of its operations and assets are located in Indonesia. The Company’s results of operations and financial condition are affected by changes in Government policies, laws and regulations. Investing in Indonesia and companies located in Indonesia involves many risks, including the following:

Political, economic and social instability in Indonesia could adversely affect the economy, which in turn could affect the Company’s business, financial condition and results of operations.

Indonesia has historically experienced significant political changes and, from time to time, instability, as well as general social and civil unrest on several occasions in recent years.

Since 2000, thousands of Indonesians have participated in demonstrations in Jakarta and other Indonesian cities both for and against former Presidents Wahid, Megawati, and Yudhoyono, as well as in response to specific issues, including the depreciation of the Indonesian Rupiah against the US Dollar, fluctuations in Indonesia’s trade balance, privatization of state assets, anti-corruption measures, minimum wage and potential increases in electricity charges. Although these demonstrations were generally peaceful, some have turned violent.

Since 2004, Indonesians have directly elected the President, Vice-President and representatives in the Indonesian Parliament. Indonesians have also begun directly electing heads and representatives of local and regional governments. In April 2019, elections were held for the fourth time to elect the representatives in the Indonesian Parliament (including national, regional and local representatives). The 2019 elections resulted in the re-election of President Joko Widodo. Although the 2019 elections were conducted in a peaceful manner, they were fraught with significant political uncertainty and instability. Political and related social developments in Indonesia have been unpredictable in the past and there can be no assurance that social and civil disturbances will not occur in the future and on a wider scale, or that any such disturbances will not, directly or indirectly, materially and adversely affect the Company’s businesses, financial condition, results of operations and prospects.

A slowdown in global or Indonesian economic growth or economic contraction could adversely affect the Company and its business, financial condition and results of operations.

The Company’s performance is significantly dependent on the health of the overall global and Indonesian economy. The Company derives substantially all of its revenues from domestic operations, thereby exposing a significant portion of its revenues to domestic economic risk. In addition, adverse economic conditions in Indonesia could cause instability in Indonesia and adversely affect investment and confidence in, and the

performance of, the Indonesian economy, and in turn the market price of the Shares.

The economic crisis that affected South East Asia, including Indonesia, from mid-1997 was characterized in Indonesia by, among other effects, currency depreciation, negative economic growth, high interest rates, social unrest and extraordinary political developments. These conditions had a material adverse effect on Indonesian businesses. Indonesia entered a recessionary phase with relatively low levels of growth between 1999 to 2002, although the rate of growth has increased in recent years. Indonesia's GDP growth rate has since stabilized at higher levels in recent years.

Indonesian financial markets and the Indonesian economy are also influenced by economic and market conditions in other countries. The global financial crisis that began in 2008 had a significant impact on certain segments of the Indonesian economy as well as the stability of Indonesian financial markets, as evidenced by the decrease in Indonesia's real GDP growth to 5.6%, 5.0% and 4.9% in 2013, 2014 and 2015, respectively, before strengthening to 5.0%, 5.1% and 5.2% in 2016, 2017 and 2018, respectively, based on data from various IMF reports.

A loss of investor confidence in the financial systems of emerging or other markets may cause increased volatility in the international and Indonesian financial markets which may, in turn, adversely affect the Indonesian economy in general. Any worldwide financial instability could also have a negative impact on the Indonesian economy, which could in turn adversely affect the Company's business, financial condition, results of operations and prospects. Although the Government has taken a number of responses to these unprecedented conditions with the aim of maintaining economic stability and public confidence in the Indonesian economy, continuation of these unprecedented conditions may negatively impact economic growth, the Government's fiscal position, the exchange rate and other facets of the economy. There can be no assurance that the recent improvement in economic condition will continue or that adverse economic conditions in Indonesia and the rest of the Asia Pacific region will not occur in the future. Such developments could materially and adversely affect the Company and its business, financial condition, results of operations and prospects.

Indonesia, Indonesian banks or Indonesian companies could face downgrades of their credit ratings, which could adversely affect the Company's business, financial condition, results of operations and prospects.

In 1997, certain international credit rating agencies, including Moody's, S&P and Fitch, downgraded Indonesia's sovereign rating and the credit ratings of various credit instruments of the Government of Indonesia, a large number of Indonesian banks and other companies. Currently, Indonesia's sovereign foreign currency long-term debt is rated "Baa2" by Moody's, "BBB" by S&P and "BBB" by Fitch. There can be no assurance that Moody's, S&P's, Fitch or any other statistical rating organization will not downgrade the credit ratings of Indonesia, Indonesian banks (including the Company) or other Indonesian companies. Any such downgrade could have an adverse impact on liquidity in the Indonesian financial markets, the ability of the Government, Indonesian banks (including the Company) and Indonesian companies to raise additional financing and the interest rates and other commercial terms at which such additional financing is available and could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company's financial condition and results of operations could be adversely affected if it or its major commercial customers fail to maintain satisfactory labor relations.

Laws and regulations which facilitate the forming of labor unions, combined with weak economic conditions, have resulted and may continue to result in labor unrest and activism in Indonesia. In 2000, the Government issued a labor regulation allowing employees to form unions without employer intervention. On March 25, 2003, the Indonesian Government enacted Law No. 13/2003 (the "**Labor Law**"), which took effect on the date it was enacted with certain matters requiring further implementing regulations in order to be enforced. Certain articles of the Labor Law have been further declared as contrary to the Constitution of the Republic of Indonesia 1945 (*Undang-Undang Dasar Republik Indonesia 1945*) and do not have binding legal force. These include, among others, certain articles relating to employment termination due to serious mistake and employment termination due to efficiency resulting from the closing down of a company. The Labor Law requires bilateral forums consisting of both employers and employees, and the participation of more than half of a company's employees in negotiating collective labor agreements. The law also set up more permissive procedures for staging strikes. Although several labor unions challenged the Labor Law on constitutional grounds, subject to the foregoing the Indonesian Constitutional Court declared it valid and it will still be used as the basis to regulate employment relationships in Indonesia together with the relevant decisions of the Indonesian Constitutional Court with respect to the Labor Law. As a result, the Company may not be able to rely on certain provisions of the Labor Law.

Labor unrest and activism in Indonesia could disrupt the Company's operations and could affect the financial condition of Indonesian companies in general, depressing the prices of Indonesian securities on the IDX or other stock exchanges and the value of the Rupiah relative to other currencies. Such events and any significant labor dispute or labor action that the Company experiences could materially and adversely affect its business, financial condition, results of operations and prospects. In addition, general inflationary pressures or changes in applicable laws and regulations could increase labor cost, which could materially and adversely affect the Company's operating results or financial condition.

Regional autonomy may adversely affect the Company's business through imposition of local restrictions, taxes and levies.

Indonesia is a large and diverse nation covering a multitude of ethnicities, languages, traditions and customs. During the administration of the former President Suharto, the Government controlled and exercised decision-making authority on almost all aspects of national and regional administration, including the allocation of revenues generated from extraction of national resources in the various regions. This led to a demand for greater regional autonomy, in particular with respect to the management of local economic and financial resources. In response to such demand, the Indonesian Parliament in 1999 passed Law No. 22 of 1999 concerning Regional Autonomy which has since been amended and which amendments have since been revoked and replaced by Law No. 5 of 2014 and Law No. 23 of 2014 as amended by Law No. 2 of 2015 and Law No. 9 of 2015. These regional autonomy laws give the regions greater regional autonomy, powers and responsibilities over the use of "national assets" and to create a balanced and equitable financial relationship between the central and local governments. However, under the pretext of regional autonomy, certain regional governments have put in place various restrictions, taxes and levies, which may differ from restrictions, taxes and levies put in by other regional governments and/or are in addition to restrictions, taxes and levies stipulated by the central Indonesian government. Any additional restrictions, taxes or levies imposed by regional authorities may materially and adversely affect the Company's business, financial condition, results of operations and prospects.

Earthquakes and other natural disasters in Indonesia may have a negative impact on our business

The Indonesian archipelago is one of the most volcanically active regions in the world. As Indonesia is located in the convergence zone of three major tectonic plates, it is subject to significant seismic activity that can lead to destructive earthquakes and tsunamis. For example, in December 2004, an underwater earthquake off the coast of Sumatra caused a tsunami that devastated coastal communities in Indonesia, Thailand, India and Sri Lanka. In Indonesia, more than 220,000 people died or were recorded as missing in the disaster, which caused billions of dollars in damages. Heavy flooding also frequently causes significant property damage and claims human casualties. For example, heavy rains in December 2006 resulted in floods that killed more than 100 people and displaced over 400,000 people in northwestern Sumatra and in January 2009, rain caused a dam to burst outside Jakarta, killing at least 58 people.

An earthquake, tsunami or other natural disaster could severely damage the Company's facilities, interrupt the Company's business or the businesses of the Company's customers, kill or incapacitate its employees or make it impossible for them to come to work, and have an adverse impact on customer spending and general economic activity in a region or in Indonesia as a whole. The Company's insurance may not cover such losses. In addition, the Indonesian Government has had to expend significant resources on emergency aid and resettlement efforts. Most of these costs have been underwritten by foreign governments and international aid agencies. Such aid may not continue to be forthcoming, and may not be delivered to recipients on a timely basis. If the Indonesian Government is unable to deliver timely foreign aid to affected communities, political and social unrest could result. Any of these events could materially and adversely affect the Company's businesses, financial condition, results of operations and prospects.

Indonesian corporate and other disclosure and accounting standards and ongoing corporate disclosure requirements differ from those in other jurisdictions.

The Company's financial statements are prepared in accordance with Indonesian FAS, which differ in certain material respects from IFRS. As a result, the financial statements and reported earnings of the Company could be significantly different from those which would be reported under IFRS. This Offering Memorandum does not contain a reconciliation of the Company's financial statements to IFRS, and there can be no assurance that such reconciliation, if performed, would not reveal material differences.

Judgments of a foreign court will not be enforceable against us in Indonesia.

The claims and remedies available under Indonesian law may not be as extensive as those available in other jurisdictions. No assurance can be given that Indonesian courts will protect your interests in the same manner or to the same extent as would courts in countries with more developed legal systems than Indonesia. Further details are set out under “***Enforceability of Civil Liabilities***” on page W-3 of this Offering Memorandum.

Indonesia’s legal system is a civil law system, based on written statutes, in which judicial and administrative decisions do not constitute binding precedents and are not systematically published. The implementation of certain rules or provisions of Indonesian laws may be subject to certain subordinate implementing regulations issued by the relevant ministries or governmental agencies as well as the relevant local authorities. In certain cases, the relevant implementing regulations may not have taken place and the implementation of certain rules contained in the laws may therefore be subject to interpretation or unwritten policy of the relevant administration. The application of Indonesian law depends, in large part, upon subjective criteria such as the parties’ good faith and public policy. Indonesian judges operate in an inquisitorial legal system and have very broad fact-finding powers and a high level of discretion in relation to the manner in which those powers are exercised. The administration of laws and regulations by courts and government agencies may be subject to considerable discretion and uncertainty. In addition, because relatively few disputes relating to commercial matters and modern financial transactions and instruments are brought before Indonesia’s courts, such courts do not necessarily have the expertise and experience in dealing with such matters, leading in practice to uncertainty in the interpretation and application of Indonesian legal principles. There is no certainty as to how long it will take for proceedings in Indonesian courts to be concluded, and the outcome of proceedings in Indonesian courts may be more uncertain than that of similar proceedings in other jurisdictions. Accordingly, it may not be possible for you to obtain swift and equitable enforcement of your legal rights.

Risks Relating to the Shares

Indonesian law may not protect shareholders as extensively as that of other jurisdictions.

The corporate affairs of the Company are governed by its articles of association, by the laws governing corporations incorporated in Indonesia, Indonesian capital market law and regulations and the rules of IDX and OJK. The rights of the shareholders of the Company and the responsibilities of its Board of Commissioners and Board of Directors under Indonesian law may be different from those applicable to a company incorporated in another jurisdiction. Principal shareholders of Indonesian companies do not owe fiduciary duties to minority shareholders, as compared, for example, to controlling shareholders in the United States. The public shareholders of the Company may have more difficulty in protecting their interests in connection with actions taken by members of the Company’s Board of Directors or Board of Commissioners or by the principal shareholders of the Company than they would as shareholders of a company incorporated in another jurisdiction.

Indonesian law may operate differently from the laws of other jurisdictions with regard to the convening of, and the right of shareholders to attend and vote at, general meetings of the Company’s shareholders.

The Company is subject to Indonesian law and the continuing listing requirements of IDX. In particular, the convening and conduct of general meetings of the Company’s shareholders will continue to be governed by Indonesian law. The procedure and notice periods in relation to the convening of general meetings of the Company’s shareholders, as well as the ability of shareholders to attend and vote at such general meetings, may be different from those of jurisdictions outside Indonesia. For instance, the Company’s shareholders who would be entitled to attend and vote at general meetings of the Company’s shareholders are, by operation of Indonesian law, those shareholders appearing in the Company’s register of shareholders on the market day immediately preceding the day (the “**Record Date**”) on which the notice of general meeting is issued, regardless of whether such shareholders may have disposed of their shares following the Record Date. In addition, investors who may have acquired their shares after the Record Date (and before the day of the general meeting) would not be entitled to attend and vote at the general meeting. Accordingly, potential investors should note that they may be subject to procedures and rights with regards to general meetings of the Company’s shareholders that are different from those to which they may be accustomed in other jurisdictions.

The Company operates in a legal system in which the application of various laws and regulations may be uncertain, and through the purchase of the Shares, holders of the Shares may be exposed to such legal system and may find it difficult or impossible to pursue claims relating to the Shares.

As Indonesia is a developing market, its legal and regulatory regime may be less certain than in more developed markets and may be subject to unforeseen changes. At times, the interpretation or application of laws and regulations may be unclear and the content of applicable laws and regulations may not be immediately available to the public. Under such circumstances, consultation with the relevant authority in Indonesia may be necessary to obtain a better understanding or clarification of applicable laws and regulations. Indonesia's legal system is a civil law system based on written statutes; judicial and administrative decisions do not constitute binding precedent and are not systematically published. Indonesia's commercial and civil laws as well as rules on judicial process were historically based on Dutch law as in effect prior to Indonesia's independence in 1945, and some of these laws have not been revised to reflect the complexities of modern financial transactions and instruments. Indonesian courts are often unfamiliar with sophisticated commercial or financial transactions, leading in practice to uncertainty in the interpretation and application of Indonesian legal principles. The application of many Indonesian laws depends, in a large part, upon subjective criteria such as the good faith of the parties to the transaction and principles of public policy, the practical effect of which, absent a binding precedent system, is difficult or impossible to predict.

Indonesian judges operate in an inquisitorial legal system and have very broad fact-finding powers and a high level of discretion in relation to the manner in which those powers are exercised. As a result, the administration and enforcement of laws and regulations by Indonesian courts and Indonesian governmental agencies may be subject to considerable discretion, uncertainty and inconsistency. Furthermore, corruption in the court system in Indonesia has been widely reported in publicly available sources. Indonesian legal principles relating to the rights of shareholders, or their practical implementation by Indonesian courts, differ from those that would apply within the United States or the European Union. Absent a binding precedent system, the rights of shareholders under Indonesian law might not be as clearly evident as in most United States and European Union jurisdictions. In addition, under Indonesian law, companies may have rights and defenses to actions filed by shareholders that these companies would not have in jurisdictions such as the United States and European Union member states.

Overseas shareholders may not be able to participate in future rights offerings or certain other equity issues the Company may make.

If the Company offers or causes to be offered to the Company's shareholders rights to subscribe for additional Shares or any right of any other nature, it will have discretion as to the procedure to be followed in making such rights available to the Company's shareholders or in disposing of such rights for the benefit of the Company's shareholders and making the net proceeds available to such shareholders, subject to relevant Indonesian laws and regulations.

To the extent permitted by Indonesian law, the Company may choose not to offer such rights or other equity issues to those of the Company's shareholders having an address in a jurisdiction where such an offering would require registration or would otherwise be restricted, or it may choose not to permit such shareholders to exercise their rights in this respect.

The regulations governing Indonesian securities markets differ from those in other markets, which may cause the market price of the Shares to be more volatile.

Indonesian securities markets are less liquid and relatively more volatile compared to securities markets in certain other countries. IDX, on which the Shares will be listed, has in the past experienced substantial fluctuations in the prices of listed securities. IDX has experienced some problems which, were they to continue or recur, could affect the market price and liquidity of the securities of Indonesian companies, including the Shares. These problems have included closures of exchanges, broker defaults and strikes, settlement delays, and the bombing of the IDX building. In addition, the governing bodies of Indonesian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. The levels of regulation and monitoring of the Indonesian securities markets and the activities of investors, brokers and other market participants are not the same as in certain other countries. In addition, the ability to sell and settle trades on IDX may be subject to delays. In light of the foregoing, there can be no assurance that a holder of the Shares will be able to dispose of its Shares at the prices or times that would be available to such holder in a more liquid or less volatile market.

There may also be less information publicly available about Indonesian companies than is regularly made available by public companies listed on other developed markets. Any of these factors could adversely affect the trading price of the Company's Shares.

Global stock, currency and financial markets have recently experienced substantial volatility following the referendum in the United Kingdom on the United Kingdom's membership in the European Union.

Global stock, currency and financial markets have experienced substantial volatility following the referendum in the United Kingdom on June 23, 2016, in which a majority of voters voted that the United Kingdom should leave the European Union. The United Kingdom is currently scheduled to leave the European Union on October 31, 2019, but there remains substantial uncertainty as to whether and how the United Kingdom's departure from the European Union will be accomplished and its effect on the global economy. There can be no assurance that such volatility will not continue or that it will not adversely affect the Company's business, the ability of the Company to raise capital in the future or the trading price of the Shares.

EXCHANGE CONTROLS AND EXCHANGE RATES

EXCHANGE CONTROLS

Indonesia's central bank, Bank Indonesia, is the monetary authority charged with responsibility for maintaining the stability of the Rupiah and overseeing the foreign exchange system and exchange rate systems.

Currently, Indonesia has limited foreign exchange control restrictions. Foreign currency is generally freely transferable to, from and within Indonesia. However, in order to maintain the stability of the Rupiah and to prevent the utilization of the Rupiah for speculative purposes by non-Indonesian residents, Bank Indonesia has introduced regulations to prohibit the movement of Rupiah from (i) banks within Indonesia to banks domiciled outside Indonesia or to offshore branches of Indonesian banks, or (ii) any investment in Rupiah denomination with foreign parties or Indonesian parties domiciled or permanently residing outside Indonesia, thereby limiting offshore trading to existing sources of liquidity. In addition, Bank Indonesia has the authority to request information and data concerning the foreign exchange activities of all persons and legal entities that are domiciled, or plan to be domiciled in Indonesia for at least one year. Bank Indonesia regulations also require non-bank institutions, including companies that have total assets or total annual gross revenues of at least Rp100 billion, to report to Bank Indonesia all data concerning their foreign currency activities involving transactions not conducted through a domestic bank or domestic non-bank financial institution (for example, insurance companies, securities companies, finance companies, or venture capital companies).

Non-Financial Institutions that are obliged to submit this kind of report include state-owned enterprises, state-owned enterprises with foreign loans, non-bank financial institutions, public companies, companies engaged in the business of oil and gas mining, companies engaged in export and/or import of goods, companies providing services, foreign investment companies, private companies with foreign loans, other entities with foreign loans, or companies that have total assets or total annual gross revenues of at least Rp100 billion.

If certain transactions are conducted via a domestic bank or domestic non-bank financial institution, such domestic bank or financial institution is required to report the transaction to Bank Indonesia. The transactions that must be reported include receipts and payments through bank accounts outside of Indonesia.

EXCHANGE RATES

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

The Rupiah middle exchange rate is calculated using the middle average of the bid and offer rates. The Company does not make any representations that the Rupiah or U.S. dollar amounts referred to in this Offering Memorandum could have been or could be converted into U.S. dollars or Rupiah, as the case may be, at the rate indicated or any other rate or at all.

The following table sets forth the Rupiah-U.S. dollar exchange rate based on the middle exchange rate at the end of each month or day, as the case may be, during the periods indicated.

	Period end	Average ⁽²⁾	Rupiah low ⁽¹⁾	Rupiah high ⁽¹⁾
		(Rupiah per US\$1.00)		
2014.....	12,440	11,885	11,404	12,440
2015.....	13,795	13,458	14,657	12,625
2016.....	13,346	13,334	13,846	12,998
2017.....	13,548	13,385	13,154	13,630
2018.....	14,481	14,265	13,398	15,227
2019				
January.....	14,072	14,163	14,031	14,474
February.....	14,062	14,035	13,947	14,119
March.....	14,244	14,211	14,102	14,324
April.....	14,215	14,143	14,016	14,231
May.....	14,385	14,393	14,245	14,513
June.....	14,141	14,227	14,116	14,346
July	14,026	14,044	13,913	14,160

Source: Bank Indonesia (www.bi.go.id)

Notes:

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

The middle exchange rate on 23 August, 2019 was Rp14,249 = US\$1.00.

INDONESIAN CAPITAL MARKETS

The following information has been derived from publicly available information and has not been independently verified by the Company, the Joint Lead Underwriters or any of their respective advisers and should not be unduly relied on. More information is available at www.bi.go.id, www.ojk.go.id, www.bapepam.go.id and www.idx.co.id.

Background and Development

In 1976, the Government established the Capital Market Executive Agency (*Badan Pelaksana Pasar Modal*), the Capital Market Development Agency (*Badan Pembina Pasar Modal*) and a national investment fund company, PT Danareksa (Persero), to reactivate and promote the development of a securities market in Indonesia. In 1990, the Capital Market Executive Agency and the Capital Market Development Agency became the Capital Market Supervisory Board (*Badan Pengawas Pasar Modal*, or “**BAPEPAM**”). In August 1977, the first share issue was listed on the Jakarta Stock Exchange (“**JSX**”). Through 1988, the shares of 24 companies were listed on the JSX and the volume of shares traded was relatively low.

On 13 July 1992, the operation of the JSX was transferred from BAPEPAM to PT Bursa Efek Jakarta, with the principal goal of ensuring the orderly and fair operation of the securities exchanges. Over the last eighteen years, a number of reform measures affecting the Indonesian Capital Markets have been announced. These led to, among others, the privatization of the JSX, or PT Bursa Efek Jakarta, and its establishment as a limited liability company consisting of 221 securities trading companies as initial shareholders.

The various reforms have sought to strengthen the operational and supervisory framework of the Indonesian securities market and to improve the Indonesian securities market’s trading environment. The measures also established an over-the-counter market (“**Bursa Paralel**”) and private stock exchanges outside Jakarta, the first of which was established in Surabaya, (the “**SSX**” or “**PT Bursa Efek Surabaya**”). In July 1995, the Bursa Paralel and the SSX were merged to form a single exchange intended to focus on small and medium sized companies. A company could elect to list shares on the JSX, the SSX or both. On November 30, 2007, the JSX and SSX were merged to form a single exchange and changed its name to PT Bursa Efek Indonesia or the IDX.

In December 2005, BAPEPAM merged with the Financial Institution Supervisory Agency (*Badan Pengawas Lembaga Keuangan*) under the Department of Finance, and changed its name to the Capital Markets and Financial Institution Supervisory Board (*Badan Pengawas Pasar Modal dan Lembaga Keuangan*), referred to herein as BAPEPAM-LK.

On November 22, 2011, Indonesia’s parliament approved Law No. 21 of 2011 on the Financial Services Authority as revoked partly by Law No. 9 of 2016 on the Prevention and Mitigation of Financial System Crisis, which created a new institution, OJK. Effective from December 31, 2012, OJK took over the supervision and regulation of capital markets, insurance, pension funds and multi-finance companies from BAPEPAM-LK, and effective from December 31, 2013, OJK took over the supervision and regulation of banks from Bank Indonesia.

OJK is an independent body, which is free from intervention by any other party, and has functions, tasks, and authorities to oversee the supervision, examination and investigation of financial service activities in banking, capital markets, insurance, pension funds, financial institutions, and other financial service institutions, led by a Board of Commissioners (*Dewan Komisiner*) consisting of nine members inaugurated by a Presidential Decree. Among the members, there is one ex-officio member from each of Bank Indonesia and the Ministry of Finance.

Law No. 21 of 2011 further requires that OJK provides annual activity reports to the President of the Republic of Indonesia and the House of Representatives. The OJK budget for operational and administrative activities comes from the state budget and fees collected from practitioners in financial services.

Overview of the Indonesia Stock Exchange

At present, trading rules on the IDX take the form of decisions by the IDX. The rules and regulations that governed the JSX, provided that such rules and regulations are not revoked or replaced, are currently applied to the IDX in the same manner. There are currently five daily trading sessions for the regular market, two daily trading sessions for the negotiated market and only one daily trading session for the cash market. The table below sets out the respective trading session:

Trading Session	Market	New Trading Hours
Pre-opening	Regular	Monday – Friday, 08:45:00 – 08:59:59
1 st session	Regular, Cash and Negotiated	Monday – Thursday, 09:00:00 – 12:00:00 Friday, 09:00 – 11:30
2 nd session	Regular	Monday – Thursday, 13:30:00 – 15:49:59 Friday, 14:00:00 – 15:49:59
Pre-closing session	Regular	Monday – Friday, 15:50:00 – 16:04:59
Post-closing session	Regular	Monday – Friday, 16:05:00 – 16:15:00
2 nd session	Negotiation	Monday – Thursday, 13:30:00 – 16:15:00 Friday, 14:00:00 – 16:15:00

Trading of securities is divided into three market segments: regular market, negotiated market and cash market (except for rights which may only be traded in the cash and first session of negotiated markets). The regular market is the mechanism for trading stock in standard lots on a continuous auction market during exchange hours. Regular market and cash market trading are generally carried out in unit lots of 100 shares. Price movements of traded securities in the regular market and the cash market are as follows:

- for shares with a previous price of less than Rp200, the fraction is fixed at Rp1 and each step value should be no more than Rp10;
- for shares with previous price between the range of Rp200 up to less than Rp500, the fraction is fixed at Rp2 and each step value should be no more than Rp20;
- for shares with a previous price between the range of Rp500 up to less than Rp2,000, the fraction is fixed at Rp5 and each step value should be no more than Rp50;
- for shares with a previous price between the range of Rp2,000 up to less than Rp5,000, the fraction is fixed at Rp10 and each step value should be no more than Rp100; and
- for shares with a previous price of Rp5,000 or more, Rp25 and each step value should be no more than Rp250.

Auctioning takes place according to price priority and time priority. Price priority refers to the giving of priority to buying orders at a higher price or selling orders at a lower price. If buying or selling orders are placed at the same price, priority is given to the buying or selling order placed first (i.e. time priority).

The negotiated market trading is carried out by (i) direct negotiation between members of IDX, (ii) between clients through one member of the IDX, or (iii) between one client and one member of the IDX. Negotiated market trading does not use round lots.

Transactions on the IDX regular market are required to be settled no later than the third trading day after the transactions, except in the case of cross trading. Transactions on the negotiated market are settled based on agreement between the (selling) exchange member and the (buying) exchange member, and are settled per transaction. In the event that the selling and buying exchange members do not determine the period of settlement, the settlement is required to be completed no later than the third trading day after the transaction. Transactions on the IDX cash market are required to be settled on the trading day of the transactions. In case of a default by an exchange member on settlement, cash market trading takes place, pursuant to which trading of securities by means of direct negotiation on cash and carry terms will be conducted. All cash market transactions must be reported to the IDX. An exchange member is obliged to pay a transaction cost as regulated by the IDX and any delay in payment of the transaction cost will be subject to a fine of 1.0% of the outstanding amount for each day of delay. For any violation of IDX rules, IDX may impose the following sanctions on exchange members: (i) a fine up to Rp500 million; (ii) a written warning and/or non-compliance letter; (iii) temporary suspension from trading activities; (iv) revocation of approval for trading certain securities or (v) revocation of license as an exchange member.

All transactions involving shares listed on the IDX only and which use the services of exchange members, must be conducted through the IDX. In order for a trade (except a block trade) to be made on the IDX, both the cash and securities settlement must be conducted through the facilities of the IDX. Short selling and margin trading are allowed, subject to fulfillment of certain requirements such as: (i) the maintenance of a regular securities account that shows the transaction records of the trader, (ii) the maintenance of a margin trading financing securities account, and (iii) an initial deposit of Rp200,000,000 into the margin trading or short selling financing securities

account. Under the prevailing laws, only a member of the IDX that has obtained approval from the IDX can enter into a short selling transaction or margin transaction.

Based on agreements with their clients, members of the IDX charge a brokerage fee for their services up to a maximum of 1.0% of the transaction value. When conducting share transactions on the IDX, exchange members are required to pay a transaction cost in the amount of 0.04% of the transaction value (for transactions in the regular and cash markets) and a transaction cost in the amount of 0.03% of the transaction value or based on the exchange policy (for transactions in the negotiated markets). The minimum transaction cost is Rp20 million per month as a contribution towards the provision of the stock exchange's facilities (and this continues to apply for exchange members in suspension). Clients are also responsible for paying a 10.0% value-added tax on the brokerage fee and transaction cost. In addition, Indonesian sellers are required to pay a withholding tax of 0.1% (0.6% for founder shares) of the total transaction value. Additionally, stamp duty of Rp3,000 is payable on any transaction with a value between Rp250,000 and Rp1,000,000 and stamp duty of Rp6,000 is payable on any transaction with a value of more than Rp1,000,000. See “**Taxation**” in the attached English Prospectus.

Shareholders or their appointees may request at any time during working hours that the issuer, or a securities administration bureau appointed by the issuer, to register their shares in the issuer's registry of shareholders. Reporting of share ownership to OJK is mandatory for: (i) members of the board of directors; (ii) members of the board of commissioners and (iii) shareholders whose ownership has reached 5.0% or more of an issuer's issued and fully paid up capital or upon a change of the level of their ownership in an issuer in the amount of at least 0.5%. Those shareholders must report their change of ownership to OJK within 10 days of the transaction.

Insider trading, fraud, engaging in short selling and market manipulation of securities are prohibited under Indonesian capital markets laws. In such circumstances, a transaction may be cancelled or suspended by the IDX, or OJK may suspend or revoke the license of the capital market supporting institution and supporting professionals involved. A party engaging in (i) misleading conduct, fraud or falsification in connection with the sale of securities; (ii) other actions to mislead the public regarding trading activities, market conditions or price or (iii) insider trading, is liable for the loss incurred and faces a fine of up to Rp15 billion and imprisonment of up to 10 years.

The following table sets forth certain information on the IDX for the yearly periods or as of the dates indicated.

	2014	2015	2016	2017	2018
Market capitalization (Rp. trillions).....	5,228	4,873	5,754	7,052	7,023
Trading volume (million shares).....	1,327,016	1,446,314	1,925,420	2,844,846	2,536,279
Average daily trading volume (million shares).....	5,484	5,928	7,827	11,953	10,568
Trading value (Rp. billions)	1,453,392	1,406,362	1,844,588	1,809,592	2,040,086
Average daily trading value (Rp. billions).....	6,006	5,764	7,498	7,603	8,500
Number of listed companies	511	521	537	566	619

Source: *IDX Yearly Statistics 2014 - 2018*

Offering, Listing and Reporting Regulations

OJK regulates and monitors securities issues, which are publicly offered or listed in Indonesia. Initial securities offering are generally conducted as underwritten public offers for sale by subscription. OJK also regulates allocation procedures.

Unless waived, companies are required to meet certain requirements in order to become listed on the IDX. These requirements are set out in the Decision of the Board of Directors of IDX No. Kep-00183/BEI/12-2018, dated 26 December 2018 on General Provisions for the Listing of Equity Securities on the IDX (“**IDX Listing Regulation**”).

Listed companies, either periodically or incidentally, are required to submit to OJK and the IDX, the following documents:

- an annual report, to be submitted not later than four months after the end of the financial year of the company;
- consolidated financial statements consisting of:

- (i) an annual financial report audited by an accountant registered with OJK, to be submitted not later than three months after the date of such report unless it has been submitted together with the annual report;
 - (ii) any of the following mid-year reports: (b) a mid-year report (unaudited), to be submitted not later than one month after the date of such report; (b) a mid-year report with limited review by an accountant registered with OJK, to be submitted not later than two months after the date of such report; or (c) a mid-year report audited by an accountant registered with OJK containing a full opinion on the fairness of such report, to be submitted not later than three months after the date of such report; and
 - (iii) quarterly reports, the preparation of which is required by the rules of the IDX, must be submitted to the IDX not later than one month for a non-audited report, two months for a limited audit, and three months for a fully audited, after the date of such report;
- material information that is important and relevant according to OJK regulations and which may affect the value of the security or an investment decision, such as a merger, acquisition, consolidation, stock split, stock dividend, change in management, replacement of a public accountant, replacement of a trustee, material legal claims, and other important information possibly affecting share prices on the exchange; such information must be submitted to OJK and the IDX and announced publicly no later than two business days after such information is revealed;
 - a copy of any amendment to the company's articles of association;
 - report on shareholding and any change in shareholding which applies only to a shareholder that owns 5% or more of the paid-up capital of the public company;
 - report on shareholding and any change in shareholding of the director or commissioner of a public company in such public company;
 - notice of any change in the composition of the company's board of directors or board of commissioners;
 - notice of any material deviation from projections published by such companies; and
 - in the case of an investment fund company, a monthly report, containing, among other information, its net asset value, prior to or on the fifth business day of each month.

Based on the Financial Service Authority Regulation No. 7/POJK.04/2017, a company that owns subsidiaries of which the financial statements are consolidated and that wishes to submit a registration to OJK in relation to a public offering must submit a financial statement that complies with Regulation No. VIII.G.7, Attachment of the Decision of the Head of the Indonesian Financial Institution and Capital Market Supervisory Body No. Kep-347/BL/2012 dated 25 June 2012, and Regulation No. VIII.G.17, Attachment of the Decision of the Head of the Indonesian Financial Institution and Capital Market Supervisory Body No. Kep-689/BL/2011 dated 30 December 2011.

Insider trading, fraud, engaging in short selling and market manipulation of securities are each prohibited under Indonesian capital markets laws. In such circumstances, a transaction may be cancelled or suspended by the IDX or OJK may suspend or revoke the license of the supporting institution and the professionals involved. A party engaging in (i) misleading conduct, fraud or falsification in connection with the sale of securities; (ii) other actions to mislead the public regarding trading activities, market conditions or price; or (iii) insider trading, is liable for the loss incurred and could face a fine of up to Rp15 billion and imprisonment of up to ten years.

Developments

Scrip-less Trading

In 1997, a private limited company, *PT Kustodian Sentral Efek Indonesia* (“KSEI”), was established to serve as the central securities depository house. On November 11, 1998, KSEI obtained a license from Bapepam and LK to act as an approved central securities depository and settlement institution. The shareholders of KSEI currently comprise of 27 securities firms, nine custodian banks, four share registrars (*Biro Administrasi Efek*), the IDX and the Indonesian Stock Clearing and Guarantee Company, *PT Kliring dan Penjaminan Efek Indonesia* (“KPEI”). In 2000, KSEI introduced the Central Depository and Book Entry Settlement System (“C-Best”), which is a computerized system for the registration and settlement of securities.

In 2000, BAPEPAM implemented regulations to provide for a scripless trading system. Only shares held through KSEI (and which have not been pledged, foreclosed upon based on a court order or seized for the purpose of criminal proceedings) may be traded on the JSX. Under the scripless system, a KSEI participant may deposit certificates in respect of securities with KSEI evidencing ownership of securities and making KSEI the registered holder of those securities. Any institution becoming a KSEI participant is required to open at least one securities account and sub-account with KSEI for deposit, withdrawal or transfer of securities. After KSEI has accepted a deposit of securities, it will hold such securities on behalf of KSEI participants or such participants' clients. Investors will obtain a beneficial interest in the shares which are convertible into a physical share certificate at the direction of the investor.

In accordance with the KSEI rules, C-Best is the central computer system for depository services and the settlement of securities transactions by book-entry settlement. C-Best is provided by KSEI to parties who have opened securities accounts with KSEI. Parties that are eligible as account holders in KSEI are (i) securities companies, (ii) custodian banks, and (iii) other parties determined in accordance with the prevailing capital market laws and regulations ("**KSEI Account Holders**"). Sales and purchases of securities are settled by offsetting the relevant securities accounts using the C-Best system and at the end of each trading day, KSEI delivers, through C-Best, a statement to KSEI Account Holders showing the balance of securities held by that KSEI Account Holder.

A company that intends to register its securities in KSEI must enter into an agreement with KSEI and KSEI Account Holders must issue confirmations in the name of KSEI for the entire value of the securities deposited into KSEI.

In order to establish ownership rights, each KSEI Account Holder is obliged to maintain a list of the owners of the securities deposited with it.

Each KSEI participant holding securities accounts with KSEI on behalf of its clients is required to:

- establish a securities sub-account on behalf of each client and record each client's securities account in such sub-account;
- ensure that the balance in the client's security account in the KSEI participant's records is always equivalent with the balance in the client's sub-account with KSEI;
- take measures to ensure that the identity of each client is properly recorded; and
- take measures to ensure that the securities sub-account balance of each client is and remains correct.

Transfer of Shares

Transfer of listed shares on the IDX are governed by the Company Law and IDX rules. Under the Company Law, as a general matter, ownership of shares is based on the registration of ownership in the relevant company's share register. To be valid against the issuing company, a request for an entry of the transfer into a share registry must be received by the company. To be valid against a third party, the entry of the transfer must actually be made into the share register.

Transfer of scripless shares are made by way of appropriate instructions to the relevant brokers, sub-brokers or custodians with whom the transferor and the transferee involved maintain securities accounts in accordance with the individual arrangements with such brokers, sub-brokers or custodians. Upon receipt of such instructions, the relevant brokers, sub-brokers or custodians will, in accordance with such arrangements, effect the relevant changes in the register which they are required to maintain for rights and entitlements purposes.

Effective as of June 30, 2002, only shares held through KSEI (and which have not been pledged or foreclosed upon based on a court order, or seized for the purpose of criminal proceedings) may be traded on the IDX.

Securities transaction settlement services are part of the central depository services provided for the fulfillment of the rights and obligations as the results of stock exchange transactions or over-the-counter transactions by means of the transfer of securities and or funds between securities accounts. The settlement of stock exchange transactions is performed by KSEI based on transfer instructions received from both a selling Clearing Member (defined as a member of stock exchange registered as the KSEI Clearing Member) and a buying Clearing Member. Alternatively, KSEI may settle over-the-counter transactions based on transfer instructions from a selling KSEI

Account Holder and acceptance from a buying KSEI Account Holder. Over-the-counter transfer instructions must also state whether the transaction requires a payment or not. When a transfer of securities and/ or funds is completed and settled, KSEI submits a report to the KPEI or the Clearing Member on the settlement of a stock exchange transaction and confirmation is given to the relevant KSEI Account Holder on the settlement of over-the-counter transactions.

KSEI

KSEI is a self-regulating organization and is licensed and regulated by OJK. Under KSEI's rules, securities companies or custodian banks fulfilling certain criteria and authorized by OJK may become KSEI participants. The principal shareholders of KSEI are large custodian banks, securities companies, share registrars, the IDX and the KPEI. In the scripless system, the role of KSEI is to settle the transfer and receipt of securities and to act as the central securities depository, while fund settlement is conducted by KPEI.

KSEI is managed by a Board of Directors as supervised by a Board of Commissioners who is subject to the provisions of the Company Law. KSEI is also a member of several international associations that are related to securities depositories, including the Association of National Numbering Agency, the International Society of Securities Administrators, the Society for Worldwide Inter-bank Financial Telecommunication and Asia Pacific Central Securities Depositories Group.

OJK sets strict standards for the internal controls of KSEI. These standards call for daily reconciliation of account balances between KSEI and the issuers whose securities are held in the name of KSEI. This daily reconciliation is required to be verified continuously by the head of the audit unit of KSEI who must report this verification to the Internal Control Committee of KSEI, the Board of Directors of KSEI and OJK. Each KSEI participant has the right to send auditors to KSEI to verify the reconciliation of its accounts with those of KSEI and the right to send auditors to verify the registry of the securities on the books of the issuer.

The internal control systems of KSEI are required to be audited annually by an independent auditor with international experience and reputation and to include a review of the protections against fraud, embezzlement, natural disruptions and electronic damage. This report is to be sent to all KSEI shareholders along with the annual report.

The regulations call for a number of fundamental security measures to ensure the integrity of KSEI:

- access to data processing functions, record-keeping functions and customer account service areas of KSEI is required to be restricted;
- KSEI must have a primary computer and back-up computer at different locations that allow continued processing within two hours of a breakdown of the primary computer;
- duplicate electronic records are required to be maintained in repositories that are at least 30 kilometers away from each other;
- software development and maintenance are required to be segregated from data processing operations; and
- a special security division of KSEI's own funds is required to be segregated from data processing operations; all debits and credits to securities accounts must be based on instructions of account holders and controlled by a division that is separate from the data processing division.

In addition to the oversight of internal controls and specific regulations regarding recovery and security, the legal basis for securities accounts permits recovery of an investor's assets even in the event of destruction of all records of KSEI. This is done based on investor's confirmations and statements and records of the issuer, all of which are maintained independently from records of KSEI. With daily reconciliation of key records, strong internal control supervision by major banks, special security measures and legal safeguards, recovery is possible even if there is a catastrophic occurrence.

IDX Listing, Relisting, Delisting and Corporate Governance Rules

The IDX has issued new listing rules for equity securities and regulations aimed at enhancing good corporate governance and clarifying listing, relisting and delisting criteria, sanctions for violation of stock exchange rules and e-reporting and monitoring.

The listing rules also introduced the two-board system, consisting of the Main Board and the Development Board.

General Listing Requirement

The Main Board serves as the flag-carrier of the IDX and is intended for companies fulfilling regional listing standards relating to size, track record and net tangible assets. The Development Board allows both large and small companies with prospects but who do not qualify to list on the Main Board yet, as well as companies in the recovery phase, to be listed on the IDX.

Under the IDX Listing Regulation, all companies listed on the IDX must satisfy the following general listing requirements (“**General Listing Requirements**”):

- must be a legal entity established as limited liability company;
- must have registration statement which has been declared effective by OJK;
- if the company is a subsidiary or a holding company of another listed company:
 - (i) having obtained an appraisal/evaluation by an independent party, stating that upon termination of an affiliation between the company and the listed company, each company can continue to sufficiently perform its operational activities; and
 - (ii) show that either (i) the pro forma financial statement of the company, independent of and without consolidation with the financial statement of the listed company, or (ii) the pro forma financial statement of the listed company, independent of and without consolidation with the financial statement of the company, can satisfy the listing requirement;
- must have an independent commissioner (i) that fulfils the requirement under OJK Regulation No. 33/POJK.04/2014 on Board of Directors and Board of Commissioners of Issuers or Public Companies (“**OJK Regulation No. 33/2014**”); and (ii) comprising at least 30% of the total number of members of the board of commissioners;
- must have an audit committee that fulfils the requirement under OJK Regulation No. 55/POJK.04/2015 on the Formation and Implementation Guidance for Audit Committees issued in 23 December 2015 (“**OJK Regulation No. 55/2015**”);
- must have an internal audit unit that fulfils the requirement under OJK Regulation No. 56/POJK.04/2015 on the Formation and Implementation Guidance for Internal Audit Unit issued in 23 December 2015 (“**OJK Regulation No. 56/2015**”);
- must have a corporate secretary that fulfils the requirement under OJK Regulation No. 35/POJK.04/2014 on Corporate Secretary of Issuers or Public Companies issued in 8 December 2014 (“**OJK Regulation No. 35/2014**”);
- must have a board of directors and a board of commissioners that fulfils the requirement under OJK Regulation No. 33/2014;
- must have a share price of at least Rp100;
- must have full underwriting commitment from underwriters for the initial public offering; and
- must have the shares registered at KSEI.

Under the IDX Listing Regulation, there is also a continuing obligation where listed companies are obliged to maintain a minimum of 50 million shares listed on the IDX and a minimum of 7.5% of the total issued share capital must be held by public shareholders. In addition, listed companies are also subject to a continuing obligation to maintain a minimum of 300 shareholders holding security accounts with the IDX members.

Listing on Main Board and Development Board

Under the IDX Listing Regulation, a company is deemed qualified to undertake an initial listing on the Main Board of the IDX if it fulfils certain requirements, including having:

- satisfied the General Listing Requirements;
- operated in the same core business for at least 36 consecutive months;
- made profit for at least the last financial year;
- net tangible assets of at least Rp100 billion (based on the latest audited financial statements);
- audited financial reports covering at least the last three years and unqualified audit opinions from the auditor covering the financial reports for the last two years and the last audited interim report;
- at least 1,000 shareholders, each holding a securities account with the stock exchange members; and
- after its public offering, its minority shareholders hold no less than 300 million shares and those minority shareholdings must consist of:
 - (i) at least 20% of the total issued and paid up capital for prospective listed company whose total equity before the public offering is less than Rp500 billion;
 - (ii) at least 15% of the total issued and paid up capital for prospective listed company whose total equity before the public offering is at least Rp500 billion but not more than Rp2 trillion; or
 - (iii) at least 10% of the total issued and paid up capital for prospective listed company whose total equity before the public offering is more than Rp2 trillion.

Under the IDX Listing Regulation, a company is deemed qualified to undertake an initial listing on the Development Board if it fulfils certain requirements including having:

- satisfied the General Listing Requirements;
- the company or the subsidiary operated in the same core business for at least 12 consecutive months which is evidenced by a recorded operating income for the preceding one year;
- satisfied one of the following conditions:
 - net tangible assets of at least Rp5 billion;
 - satisfying both of the following:
 - operating profit (*laba usaha*) in the most recent financial year of at least IDR 1 billion; and
 - share capital prior to the listing date of at least IDR 100 billion;
 - satisfying both of the following:
 - operating revenue (*pendapatan usaha*) for the most recent financial year of at least IDR 40 billion; and
 - pre-listing capitalization of at least IDR 200 billion.
- unqualified audit opinions from the auditor covering the financial report for the last 12 months and the last audited interim report (if any);
- for a company which has experienced loss or has not booked any profit or has been operated for less than two years, (1) based on its financial forecast to be announced in the stock exchange at the latest at the end of the second financial year as of the listing date it has obtained operational and net profits; or (2) based on its financial forecast by no later than at the end of the company's sixth financial year as of the listing date, it has obtained operational and net profits, especially if the proposed listed company is a company that by nature of its business will likely require a longer period of time to reach a breakeven point;

- at least 500 shareholders, each holding a securities account with the stock exchange members; and
- after its public offering, its minority shareholders hold no less than 150 million shares and those minority shareholdings must consist of:
 - (i) at least 20% of the total issued and paid up capital for prospective listed company whose total equity before the public offering is less than Rp500 billion;
 - (ii) at least 15% of the total issued and paid up capital for prospective listed company whose total equity before the public offering is at least Rp500 billion but not more than Rp2 trillion; or
 - (iii) at least 10% of the total issued and paid up capital for prospective listed company whose total equity before the public offering is more than Rp2 trillion.

The rules allow a company listed in the Development Board, to be promoted to the Main Board if it fulfills the requirement for listing on the Main Board.

Delisting

Pursuant to the Decision of the Board of Directors of JSX No. Kep-308/BEJ/07-2004 dated 19 July 2004 regarding Delisting and Relisting of Shares in the Stock Exchange, a company can be delisted voluntarily or involuntarily by the stock exchange. A company can be delisted by the IDX if it, among other things, fulfils one of the following conditions: (i) suffers certain conditions which adversely affects the going concern of the company, either financially or legally, or adversely affect the continuing status of the company as a public listed company and the company has not shown any sufficient remedial actions; or (ii) for the last 24 months, its shares have been suspended from the regular market and the cash market and only been traded in the negotiation market.

Buyback

Pursuant to OJK Regulation No. 30/POJK.04/2017 of 2017 on the Buyback of Shares Issued by Public Companies issued in 21 June 2017, a public company may repurchase its shares in accordance with Articles 37 and 39 of the Company Law, without breaching Articles 91, 92, 95 and 96 Indonesian Capital Market Law, or to satisfy Article 62 of the Company Law. The repurchase of shares shall be completed no later than 18 months after the date of approval of the general meeting of shareholders. The public company may hold the repurchased shares for three years since the completion of the shares repurchase, and shall transfer such shares within a period of two years, which can be extended by one year.

Corporate governance

Under IDX Listing Regulation, OJK Regulation No. 33/2014, OJK Regulation No. 35/2014, OJK Regulation No. 55/2015, OJK Regulation No. 56/2015, and OJK Regulation No. 34/POJK.04/2014 on Nomination and Remuneration Committee of Issuers or Public Companies issued in 8 December 2014 (“**OJK Regulation No. 34/2014**”), a listed company must have:

- at least one independent commissioner if the members of the board of commissioners comprises of two commissioners or independent commissioner comprising at least 30% of the total number of members of the board of commissioners if the members of the board of commissioners comprises of more than two commissioners. Any independent commissioner who has served for two consecutive terms may be reappointed for the next period to the extent that he/she can present the statement of independence to the general meeting of shareholders and that such statement can also be disclosed in the annual report. In the event the independent commissioner also serves on the audit committee, the relevant independent commissioners may only be reappointed in the audit committee for the subsequent period;
- an audit committee;
- a corporate secretary;
- an internal audit unit; and
- a nomination and remuneration function/committee.

Independent Commissioner

Based on OJK Regulation No. 33/2014 and the IDX Listing Regulation, an independent commissioner in a listed company:

- may not be a person who worked or had the authority and responsibility to plan, manage, control or supervise the activities of the listed company within the past six months prior to his/her appointment as an independent commissioner, except for reappointment as an independent commissioner of the listed company on the subsequent term;
- may not own any shares of the listed company, directly or indirectly;
- may not have an affiliated relationship with the listed company, or with any commissioner, director or controlling shareholder or principal shareholders of the listed company concerned;
- must have no business relationship which is directly or indirectly related to the listed company's business activity.

General Requirement for Director and Commissioner of a listed Companies

Pursuant to the OJK Regulation No. 33/2014, directors and commissioners of listed companies shall fulfil the following requirements:

- have good character, morals and integrity;
- be legally competent;
- within five previous years before being appointed and during his/her tenure:
- have never been declared bankrupt;
- have never been a director or commissioner responsible for causing a company to go bankrupt;
- have never been found guilty of a criminal act causing losses to state finances or relating to the financial sector;
- have never been the director or commissioner of a company (i) which during his/her tenure did not organise the annual general meeting of shareholders, (ii) where his/her accountability as a member of the board of directors or commissioners was not accepted by the general meeting of shareholders or where as a member of the board of directors or commissioners he/she did not submit his/her accountability report to the general meeting of shareholders and (iii) which obtained a license from OJK but did not fulfil the obligation to submit annual reports or financial reports to OJK;
- be committed to compliance with laws and regulations; and
- have knowledge or expertise in the fields required for a listed company.

Audit Committee

OJK Regulation No. 55/2015, IDX Listing Regulation and OJK Regulation No. 33/2014 stipulate the audit committee comprise at least three members, one of whom must be an independent commissioner who will serve as chairman of the audit committee. The other members must also be independent persons, at least one of whom must be an expert in the field of accounting and/or finance.

OJK Regulation No. 55/2015 requires a listed company to have an audit committee charter comprising, at a minimum (i) duties, responsibilities and authorities; (ii) membership composition, structure and requirements; (iii) work rules and procedure; (iv) meeting rules; (v) activity reporting system; (vi) provision on the handling of complaints and a reporting system of suspicious financial reports; and (vii) term of service of the audit committee. As of December 7, 2013, listed companies are required to comply with the audit committee charter requirement and include the charter on its corporate website.

Further, pursuant to OJK Regulation No. 55/2015, the following persons are prohibited from becoming members

of the audit committees of a listed company:

- any insider of the public accountant, legal consultant or other party who audits, provide non-audit and/or other consultation services to the company that personally audits the financial statements of the listed company in the past six months before his/her appointment as a member of the audit committee;
- any person who worked or has the authority and responsibility to plan, direct or control the activity of the listed company in the last six months before his/her appointment as a member of the audit committee, except an independent commissioner;
- any person who owns shares, directly or indirectly, in the listed company, and in the event that a member of the audit committee acquires shares as the result of a legal action, then he/she must dispose of such shares within six months from such acquisition;
- any person who has a family relationship, whether by marriage or blood, up to the second degree vertically or horizontally with commissioners, directors or a principal shareholder of the listed company; and
- any person who has a business relationship which is directly or indirectly related to the listed company's business activity.

In addition to the above, pursuant to the OJK Regulation No. 55/2015, criteria for the audit committee is as follows:

- characterised by a high level of integrity and competence, sufficient knowledge and experience in line with educational background, and good communications skills;
- must have understanding of financial statements, the company's business (particularly in relation to the service or business operations of the company), audit processes, risk management, and capital markets, and the prevailing rules and regulations;
- must comply with the code of ethics of the audit committee, as adopted by the company;
- must commit to enhance his/her professional knowledge through education and training;
- one of the members shall have an educational background in the accounting or finance field;
- must be familiar with financial statements and reports;
- not an insider in an accountancy firm, law firm, public appraiser, or other institution that has provided assurance services, non-assurance services, appraisal services or other consultancy services to the company within a period of six months prior to his/her appointment;
- may not have authority or responsibility for planning, directing, or controlling the operations of the company within a period of six months prior to appointment, except for Independent Commissioner;
- may not have direct or indirect shareholdings in the company. In the event that a member of the Audit Committee acquires shares as the result of a legal action, then within a period of not more than six months subsequent to such acquisition, the said shares must be disposed of;
- must not be affiliated with members of the Board of Commissioners, Board of Directors, or substantial shareholders of the company; and
- may not have direct or indirect business relationship with the core business of the company.

Internal Audit Unit

Pursuant to OJK Regulation No. 56/2015, the Internal Audit Unit shall consist of at least one internal auditor. In the case that the Internal Audit Unit consists of only one internal auditor, he or she should also lead the Internal Audit Unit. Each internal auditor, as a member of the Internal Audit Unit, shall:

- possess professional integrity and conduct, independence, fairness and objectivity in performing his/her duty;
- possess knowledge and experience in audit techniques and other relevant skills in accordance to his/her duty;

- possess knowledge in capital market regulations and other relevant regulations;
- possess the capability to effectively interact and communicate both verbally and in writing;
- comply with the professional standards issued by the Internal Auditor Association;
- comply with the ethical code of an Internal Auditor;
- maintain the confidentiality of the relevant company's information or data related to performing the Internal Audit Unit's duties and responsibilities except as required by regulations or the decrees or decisions of a court;
- understand good corporate governance and risk management principles; and
- be willing to enhance his/her professional knowledge, expertise and skill in ongoing basis.

The appointment, replacement or dismissal of the head of an internal audit unit must be reported to the OJK immediately after the date of his/her appointment, replacement or dismissal.

Nomination and Remuneration Committee

Under OJK Regulation No. 34/POJK.04/2014 on Nomination and Remuneration Committee of the Issuer or Public Company dated 8 December 2014, an issuer or a public company is required to have the function of nomination and remuneration conducted by the board of commissioners. The board of commissioners may form a nomination and remuneration committee consisting of at least three members, with an independent commissioner acting as the head of the committee, while the other members may be coming from (i) the board of commissioners, (ii) outside the relevant issuer or public company or (iii) the managerial positions under the board of directors in charge of human resources. In addition, a member of the board of directors is not allowed to be appointed as a member of the nomination and remuneration committee. The committee is appointed and dismissed by the board of commissioners' decision. Further, the nomination and remuneration committee is responsible for:

- providing recommendations to the board of commissioners on (i) the composition of the board of directors or board of commissioners, (ii) policies and criteria required in the nomination process, (iii) policies on the performance evaluation for the board of directors or the board of commissioners, (iv) remuneration structure, (v) remuneration policies, and (vi) the amount of the remuneration;
- assisting the board of commissioners in conducting evaluations to the performance of the board of directors or the board of commissioners pursuant to evaluation standards;
- providing recommendations to the board of commissioners regarding skill development program for the board of directors or board of commissioners;
- proposing the qualified candidates for members of the board of directors or board of commissioners to be submitted to the general meeting of shareholders; and
- assisting the board of commissioners in conducting evaluations to the performance of the board of directors or the board of commissioners pursuant to the remuneration received by the board of directors or the board of commissioners.

Corporate Secretary

As stipulated in OJK Regulation No. 35/2014 and IDX Listing Regulation, a listed company is required to have a corporate secretary.

The function of the corporate secretary is performed by one of the directors of the listed company, by an official of the listed company designated to carry out such function or by a committee led by a person-in-charge to perform the role of a corporate secretary. The corporate secretary acts as a liaison or contact person between the listed company, Government authorities, including OJK, and the public. Pursuant to OJK Regulation No. 35/2014, the corporate secretary shall fulfil the following requirements:

- he/she is capable in performing legal acts;

- has sufficient knowledge and understanding in the field of law, finance, and corporate governance;
- understands the business activity of the issuer or the public company;
- possesses good communication skills; and
- is domiciled in Indonesia.

The corporate secretary must have access to material and relevant information relating to the listed company and must be familiar with all statutory regulations relating to capital markets, particularly on disclosure matters.

PLAN OF DISTRIBUTION

The Offering

The Company intends to offer 733,262,500 Shares of par value Rp100 each in the Offering. The Offering consists of a concurrent International Offering to selected eligible investors resident outside of Indonesia who are neither citizens of the Republic of Indonesia (wherever located) nor resident in the Republic of Indonesia. The closing of the International Offering is conditional upon the closing of the Indonesian Public Offering. The Joint Lead Underwriters are PT RHB Sekuritas Indonesia, PT Bahana Sekuritas and PT Mirae Asset Sekuritas Indonesia.

In connection with the Offering, the Company and the Joint Lead Underwriters have entered into a Deed of Securities Underwriting Agreement No. 167 dated May 28, 2019, as subsequently amended by Deed No. 94 dated June 27, 2019 and Deed No. 80 dated August 14, 2019, each of which was drawn up before Yulia, S.H., Notary in South Jakarta (the “**Underwriting Agreement**”), pursuant to which the Joint Lead Underwriters have agreed, upon the terms and conditions specified in the Underwriting Agreement, to offer, on the Company’s behalf, the Shares at the Offer Price. If any of the Shares are not subscribed or purchased and paid for by subscribers pursuant to the Indonesian Public Offering, the Joint Lead Underwriters have agreed to subscribe or purchase and pay for such Shares at the Offer Price in accordance with their respective underwriting portions, less underwriting fees, expenses and commissions. No offer of Shares is being made to Indonesian citizens or Indonesian residents domiciled or residing in Indonesia pursuant to this Offering Memorandum. See “**Underwriting**” in the English Prospectus and Chapter XIII in the Indonesian Prospectus.

The table below sets out the respective underwriting portions of the Joint Lead Underwriters and the participating members of the underwriting syndicate:

		Underwriting Portion	
	Number of Shares	Amount (Rp)	Percentage
Joint Lead Underwriters			
PT Bahana Sekuritas	47,321,900	18,739,472,400	6.45%
PT Mirae Asset Sekuritas Indonesia	360,432,600	142,731,309,600	49.16%
PT RHB Sekuritas Indonesia	304,538,000	120,597,048,000	41.53%
Sub-total	712,292,500	282,067,830,000	97.14%
Underwriters			
PT Indosurya Bersinar Sekuritas	300,000	118,800,000	0.04%
PT MNC Sekuritas	12,500,000	4,950,000,000	1.71%
PT NH Korindo Sekuritas	7,570,000	2,997,720,000	1.03%
PT Phillip Sekuritas	300,000	118,800,000	0.04%
PT Reliance Sekuritas Indonesia	300,000	118,800,000	0.04%
Sub-total	20,970,000	8,304,120,000	2.86%
Total	733,262,500	290,371,950,000	100%

Listing and trading of the Shares on IDX

Potential investors must make all necessary arrangements to establish the requisite arrangements in order to be able to trade the Shares on IDX (including opening securities trading accounts with licensed financial intermediaries in Indonesia). Please contact your broker or financial adviser in Indonesia.

Registration with the Financial Services Authority

The Company submitted its application for a Securities Registration Statement in relation to the Offering (the “**Registration Statement**”) to OJK in a letter No. 05/Leg-KEL/V/2019 dated May 29, 2019 according to the Law of the Republic of Indonesia No. 8 Year 1995 concerning Capital Market, which was published in the State

Gazette of the Republic of Indonesia No. 64 Year 1995, Supplement to State Gazette No. 3608 and its implementing regulations. The Registration Statement was declared effective on August 22, 2019.

Offering Period

The initial offering period for the Offering was from July 17, 2019 to August 9, 2019, and the estimated public offering period for the Indonesian Public Offering is expected to be from August 23, 2019 to August 27, 2019.

Listing of the Shares

Based on the IDX's principle approval for registration of the Shares pursuant to letter No. S-03608/BEI.PP2/07-2019 dated July 3, 2019, the Company expects to obtain approval for its Shares to be listed on IDX. However, unless and until the Registration Statement is declared effective and listing approval is given, none of the Shares sold in the Offering may be traded on IDX. After the Shares are approved for listing on IDX, Shares sold in the Offering that are purchased by non-Indonesian persons will be eligible for trading on IDX.

Listing of the Shares on IDX is currently expected to occur on September 2, 2019.

Settlement

All clearance and settlement of transactions effected on IDX must be settled two trading days following completion of the transaction.

Registration of the Shares in KSEI

The Shares will be registered into the depository facilities of KSEI in accordance with the Equity Securities Registration in Collective Depository Agreement previously entered into between KSEI and the Company.

By registering the Shares in KSEI, the Company will not issue individual share certificates to successful applicants, but any Shares allotted to an investor will be distributed electronically to securities sub-account in the name of relevant investors at KSEI. In order to submit an application for Shares, each investor must hold a securities account with a securities company or custodian bank which is a KSEI participant to manage and administer any Shares allotted to it on the investor's behalf.

The transfer of shares held with KSEI will be by way of electronic book-entry between securities accounts. A shareholder holding the Shares through KSEI will be entitled to withdraw its Shares from central deposit and receive a share certificate registered in its name. Only those shares which are registered in KSEI will be tradable over the IDX.

Article 60 of the Indonesian Capital Market Law provides that all rights attaching to shares held with KSEI, including dividends, interest bonuses and other ownership entitlements on securities will be automatically distributed by KSEI to a registered shareholder holding through the depository system via its KSEI participant who holds the shares on such registered shareholder's behalf. The KSEI participant is obliged to immediately pass such rights and entitlements onto its customers.

Prior to any corporate action being taken by the Company, KSEI must provide details to the Company concerning the share entitlements of all the registered shareholders on whose behalf shares are held. A KSEI participant is obliged to notify a registered shareholder of the exercise of any pre-emptive rights, delivery of annual reports and other notices by the Company, as well as notices of General Meetings of Shareholders. A registered shareholder, the KSEI participant it holds through, or such registered shareholder's legal representative, has the right to be present and vote at the Company's General Meetings of Shareholders.

KSEI is obliged to give the Company details of the KSEI participants holding shares on behalf of registered shareholders either:

- within one business day after the record date set for the purposes of assessing the identity of the shareholders entitled to a dividend or other such rights attaching to shares which have been declared by the Company; or
- prior to the holding of the Company's General Meeting of Shareholders; or

- at the Company's request based on an instruction from an authorized person or agency to the Company in accordance with the prevailing laws and regulations.

A registered shareholder that wishes to obtain a share certificate may withdraw its shares from the depository once all of those shares have been distributed to the securities account of its KSEI participant. An application for the withdrawal of shares must be forwarded to KSEI by the KSEI participant, on behalf of the registered shareholder, in a specified form. Collective share certificates in the name of a registered shareholder will be issued for any shares that are withdrawn from KSEI no later than five business days from the receipt of the withdrawal request by KSEI, unless KSEI rejects the withdrawal of shares based on written orders from OJK or certain other authorized persons if required for the purposes of civil or criminal court proceedings. Only shares remaining in KSEI, and which have not been pledged, foreclosed upon based on a court order or seized for the purposes of criminal court investigation, can be traded on the IDX. Investors wishing to trade withdrawn shares on the IDX must deposit them with KSEI. The process of depositing withdrawn shares can take up to five business days.

In addition, an investor which holds 5% or more of the Shares is required to file a report with OJK no later than 10 (ten) days as of the date of the transaction in accordance with the Financial Service Authority Regulation No. 60/POJK.04/2015. The report shall at least consist of the following information:

- (a) name, address, citizenship;
- (b) total shares purchased;
- (c) price of acquired shares;
- (d) transaction date; and
- (e) purpose of the transaction.

Declaration of Interest

The Joint Lead Underwriters and their affiliates have engaged in, and may in the future engage in, investment banking, financing, private banking, commercial banking or financial consulting activities and other commercial dealings in the ordinary course of business with the Company and its affiliates. They have received and expect to continue to receive customary fees and commissions for these activities and dealings. In addition, in the ordinary course of business, the Joint Lead Underwriters and their affiliates may trade the Company's securities or the securities of the Company's affiliates or derivatives relating to the foregoing securities for its and/or its affiliates' own account and/or for the accounts of customers, and may at any time hold a long or short position in such securities. Further, the Joint Lead Underwriters and their affiliates may make investment recommendations and/or publish or express independent research views in respect of the Company's securities or the securities of the Company's affiliates or derivatives relating to the foregoing securities and may hold or recommend to clients that they acquire long and/or short positions in such securities and instruments.

SELLING RESTRICTIONS

General

No action has been taken or will be taken that would permit a public offering of the Shares to occur in any jurisdiction other than Indonesia, or the possession, circulation or distribution of this Offering Memorandum or any other material relating to the Company or the Shares in any jurisdiction where action for such purpose is required. Accordingly, the Shares may not be offered or sold, directly or indirectly, and neither this Offering Memorandum or any offering materials or advertisements in connection with the Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Indonesian Public Offering will be made in compliance with the applicable rules of OJK.

Hong Kong

This Offering Memorandum has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Offering Memorandum has not been, and will not be, registered as a “prospectus” in Hong Kong under the Companies Ordinance (Cap 32) (“CO”) nor has it been authorized by the Securities and Futures Commission (“SFC”) in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) (“SFO”). Recipients are advised to exercise caution in relation to the Offering. If recipients are in any doubt about any of the contents of this Offering Memorandum, they should obtain independent professional advice.

This Offering Memorandum does not constitute an offer or invitation to the public in Hong Kong to acquire any Shares nor an advertisement of the Shares in Hong Kong. This Offering Memorandum must not be issued, circulated or distributed in Hong Kong other than:

- to “professional investors” within the meaning of the SFO and any rules made under that ordinance (“**Professional Investors**”); or
- in other circumstances which do not result in this Offering Memorandum being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, this Offering Memorandum or any other advertisement, invitation or document relating to the Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Shares will only be accepted from such person. No person who has received a copy of this Offering Memorandum may issue, circulate or distribute this Offering Memorandum in Hong Kong or make or give a copy of this Offering Memorandum to any other person. No person allotted Shares may sell, or offer to sell, such Shares to the public in Hong Kong within six months following the date of issue of such Shares.

Malaysia

No approval, authorisation or recognition of the Securities Commission of Malaysia has been or will be obtained for the offer or invitation in respect of the Shares on the basis that the Shares will be offered or sold exclusively to persons outside Malaysia or if within Malaysia then only by way of distribution of the Shares, through a holder of a Capital Markets Services Licence carrying on the business of dealing in securities, to certain persons specified in paragraph 2(g) of Schedule 5 of the Capital Markets and Services Act 2007 (“CMSA”).

This Offering Memorandum has not and will not be registered with the Securities Commission of Malaysia on the basis that the Shares will not be offered or sold within Malaysia (other than to certain persons specified in Schedules 6 and 7 of the CMSA) and this Offering Memorandum is deposited with the Securities Commission of Malaysia in accordance with the CMSA.

The Securities Commission of Malaysia shall not be liable for any non-disclosure on the part of Company or the Joint Lead Underwriters and assumes no responsibility for the correctness of any statements made or opinions or

reports expressed in this Offering Memorandum. Investors should rely on their own evaluation to assess the merits and risks of the investment proposed herein.

Singapore

This Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Shares may not be circulated or distributed, nor may such Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Shares are subscribed or purchased under Section 275 by a relevant person which is:

- a corporation (which is not an accredited investor) (as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Shares pursuant to an offer made under Section 275 except:

- to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- where no consideration is or will be given for the transfer;
- where the transfer is by operation of law; or
- as specified in Section 276(7) of the SFA.

United States of America

The Shares have not been and will not be registered under the US Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state securities laws. Accordingly, the Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S. For further details, please refer to “**Transfer Restrictions**” on page W-30 of this Offering Memorandum.

TRANSFER RESTRICTIONS

The following restrictions will apply to the offering of the Shares. Purchasers are advised to consult their own legal counsel prior to making any offer, resale, pledge or transfer of the Shares. Terms used herein that are defined in Regulation S shall have the same meaning as is given to them in Regulation S.

The Shares have not been and will not be registered under the US Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state securities laws. Accordingly, the Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the US Securities Act.

Each offeree and purchaser of the Shares pursuant to the International Offering, by accepting delivery of this Offering Memorandum and the Shares, will be deemed to have represented, agreed and acknowledged that:

- (1) It is authorized to consummate the purchase of the Shares, will purchase the Shares in compliance with all applicable laws and regulations and will comply with all applicable laws and regulations in connection with any sale, pledge or other transfer of the Shares.
- (2) It understands that such Shares have not been and will not be registered under the US Securities Act and that it will not offer, sell, pledge or otherwise transfer such shares except in accordance with the US Securities Act and any applicable securities laws of any state of the United States;
- (3) It is, and at the time such Shares are purchased will be, located outside the United States, and (i) is purchasing such shares in an offshore transaction in accordance with Regulation S under the US Securities Act, or (ii) if it is acting on behalf of the purchaser, it has confirmed and reasonably believes the purchaser is outside of the United States and such person is purchasing the Shares in an offshore transaction in accordance with Regulation S under the Securities Act; and
- (4) It understands that the Company and the Joint Lead Underwriters, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the Shares will also be deemed to have represented and agreed that it is relying only on this Offering Memorandum and not on any other information or representation concerning the Company, the Offering or the Shares and neither the Company nor the Joint Lead Underwriters, nor any of their respective affiliates, will have any liability for any other information or representation.

Effective Date	:	August 22, 2019	Electronic Distribution Date	:	August 30, 2019
Public Offering Period	:	August 23-27, 2019	Refund Date	:	August 30, 2019
Allotment Date	:	August 29, 2019	Listing Date on the Indonesia Stock Exchange	:	September 2, 2019

THE FINANCIAL SERVICES AUTHORITY ("FSA") NEITHER STATES ITS APPROVAL OR DISAPPROVAL OF THE SECURITIES, NOR DOES THE FSA CONFIRM THE ACCURACY OR COMPLETENESS OF THE CONTENT OF THIS PROSPECTUS. ANY STATEMENT CONTRARY TO THE ABOVE SHALL BE AGAINST THE LAW.

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. SHOULD THERE BE ANY DOUBTS CONCERNING THE APPROPRIATE COURSE OF ACTION, YOU ARE ADVISED TO CONSULT WITH THE COMPETENT PARTIES.

PT KENCANA ENERGI LESTARI TBK ("THE COMPANY") AND THE JOINT LEAD UNDERWRITERS SHALL BE FULLY RESPONSIBLE FOR THE ACCURACY OF ALL MATERIAL INFORMATION OR FACTS, AND THE TRUTHFULNESS OF OPINIONS STATED IN THIS PRELIMINARY PROSPECTUS.

THE SHARES OFFERED IN THIS SHARE INITIAL PUBLIC OFFERING SHALL BE ENTIRELY REGISTERED ON PT BURSA EFEK INDONESIA ("BEI").



KENCANA ENERGY

PT KENCANA ENERGI LESTARI TBK

Main Business Activities:

Engaged in the services and electricity business through our subsidiaries

Domiciling in West Jakarta, Indonesia

Head Office

Kencana Tower Level 11, Kebon Jeruk Business Park
Jl. Raya Meruya Ilir No.88
West Jakarta, 11620, Indonesia
Tel: (62-21) 589 00791
Fax: (62-21) 386 7686
Website: www.kencanaenergy.com
E-mail: corporate.secretary@kencanaenergy.com

As of March 31, 2019, the Company, through its Subsidiaries, own 3 (three) hydro power plant in Indonesia.

SHARE INITIAL PUBLIC OFFERING

The Company is offering 733,262,500 (seven hundred thirty-three million two hundred sixty-two thousand and five hundred) ordinary registered shares or 20% (twenty percent) of the Company's issued and paid-up capital subsequent to the Share Initial Public Offering, consisting of new shares issued from the Company's portfolio with a nominal value of Rp100 (one hundred Rupiah) to be offered to the Public at an Offer Price of Rp396 (three hundred ninety-six Rupiah) per share, which shall be paid in full upon submission of the Share Subscription Form ("SSF"). The aggregate value of the Share Initial Public Offering shall be Rp290,371,950,000 (two hundred ninety billion three hundred seventy-one million nine hundred and fifty thousand Rupiah).

In conjunction with the Share Initial Public Offering, the Company shall conduct an Employee Stock Allocation Program ("ESA Program") for 0.17% (zero point one seven percent) of the total Offering Shares in the Share Initial Public Offering or 1,262,600 (one million two hundred sixty-two thousand and six hundred) shares from the total shares offered in the Share Initial Public Offering. Further information on the ESA Program is available in Chapter I of this Prospectus.

All of the Company's Shareholders shall have the same and equal rights in all matters with the Company's other issued and fully paid-up shares, in accordance with the Law No. 40 of 2007 concerning Limited Liability Companies ("Company Law"). The Offering Shares are lawfully owned and are free, are not subject to dispute and/or are not pledged to any parties whatsoever, and are not being offered to other parties.

The Joint Lead Underwriters and the Underwriters listed below shall guarantee the Unsubscribed Offering Shares in the Company's Share Initial Public Offering in full commitment.

JOINT LEAD UNDERWRITERS



PT BAHANA SEKURITAS



PT MIRAE ASSET SEKURITAS INDONESIA



PT RHB SEKURITAS INDONESIA

UNDERWRITERS

• PT Indosurya Bersinar Sekuritas • PT MNC Sekuritas • PT NH Korindo Sekuritas • PT Phillip Sekuritas • PT Reliance Sekuritas Indonesia

THE COMPANY'S MAIN RISK EXPOSURE IS THE RISK ASSOCIATED WITH THE DEPENDENCY OF THE COMPANY, AS A PARENT COMPANY, TO THE SUBSIDIARIES' PERFORMANCE. THE COMPANY'S COMPLETE BUSINESS RISKS ARE PRESENTED IN CHAPTER VI OF THIS PROSPECTUS.

THE COMPANY IS UNABLE TO PREDICT WHETHER THE COMPANY'S SHARES WILL BE ACTIVELY TRADED OR WHETHER THOSE SHARES WILL REMAIN LIQUID. ACCORDINGLY, THERE IS A RISK THAT THE OFFERING SHARES IN THIS SHARE INITIAL PUBLIC OFFERING MAY NOT BE LIQUID.

THE COMPANY SHALL NOT ISSUE A COLLECTIVE SHARE CERTIFICATE IN THIS SHARE INITIAL PUBLIC OFFERING; HOWEVER, THE SHARES SHALL BE ELECTRONICALLY DISTRIBUTED AND ADMINISTERED IN THE COLLECTIVE DEPOSITORY OF PT KUSTODIAN SENTRAL EFEK INDONESIA ("KSEI").

This Prospectus is issued in Jakarta on August 23, 2019

PT Kencana Energi Lestari Tbk (hereinafter referred to as the "Company") has submitted the Securities Registration Statement with respect to this Initial Public Offering to the Financial Services Authority ("FSA") by letter No. 019/Leg-KEL/IX/2018 dated October 3, 2018 and has re-submitted the Securities Registration Statement by letter No. 05/Leg-KEL/V/2019 dated May 29, 2019, in accordance with the requirements stipulated by the Law No. 8 of 1995 concerning the Capital Market, which was published in the State Gazette of the Republic of Indonesia No. 64 of 1995, Supplement to the State Gazette of the Republic of Indonesia No. 3608 and the implementing regulations and amendments thereof ("Capital Market Law"), including, among others, the FSA Regulation No. 7/POJK.04/2017 concerning Registration Statement Documents in connection with Equity Securities, Debt Securities and/or Islamic Bonds (Sukuk) Public Offering and FSA Regulation No. 8/POJK.04/2017 concerning Form and Content of Prospectus and Abridged Prospectus in an Equity Securities Public Offering.

The Offering Shares in this Share Initial Public Offering will be listed on the Indonesia Stock Exchange ("IDX") in accordance with the Principle Approval for Registration of PT Kencana Energi Lestari Tbk's Equity Securities from the IDX as stipulated in its letter No. S-03608/BEI.PP2/07-2019 dated July 3, 2019. In the event that the Company fails to satisfy the requirements of share registration on the IDX, this Initial Public Offering shall be null and void and payment of Share subscriptions shall be refunded to the subscribers in accordance with the provisions of the Capital market Law and Regulation No. IX.A.2 (as defined below), Annex to the Decree of Chairman of Bapepam and LK No. Kep691/BL/2009 dated May 29, 2009, on the Registration Procedures in connection with the Public Offering.

All Capital Market Supporting Institutions and Professionals referred to in this Prospectus shall be fully responsible for all data presented in accordance with their functions and positions, in accordance with the provisions of the laws and regulations in the Capital Market as well as their respective code of ethics, norms and professional standards.

With respect to this Share Initial Public Offering, each and every affiliated party shall be prohibited from issuing any information or statements concerning data that is not disclosed in this Prospectus without written approval from the Company and the Joint Lead Underwriters.

The Joint Lead Underwriters and Underwriters, and the Capital Market Supporting Institutions and Professionals hereby expressly represent that they do not qualify as affiliated parties of the Company, either directly or indirectly, under the definition set forth in the Capital Market Law, in accordance with the disclosures in Chapter XII on Underwriters and Chapter XIII on Capital Market Supporting Institutions and Professionals.

THIS SHARE INITIAL PUBLIC OFFERING IS NOT REGISTERED UNDER ANY LAWS AND REGULATIONS OTHER THAN THOSE PREVAILING IN INDONESIA. SHOULD ANY PARTY OUTSIDE THE JURISDICTION OF THE REPUBLIC OF INDONESIA OBTAIN THIS PROSPECTUS OR ANY OTHER DOCUMENTS RELATING TO THIS SHARE INITIAL PUBLIC OFFERING, SUCH PROSPECTUS OR DOCUMENTS ARE NOT INTENDED AS OFFERING DOCUMENTS TO PURCHASE THE SHARES, UNLESS SUCH OFFERING AND PURCHASE OF SHARES ARE NOT IN CONTRARY TO OR DO NOT CONSTITUTE ANY VIOLATION AGAINST ANY PREVAILING LAWS AND REGULATIONS/IN SUCH COUNTRY.

THE COMPANY HAS DISCLOSED ALL INFORMATION THAT IS REQUIRED TO BE KNOWN TO PUBLIC AND THERE IS NO OTHER INFORMATION THAT HAS NOT BEEN DISCLOSED WHICH MAY OTHERWISE MISLEAD THE PUBLIC.

DEFINITIONS, TERMS AND ABBREVIATIONS

"Abridged Prospectus"	: Refers to the summary of the Prospectus prepared and issued by the Company and announced in at least 1 (one) daily newspaper published in the Indonesian language with national circulation by no later than 2 (two) Business Days subsequent to receipt of statement from the FSA that the Company is permitted to perform the Preliminary Offering, as stipulated in the Regulation No. IX.A.2.
"Account Holder"	: Refers to the party whose name is registered as the owner of Securities Account and/or sub-Securities Account at KSEI, which may include Securities Companies or Custodian Banks.
"Affiliate"	: Refers to the parties defined in Article 1 paragraph (1) of the Capital Market Law: (a) family relationships by either marriage or descents up to the second degree, horizontally and vertically; (b) relationship between a party and the employees, Directors or Commissioners of such party; (c) relationship between 2 (two) companies having 1 (one) or more common members of the Board of Directors or Board of Commissioners; (d) Relationship between the company and the party which, directly or indirectly, controls or is controlled by such company; (e) relationship between 2 (two) companies under common control of the same party, either directly or indirectly; or (f) Relationship between the company and the majority shareholder.
"Affiliated Party"	: Refers to parties affiliated with the Company.
"Air Putih Project"	: Refers to the 21MW power plant operated by the Company, through PT Bangun Tirta Lestari.
"Allotment Confirmation Form" or "ACF"	: Refers to the form issued by the Allotment Manager, which serves as a confirmation of the allotment result under the name of the subscriber and proof of ownership of the Offered Shares sold by the Company in the Primary Market.
"Allotment Date"	: Refers to no later than 2 (two) Business Days subsequent to the closing of the Share Initial Public Offering, on which the Allotment Manager determines the allotment of Offering Shares for each subscriber.
"Allotment Manager"	: Refers to PT RHB Sekuritas Indonesia, as the party responsible for the allotment of the Offering Shares in accordance with the requirements stipulated in the Regulation No. IX.A.7.
"Banking Day"	: Refers to the days on which Bank Indonesia is open to conduct clearing activities.
"Bapepam and LK"	: Refers to the abbreviation of <i>Badan Pengawas Pasar Modal dan Lembaga Keuangan</i> , or the Financial Institution and Capital Market Supervisory Agency, which is a merger between the Capital Market Supervisory Agency and the Directorate General of Financial Institutions, in accordance with the Decree of the Minister of Finance of the Republic of Indonesia No. 606/KMK.01/2005 concerning the Organization and Working Procedures of the Financial Institutions and Capital Market Supervisory Agency, <i>juncto</i> the Ministry of Finance of the Republic of Indonesia Regulation No. 206/PMK.01/2010 dated October 11, 2010, concerning the Organization and Working Procedures of the Ministry of Finance, or the successor and beneficiaries of the rights and obligations thereof.
"Bapepam"	: Refers to the abbreviation of <i>Badan Pengawas Pasar Modal</i> or the Capital Market Supervisory Agency or the replacements and beneficiaries of its rights and obligations thereof, under the definition of Article 3 paragraph (1) of the Capital Market Law.
"BKPM"	: refers to the abbreviation of <i>Badan Koordinasi Penanaman Modal</i> , or the Investment Coordinating Board.
"Business Day"	: Refers to the days (other than Saturday or Sunday or the days set by the Government) on which banks are open for business in Indonesia.
"CAGR"	: Refers to Compounded Annual Growth Rate.
"Calendar Day"	: Refers to the days in 1 (one) year according to the Gregorian Calendar with no exception, including Saturday, Sunday and national holidays which may be stipulated from time to time by the Government or ordinary Business Day, which, as a result of certain conditions, is stipulated by the Government as a non-Business Day.
"Capital Market Law"	: Refers to the Law No. 8 of 1995 concerning the Capital Market, as published in State Gazette of the

	Republic of Indonesia No. 64 of 1995, Supplement No. 3608, and the implementing regulations thereof.
"COD"	: Refers to the Commencement Operation Date, a stage where the Company begins to calculate the sale of electricity to PLN in accordance with the PPA.
"Collective Depository"	: Refers to the custody service of securities jointly owned by more than one parties, whose interests are represented by KSEI.
"Company Law"	: Refers to the Law No. 40 of 2007 concerning Limited Liability Companies, as published in State Gazette of the Republic of Indonesia No. 106 of 2007, Supplement No. 4756.
"Controlling Shareholder"	: Refers to a party holding the Company's shares, either directly or indirectly: • in the amount greater than 50% (fifty percent) of the total paid-up capital; and • in the amount greater than, or equal to, 50% (fifty percent) of the total paid-up capital but with the ability to determine, whether directly or indirectly, the direction of the Company's management and/or policies.
"Custodian Bank"	: Refers to commercial banks that have obtained the FSA's approval to provide depository services or custody services as defined in the Capital Market Law.
"Distribution Date"	: Refers to the same date as the Payment Date, which shall be no later than 2 (two) Business Days subsequent to the Allotment Date, on which the Offering Shares shall be distributed electronically by KSEI to the Underwriters, to be further distributed to the subscribers.
"Effective Statement"	: Refers to the statement issued by the FSA, which declares the satisfaction of all Registration Statement requirements in accordance with Regulation No. IX.A.2.
"Effective"	: Refers to the satisfaction of all requirements pertaining to the Registration Statement in accordance with the provisions of point 4 of Regulation No. IX.A.2, namely: 1. On the basis of elapsed time, i.e.: - 45 days from the date that the FSA receives the complete Registration Statement, which has included all the criteria set forth in the regulation concerning the Registration Procedures for a Public Offering and the regulations related to a Share Initial Public Offering; or - 45 days from the date that the last amendment filed by the Issuer or requested by the FSA is satisfied; and 2. on the basis of a declaration of Effective Statement from the FSA stating that no further changes and/or additional information is required
"Equity Securities Rights Issue"	: refers to a form of increase in paid-in capital of a company, where the company offers the existing shareholders the right to buy shares and/or other Equity Securities, which are either convertible to shares or give the right to buy shares, before offering such shares and/or Equity Securities to any other Party.
"ESA Program"	: refers to the abbreviation of Employee Stock Allocation Program, a program that offers a fixed allotment of the Offering Shares in this Share Initial Public Offering to employees, in amount of 0,17% (zero point one seven percent) of the Total Offering Shares.
"Exchange Day"	: Refers to the days on which the IDX carries out securities trading transaction activities, from Monday to Friday, except national holidays which may be stipulated from time to time by the Government or ordinary Business Day that is stipulated by the IDX as a holiday.
"Force Majeure"	: refers to events that are beyond the parties' ability and control, such as flood, earthquake, volcano eruption, fire, war, or riots in Indonesia, which have material adverse impacts to the ability of each party to meet their obligations.
"FSA Regulation No. 11/2017"	: Refers to FSA Regulation No. 11/POJK.04/2017 concerning the Report of Share Ownership and Change of Share Ownership dated March 14, 2017.
"FSA Regulation No. 23/2017"	: Refers to FSA Regulation No. 23/POJK.04/2017 concerning Preliminary Prospectus and Information Memorandum dated June 21, 2017.
"FSA Regulation No. 25/2017"	: Refers to FSA Regulation No. 25/POJK.04/2017 concerning the Restrictions on Shares Issued Prior to a Public Offering dated June 21, 2017.

"FSA Regulation No. 30/2015"	: Refers to FSA Regulation No. 30/POJK.04/2015 dated December 16, 2015, concerning the Report on Realization of Use of Proceeds from Public Offerings.
"FSA Regulation No. 32/2014"	: Refers to FSA Regulation No. 32/POJK.04/2014 dated December 8, 2014, concerning the Plan and Organization of General Meeting of Shareholders of Public Companies, as amended by the FSA Regulation No. 10/POJK.04/2017 dated March 14, 2017.
"FSA Regulation No. 33/2014"	: Refers to FSA Regulation No. 33/POJK.04/2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies.
"FSA Regulation No. 34/2014"	: Refers to FSA Regulation No. 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies.
"FSA Regulation No. 35/2014"	: Refers to FSA Regulation No. 35/POJK.04/2014 dated December 8, 2014, concerning the Corporate Secretary of Issuers or Public Companies.
"FSA Regulation No. 55/2015"	: Refers to FSA Regulation No. 55/POJK.04/2015 dated December 29, 2015, concerning the Establishment and Working Guidelines of Audit Committee.
"FSA Regulation No. 56/2015"	: Refers to FSA Regulation No. 56/POJK.04/2015 dated December 29, 2015, concerning the Establishment and Preparation of the Internal Audit Charter.
"FSA Regulation No. 8/2017"	: Refers to FSA Regulation No. 8/POJK.04/2017 concerning Form and Content of Prospectus and Abridged Prospectus in an Equity Securities Public Offering dated March 14, 2017.
"FSA"	: Refers to the abbreviation of the Financial Services Authority, which is the independent institution that is free from any intervention, which has the function, responsibilities and authorities to regulate, supervise, examine and investigate as stipulated by the Law No. 21 of 2011 on Financial Services Authority ("FSA Law"), which duties and authorities include the regulation and monitoring of financial service in the capital market, banking, insurance, mutual funds, financing institutions, and other financial institutions. Effective from December 31, 2012, the regulatory and supervisory functions, duties and authorities in the Capital Market sector have been assigned from Bapepam & LK to the FSA, or the replacement and beneficiary of it rights and obligations thereof, in accordance with Article 55 of the FSA Law.
"GMS"	: Refers to the Company's General Meeting of Shareholders convening in accordance with the provisions of the Company's Articles of Association, the Company Law and the Capital Market Law and the implementing regulations thereof.
"Government"	: Refers to the Government of the Republic of Indonesia
"Independent Supporting Professionals"	: Refers to the Law Office, Notary, Public Accounting Firm, Public Appraisal Firms, which carry out their duties and responsibilities in accordance with the prevailing laws and regulations.
"Issue"	: refers to the offering of shares by the Company or the trading of shares to the Public in a Share Initial Public Offering in order for such shares to be listed and traded on the IDX.
"Joint Lead Underwriter"	: refers to the parties responsible for the management and organization, control and allotment of the Issuance of Offering Shares in the Share Initial Public Offering, which in this respect refer to PT Bahana Sekuritas, PT Mirae Asset Sekuritas Indonesia, and PT RHB Sekuritas Indonesia.
"KSEI"	: Refers to PT Kustodian Sentral Efek Indonesia, domiciling in South Jakarta, which constitutes a Depository and Settlement Institution under the laws and regulations of the Capital Market.
"Legal Advisor"	: Refers to Ali Budiarjo, Nugroho, Reksodiputro, who undertakes the legal due diligence of the Company and its Subsidiaries in connection with the Share Initial Public Offering.
"Listing Date"	: refers to the listing date of the Offering Shares to be traded on the Stock Exchange, which shall be no later than 1 (one) Business Day following the Distribution Date.
"Madong Project"	: Refers to the 10MW power plant operated by the Company through its Subsidiaries, PT Bangun Hidro Energi and PT Sumber Tirta Energi, and its indirect Subsidiary, PT Nagata Hidro Madong.
"Members of the Stock Exchange"	: Refer to the Members of the Stock Exchange as defined in Article 1 paragraph (2) of the Capital Market Law.
"Minister of LHR"	: Refers to the Minister of Law and Human Rights of the Republic of Indonesia (formerly known as the Minister of Justice of the Republic of Indonesia, and subsequently as the Minister of Law and

	Regulations of the Republic of Indonesia).
"Ministry of LHR"	: Refers to the Ministry of Law and Human Rights of the Republic of Indonesia (previously the Department of Justice and Human Rights of the Republic of Indonesia, Department of Justice of the Republic of Indonesia or Department of Laws and Regulations of the Republic of Indonesia or other titles).
"New Shares"	: Refer to ordinary registered shares issued and distributed from the Company's portfolio in connection with the Share Initial Public Offering.
"Offer Price"	: refers to the price of each Offering Share offered in the Share Initial Public Offering, i.e., Rp396 (three hundred ninety six Rupiah).
"Offering Shares"	: Refer to the ordinary registered shares issued by the Company, each having a nominal value of Rp100 (one hundred Rupiah) per share to be offered and sold to the Public in the Share Initial Public Offering and listed on the Stock Exchange in a maximum of 733,262,500 (seven hundred thirty-three million two hundred sixty-two thousand and five hundred) Ordinary Registered Shares, which represent of 20% (twenty percent) of the Company's issued and paid-up capital subsequent to the Share Initial Public Offering.
"Ordinary Registered Shares"	: Refers to the Securities representing claim of ownership over the Company's income and assets, which clearly state the name of the owners, where the transfer of ownership must be carried out according to certain procedures.
"PAF"	: refers to Public Accounting Firm.
"Pakkat Project"	: Refers to the 18 MW power plant operated by the Company, through PT Energy Sakti Sentosa.
"Payment Date"	: Refers to the payment date of proceeds from sale of the Offering Shares, which shall be paid by the Underwriters to the Company through the Joint Lead Underwriters on the Distribution Date.
"PLN"	: Refers to Perusahaan Listrik Milik Negara.
"PPA"	: Refers to Power Purchase Agreement
"Preliminary Offering"	: Refers to direct and indirect solicitation by using the Preliminary Prospectus, immediately subsequent to the announcement of the Abridged Prospectus in the newspapers with the objectives of, among others, assessing the Public's interest on the Offering Shares, in the form indicative number of shares to be subscribed to and/or the Offer Price estimate, which shall not be binding and shall not constitute a subscription as defined by the FSAR No. 23/2017 and with due consideration to the Regulation No. IX.A.2.
"Preliminary Prospectus"	: Refers to the written document containing all information presented in the Prospectus submitted to the FSA as part of the Registration Statement, except for the information concerning the amount and price of the Offering Shares and the Offer Price of the Offering Shares, Securities underwriting or other matters related to the requirement of the offering that cannot yet be determined, which constitutes a part of the Registration Statement, in the form and content according to the FSA Regulation No. 23/2017.
"Prospectus"	: refers to any written information in relation to the Share Initial Public Offering with the purpose of soliciting the Public to subscribe to the Offering Shares, prepared in accordance with the FSA Regulation No. 8/2017.
"Public Accountant"	: Refers to the Public Accounting Firm Kosasih, Nurdyaman, Mulyadi, Tjahjo & Rekan, who audits the Company's financial statements in connection with the Share Initial Public Offering.
"Public Offering Account"	: Refers to the Account opened under the name of the Joint Lead Underwriters to receive funds from Investors.
"Public Offering" or "Share Initial Public Offering"	: Refers to the offering of the Offering Shares to the Public by the Company, with due considerations to the terms and conditions set forth in the Underwriting Agreement and the procedures stipulated by the Capital Market Law, and the prevailing regulations in the Stock Exchange in Indonesia.
"Public"	: Refers to natural persons and/or legal persons and/or legal entities, either Indonesian citizens and/or foreign legal persons and/or legal entities, either those residing or domiciling in Indonesia or residing or domiciling overseas, who are allowed to own the Offering Shares with due considerations to the

prevailing laws and regulations.

"Refund Date"	: The date on which the subscription payments of the Offering Shares shall be refunded by the Joint Lead Underwriters through the Underwriters to subscribers whose subscriptions are unfulfilled, whether in whole or in part, as a result of allotment, or in the event that the Share Initial Public Offering is postponed or canceled, which in any case shall be conducted by no later than 2 (two) Business Days subsequent to the Allotment Date or 2 (two) Business Days subsequent to the announcement date of the cancellation or postponement of the Share Initial Public Offering.
"Registration Statement"	: Refers to the document that must be submitted by the Company to the FSA, jointly with the Joint Lead Underwriters before the Company undertakes the offering and sale of the Offering Shares as defined in Article 1 point 19 of the Company Law <i>juncto</i> Article 1 paragraph (2) of the FSA Regulation No. 7/POJK.04/2017 concerning Registration Statement Documents in connection with Equity Securities, Debt Securities and/or Islamic Bonds (<i>Sukuk</i>) Public Offering dated March 14, 2017, with due considerations to the provisions of Regulation No. IX.A.2.
"Regulation No. IX.A.2"	: Refers to Regulation No. IX.A.2 Annex to the Decree of Bapepam & LK Chairman No. Kep691/BL/2009 dated May 29, 2009, on the Registration Procedures in connection with the Public Offering.
"Regulation No. IX.A.7"	: Refers to Regulation No. IX.A.7 Annex to the Decree of Bapepam & LK Chairman No. Kep-691/BL/2011 dated December 30, 2011, concerning the Securities Subscription and Allotment in a Public Offering.
"Regulation No. IX.E.1"	: Refers to Bapepam and LK Regulation No. IX.E.1 Annex to the Decree of Bapepam & LK Chairman No. Kep-412/BL/2009 dated November 25, 2009, concerning Affiliated Transactions and Transactions with Conflict of Interest.
"Regulation No. IX.E.2"	: Refers to Regulation No. IX.E.2 Annex to the Decree of Bapepam & LK Chairman No. Kep-614/BL/2011 dated November 28, 2011, concerning Material Transactions and Changes in Main Business Activities.
"Regulation No. IX.J.1"	: Refers to Regulation No. IX.J.1 Annex to the Decree of Bapepam & LK Chairman No. Kep-179/BL/2008 dated May 14, 2008, concerning Main Provisions of Articles of Association of Companies Conducting Equity Securities Public Offering and Public Companies.
"Regulation No. VIII.G.12"	: Refers to Bapepam-LK Regulation No. VIII.G.12 Annex to the Decree of Bapepam Chairman No. Kep-17/PM/2004 dated April 13, 2014, concerning the Guidelines on Audit by Accountant on Securities Subscription and Allotment or Distribution of Bonus Shares.
"Revision of and/or Addition to Abridged Prospectus"	: Refers to the written statement or information constituting a revision of, and/or additions to the Abridged Prospectus that is announced in at least 1 (one) daily newspaper published in the Indonesian language with national circulation by no later than 2 (two) Business Days subsequent to the Effective Statement, in accordance with the Regulation No. IX.A.2.
"Rupiah" or "Rp"	: Refers to the official currency of the Republic of Indonesia.
"SAB"	: refers to the abbreviation of Securities Administration Bureau, a party appointed by the Company to undertake the administration of shares in the Share Initial Public Offering, which in this case shall be PT Raya Saham Registra, domiciling in South Jakarta.
"Securities Account"	: Refers to the account containing the balance statement and/or funds owned by the Shareholders that are administered by KSEI, the Custodian Banks or Securities Companies based on the Securities Account opening agreement signed by the Shareholders.
"Securities Companies"	: Refers to the parties undertaking the business activities as Underwriters, Stockbrokers and/or Investment Managers referred to in the Capital Market Law.
"Securities Registration Agreement"	: Refers to the Equity Securities Registration Agreement at KSEI, privately drawn up and duly stamped by and between the Company and KSEI.
"Securities Underwriting Agreement" or "SUE"	: Refers to the Deed of Securities Underwriting Agreement No. 167 dated May 28, 2019, as subsequently amended by the Deed No. 94 dated June 27, 2019, as subsequently amended by the Deed No. 80 dated August 15, 2019, all of which were entered into by and between the Company and the Joint Lead Underwriters before Yulia, S.H., a Notary in South Jakarta.
"Securities"	: Refer to marketable securities, i.e., promissory notes, commercial papers, shares, bonds,

	debentures, Collective Investment Contract Participation Unit, Securities related Forward Contracts and any Securities derivatives.
"Share Administration Management Agreement"	: Refers to the Deed of Securities Underwriting Agreement No. 168 dated May 28, 2019, as subsequently amended by the Deed No. 95 dated June 27, 2019, as subsequently amended by Deed No. 81 dated August 14, 2019, all of which were entered into by and between the Company and the Joint Lead Underwriters before Yulia, S.H., a Notary in South Jakarta.
"Share Initial Public Offering Period"	: Refers to a period in which the Public may submit the subscription of the Offering Shares in accordance with the procedures set forth in the Prospectus and the SSF, as stipulated in the Prospectus, except in the event that the Share Initial Public Offering is closed earlier than initially stipulated in the Underwriting Agreement, provided that the Share Initial Public Offering shall be no less than 1 (one) Business Day.
"Share Subscription Forms" or "SSF"	: Refers to the original Share Subscription Form or photocopies of the Share Subscription Form, which shall be made in 5 (five) copies, each of which shall be completely filled in, signed by the original signature of the prospective subscribers and submitted by the prospective subscribers or their authorized representative to the Underwriters upon subscription of the Offering Shares.
"Share Subscription Register" or "SSR"	: Refers to a register containing the names of Offering Share subscribers and the amount of Offering Shares subscribed, prepared based on the Share Subscription Forms, which are prepared by the respective Underwriter.
"Shareholder"	: Refer to the Public who is the beneficiary of the shares deposited and administered in: • The Company's Shareholder Register; • The Securities Accounts at KSEI; or • Securities Accounts via Securities Companies.
"Special Subscriber"	: Refers to employees entitled to subscribe to shares under the ESA program.
"SR"	: Refers to the abbreviation of Shareholder Register, which contains the information concerning the share ownership in the Company.
"Stock Exchange" or "IDX"	: refers to the stock exchange as defined in Article 1 paragraph (4) of the Capital Market Law, which in this respect is held by PT Bursa Efek Indonesia, domiciling in Jakarta.
"Subsidiaries"	: refers to companies which: 1. shares are directly or indirectly by the Company in the amount equal to 50% or higher than the respective company's issued and paid-up capital; or 2. corporate policies and management are controlled by the Company; or 3. financial statements are consolidated to the Company's financial statements according to the Indonesian Financial Accounting Standards. As of the date of issuance of this Prospectus, the Company has 4 (four) directly-owned Subsidiaries, namely PT Energy Sakti Sentosa, PT Bangun Tirta Lestari, PT Bangun Hidro Energi, and PT Sumber Tirta Energi, and 1 (one) indirect Subsidiary, namely PT Nagata Dinamika Hidro Madong. PT Sumber Tirta Energi was acquired as a Subsidiary subsequent to the financial statements' reporting date of March 30, 2019.
"the Company"	: Refers to PT Kencana Energi Lestari Tbk, domiciling in West Jakarta, a limited liability established by according to, and under the laws and regulations of the Republic of Indonesia.
"The Company's Group"	: Refers to the Company and its Subsidiaries.
"Underwriter"	: Refers to companies that enter into an agreement with the Company to conduct the Share Initial Public Offering on behalf of the Company, which in this respect refer to PT Bahana Sekuritas, PT Mirae Asset Sekuritas Indonesia, PT RHB Sekuritas Indonesia, PT Reliance Sekuritas, PT Indosurya Sekuritas Tbk, PT Phillip Sekuritas Indonesia, PT NH Korindo Sekuritas Indonesia, PT MNC Sekuritas and PT Indosurya Bersinar Sekuritas together with other Underwriters set forth in the Addendum to the Underwriting Agreement, which guarantee the sale of Offering Shares in full commitment and undertake the payment of proceeds from the Share Initial Public Offering in the primary market tot the Company, through the Joint Lead Underwriters, according to their respective underwriting portion, with due considerations to the terms and conditions of the Underwriting Agreement.

"USD"	:	Refers to the United States Dollar or US Dollar, the official currency of the United States of America.
"Written Confirmation"	:	Refers to the confirmation letter of share ownership issued by KSEI and/or the Custodian Banks and/or the Securities Companies for the benefit of the Account Holders in the secondary market.

ABBREVIATIONS OF COMPANY NAME

"BHE"	:	Refers to PT Bangun Hidro Energi
"BTL"	:	Refers to PT Bangun Tirta Lestari
"EBT"	:	Refers to Energi Baru Terbarukan
"ESS"	:	Refers to PT Energy Sakti Sentosa
"HPP"	:	Refers to Hydropower Plant
"MHPP"	:	Refers to Mini Hydropower Plant
"NDHM"	:	Refers to PT Nagata Hidro Madong
"PIL"	:	Refers to PT Paramata Indah Lestari
"PPA"	:	Refers to Power Purchase Agreement
"RUPTL"	:	Refers to <i>Rencana Usaha Penyediaan Tenaga Listrik</i> or Electricity Supply Business Plan
"STE"	:	Refers to PT Sumber Tirta Energi
"The Company or KEL"	:	Refers to PT Kencana Energi Lestari Tbk, which prior to the Deed No. 25 dated September 10, 2018, was named PT Citra Alam Pratama ("CAP")

TABLE OF CONTENTS

DEFINITIONS, TERMS AND ABBREVIATIONS.....	i
TABLE OF CONTENTS	viii
SUMMARY	x
I. SHARE INITIAL PUBLIC OFFERING.....	1
II. USE OF PROCEEDS	5
III. INDEBTEDNESS.....	6
IV. KEY FINANCIAL HIGHLIGHTS.....	17
V. MANAGEMENT’S DISCUSSION AND ANALYSIS	22
VI. RISK FACTORS	43
VII. SIGNIFICANT EVENT SUBSEQUENT TO THE DATE OF INDEPENDENT AUDITOR’S REPORT	50
VIII. DESCRIPTION OF THE COMPANY AND ITS SUBSIDIARIES, THE COMPANY AND ITS SUBSIDIARIES’ CONSOLIDATED BUSINESS ACTIVITIES, TRENDS AND PROSPECTS	51
A. BRIEF HISTORY OF THE COMPANY	51
B. THE COMPANY’S CAPITAL STRUCTURE AND SHAREHOLDER COMPOSITION.....	54
C. KEY MILESTONES AFFECTING THE COMPANY AND ITS SUBSIDIARIES BUSINESS DEVELOPMENT	57
D. LICENSES	57
E. THE COMPANY’S ORGANIZATION STRUCTURE	58
F. MANAGEMENT AND SUPERVISION	58
G. GOOD CORPORATE GOVERNANCE	63
H. HUMAN RESOURCES.....	65
I. STRUCTURE OF OWNERSHIP OF THE COMPANY AND ITS SUBSIDIARIES	66
J. ASSOCIATION BY WAY OF MANAGEMENT AND SUPERVISION BETWEEN THE COMPANY AND ITS SHAREHOLDERS	67
K. OVERVIEW OF THE COMPANY’S LEGAL ENTITY SHAREHOLDER HAVING MORE THAN 5% (FIVE PERCENT) SHARE OWNERSHIP	67
L. OVERVIEW OF SUBSIDIARIES	69
M. THE COMPANY AND ITS SUBSIDIARIES’ MATERIAL AGREEMENTS	75
N. TRANSACTIONS WITH AFFILIATES.....	111
O. THE COMPANY AND ITS SUBSIDIARIES’ FIXED ASSES	113
P. THE COMPANY AND ITS SUBSIDIARIES’ INSURANCE.....	113
Q. PENDING LITIGATIONS ASSOCIATED WITH THE COMPANY, ITS SUBSIDIARIES, COMMISSIONERS AND DIRECTORS OF THE COMPANY, AND COMMISISONERS AND DIRECTORS OF ITS SUBSIDIARIES	118
R. INTELLECTUAL PROPERTY RIGHTS	119
S. BUSINESS ACTIVITIES, TRENDS AND PROSPECTS	119
IX. EQUITY	136
X. DIVIDEND POLICY	138
XI. TAXATION	139

XII.	CAPITAL MARKET SUPPORTING INSTITUTIONS AND PROFESSIONALS	141
XIII.	SECURITIES UNDERWRITING	143
XIV.	KEY PROVISIONS OF THE ARTICLES OF ASSOCIATION	144
XV.	SHARE SUBSCRIPTION PROCEDURES	145
XVI.	DISTRIBUTION OF PROSPECTUS AND SHARE SUBSCRIPTION FORM	149
XVII.	LEGAL OPINION	151
XVIII.	THE COMPANY AND ITS SUBSIDIARIES CONSOLIDATED FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT	177

SUMMARY

The following Summary presents the facts and judgments that are material to the Company, which constitute an integral part of, and must be read in conjunction with, other more detailed information, including the related consolidated financial statements of the Company and its Subsidiaries and notes to the consolidated financial statements and the relevant Subsidiaries, and business risks, all of which are presented in this Prospectus. All financial information presented in this Prospectus is derived from the Company and its Subsidiaries' consolidated financial statements, which are presented in Rupiah currency and presented in accordance with the Financial Accounting Standards in Indonesia.

Unless otherwise stated, all discussions concerning the financial information presented in this Prospectus are conducted at the consolidation level. All financial information, including balances and totals presented in this Prospectus are rounded in millions of Rupiah, unless expressed otherwise. Consequently, any differences that may arise in the sum total of the financial information presented in the tables herein, namely the value according to the sum total and the value presented in the Prospectus, resulted from such rounding factors.

A. OVERVIEW

The Company is a limited company domiciling in West Jakarta, which was legally established and operates under and according to the laws of the Republic of Indonesia.

The Company was established under the name of PT Citra Alam Pratama in accordance with the Deed of Establishment No. 01 dated May 5, 2008, drawn up before Ir. Rusli, S.H., a Notary in Bekasi. The Deed of Establishment was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-27201.AH.01.01.Tahun 2008 dated May 23, 2008, registered in the Company Registry under Number AHU-0039782.AH.01.09.Tahun 2008 dated May 23, 2008, and announced in the State Gazette of the Republic of Indonesia ("SGRI") No. 2 dated January 6, 2009, Supplement Number 473/2009 ("**Deed of Establishment**").

Since its establishment, the Articles of Association stipulated in the Company's Deed of Establishment have been amended several times as stipulated in:

- The Company's Deed of Minutes of Meeting No. 03 dated February 19, 2010, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.10-05281 dated March 2, 2010, registered in the Company Registry under Number AHU-0016302.AH.01.09.Tahun 2010 dated March 2, 2010, and announced in the SGRI No. 79 dated October 1, 2010, Supplement Number 1513/2010.
- The Company's Deed of Minutes of Meeting No. 02 dated July 23, 2010, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-41319.AH.01.02.Tahun 2010 dated August 23, 2010, registered in the Company Registry under Number AHU-0062869.AH.01.09.Tahun 2010 dated August 23, 2010, and announced in the SGRI No. 13 dated February 14, 2012, Supplement Number 22/2012.
- The Company's Deed of Minutes of Meeting No. 06 dated June 24, 2011, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-34036.AH.01.02.Tahun 2011 dated July 7, 2011, registered in the Company Registry under Number AHU-0055331.AH.01.09.Tahun 2011 dated July 7, 2011, and announced in the SGRI No. 78 dated September 28, 2012, Supplement Number 54988/2012.
- The Company's Deed of Meeting Resolutions No. 15 dated December 16, 2014, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0000043.AH.01.02.Tahun 2015 dated January 5, 2015, registered in the Company Registry under Number AHU-0000322.AH.01.11.Tahun 2015 dated January 5, 2015, and announced in the SGRI No. 9 dated January 30, 2015, Supplement Number 575/2015.
- The Company's Deed of Meeting Resolutions No. 10 dated December 26, 2016, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was (i) approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0026161.AH.01.02.Tahun 2016 dated January 5, 2017, and registered in the Company Registry under Number AHU-0159336.AH.01.11.Tahun 2016 dated January 5, 2017, and (ii) reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0115278 dated January 5, 2017, and registered in the Company Registry under Number AHU-0159336.AH.01.11.Tahun 2016 dated January 5, 2017 ("**Deed No. 10/2016**"). Pursuant to the Representation Letter dated July 11, 2018, issued by Ir. Rusli, S.H., a Notary in Bekasi, the announcement in the SGRI for the Deed No. 10/2016 is being processed.
- The Company's Deed of Shareholder Resolutions Number 84, dated December 14, 2017, drawn up before Yulia, S.H., a Notary in South Jakarta, which was (i) approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0026483.AH.01.02.Tahun 2017 dated December 15, 2017, and registered in the Company Registry under Number AHU-0159763.AH.01.11.Tahun 2017 dated December 15, 2017, and (ii) reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0201277 dated December 15, 2017, and registered in the Company Registry under Number AHU-0159763.AH.01.11.Tahun 2017 dated December 15, 2017, and (iii) announced in the SGRI Number 65 dated August 14, 2018, Supplement Number 12249/2018 ("**Deed No. 84/2017**").

- The Company's Deed of Meeting Resolutions No. 6 dated June 26, 2018, drawn up before Abdul Haris, S.H., M.Kn., a Notary in Serang Regency, Banten, which was reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0220011 dated July 9, 2018, and registered in the Company Registry under Number AHU-0088036.AH.01.11.Tahun 2018 dated July 9, 2018 ("**Deed No. 6/2018**"). Pursuant to the Representation Letter No. 002/SKT-NOT/VIII/2018 dated August 9, 2018, issued by Abdul Haris, S.H., M.Kn., a Notary in Serang Regency, Banten, the announcement of the Deed No. 6/2018 in the SGRI is being processed.
- The Company's Deed of Shareholder Resolutions Number 25 dated September 10, 2018, drawn up before Yulia, S.H., a Notary in South Jakarta, which (i) was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0018784.AH.01.02.Tahun 2018 dated September 12, 2018, and registered in the Company Registry under Number AHU-0120060.AH.01.11.Tahun 2018 dated September 12, 2018, and (ii) reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0241652 dated September 12, 2018, and registered in the Company Registry under Number AHU-0120060.AH.01.11.Tahun 2018 dated September 12, 2018 ("**Deed No. 25/2018**"). Pursuant to the Representation Letter No. 115/CN/N/IX/2018 dated September 25, 2018, issued by Yulia, S.H., a Notary in South Jakarta, the announcement of the Deed No. 25/2018 in the SGRI is being processed.
- The Company's Deed of Shareholder Resolutions Number 29 dated March 11, 2019, drawn up before Yulia, S.H., a Notary in South Jakarta, which (i) was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0015666.AH.01.02.Tahun 2019 dated March 21, 2019, and registered in the Company Registry under Number AHU-0047576.AH.01.11.Tahun 2019 dated March 21, 2019, and (ii) reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0161344 dated March 21, 2019, and registered in the Company Registry under Number AHU-0047576.AH.01.11.Tahun 2019 dated March 21, 2019 ("**Deed No. 29/2019**"). Pursuant to the Representation Letter No. 211/CN/N/VI/2019 dated June 25, 2019, issued by Yulia, S.H., a Notary in South Jakarta, the announcement of the Deed No. 29/2019 in the SGRI is being processed.
- The Company's Deed of Shareholder Resolutions Number 50 dated May 10, 2019, drawn up before Yulia, S.H., a Notary in South Jakarta, which (i) was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0025348.AH.01.02.Tahun 2019 dated May 13, 2019, and registered in the Company Registry under Number AHU-0075686.AH.01.11.Tahun 2019 dated May 13, 2019, and (ii) reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0243116 dated May 13, 2019, and registered in the Company Registry under Number AHU-0075716.AH.01.11.Tahun 2019 dated May 13, 2019 ("**Deed No. 50/2019**"). Pursuant to the Representation Letter No. 210/CN/N/VI/2019 dated June 25, 2019, issued by Yulia, S.H., a Notary in South Jakarta, the announcement of the Deed No. 50/2019 in the SGRI is being processed.

According to Article 3 of the Company's Articles of Association stipulated in the Deed No. 50/2019, the Company is engaged in the service, electricity, construction, trade, manufacturing, investment, and transportation industries.

To achieve the aforementioned aims and objectives, the Company may carry out the following main business activities:

Main Business Activities:

1. Service industry, including:

- a. Other Management Consulting Activities:
Providing business advice, guidance regarding business operation and other organizational and management issues, such as strategic planning and organization; financial-related decisions; marketing objectives and policies; planning; human resources policies and practices; production planning, scheduling, and control. The provision of service business may include providing advice, guidance, and assistance on the operational aspects of various management functions, management consulting by agronomists and agricultural economists for the agricultural business and other similar businesses, designs of accounting procedures and methods, cost accounting programs, budget monitoring procedures, and providing advices and assistance to business and community services on planning, organization, efficiency and monitoring, management information and others (ISIC (Indonesian Standard Industrial Classification) 70209);
- b. Activities of a Holding Company, a company that controls assets of a group of subsidiaries which main activity is the ownership of such group. A Holding Company is not involved in its Subsidiaries' business activities. Its activities include services provided by counselors and negotiators in designing corporate merger and acquisition (ISIC 64200);
- c. Professional, Scientific and other Technical Activities that cannot be otherwise classified, such as agronomist consulting, environmental consulting, other technical consulting services, and other activities of consultants other than architecture, engineering, and management consulting services. Including services to salvage treasures from shipwrecks. This classification also includes activities carried out by agency or representative on behalf of individuals that are generally involved in the production of motion pictures, production of theater or other entertainments, or sports attractions and book launches, plays (drama, musical, and others), artworks, photography, and others, with publishers, producers, and others (ISIC 74909).

2. Electricity industry, including:

- a. Electrical Building Construction, which include activities of construction, maintenance, and repair of electrical installations such as power plants, electrical power transmission, and local and long-distance electrical power networks. Also including construction of electrical main stations and installation of electrical poles used for buildings (residential/dwellings) and railway transportation facilities (ISIC 42213);
- b. Activities of Engineering and Engineering Consulting, which include engineering design and consulting activities, such as industrial machineries, factories, and processes; projects involving civil engineering, hydraulic engineering, traffic engineering; development and implementation of projects related to electrical engineering and electronic engineering, mining engineering, mechanical engineering, industrial engineering, system engineering, and security engineering; water management projects; and project management activities related to construction; development activities of projects utilizing AC, refrigerant, sanitary and pollution control engineering, acoustic engineering, and others; geophysics, geology and seismic or earthquake survey activities; geodetic survey activities, including boundary demarcation and surface surveys, hydrographic survey, geological survey, and spatial and cartographic information activities, including topography (ISIC 71102);
- c. Electrical Installation Construction, including installation activities of electrical installations in residential and non-residential buildings, such as installation of low-voltage network installations. Including installation and maintenance activities of civil building electrical installations, such as roads, railways, and airports (ISIC 43211);
- d. Installation Engineering Inspection Service, including inspection activities of an installation design and installation process, such as inspection of electrical installations and other installations (ISIC 71204);
- e. Power Plants, including power generation business and operation of power generation facilities that generate electrical power from various energy sources, such as water (hydroelectric), coal, gas (gas turbine), petroleum, diesel, and renewable energies, solar power, wind, ocean current, geothermal (thermal energy), nuclear energy, and others (ISIC 35101);
- f. Electrical Power Transmission, which include electrical transmission system operation or electrical distribution from power plants to distribution network, including high-voltage electricity transmission network (between 35 kilovolts to 245 kilovolts) and/or ultra-high voltage (higher than 245 kilovolts), including the related main stations, whether produced internally or by other parties (ISIC 35102);
- g. Undertake the application of licenses related to Power Plant Projects.

Supporting Business Activities:

1. Construction, including:

- a. Construction of residential buildings, including construction of buildings used for residential purposes, such as residential houses, apartments, and condominiums. Including construction of residential buildings carried out by real estate companies for the purpose of sale, and modifications and renovations of residential buildings (ISIC 41011);
- b. Office building construction activities, including construction of buildings used for business purposes, such as offices and SOHOs. Including construction of office buildings carried out by real estate companies for the purpose of sale, and modifications and renovations of office buildings (ISIC 41012);
- c. Industrial building construction activities, including construction of buildings used for industrial purposes, such as factories and workshops. Including modifications and renovations of industrial buildings (ISIC 41013);
- d. Retail building construction activities, including construction of buildings used for retail purposes, such as malls, convenience stores, shops, shophouses, and stalls. Including construction of shophouses carried out by real estate companies for the purpose of sale, and modifications and renovations of retail buildings (ISIC 41014);
- e. Construction of owned or leased real estates, including the purchase, sale, lease, and operation of owned and/or leased real estates, such as apartment buildings, residential buildings, and non-residential buildings (e.g. convention halls, personal storage facilities, malls, shopping centers, and others), as well as provision of houses and flats or apartments, both furnished and non-furnished, to be permanently used monthly or annually. Including land sales activities, development of buildings to be independently operated (to lease the spaces in the building), division of real estates into land plots without land development, and development of residential estates for mobile homes (ISIC 68110);
- f. Fee-based or contract-based real estates, including activities related to provision of fee-based or contract-based real estates, and real-estate related services as follows:
 - Real estate brokerage and agency activities;
 - Fee-based or contract-based brokerage of real-estate purchases, sales, and leases;
 - Fee-based or contract-based real-estate management;
 - Real-estate appraisal services;
 - Real-estate curator agent. (ISIC 6820).

2. Trade, including:

- a. Business/activities that are directly related to electricity business, such as meter recording and billing delivery services. Including electricity trade activities to consumers, electricity agent activities, which carry out electricity sales through electricity distribution system operated by other parties, operation of electrical power and transmission capacity exchange, and electrical token/pulse

trade activities, and other electricity support activities (ISIC 35140);

- b. Wholesale of industrial and office machineries, spare parts and equipment, specifically those related to the electricity industry, including electricity power plant machineries and electricity materials (ISIC 46591), including export-import, inter-island, domestic, purveyor, wholesale, supplier, distributors and agents, except travel agents, either directly or through its Subsidiaries.

3. Manufacturing, including:

- a. Manufacturing of steam machines, turbines, and windmills, including manufacturing of propulsion engine other than internal combustion engine, such as steam engine, turbines and parts thereof, steam turbines, and other vapor turbines, hydraulic turbines, waterwheels and regulators thereof, wind turbines and gas/air turbines, except turbo jets or turbo propeller for aircraft propulsion; boiler-turbine sets, turbine generator sets and windmill sets (ISIC 28111);
- b. Electric wires and other electronic wires, including the manufacturing of insulated wires and cables made of steel, copper, or aluminium, such as communication or telephone wires, low/medium/high voltage electricity network wires (ISIC 27320);
- c. Wire equipment industry, including manufacturing of fittings, switches, circuit breaker, and others, such as conveyor rods, electric conductors (except switchgear), GFCI (ground fault circuit interrupter), lamp holder, lightning rods and coils, plugs for electric wire equipment (such as push, push button, snap, tumbler switchers), electric outlets and sockets (circuit breakers), box for electric wire equipment (such as junction, outlet, switch box), electric wires and equipment, transmission poles and line hardware, and plastics for non-current transmission wire equipment, including junction plastic boxes, face plates, and others, and plastic line pole equipment (ISIC 27330);
- d. Electric power generation industry, including the manufacturing of generators and the components/parts thereof, such as alternative current generator, direct current generator, generator set, stator, rotor, commutator, and rotary converter. Including power generator (except battery charging alternator for internal combustion engine), motor generator equipment (except turbine generator equipment), and main driving generator equipment (ISIC 27112);
- e. Manufacturing of ready-to-install construction materials made of non-aluminium metal, such as steel fences, security grills, doors/windows, vents, stairs, and other light construction products. Manufacturing of ready-to-install heavy construction materials made of steels, such as for bridges, electric towers (ISIC 25111), and ready-to-install construction materials made of aluminium, such as window frames, aluminium security grills, aluminium roofs (awnings), rolling doors, aluminium blinds, and other light construction products (ISIC 25112), manufacturing of ready-to-install heavy construction materials made of steel for bridges, hangars, high-voltage electric towers, floodgates and others (ISIC 25113);
- f. Manufacturing of electric motors, generators and transformers, particularly related to the manufacturing of electric and electronic equipment and recycling of electric and electronic equipment and the related business activities (ISIC 2711);
- g. Coal gasification in mining site (ISIC 05102);
- h. Iron ore mining (ISIC 07102);

Including assembly manufacturing industry, whether directly or through subsidiaries.

4. Investment

Enter into placement of capital (investment) directly, or through subsidiaries, in other companies or disposal of capital (divestment) in other companies that are related to the Company's business activities.

5. Transportation

Carry out ground transportation business by taking on and transport passengers and/or cargoes from one location to another using buses and trucks, including, among others:

Pipeline transportation (ISIC 49300), railway transportation for passengers (ISIC 49110), railway transportation for cargoes (ISIC 49120), including transportation business using motor vehicles (large/medium public buses) at specified schedules and Intercity-Interprovince routes (ISIC 49211), city bus transportation, including transportation from one location to another within a City or a capital city of a Regency, or in the Special Capital Region using public buses (large/medium buses) that are bound to specified routes (ISIC 49214).

B. THE COMPANY'S CAPITAL STRUCTURE AND SHAREHOLDERS COMPOSITION

Pursuant to the Deed No. 50/2019, the capital structure and shareholder composition of the Company as of the date of issuance of this Prospectus are as follows:

Description	Nominal Value of Rp100 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	11,473,080,000	1,147,308,000,000	100.00
Issued and Paid-up Capital			
1. PT Paramata Indah Lestari	1,110,920,000	111,092,000,000	37.88
2. Henry Maknawi	524,550,000	52,455,000,000	17.88
3. Jeanny Maknawi Joe	295,770,000	29,577,000,000	10.08
4. Johan Maknawi	230,300,000	23,030,000,000	7.85
5. Eddy Maknawi	184,030,000	18,403,000,000	6.27
6. Ratna Maknawi	141,870,000	14,187,000,000	4.84
7. Rusita	53,840,000	5,384,000,000	1.84
8. Bachtiar	20,190,000	2,019,000,000	0.69
9. Myrna Agustin Annamari Rumengan	157,580,000	15,758,000,000	5.37
10. Jimmy Chandra	66,870,000	6,687,000,000	2.28
11. Rusmin Cahyadi	55,090,000	5,509,000,000	1.88
12. Ir. Djon Arijanto Agung	27,260,000	2,726,000,000	0.93
13. Giat Widjaja	37,240,000	3,724,000,000	1.27
14. Agha Indra Arbina	13,770,000	1,377,000,000	0.47
15. PT Tirta Energi Sentosa	13,770,000	1,377,000,000	0.47
Total Issued and Paid-up Capital	2,933,050,000	293,305,000,000	100.00
Shares in Portfolio	8,540,030,000	854,003,000,000	

C. OVERVIEW OF SUBSIDIARIES

As of the date of issuance of this Prospectus, the Company has 4 (four) directly-owned Subsidiaries, namely PT Energy Sakti Sentosa, PT Bangun Tirta Lestari, PT Bangun Hidro Energi, and PT Sumber Tirta Energi, and 1 (one) indirect Subsidiary, namely PT Nagata Dinamika Hidro Madong. An overview of the subsidiaries is presented below:

Company Name	Commencement of Commercial Operation	Business Activities	Year of Investment	Percentage of Ownership (%)	Operating Status*	Contribution to the Company's Revenues for the Year Ended March 31, 2019
Direct Ownership						
PT Energy Sakti Sentosa	2008	Electricity supply	2017	75.00	Operating	47.65%
PT Bangun Tirta Lestari	2011	Electricity supply	2018	98.40	In Construction	52.35%
PT Bangun Hidro Energi	2019	Electricity supply	2019	98.00	-	-
PT Sumber Tirta Energi**	2019	Electricity supply	2019	99.99	-	-
Indirect Ownership						
PT Nagata Dinamika Hidro Madong	Not yet operating	Electricity supply	2019	75.44	-	-

*) Operating Status is determined after the COD phase is passed.

**) The Subsidiary was acquired subsequent to the financial statements' date, i.e., March 31, 2019.

D. SHARE INITIAL PUBLIC OFFERING

Presented below is the summary of the Company's Share Initial Public Offering structure:

1. Total Offering Shares : 733,262,500 (seven hundred thirty-three million two hundred sixty-two thousand and five hundred) ordinary registered shares, representing 20% (twenty percent) of the Company's issued and paid-up capital subsequent to the Share Initial Public Offering.
2. Nominal Value : Rp100 (one hundred Rupiah)
3. Offer Price : Rp396 (three hundred ninety six Rupiah)
4. Total Listed Shares : 3,666,312,500 (three billion six hundred sixty six million three hundred and twelve thousand five hundred) shares
5. Total Public Offering : Rp290,371,950,000 (two hundred ninety billion three hundred seventy-one million nine hundred and fifty thousand Rupiah)
6. Public Offering Date : August 23-27, 2019
7. Listing Date on the IDX : September 2, 2019

The Offering Shares with respect to this Share Initial Public Offering entirely consist of New Shares issued from the Company's portfolio and shall provide their holders with the same and equal rights in all respects with the Company's other issued and fully paid-up shares, including the right to receive dividend distribution, the right to cast vote in a General Meeting of Shareholders ("GMS"), the right to receive bonus share distributions, and preemptive rights, in accordance with the provisions stipulated in the Company Law and the Capital Market Law.

Upon subscription of all the Offering Shares in this Share Initial Public Offering, the Company's capital structure and shareholder composition prior and subsequent to the Share Initial Public Offering on a proforma basis would be as follows:

Prior to Share Initial Public Offering					Subsequent to Share Initial Public Offering		
No	Name of Shareholder Shares	Nominal Value of Rp100 per share		%	Nominal Value of Rp100 per share		%
		Total Shares	Nominal (Rp)		Total Shares	Nominal (Rp)	
Authorized Capital		11,473,080,000	1,147,308,000,000	100.00	11,473,080,000	1,147,308,000,000	100.00
Issued and Paid-up Capital:							
1	PT Paramata Indah Lestari	1,110,920,000	111,092,000,000	37.88%	1,110,920,000	111,092,000,000	30.30
2	Henry Maknawi	524,550,000	52,455,000,000	17.88%	524,550,000	52,455,000,000	14.31
3	Jeanny Maknawi Joe	295,770,000	29,577,000,000	10.08%	295,770,000	29,577,000,000	8.07
4	Johan Maknawi	230,300,000	23,030,000,000	7.85%	230,300,000	23,030,000,000	6.28
5	Eddy Maknawi	184,030,000	18,403,000,000	6.27%	184,030,000	18,403,000,000	5.02
6	Ratna Maknawi	141,870,000	14,187,000,000	4.84%	141,870,000	14,187,000,000	3.87
7	Rusita	53,840,000	5,384,000,000	1.84%	53,840,000	5,384,000,000	1.47
8	Bachtiar	20,190,000	2,019,000,000	0.69%	20,190,000	2,019,000,000	0.55
9	Myrna Agustin Annamari Rumengan	157,580,000	15,758,000,000	5.37%	157,580,000	15,758,000,000	4.30
10	Jimmy Chandra	66,870,000	6,687,000,000	2.28%	66,870,000	6,687,000,000	1.82
11	Rusmin Cahyadi	55,090,000	5,509,000,000	1.88%	55,090,000	5,509,000,000	1.50
12	Ir. Djoni Arijanto Agung	27,260,000	2,726,000,000	0.93%	27,260,000	2,726,000,000	0.74
13	Giat Widjaja	37,240,000	3,724,000,000	1.27%	37,240,000	3,724,000,000	1.02
14	Agha Indra Arbina	13,770,000	1,377,000,000	0.47%	13,770,000	1,377,000,000	0.38
15	PT Tirta Energi Sentosa	13,770,000	1,377,000,000	0.47%	13,770,000	1,377,000,000	0.38
16	Public	-	-	-	733,262,500	73,326,250,000	20.00
Total Issued and Paid-up Capital		2,933,050,000	293,305,000,000	100.00	3,666,312,500	366,631,250,000	100.00
Shares in Portfolio		8,540,030,000	854,003,000,000		7,806,767,500	780,676,750,000	

Employee Stock Allocation Program or ESA Program

The main objectives of ESA Program are to instill a sense of belonging in employees and to increase work productivity of each employee, which eventually is expected to increase the Company's overall productivity resulting in an increase in value enjoyed by the Company's stakeholders.

Upon subscription of all the shares offered by the Company in this Initial Public Offering and the implementation of the ESA Program referred to above, the Company's capital structure and shareholder composition prior and subsequent to the Initial Public Offering on a proforma basis would be as follows:

Prior to Share Initial Public Offering					Subsequent to Share Initial Public Offering		
No	Name of Shareholder Shares	Nominal Value of Rp100 per share		%	Nominal Value of Rp100 per share		%
		Total Shares	Nominal (Rp)		Total Shares	Nominal (Rp)	
Authorized Capital		11,473,080,000	1,147,308,000,000	100.00	11,473,080,000	1,147,308,000,000	100.00
Issued and Paid-up Capital:							
1	PT Paramata Indah Lestari	1,110,920,000	111,092,000,000	37.88	1,110,920,000	111,092,000,000	30.29
2	Henry Maknawi	524,550,000	52,455,000,000	17.88	524,550,000	52,455,000,000	14.31
3	Jeanny Maknawi Joe	295,770,000	29,577,000,000	10.08	295,770,000	29,577,000,000	8.07
4	Johan Maknawi	230,300,000	23,030,000,000	7.85	230,300,000	23,030,000,000	6.28
5	Eddy Maknawi	184,030,000	18,403,000,000	6.27	184,030,000	18,403,000,000	5.02
6	Ratna Maknawi	141,870,000	14,187,000,000	4.84	141,870,000	14,187,000,000	3.87
7	Rusita	53,840,000	5,384,000,000	1.84	53,840,000	5,384,000,000	1.47
8	Bachtiar	20,190,000	2,019,000,000	0.69	20,190,000	2,019,000,000	0.55
9	Myrna Agustin Annamarie Rumengan	157,580,000	15,758,000,000	5.37	157,580,000	15,758,000,000	4.30
10	Jimmy Chandra	66,870,000	6,687,000,000	2.28	66,870,000	6,687,000,000	1.82
11	Rusmin Cahyadi	55,090,000	5,509,000,000	1.88	55,090,000	5,509,000,000	1.50
12	Ir. Djoni Arijanto Agung	27,260,000	2,726,000,000	0.93	27,260,000	2,726,000,000	0.74
13	Giat Widjaja	37,240,000	3,724,000,000	1.27	37,240,000	3,724,000,000	1.02
14	Agha Indra Arbina	13,770,000	1,377,000,000	0.47	13,770,000	1,377,000,000	0.38
15	PT Tirta Energi Sentosa	13,770,000	1,377,000,000	0.47	13,770,000	1,377,000,000	0.38
16	Public	-	-	-	731,999,900	73,199,990,000	19.97
17	ESA	-	-	-	1,262,600	126,260,000	0.03
Total Issued and Paid-up Capital		2,933,050,000	293,305,000,000	100.00	3,666,312,500	391,073,330,000	100.00
Shares in Portfolio		8,540,030,000	854,003,000,000		7,806,767,500	780,676,750,000	

Further information concerning the Share Initial Public Offering and the ESA Program is available in Chapter I of this Prospectus.

E. USE OF PROCEEDS

The proceeds from this Share Initial Public Offering, net of issuance cost, shall be used by the Company as follows:

- Approximately 55% (fifty-five percent) shall be used to finance business developments in the Hydroelectric Power Plant and other renewable energy in Sumatra and Sulawesi with an estimated total production capacity of approximately 205 MW, either through investments and/or equity investments by the Company in the Subsidiaries or other entities that shall be part of the Company's Subsidiaries in accordance with the requirements stipulated in the PPA.
- Approximately 25% (twenty-five percent) to finance PT Bangun Tirta Lestari's working capital.
- Approximately 20% (twenty percent) to finance PT Nagata Dinamika Hidro Madong's working capital in connection with the Madong Project.

Further details considering the use of proceeds from the Share Initial Public Offering is available in Chapter II of this Prospectus.

F. BUSINESS RISKS

The following risks are risks that are material to the Company, weighted based on the impacts of each risk to the Company's financial performance, beginning from the Company's main risk:

MAIN RISKS WITH SIGNIFICANT EFFECTS TO THE COMPANY GOING CONCERN

1. The dependence of the Company, as a Parent Company, to the Subsidiaries' performance.

RISKS ASSOCIATED WITH THE COMPANY AND ITS SUBSIDIARIES' BUSINESS ACTIVITIES

I. RISK ASSOCIATED WITH THE COMPANY AND ITS SUBSIDIARIES

1. Changes in Government Policies and Regulations in the electricity industry.
2. Risk related to the status of land ownership, acquisition, utilization permits and changes in policies related to the plots of land used as the Hydroelectric Power Plant' facilities.
3. Risk of potential resistance from the local communities in the Company and its Subsidiaries' power plant areas, and risk of terrorism.
4. Risk of business competition.
5. Risk of changes in technology.

II. RISKS ASSOCIATED WITH THE SUBSIDIARIES

1. Operational risks during the construction period.
 - Risks related to hydrological and geological conditions.
 - Risks related to engineering design failures.
2. Operational risks during the commissioning period.
 - Risks related to changes in hydrological and geological conditions.
 - Risks related to engineering design failures.
3. Risks during operational period (subsequent to Commercial Operation Date).
 - Risks related to scarcity of resources and raw material (hydrological and geological) supply.
 - Risks of failure to achieve the Minimum Capacity Factor
4. Risks related to the clauses in the Power Purchase Agreement (PPA) contract.
 - Changes in clauses of PPA made by PLN in response to changes in Government policy due to unexpected changes in market condition and demand for electrification.
 - The Company may not have the same ability to obtain a new PPA when the current PPA expires.
 - The clause concerning Built Operate Own Transfer (BOOT) method in the current Power Purchase Agreement (PPA).
 - The clause concerning PLN's accelerated purchase option of the Company and its Subsidiaries' assets that are used as productive assets to generate electrical power in accordance with the Power Purchase Agreement (PPA).
5. Risks of dependence on certain vendors and the availability of spare parts.
6. Business risks associated with concentration in one main customer, PLN.
7. Risks of changes in manpower policies related to foreign workers in Indonesia.

FINANCIAL RISKS

1. Risks related to financial liquidity during the construction of Hydroelectric Power Plant facilities.
2. Risks of cost overrun during construction phase.
3. Risks of cost overrun during commissioning phase.
4. Risk associated with foreign exchange fluctuations
5. Risks associated with accounting policies
6. Risks associated with interest rate fluctuations

GENERAL RISK

1. Macroeconomic condition
2. Compliance with the prevailing laws and regulations relating to the industry
3. Legal claims or lawsuits

RISKS RELATING TO INVESTMENTS IN THE COMPANY'S SHARES

1. The price of the Company's shares may be subject to significant fluctuations in the future
2. The liquidity of the Company's shares
3. The Company's ability to pay dividends in the future
4. Risks of failures in investments or corporate actions
5. The interests of the Controlling Shareholder may conflict with the interest of the buyers of Offering Shares

Further information considering the Company's business risks is available in Chapter VI of this Prospectus, Business Risks.

G. THE COMPANY'S BUSINESS STRATEGIES

The Company endeavors to achieve its objectives by implementing the following strategies:

1. Carry out studies to discover potential areas for new hydroelectric power plants.
2. Minimize financial risks during the construction of hydroelectric power plant facilities.
3. Carry out evaluation of, and appoint competent and experienced hydroelectric power plant facility construction professionals.
4. Obtain efficient financing.
5. Maintain good relationship with its main customer.

H. KEY FINANCIAL HIGHLIGHTS

The following key financial highlights are derived from/prepared based on the Company's consolidated statements of financial position as of March 31, 2019, December 31, 2018, 2017, and 2016, and the consolidated statements of profit and lost and other comprehensive income for the three months ended March 31, 2019 and 2018, and the years ended December 31, 2018, 2017, and 2016. The Company and its Subsidiaries' consolidated financial statements as of March 31, 2019, and December 31, 2018, and for the three months ended March 31, 2019 and 2018, and the years ended December 31, 2018, 2017, and 2016, have been audited by the Public Accounting Firm Kosasih, Nurdyaman, Mulyadi, Tjahjo & Rekan (member of Crowe Global), an independent auditor, based on the Auditing Standards stipulated by the Indonesian Institute of Public Accountant (Institut Akuntan Publik Indonesia, "IAPI"), which expressed an unmodified opinion in its report signed by Mulyadi (Public Accountant Registration No. AP. 0008) dated June 26, 2019. The Company and its Subsidiaries' consolidated financial statements as of December 31, 2016, have been restated in connection with the implementation of ISAK (*Interpretasi Standar Akuntansi Keuangan*, Interpretation of Accounting Standards) No. 15 and PSAK (*Pernyataan Standar Akuntansi Keuangan*, Statement of Financial Accounting Standard) No. 38. The consolidated financial statements as of December 31, 2016, and the year then ended, have been audited by the Public Accounting Firm Drs. Bambang Sudaryono & Rekan, an independent auditor, based on the Auditing Standards stipulated by the Indonesian Institute of Public Accountant (Institut Akuntan Publik Indonesia, "IAPI"), which expressed an unmodified opinion in its report signed by Dr. Bambang Sudaryono, MBA, CPA (Public Accountant Registration No. AP. 0739). The statements of profit or loss and other comprehensive income, statements of changes in equity, and statements of cash flows for the 3 (three) month period ended March 31, 2108, were not audited.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In US\$)

Description	March 31, 2019	The year ended December 31,		
		December 31, 2018	December 31, 2017	December 31, 2016
Total Assets	249,980,590	233,938,142	219,444,329	191,201,063
Total Liabilities	115,551,701	111,133,477	103,542,582	90,978,324
Total Equities	134,428,889	122,804,665	115,901,747	100,222,739

Consolidated Statements of Profit and Loss and Other Comprehensive Income

(In US\$)

Description	March 31, 2019	The year ended December 31,		
		2018	2017	2016
Net Sales	5,687,167	26,448,486	34,969,836	26,410,537
Cost of Sales	1,756,891	9,725,790	8,937,133	6,005,200
Gross Profit	3,930,276	16,722,696	26,032,703	20,405,337
Income from Operations	3,477,098	14,549,048	24,876,932	19,509,194
Total Income for the Period/Year	2,381,531	6,909,990	3,599,479	7,394,915
Total Comprehensive Income for the Year	2,292,153	6,910,571	4,355,626	6,173,910

Further information concerning the Company's key financial highlights is available in Chapter IV of this Prospectus.

I. PENDING LITIGATIONS ASSOCIATED WITH THE COMPANY, ITS SUBSIDIARIES, COMMISSIONERS AND DIRECTORS OF THE COMPANY AND ITS SUBSIDIARIES

As of the date of issuance of this Prospectus, the Company, its Subsidiaries, and each Commissioner and Director of the Company and its Subsidiaries, are not involved in any bankruptcy, debt payment obligation suspension, intellectual property rights proceedings or other proceedings in the Commercial Court or any courts and arbitration centers in Indonesia or overseas, and have not been involved in any legal cases, either civil, criminal, tax, state administrative, or industrial relations cases or any other cases in any level of courts in Indonesia or, to the extent of the Company's knowledge, in any other countries, which may have material effects to the Company's going concern and assets.

J. DIVIDEND POLICY

The Company's dividend policy plans to distribute a maximum of 40% (forty percent) of the consolidated net income for the year starting from 2020 based on the total income for the 2019 fiscal year.

Dividends that may be recommended or declared by the Board of Directors for certain fiscal year or period depend on the following factors

and other factors that are deemed relevant by the Company's Board of Directors.

The Company's current dividend policy is as follows:

- In determining the Company's dividend pay-out ratio for any given fiscal year, the Company will consider its current objectives to maintain and potentially increase the dividend distribution within the Company's overall objective to optimize Shareholders' long-term profit;
- In considering the dividend distribution level recommended by the Board of Directors, if any, the Company considers a number of factors, including:
 - Cash balances, net gearing, return on equity, and retained earnings;
 - The Company's expected financial capabilities;
 - The Company's projected capital expenditures and other investment plans;
 - Dividend ratio, if any, received by the Company and its Subsidiaries;
 - Dividends from investments in companies and other companies in globally similar industries.

There are no negative covenants that may prevent the Company from distributing dividends to Shareholders.

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I. SHARE INITIAL PUBLIC OFFERING

The Company is offering 733,262,500 (seven hundred thirty-three million two hundred sixty-two thousand and five hundred) ordinary registered shares or 20% (twenty percent) of the Company's issued and paid-up capital subsequent to the Share Initial Public Offering, consisting of new shares issued from the Company's portfolio with a nominal value of Rp100 (one hundred Rupiah) to be offered to the Public at an Offer Price of Rp396 (three hundred ninety six Rupiah) per share, which shall be paid in full upon submission of the Share Subscription Form ("SSF"). The aggregate value of the Share Initial Public Offering shall be Rp290,371,950,000 (two hundred ninety billion three hundred seventy-one million nine hundred and fifty thousand Rupiah).

In conjunction with the Share Initial Public Offering, the Company shall conduct an Employee Stock Allocation Program ("ESA Program") for 0,17% (zero point one seven percent) of the total Offering Shares in the Share Initial Public Offering or a maximum of 1,262,600 (one million two hundred sixty-two thousand and six hundred) shares from the total shares offered in the Share Initial Public Offering.

The Offering Shares with respect to this Share Initial Public Offering entirely consist of New Shares issued from the Company's portfolio and shall provide their holders with the same and equal rights in all respects with the Company's other issued and fully paid-up shares, including the right to receive dividend distribution, the right to cast vote in a General Meeting of Shareholders ("GMS"), the right to receive bonus share distributions, and preemptive rights, in accordance with the provisions stipulated in the Company Law and the Capital Market Law.

The Offering Shares are lawfully owned and are free, are not subject to dispute and/or are not pledged to any parties whatsoever, and are not being offered to other parties.



PT KENCANA ENERGI LESTARI TBK

Main Business Activities:

Engaged in the services and electricity business through our subsidiaries

Domiciling in West Jakarta, Indonesia

Head Office

Kencana Tower Level 11, Kebon Jeruk Business Park
Jl. Raya Meruya Ilir No.88
West Jakarta, 11620, Indonesia
Tel: (62-21) 589 00791
Fax: (62-21) 386 7686
Website: www.kencanaenergy.com
E-mail: corporate.secretary@kencanaenergy.com

As of March 31, 2019, the Company, through its Subsidiaries, own 3 (three) hydro power plant in Indonesia.

THE COMPANY'S MAIN RISK EXPOSURE IS THE RISK ASSOCIATED WITH THE DEPENDENCY OF THE COMPANY, AS A PARENT COMPANY, TO THE SUBSIDIARIES' PERFORMANCE. THE COMPANY'S COMPLETE BUSINESS RISKS ARE PRESENTED IN CHAPTER VI OF THIS PROSPECTUS.

THE COMPANY IS UNABLE TO PREDICT WHETHER THE COMPANY'S SHARES WILL BE ACTIVELY TRADED OR WHETHER THOSE SHARES WILL REMAIN LIQUID. ACCORDINGLY, THERE IS A RISK THAT THE OFFERING SHARES IN THIS SHARE INITIAL PUBLIC OFFERING MAY NOT BE LIQUID.

The Company is a limited company domiciling in West Jakarta, which was legally established and operates under and according to the laws of the Republic of Indonesia. The Company was established under the name of PT Citra Alam Pratama in accordance with the Deed of Establishment No. 01 dated May 5, 2008, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-27201.AH.01.01.Tahun 2008 dated May 23, 2008, registered in the Company Registry under Number AHU-0039782.AH.01.09.Tahun 2008 dated May 23, 2008, and announced in the SGRI No. 2 dated January 6, 2009, Supplement Number 473/2009 ("Deed of Establishment").

Since its establishment, the Company's Articles of Association have been amended several times, and the most recent amendment is stipulated in the Deed No. 50/2019.

The Company's capital structure and shareholder composition as of the issuance of this Prospectus are as follows:

Name of Shareholder Shares		Nominal Value of Rp100 per share		%
		Total Shares	Nominal (Rp)	
No.				
Authorized Capital		11,473,080,000	1,147,308,000,000	100.00
Issued and Paid-up Capital:				
1.	PT Paramata Indah Lestari	1,110,920,000	111,092,000,000	37.88
2.	Henry Maknawi	524,550,000	52,455,000,000	17.88
3.	Jeanny Maknawi Joe	295,770,000	29,577,000,000	10.08
4.	Johan Maknawi	230,300,000	23,030,000,000	7.85
5.	Eddy Maknawi	184,030,000	18,403,000,000	6.27
6.	Ratna Maknawi	141,870,000	14,187,000,000	4.84
7.	Rusita	53,840,000	5,384,000,000	1.84
8.	Bachtiar	20,190,000	2,019,000,000	0.69
9.	Myrna Agustin Annamari Rumengan	157,580,000	15,758,000,000	5.37
10.	Jimmy Chandra	66,870,000	6,687,000,000	2.28
11.	Rusmin Cahyadi	55,090,000	5,509,000,000	1.88
12.	Ir. Djoni Arijanto Agung	27,260,000	2,726,000,000	0.93
13.	Giat Widjaja	37,240,000	3,724,000,000	1.27
14.	Agha Indra Arbina	13,770,000	1,377,000,000	0.47
15.	PT Tirta Energi Sentosa	13,770,000	1,377,000,000	0.47
Total Issued and Paid-up Capital		2,933,050,000	293,305,000,000	100.00
Shares in Portfolio		8,540,030,000	854,003,000,000	

Upon subscription of all the Offering Shares in this Share Initial Public Offering, the Company's capital structure and shareholder composition prior and subsequent to the Share Initial Public Offering on a proforma basis would be as follows:

Prior to Share Initial Public Offering					Subsequent to Share Initial Public Offering		
No	Name of Shareholder Shares	Nominal Value of Rp100 per share		%	Nominal Value of Rp100 per share		%
		Total Shares	Nominal (Rp)		Total Shares	Nominal (Rp)	
Authorized Capital		11,473,080,000	1,147,308,000,000	100.00	11,473,080,000	1,147,308,000,000	100.00
Issued and Paid-up Capital:							
1	PT Paramata Indah Lestari	1,110,920,000	111,092,000,000	37.88%	1,110,920,000	111,092,000,000	30.30
2	Henry Maknawi	524,550,000	52,455,000,000	17.88%	524,550,000	52,455,000,000	14.31
3	Jeanny Maknawi Joe	295,770,000	29,577,000,000	10.08%	295,770,000	29,577,000,000	8.07
4	Johan Maknawi	230,300,000	23,030,000,000	7.85%	230,300,000	23,030,000,000	6.28
5	Eddy Maknawi	184,030,000	18,403,000,000	6.27%	184,030,000	18,403,000,000	5.02
6	Ratna Maknawi	141,870,000	14,187,000,000	4.84%	141,870,000	14,187,000,000	3.87
7	Rusita	53,840,000	5,384,000,000	1.84%	53,840,000	5,384,000,000	1.47
8	Bachtiar	20,190,000	2,019,000,000	0.69%	20,190,000	2,019,000,000	0.55
9	Myrna Agustin Annamari Rumengan	157,580,000	15,758,000,000	5.37%	157,580,000	15,758,000,000	4.30
10	Jimmy Chandra	66,870,000	6,687,000,000	2.28%	66,870,000	6,687,000,000	1.82
11	Rusmin Cahyadi	55,090,000	5,509,000,000	1.88%	55,090,000	5,509,000,000	1.50
12	Ir. Djoni Arijanto Agung	27,260,000	2,726,000,000	0.93%	27,260,000	2,726,000,000	0.74
13	Giat Widjaja	37,240,000	3,724,000,000	1.27%	37,240,000	3,724,000,000	1.02
14	Agha Indra Arbina	13,770,000	1,377,000,000	0.47%	13,770,000	1,377,000,000	0.38
15	PT Tirta Energi Sentosa	13,770,000	1,377,000,000	0.47%	13,770,000	1,377,000,000	0.38
16	Public	-	-	-	733,262,500	73,326,250,000	20.00
Total Issued and Paid-up Capital		2,933,050,000	293,305,000,000	100.00	3,666,312,500	366,631,250,000	100.00
Shares in Portfolio		8,540,030,000	854,003,000,000		7,806,767,500	780,676,750,000	

Employee Stock Allocation Program or ESA Program

The Company will provide a bonus share ownership program for employees in the form of ESA allocation for employees (Employee Stock Allocation, "ESA") pursuant to the Board of Directors' Directive No. 08/Leg/Dir-KEL/V/2019 dated May 27, 2019. The ESA Program shall be allocated with a maximum of 0.17% (zero point one seven percent) of the total shares offered in the Initial Public Offering or a maximum of 1,262,600 (one million two hundred sixty-two thousand and six hundred) shares. In the event that there are shares remaining unsubscribed by the Company's employees, such remaining shares shall be offered to the public.

The main objectives of ESA Program are to instill a sense of belonging in employees and to increase work productivity of each employee, which eventually is expected to increase the Company's overall productivity resulting in an increase in value enjoyed by the Company's stakeholders.

The ESA Program is provided for the employees of the Company and its Subsidiaries who meet the Company's requirements. The implementation of the ESA program shall comply with the provisions set forth in Regulation No. IX.A.7.

ESA Program Participants

The ESA Program Participants are the Company and its Subsidiaries' employees, and the program is not provided for the Board of Directors and Board of Commissioners of the Company and Board of Directors and Board of Commissioners of the Subsidiaries, subject to the following conditions:

- Permanent employees of the Company and/or its Subsidiaries, with a minimum 1 (one) year of service.
- The employees referred to in point 1 (one) above must be employees designated as ESA Program participants under the Company's Board of Directors' Directive.
- The employee must not be under any administrative sanction upon implementation of the Bonus Share ESA Program.

Payments for shares under the ESA Program shall be made in full to the bank account designated by the Joint Lead Underwriters to receive payment of share subscriptions for the purpose of this Public Offering. Shares under the ESA Program shall be subject to a lock-up period of 12 months, commencing on the Listing Date.

If the total shares allocated for the ESA Program are not fully subscribed, the remaining shares will be offered to the Public. The party responsible for the implementation of ESA Program is the ESA Program management team, consisting of the corporate secretary and the Human Capital division ("HC").

ESA Program Subscription Procedures

- The allocation of shares under the ESA Program to employees is based on their position and number of service years.
- Employees receiving the allotment of shares under the ESA Program must perform the following procedures:
 - comply with the ESA share ownership regulations stipulated by the Company and the Capital Market regulations in Indonesia; and
 - register as ESA share participants through the HC department of each Work Unit where the employees are assigned by the Company.
- The HC department of each Work Unit shall record, summarize and report the ESA share participants to the Company's HC department.

Rights of ESA Participants

ESA Program Participants are entitled to stock options to purchase shares under the ESA program in accordance with the terms of ESA Program set by the Company.

Terms and Conditions of ESA Program

The costs and taxes arising from the purchase of shares under the ESA Program will be fully borne by the ESA Program participants.

Tax Aspects of the ESA Program

Upon expiry of the lock-up period, ESA Program Participants may carry out transactions on the Stock Exchange or outside the Stock Exchange, for which the following tax provisions shall apply:

- Sale of shares on the Stock Exchange shall be subject to a final tax of 0.1% of the transaction value.
- Sale of shares outside the Stock Exchange shall be subject to tax, which shall be calculated based on the capital gain received by the ESA Program Participant at a progressive tax rate in accordance with the prevailing tariff.

Upon subscription of all the shares offered by the Company in this Initial Public Offering and the implementation of the ESA Program referred to above, the Company's capital structure and shareholder composition prior and subsequent to the Initial Public Offering on a proforma basis would be as follows:

No	Prior to Share Initial Public Offering				Subsequent to Share Initial Public Offering		
	Name of Shareholder	Nominal Value of Rp100 per share		%	Nominal Value of Rp100 per share		%
	Shares	Total Shares	Nominal (Rp)		Total Shares	Nominal (Rp)	
Authorized Capital		11,473,080,000	1,147,308,000,000	100.00	11,473,080,000	1,147,308,000,000	100.00
Issued and Paid-up Capital:							
1	PT Paramata Indah Lestari	1,110,920,000	111,092,000,000	37.88	1,110,920,000	111,092,000,000	30.29
2	Henry Maknawi	524,550,000	52,455,000,000	17.88	524,550,000	52,455,000,000	14.31
3	Jeanny Maknawi Joe	295,770,000	29,577,000,000	10.08	295,770,000	29,577,000,000	8.07

No	Prior to Share Initial Public Offering				Subsequent to Share Initial Public Offering		
	Name of Shareholder	Nominal Value of Rp100 per share		%	Nominal Value of Rp100 per share		%
	Shares	Total Shares	Nominal (Rp)		Total Shares	Nominal (Rp)	
4	Johan Maknawi	230,300,000	23,030,000,000	7.85	230,300,000	23,030,000,000	6.28
5	Eddy Maknawi	184,030,000	18,403,000,000	6.27	184,030,000	18,403,000,000	5.02
6	Ratna Maknawi	141,870,000	14,187,000,000	4.84	141,870,000	14,187,000,000	3.87
7	Rusita	53,840,000	5,384,000,000	1.84	53,840,000	5,384,000,000	1.47
8	Bachtiar	20,190,000	2,019,000,000	0.69	20,190,000	2,019,000,000	0.55
9	Myrna Agustin Annamarie Rumengan	157,580,000	15,758,000,000	5.37	157,580,000	15,758,000,000	4.30
10	Jimmy Chandra	66,870,000	6,687,000,000	2.28	66,870,000	6,687,000,000	1.82
11	Rusmin Cahyadi	55,090,000	5,509,000,000	1.88	55,090,000	5,509,000,000	1.50
12	Ir. Djoni Arijanto Agung	27,260,000	2,726,000,000	0.93	27,260,000	2,726,000,000	0.74
13	Giat Widjaja	37,240,000	3,724,000,000	1.27	37,240,000	3,724,000,000	1.02
14	Agha Indra Arbina	13,770,000	1,377,000,000	0.47	13,770,000	1,377,000,000	0.38
15	PT Tirta Energi Sentosa	13,770,000	1,377,000,000	0.47	13,770,000	1,377,000,000	0.38
16	Public	-	-	-	731,999,900	73,199,990,000	19.97
17	ESA	-	-	-	1,262,600	126,260,000	0.03
Total Issued and Paid-up Capital		2,933,050,000	293,305,000,000	100.00	3,666,312,500	366,631,250,000	100.00
Shares in Portfolio		8,540,030,000	854,003,000,000		7,806,767,500	780,676,750,000	-

Registration of the Company's Shares on the IDX

In conjunction with the registration of shares arising from the implementation of the Public Offering totaling 733,262,500 (seven hundred thirty-three million two hundred sixty-two thousand and five hundred) ordinary registered shares or 20% (twenty percent) of Issued and Paid-Up capital subsequent to the Public Offering, the Company, on behalf of the existing shareholders, shall register 2,933,050,000 (two billion nine hundred thirty-three and fifty thousand) ordinary registered shares held by the shareholders prior to the Public Offering, on the IDX. Therefore, the total shares to be registered by the Company on the IDX shall be 3,666,312,500 (three billion six hundred sixty-six million three hundred twelve thousand and five hundred) shares subsequent to the Initial Public Offering.

The Offering Shares in this Share Initial Public Offering will be listed on the IDX in accordance with the Principle Approval for Registration of PT Kencana Energi Lestari Tbk's Equity Securities from the IDX as stipulated in its letter No. S-03608/BEI.PP2/07-2019 dated July 3, 2019. In the event that the Company fails to satisfy the requirements of share registration on the IDX, this Initial Public Offering shall be null and void and payment of Share subscriptions shall be refunded to the subscribers in accordance with the provisions of the Capital market Law and Regulation No. IX.A.2.

Restrictions on Shares Issued Prior to a Public Offering

Shares held by PT Tirta Energi Sentosa are subject to the provisions of FSA Regulation No. 25/POJK.04/2017 on Restriction on Shares Issued Prior to a Public Offering. Accordingly, such shares are not allowed to be traded (locked-up) for a period of 8 (eight) months after the issuance of Effective Statement for the registration of public offering from the FSA.

II. USE OF PROCEEDS

All proceeds from this Share Initial Public Offering, net of issuance cost, shall be used by the Company and/or its Subsidiaries as follows:

- Approximately 55% (fifty-five percent) shall be used to finance business developments in the Hydroelectric Power Plant and other renewable energy in Sumatra and Sulawesi with an estimated total production capacity of approximately 205 MW, either through investments and/or equity investments by the Company in the Subsidiaries or other entities that shall be part of the Company's Subsidiaries in accordance with the requirements stipulated in the PPA.
- Approximately 25% (twenty-five percent) to finance PT Bangun Tirta Lestari's working capital.
- Approximately 20% (twenty percent) to finance PT Nagata Dinamika Hidro Madong's working capital in connection with the Madong Project.

The Company shall distribute the proceeds to finance the Subsidiaries' capital expenditures and working capital in the form of paid-in capital and/or long-term loans and/or a combination thereof.

In the event that proceeds from the Share Initial Public Offering are not yet utilized according to the planned Use of Proceeds, the funds shall be placed in a special escrow account for the Share Initial Public Offering.

In the event that the proceeds from this Public Offering is not sufficient to cover the planned use of proceeds referred to above, the Company shall utilize its internal cash flows from operation and bank loans to finance the plans referred to above.

In accordance with the FSA Regulation No. 30/2015, the Company shall submit the Report of Realization of Use of Proceeds from the Share Initial Public Offering to the FSA and shall be obligated to report the realization of use of proceeds from the Share Initial Public Offering to the Company's Annual GMS until the entire proceeds from the Share Initial Public Offering are realized. The realization of use of proceeds report to be submitted to the FSA shall be prepared on a periodical basis, i.e., every 6 (six) months, until all proceeds from the Share Initial Public Offering are fully realized. The Company shall submit such report by no later than the 15th of the following month.

If the Company intends to change the planned use of proceeds from the Share Initial Public Offering in the future, the Company shall first report such plan to the FSA by stating the reasons and considerations thereof, and such change of use of proceeds shall first obtain the approval of the GMS. The change of planned use of proceeds shall be reported simultaneously with the notification of the GMS agenda to the FSA.

The Use of Proceeds with respect to PT Bangun Tirta Lestari's working capital and PT Nagata Dinamika Hidro Madong's capital expenditures constitute affiliated transactions. Accordingly, the Company is required to comply with the provisions of Regulation No. IX.E.1 on Affiliated Transactions and Transactions with Conflict of Interest, Annex to the Decree of the Chairman of Bapepam-LK (hereinafter referred to as the Financial Services Authority, "FSA", formerly the Financial Institution and Capital Market Supervisory Agency or *Badan Pengawas Pasar Modal dan Lembaga Keuangan*) No. Kep-412/BL/2009, dated November 25, 2009. If such Use of Proceeds in the form of investment and/or equity participation by the Company in its Subsidiaries or other entities that shall become a part of the Company's Subsidiaries in accordance with the requirements of PPT constitutes an affiliated transaction, the Company shall comply with the provisions of Regulation No. IX.E.1.

If such Use of Proceeds constitutes a material transaction under the definition of Regulation No. IX.E.2 on Material Transactions and Changes in Main Business Activities ("Regulation No. IX.E.2"), Annex to the Decree of Chairman of Bapepam and LK No. Kep-614/BL/2011 dated November 28, 2011, the Company is required to comply with the provisions of Regulation No. IX.E.1.2.

The Company shall use the proceeds from the Share Initial Public Offering in accordance with the prevailing capital market regulations in Indonesia.

In accordance with the FSA Regulation No. 8/2017, total costs incurred by the Company is approximately equal to 3,69% of the Share Initial Public Offering value, which include:

- Underwriters' fee of 2,25%, consisting of:
 - Underwriting fee: 0,15%;
 - Management fee: 1,95%;
 - Selling fee: 0,15%;
- The Capital Market Supporting Professional Fees of 0,89%, which consist of Legal Advisor's fee of 0,50%, Public Accountant's fee of 0,31%, and Notary's fee of 0,08%.
- The Capital Market Supporting Institution Fees of 0,05%, which consist of Securities Administration Bureau fee;
- Other expenses of 0,50%, consisting of the fee of Registration Statement to the FSA, registration fee on the IDX, and registration at KSEI, public expose and due diligence meeting management fee, printing costs of the Prospectus, certificates and forms, cost of newspaper advertisement, cost of site visits in relation to the due diligence and other related costs.

III. INDEBTEDNESS

The following table presents the Company's outstanding debts as of the period ended March 31, 2019, which have been audited by the Public Accounting Firm Mulyadi, Tjahjo & Rekan (Member of Crowe Global), which expressed an unmodified opinion in its report dated June 26, 2019, presented elsewhere in this Prospectus.

As of March 31, 2019, the Company's total liabilities amounted to US\$115,551,701, consisting of short-term liabilities of US\$16,292,534 and long-term liabilities of US\$99,259,167. Details of the Company's total liabilities are as follows:

(In US\$)	
Description	March 31, 2019
LIABILITIES AND EQUITY	
Current Liabilities	
Trade payables -	
Third Parties	4,161,750
Other payables -	
Third Parties	4,803,427
Related parties	-
Accrued liabilities	453,173
Taxes Payable	583,552
Short-term bank loans	-
Current maturities of long-term borrowings:	
Bank loans	5,281,929
Financial Institution loans	861,158
Consumer financing payables	147,545
TOTAL SHORT-TERM LIABILITIES	16,292,534
NON-CURRENT LIABILITIES	
Other payables	
Related parties	6,581,254
Long-term borrowings - net of current maturities	
Bank loans	37,977,296
Financial Institution loans	18,800,193
Consumer financing payables	21,130
Deferred tax liabilities - net	35,122,821
Employee Benefits Obligation	756,473
TOTAL LONG-TERM LIABILITIES	99,259,167
TOTAL LIABILITIES	115,551,701

1. Trade Payables - Third Parties

The Company's trade payables to third parties as of March 31, 2019, amounted to AS\$4,161,750. Details of trade payables to third parties by supplier are presented below:

(In US\$)	
DESCRIPTION	March 31, 2019
Third Parties	
Sinohydro Corporation Limited	1,647,233
Jiangxi Water and Hydropower Construction Co., Ltd.	1,143,301
Sichuan Anhe Hydraulic and Hydroelectric Engineering Co., Ltd.	646,447
Hangzhou Hangfa Electrical Equipment Co. Ltd	689,666
PT Pancakarsa Bangun Reksa	35,103
Total	4,161,750

Details of trade payables to third parties by currency are presented below:

(In US\$)	
DESCRIPTION	March 31, 2019
US Dollar	4,126,647
Rupiah	35,103
Total	4,161,750

The trade payable balance disclosed above arose from the Company's normal course of business relating to payment to suppliers, particularly for goods that constitute capital expenditures, such as construction of turbines and the respective components, in connection with the ongoing construction of hydroelectric power plants for the BTL project in Bengkulu up to the first quarter of 2019.

2. Accrued liabilities

The Company's accrued liabilities as of March 31, 2019, amounted to US\$453,173. Details of accrued liabilities are presented below:

(In US\$)	
DESCRIPTION	March 31, 2019
Contractors and suppliers	237,208
Interest expense and provisions	89,193
Professional Fees	71,653
Insurance	20,515
Water levy	6,492
Others	28,112
Total	453,173

Details of accrued liabilities by currency are presented below:

(In US\$)	
DESCRIPTION	March 31, 2019
Rupiah	363,980
US Dollar	89,193
Total	453,173

The Company's accrued liabilities balance as of March 31, 2019, arose in relation to invoices from contractors in connection with the construction of hydroelectric power plants for BTL Projects, and from other professional institutions that are not yet due, including several invoices relating to the Company's routine expenses that are payable in less than 1 year.

3. Borrowings

The Company's borrowings as of March 31, 2019, amounted to AS\$63,089,251. Details of borrowings by creditor are presented below:

Borrowings

(In US\$)	
DESCRIPTION	March 31, 2019
Short-term bank loans	
Subsidiaries	
Third Parties	
PT Bank Danamon Indonesia Tbk	-
Long-term borrowings	
Subsidiaries	
Third Parties	
Bank loans	
PT Bank Mandiri (Persero) Tbk	43,946,666
PT Bank UOB Indonesia	-
PT Bank Danamon Indonesia Tbk	-
Carrying amount	43,946,666
Less unamortized loan transaction costs	(687,441)
Long-term bank loans - net	43,259,225
Less current maturities of long-term bank loans	
PT Bank Mandiri (Persero) Tbk	5,470,000
PT Bank UOB Indonesia	-
PT Bank Danamon Indonesia Tbk	-
Less unamortized loan transaction costs	(188,071)
Current maturities of long-term bank loans	5,281,929
Long-term portion	
PT Bank Mandiri (Persero) Tbk	38,476,666
PT Bank UOB Indonesia	-
PT Bank Danamon Indonesia Tbk	-
Less unamortized loan transaction costs	(499,370)
Long-term portion of bank loans	37,977,296
Financial Institution loans	
PT Sarana Multi Infrastruktur (Persero)	19,836,710
Less unamortized loan transaction costs	(175,359)
Long-term financial institution loans - net	19,661,351
Less current maturities of long-term financial institution loans	
PT Sarana Multi Infrastruktur (Persero)	900,000

DESCRIPTION	March 31, 2019
Less unamortized loan transaction costs	(38,842)
Current maturities of financial institution loans	861,158
Long-term portion	
PT Sarana Multi Infrastruktur (Persero)	18,936,710
Less unamortized loan transaction costs	(136,517)
Long-term portion of financial institution loans	18,800,193
Consumer financing payables	
PT Chandra Sakti Utama Leasing	111,540
PT BCA Finance	49,855
PT Mandiri Tunas Finance	7,280
PT BII Finance Center	-
PT Toyota Astra Financial Services	-
Total consumer financing payables	168,675
Less current maturities of consumer financing payables:	
PT Chandra Sakti Utama Leasing	111,540
PT BCA Finance	29,285
PT Mandiri Tunas Finance	6,720
PT BII Finance Center	-
PT Toyota Astra Financial Services	-
Current maturities	147,545
Long-term portion	
PT BCA Finance	20,570
PT Mandiri Tunas Finance	560
PT BII Finance Center	-
PT Toyota Astra Financial Services	-
Long-term portion of consumer financing payables	21,130
Short-term bank loans	
Rupiah	-
Long-term borrowings	
Rupiah	168,675
US Dollar	62,920,576
Total	63,089,251

The Company utilizes financing from banks and other non-bank financial institutions to finance the construction of hydroelectric power plants operated under the PPA. The majority of the Company's financing, or 99.7%, are denominated in United States Dollar.

Presented below are the details of the Company's outstanding credit facilities:

Loans from Bank Mandiri to ESS

On December 15, 2017, ESS entered into a loan agreement with Mandiri to obtain non-revolving investment credit facility with a credit limit of US\$31,000,000. The credit facility is used to finance the existing assets in Pakkat Hydroelectric Power Plant ("HPP"), with a capacity of 3x6 MW in North Sumatra. The facility shall endure a duration of 87 months, effective from the agreement execution date, including a 3-month availability period. The facility is subject to an interest rate of 5.75% per annum, subject to change from time to time in accordance with Mandiri's applicable interest rate. ESS incurred provisions, structuring costs, and administration costs of US\$842,784 at the execution of the agreement.

The facility's outstanding balance as of March 31, 2019, December 31, 2018, and 2017, amounted to US\$26,750,000 before an unamortized loan transaction cost of US\$518,008, US\$27,600,000 before an unamortized loan transaction cost of US\$556,526, and US\$31,000,000 before an unamortized loan transaction cost of US\$830,571, respectively.

Mandiri's credit facility referred to above is secured by the followings:

- The project being financed, in the form of land, building, and machineries of Pakkat HPP, under the ownership right in the form of Building Use Title Certificates (*Sertifikat Hak Guna Bangunan*, "SHGB") No. 3,4,5,6,7,8,9 registered under the name of ESS, and two land deeds in process, with a total area of 66,408 m2. The above plots of land are charged with a Mortgage Right totaling Rp515,151,280,000;
- A plot of land with a total area of 13,140 m2 under the Freehold Title Certificate (*Sertifikat Hak Milik*, "SHM") No. 15041 in Benoa, South Kuta, which shall be charged with a Mortgage Right totaling Rp152,000,000,000;
- Land and building with a total area of 66 m2 and 255 m2, respectively, under the SHM No. 155 in Petojo Selatan which shall be

- charged with a Mortgage Right totaling Rp5.000.000.000;
- SHM No. 15041 and 155 are replacement collaterals, considering that the 2 certificates in Pakkat area that are still in process, and the construction of PT Bangun Tirta Lestari's Air Putih HPP is in progress;
- Receivables from PLN, which shall be charged with fiduciary lien totaling Rp18,000,000,000;
- Personal Guarantee and Cash Deficit Guarantee under the name of Henry Maknawi;
- Right of claim over insurance claims, which shall be charged with fiduciary lien totaling Rp412,300,000,000;
- Cash in the US Dollar current/escrow account in the amount equal to 1 installment and 1 month of interest for the following month; and
- Pledge of ESS' shares; and
- Step-in right, which include assignment of irrevocable power of attorney to the Bank to appoint a third party as the operator of Pakkat HPP.

For the duration of the credit agreement, ESS is required to maintain certain financial ratios, including, a minimum Debt Service Coverage Ratio (DSCR) of 1x, a minimum Current Ratio (CR) of 100%, which shall be reflected in the financial statements, and a maximum Debt to Equity Ratio of 300%, until the credit facility is fully repaid. The Company has complied with all the covenants stipulated under the agreement.

On August 10, 2018, ESS notified Mandiri of the changes in shareholder composition and authorized, issued and paid-up capital in 2017, which was acknowledged by Mandiri on September 18, 2018.

On December 10, 2018, Mandiri granted its approval to ESS in the Amendment of Terms and Condition Offer Letter in connection with the annulment of negative covenants, including, but not limited to the followings: distribute dividends to shareholders. ESS is required to notify Mandiri in or by no later than 14 days in the event that ESS intends to distribute dividends to shareholders.

Loans from Bank Mandiri to BTL

On December 19, 2017, BTL entered into a loan agreement with Mandiri to obtain non-revolving investment credit facility with a credit limit of US\$21,000,000. The facility is used to finance the 3x7 MW Air Putih HPP located in Bengkulu. The facility shall endure a duration of 99 months, effective from the agreement execution date, including a 20-month availability period. The facility is subject to an interest rate of 5.75% per annum, subject to change from time to time in accordance with Mandiri's applicable interest rate. BTL incurred provisions, structuring costs, and administration costs of US\$213,680 at the execution of the agreement.

The facility's outstanding balance as of March 31, 2019, December 31, 2018, and 2017, amounted to US\$17,376,666 before an unamortized loan transaction cost of US\$169,433, US\$16,836,476 before an unamortized loan transaction cost of US\$174,937, and US\$11,064,396, before an unamortized loan transaction cost of US\$211,518, respectively.

Mandiri's credit facility referred to above is secured by the followings:

Land, buildings, machineries of other facilities located in Bengkulu under the following ownership rights:

- SHGB No. 00001/2013 with a total area of 59,509 m2 under the name of BTL;
- SHGB No. 00002/2014 with a total area of 140,580 m2 under the name of BTL;
- Invoices/receipts/evidences of purchases of machineries under the name of BTL.

The foregoing shall be charged with a Mortgage Right totaling a minimum of Rp700,000,000,000. Until the Air Putih HPP is completed, BTL pledges additional collaterals in the form of:

- A plot of land with a total area of 13,140 m2 under the SHM No. 15041/Benoa, located in Bali.
- Land and building with a total area of 66 m2 and 255 m2, respectively, under the SHM No. 144 in Petojo Selatan, Central Jakarta.
- The foregoing shall be charged with mortgage right for the business group facility under the name of ESS.
- Personal Guarantee and Cash Deficit Guarantee under the name of Henry Maknawi;
- Air Putih HPP's receivables from sale of electricity to PLN under the Power Sale and Purchase Agreement between BTL and PLN. The foregoing collaterals shall be charged with fiduciary lien, with a minimum collateral value of Rp691,875,000,000;
- Right of claim over insurance claims, which shall be charged with fiduciary lien totaling Rp665,675,000,000;
- Funds in the operational escrow and current accounts pledged with a collateral value of Rp50,000,000,000;
- Pledge of shares under the name of BTL; and
- Assignment of rights over the Power Purchase Agreement (PPA) and the amendment(s) thereof, which shall be notarized in the Deed of Step-in Right, which shall include the assignment of an irrevocable power of attorney to the Bank to appoint a third party as the operator of Air Putih Hydroelectric Power Plant (HPP).

For the duration of the credit agreement, the Company is required to maintain certain financial ratios, including, a minimum Debt Service Coverage Ratio (DSCR) of 1x, a minimum Current Ratio (CR) of 100%, which shall be reflected in the financial statements, and a maximum Debt to Equity Ratio of 300%, commencing on 2019 until the credit facility is fully repaid. The Company has complied with all the covenants stipulated under the agreement.

On August 10, 2018, BTL notified Mandiri of the changes in shareholder composition in 2017 and 2018 and changes in authorized,

issued and paid-up capital in 2017, which was acknowledged by Mandiri on September 18, 2018.

On December 10, 2018, Mandiri granted its approval to BTL in the Amendment of Terms and Condition Offer Letter in connection with the annulment of negative covenants, including, but not limited to the followings: distribute dividends to shareholders. BTL is required to notify Mandiri in or by no later than 14 days in the event that BTL intends to distribute dividends to shareholders.

Loans from Bank UOB to ESS

On June 13, 2013, ESS and UOB signed the credit agreement to obtain a Construction Investment Credit ("CIC") facility, with a credit limit of Rp206,397,000,000. The facility was taken over by PT Sarana Multi Infrastruktur, and is used to finance the HPP Project with a total capacity of 3x6.3 MW. The facility shall endure a period of 90 months, including an 18-month grace period, and is subject to an interest rate of 10.5% per annum.

On November 18, 2014, ESS and UOB agreed to increase the credit facility by Rp80,000,000,000 or to a maximum limit of Rp286,397,000,000. The term of facility was also extended to a period of 102 months, including a 30-month grace period, and is subject to an interest rate of 12% per annum.

On December 12, 2017, ESS fully repaid the outstanding balance to UOB, including accrued interest and penalty for early repayment. As of December 31, 2016, the outstanding balance of the facility amounted to US\$19,184,080 (equivalent to Rp27,757,299,996).

The credit facility is secured by the followings:

- Land and buildings with a total area of 43,019 m2, located in North Sumatra, under the name of ESS;
- 2 sets of machineries (turbines and generators, including transmissions and others (with a capacity of 6.3 M)), located in Pakkat HPP, North Sumatra.
- Trade receivables under the PPA between ESS and PLN;
- Personal guarantee under the name of Henry Maknawi, in the amount of no less than Rp226,397,000,000; and
- Sinking fund in an escrow account or time deposit in bank in the amount equal to 1 interest installment during the grace period and 1 principal plus interest installment after the expiry of grace period.

On June 13, 2013, UOB also granted a Letter of Credit (L/C) facility to ESS with a limit of Rp20,000,000,000. The facility is used to import machineries. On October 26, 2016, the facility was extended until December 30, 2016, with a restriction on issuing new L/C. The facility remains unused.

On June 13, 2013, UOB also granted a Heavy Equipment and Machinery Investment Credit ("HEMIC") facility to ESS with a limit of Rp18,600,000,000. The facility is a sub-limit of the L/C facility and is used to finance the purchase of machineries for the Pakkat HPP Project or to repay the L/C facility.

On October 26, 2016, the facility was extended up to January 19, 2022. The facility is subject to an interest rate of 11% per annum. On December 12, 2017, ESS fully repaid the outstanding balance to UOB, including accrued interest and penalty for early repayment. As of December 31, 2016, the outstanding balance of the facility amounted to US\$831,963 (equivalent to Rp11,178,241,440).

On October 16, 2013, UOB granted a Bank Guarantee ("BG") facility to ESS with a limit of Rp2,242,000,000. The facility is a sub-limit of the L/C facility and is used as a guarantee for the extension of construction period of Pakkat HPP Project until the Commercial Operation Date ("COD") to distribute electricity to PLN. The facility is subject to an opening fee of 1% per annum.

The L/C, HEMIC, and BG facilities are secured by the followings:

- 2 sets of machineries (turbines and generators, including transmissions and others (with a capacity of 6.3 M)), located in Pakkat HPP, North Sumatra.
- Personal guarantee under the name of Henry Maknawi, in the amount of no less than Rp226,397,000,000; and
- Sinking fund in an escrow account or time deposit in bank in the amount equal to 1 (one) interest installment during the grace period and 1 (one) principal plus interest installment after the expiry of grace period.

For the duration of the credit agreement, ESS, without a written notice to UOB, is prohibited from undertaking, among others, changes in authorized capital, Articles of Association, and Board of Directors, Board of Commissioners and shareholder compositions; business activities other than those stipulated in the Company's Articles of Association; any consolidation, merger, acquisition, spin-off or liquidation; any agreement resulting in any payment obligation to third party; any credit or borrowing facility from other party/bank; and dividend distribution.

Loans from Bank UOB to BTL

On September 5, 2012, BTL entered into a credit agreement with UOB to obtain a Construction Investment Credit ("CIC") facility and Sub-Limit LC facility with a credit limit of Rp150,000,000,000. The facility is used to finance the construction of Air Putih HPP project in Bengkulu. The CIC facility will mature on December 13, 2021. The CIC facility is subject to an interest rate of 12.5% per annum.

On February 3, 2016, the Sub-Limit L/C facility was closed. On December 12, 2017, BTL has fully repaid the CIC facility.

As of December 31, 2016, the outstanding balance of the CIC facility amounted to US\$10,578,495 (equivalent to Rp142,132,663,958).

The CIC facility is secured by the followings:

- Land and buildings with a total area of 180,000 m², located in Bengkulu, under the name of BTL;
- Turbines and generators, including transmissions and others, located in Bengkulu;
- Trade receivables under the PPA between BTL and PLN;
- Personal Guarantee under the name of Henry Maknawi in the amount of Rp150,000,000,000 until the completion of construction period;
- Pledge of shares of BTL totaling 1,500 shares with a nominal value of Rp1,000,000 per share;
- Funds in the collection account, operating account, debt service reserve account, and excess cash account; and
- Right of claim over insurance claims.

For the duration of the credit agreement, the Company, without written notice to UBO, shall be prohibited from undertaking certain activities, including, among others, amendment of Articles of Association, changes in capital, management and shareholder compositions, merger, consolidation, and acquisition, pledge the assets of the project being financed as collaterals, sale/transfer of assets pledged as collaterals, enter into any agreement giving rise to payment obligations to third parties, transfer the right/obligations arising from the credit agreement, changes the name, legal form and status, nature and business activities, withdraws/transfers funds in the collection account, debt service reserve account, and excess cash account, liquidates the company, binds itself as a guarantor of other party, pays or repays shareholders, and distributes dividends.

Loans from Bank Danamon to ESS

On December 10, 2015, ESS entered into a credit agreement with Danamon to obtain the following facilities:

- Revolving (Uncommitted) Current Account Credit with a maximum limit of Rp5,000,000,000. The facility is used to finance working capital. The facility has been extended up to December 17, 2017. On December 12, 2017, ESS fully repaid the outstanding balance of the loan amounting to Rp4,949,910,314. As of December 31, 2016, the outstanding balance of these facilities amounted to US\$372,134 (equivalent to Rp5,000,000,000) and nil were classified as "Short-Term Bank Loans" in the consolidated financial statements.
- Non-Revolving (Uncommitted) Term Installment Credit facility 1 ("TIC-1") with a maximum limit of Rp50,000,000,000. The facility is used to finance Pakkat HPP Project. The facility will mature on December 17, 2021. The facility is subject to an interest rate of 11.25% per annum. The facility was fully repaid on December 12, 2017. As of December 31, 2016, the outstanding balance of this facility amounted to US\$3,349,212 (equivalent to Rp45,000,000,000).

On August 3, 2016, ESS entered into a credit agreement with Danamon to obtain the following facilities:

- Non-Revolving (Uncommitted) Term Installment Credit Facility 2 ("TIC-2") with a maximum credit limit of Rp75,000,000,000. The facility is used to finance the Pakkat Mini Hydroelectric Power Plant ("MHPP") project. The facility will mature on December 17, 2021. The facility is subject to an interest rate of 11.25% per annum. As of December 31, 2016, the outstanding balance of this facility amounted to US\$2,539,818 (equivalent to Rp34,125,000,000).

On September 30, 2017, the TIC 1 and TIC 2 were combined into a single facility ("TIC") in the amount equivalent to US\$8,127,677. On December 12, 2017, the Company fully repaid the TIC facility totaling Rp109,600,931,176 (equivalent to US\$8,073,733), including interest expense.

All credit facilities from Danamon are secured with:

- Land with a total area of 13,140 m², located in Nusa Dua, Benoa, South Kuta; and
- Land and building with a total area of 66 m² and 255 m², respectively, located in Central Jakarta.

For the duration of the credit agreement, ESS, without written notice to Danamon, is prohibited from undertaking certain activities, including, among others, conducts a merger, consolidation, or liquidation, sells/transfers assets except in the course of business transactions, creates new debts, pledges existing/future assets, issues guarantee for debts assumed by other parties, amends the Articles of Association, compositions of the Board of Directors and Board of Commissioners, and shareholders.

ESS is required to maintain certain financial ratios, including, among others, minimum Interest Service Coverage Ratio, and Debt Service Coverage Ratio of 1 (one) time, and a maximum Debt to Equity Ratio of 3.5 (three point five).

Credit Facilities from PT Sarana Multi Infrastruktur to BTL

On December 19, 2017, SMI agreed to convert the existing Financing Credit facility and to grant a US Dollar denominated credit facility on a club deal basis, with a maximum credit limit of US\$20,000,000. The facility is used to finance the construction of Air Putih 3x7 MW HPP in Bengkulu and to refinance all existing Rupiah denominated credit facilities.

The facility shall endure a duration of 99 months, including a 20-month grace period and availability period. The facility is subject to an interest rate of 5.75% per annum. Rupiah denominated loans were converted into US Dollar. BTL paid an upfront fee of US\$100,000 upon execution of the agreement.

The facility's outstanding balance as of March 31, 2019, December 31, 2018, and 2017, amounted to US\$19,836,710, before an unamortized loan transaction cost of US\$175,359, US\$19,517,818 before an unamortized loan transaction cost of US\$145,865, and

US\$16,051,526 before an unamortized loan transaction cost of US\$99,669, respectively.

All credit facilities from SMI are secured with:

- Two plots of land under the name of BTL, with a total area of 200,089 m², including the buildings, machineries, and supporting of equipment of Air Putih HPP on the premises.
- All of BTL's trade receivables and revenues from PLN under the PPA and the amendment(s) thereof;
- All BTL's shares held by the shareholders, both those existing and those to be issued in the future;
- Funds in the collection account, operating account, debt service reserve account, and excess cash account under the name of BTL;
- Step-in rights over PPA and the amendment(s) thereof, which shall be notarized in the Deed of Step-In Rights);
- Notarized Deed of Representation and Undertaking or Letter of Undertaking from Henry Maknawi; and
- Personal guarantee from Henry Maknawi.

BTL is required to maintain certain financial ratios, including, a minimum Debt Service Coverage Ratio (DSCR) of 1x, a minimum Current Ratio (CR) of 100%, and a maximum Debt to Equity Ratio of 300%, which shall be reflected in the financial statements, commencing on 2019 until the credit facility is fully repaid. As of December 2017, and June 2018, the Company failed to maintain the required current ratio. However, the Company has obtained a waiver with respect to the default on current ratio.

On September 28, 2018, SMI granted its approval to BTL regarding the waiver of negative covenants, including, but not limited to the followings: changes in shareholder compositions in 2018 and 2017, increase in authorized, issued and paid-up capital in 2017, and a waiver on the current ratio limit.

On March 11, 2019, SMI granted its approval to BTL with respect to the annulment of negative covenants, including, but not limited to the followings: distribute dividends to shareholders. BTL is required to notify SMI by no later than 14 days in the event that BTL intends to distribute shares to shareholders. The amendment of the agreement is effective upon completion of the Initial Public Offering and the listing of the Company on the Indonesia Stock Exchange.

Consumer financing facilities from leasing companies

BTL and ESS have outstanding consumer financing liabilities to the parties disclosed below pursuant to owned assets in the form of operational vehicles, equipment, and machineries to support their business activities. The assets financed by the consumer financing companies are not assets that are objects of the PPA.

Consumer Financing Company	Financed objects	Outstanding consumer financing payables (In US\$)	Term of financing	Interest on Financing Facility	Security
BTL					
PT Chandra Sakti Utama Leasing	Machineries and Equipment	111,540	36 months	15% p.a.	Machineries and Equipment
PT BCA Finance	Operational Vehicles	35,541	36 months	8% p.a.	Vehicles
ESS					
PT BCA Finance	Operational Vehicles	14,314	48 months	8% p.a.	Vehicles
PT Mandiri Tunas Finance	Operational Vehicles	7,280	36 months	6.22% p.a.	Personal guarantee
Total consumer financing payables		168,675			

4. Taxes Payables

The Company's taxes payable as of March 31, 2019, amounted to AS\$583,552. Details of taxes payable are presented below:

DESCRIPTION	(In US\$) March 31, 2019
The Company	
Income tax article 21	3,885
Income tax article 23	1,128
Sub-total	5,013
Subsidiaries	
Income Tax:	
Income tax article 4(2) - Final	335,703

DESCRIPTION	March 31, 2019
Income tax article 21	1,779
Income tax article 23	1,273
Income tax article 29	239,784
Sub-total	578,539
Total	583,552

Taxes payable represent the Company and its Subsidiaries' tax obligations that are unpaid and are not yet due. The Company calculates its tax liabilities using self-assessment, with due considerations to the prevailing tax regulations. The respective tax liabilities will be paid before the due date for tax reporting.

5. Employee Benefit Liabilities

The Group provides benefits for its employees that have reached pension age, i.e. 55 years, in accordance with the Law No. 13/2003 dated March 25, 2003. The employee benefit liabilities are unfunded.

The actuarial assumptions used to determine the employee benefit expense and liabilities are presented below:

DESCRIPTION	2019
Discount rate	7.67%-8.23%
Future salary increment	10%
Mortality rate	TMI-II 2011
Disability rate	10% of mortality rate
Pension age	55

Aging analysis of employee benefit liabilities as of March 31, 2019, is presented below:

DESCRIPTION	March 31, 2019
Up to 1 year	489,401
1-5 years	73,324
5-10 years	180,726
More than 10 years	643,051
Total	1,386,502

Sensitivity of defined benefit obligation to changes in key actuarial assumptions is defined below:

DESCRIPTION	Change in Assumption	Present Value of Employee Benefit Liabilities
Discount rate	1% Increase	(13,140)
	1% Decrease	15,450
Salary increment rate	1% Increase	15,522
	1% Decrease	(13,485)

Contingencies

Up to the issuance of this Prospectus, the Company does not have any Contingency that may injure any party.

Power Purchase Agreement

PT Energy Sakti Sentosa ("ESS")

- (a) On December 28, 2009, ESS and PT Perusahaan Listrik Negara (Persero) ("PLN") entered into the Power Purchase Agreement ("PPA") relating to the Hydroelectric Power Plant ("HPP") with a total capacity of 2x5 MW, located in Nanggumba Village, Pakkat District, Humbang Hasundutan Regency, North Sumatra Province ("Pakkat 2x5 MW HPP") under the Built, Own, and Operate scheme. The agreement is valid for 20 years, effective from the Commercial Operation Date ("COD") and may be extended upon mutual written agreement of the parties.

From the COD until the expiry of the PPA, ESS shall supply electricity and PLN shall purchase the electricity produced by ESS. The PPA also stipulates the electricity sales mechanisms from ESS to PLN during the PPA period. ESS is required to provide a minimum electricity supply of 56.94 GWh annually during the PPA period.

The agreement has been amended several times, and the latest amendment is stipulated in the "Amendment and Restatement of Power Purchase Agreement" ("PPA Amendment") dated September 8, 2017, as discussed in paragraph (b) below: The COD of Pakkat 2x5 MW HPP commenced on April 20, 2016.

- (b) On September 8, 2017, ESS signed the PPA Amendment relating to the provision of additional 8 MW capacity ("Expansion Project") from the initial total capacity of 3x6 MW through the construction of additional units for existing Power Plant (Pakkat 2x5 MW HPP). The additional unit shall be designed, financed, built, installed, owned, and operated by ESS, to be combined with the existing installations and will be operated as a whole plant with a total capacity of 3x6 MW ("Pakkat 3x6 MW HPP").

The term of the PPA is 30 years, effective from the COD, under the Build, Own, Operate, Transfer ("BOOT") scheme. ESS is required to supply 94.8 GWh of Exclusive Commitment Energy ("ECE") annually since the operation date. In the event that ESS fails to supply the electric power according to the agreed requirements, ESS will be subject to a penalty (on a "Take or Pay" basis). ESS is required to submit a Performance Bond of US\$1,198,925 on or before the date this agreement is executed and circulated to all parties. PLN is entitled to use the rights, ownerships, and interests of ESS at the Expansion Project (before COD) or at the Project (after COD) or all shares of ESS at all time during the PPA period. Upon expiry of the PPA Amendment, a sum of US\$1,000 must be paid in Rupiah, and ESS will transfer the plant (Pakkat 3x6 MW HPP) to PLN.

The components of levelized base tariff are as follows:

- Component A (Capital Cost Recovery);
- Component B (Fixed Operation and Maintenance Rate);
- Component C (Water and other charges); and
- Component D (Variable Operations and Maintenance).

The COD of Pakkat 18 MW HPP commenced on January 31, 2018.

PT Bangun Tirta Lestari ("BTL")

- (a) On January 31, 2012, BTL and PLN entered into the Power Purchase Agreement ("PPA") relating to the 3x3.3 MW HPP project located in Ladang Palembang Village, Lebong Regency, Bengkulu Province ("Air Putih 3x3.3 MW HPP") under the Build, Own, and Operate scheme. The agreement is valid for 20 years, effective from the COD and may be extended upon mutual written agreement of the parties.

From the COD until the expiry of the PPA, BTL shall supply electricity and PLN shall purchase the electricity produced by BTL. The PPA also stipulates the electricity sales mechanisms from BTL to PLN during the PPA period. BTL is required to provide a minimum electricity supply of 52.03 GWh annually during the PPA period.

The agreement has been amended several times, and the latest amendment is stipulated in the PPA Amendment dated September 8, 2017, as discussed in paragraph (b) below:

- (b) On September 8, 2017, BTL and PLN entered into the PPA Amendment in relation to the proposal for new capacity, i.e. 3X7 MW for the Hydroelectric Power Plant Project ("Air Putih 3x7 MW HPP"). Under the initial PPA, BTL was in the process of building the Air Putih 3x3.3 MW HPP. The PPA Amendment stipulates the rights and obligations of each party with respect to the sale and purchase of electricity generated by the power plant (Air Putih 3x7 MW HPP) for the project on a Build, Own, Operate, and Transfer ("BOOT") scheme.

The term of the PPA Amendment is 30 years. BTL is required to supply 115.13 GWh of Exclusive Commitment Energy ("ECE") annually since the operation date. In the event that BTL fails to supply the electric power according to the agreed requirements, BTL will be subject to a penalty (on a "Take or Pay" basis). BTL is required to provide a Performance Bond with an aggregate value of US\$4,092,850, on or before the date this agreement is executed and circulated to all parties. PLN may exercise its rights to purchase the rights, ownerships, and interests of BTL and to acquire a portion or all shares of BTL at any time during the PPA Period. Immediately upon expiry of the PPA Amendment, at a price of US\$1,000, payable in Rupiah, BTL will transfer the plant (Air Putih 3x7 MW HPP) to PLN.

The components of levelized base tariff are as follows:

- Component A (Capital Cost Recovery);
- Component B (Fixed Operation and Maintenance Rate);
- Component C (Water and other charges);
- Component D (Variable Operations and Maintenance); and
- Component E (Transmission Cost)

Engineering, Procurement, and Construction Agreement

- a. Jiangxi Water and Hydropower Construction Co., Ltd. ("JWHC")
PT Energy Sakti Sentosa ("ESS")

On November 15, 2010, ESS entered into an agreement with JWHC ("Contractor") for the engineering, procurement, and construction of Pakkat 2x5 MW HPP in Pakkat, Medan, North Sumatra, for a specified contract value. The Contractor shall perform the Metal and Civil Structure Works for ESS. The contract is valid for a period of 18 months, commencing on the effective

date. The outstanding payables to contractors as of March 31, 2019, December 31, 2018, 2017, and 2016, amounted to US\$1,143,301, US\$1,468,565, US\$1,519,718, and US\$1,616,442, respectively, presented as part of "Trade Payables" account.

- b. Sinohydro Corporation Limited ("Sinohydro")
PT Energy Sakti Sentosa ("ESS")

On July 10, 2014, ESS entered into an agreement with Sinohydro for the engineering, procurement and construction of Pakkat 3x6 MW HPP (from the initial capacity of 2x5 MW) located in Pakkat, Medan, North Sumatra for a specified contract value. The contract is valid for a period of nine months, commencing on the effective date. The outstanding payables to contractor as of December 31, 2016, amounted to US\$744,016, presented as part of "Trade Payable" account.

PT Bangun Tirta Lestari ("BTL")

On July 25, 2012, BTL and Sinohydro agreed to enter into an agreement relating to the engineering, procurement and construction of Air Putih 3x7 MW HPP (from the initial capacity of 3x3.3 MW) project located in Lebong, Bengkulu, for a specified contract value. The performance of this project will fall due in 14 months from the effective date. The outstanding payables to contractors as of March 31, 2019, December 31, 2018, 2017, and 2016, amounted to US\$1,647,233, US\$1,786,732, US\$2,548,020, and US\$3,476,355, respectively, presented as part of "Trade Payables" account.

- c. Sichuan Anhe Hydraulic and Hydroelectric Engineering Co., Ltd. ("Anhe")

On November 2, 2015, BTL and Anhe agreed to enter into an agreement relating to the engineering, procurement and construction of Air Putih 3x7 MW HPP (from the initial capacity of 3x3.3 MW) project located in Lebong, Bengkulu, for a specified contract value. The performance of this project will fall due in 14 months from the effective date. The agreement was extended on December 4, 2017. The outstanding payables to contractors as of March 31, 2019, December 31, 2018, 2017, and 2016, amounted to US\$646,477, US\$705,034, US\$1,380,842, and US\$328,604, respectively, presented as part of "Trade Payables" account.

Performance Bond (Bank Guarantee)
PT Energy Sakti Sentosa ("ESS")

On September 8, 2017, Mandiri agreed to issue a Performance Bond (Bank Guarantee) to PLN as a guarantee for the performance of ESS' specified obligations under the revised PPA. The guarantee amounting US\$1,198,925 is valid on and commencing on August 30, 2017, and shall remain valid until June 30, 2018, or:

- 30 days after the First Unit Commissioning Date; or
- 30 days after the Agreement's (PPA's) expiry date; or
- 180 days after COD plus 30 days, namely July 30, 2018.

PT Bangun Tirta Lestari ("BTL")

On September 18, 2017, Mandiri agreed to issue two Performance Bonds (Bank Guarantees) to PLN as a guarantee for the performance of BTL's specified obligations under the revised PPA. Each Performance Bond (Bank Guarantee) amounted to US\$2,046,425, is valid on and commencing on August 30, 2017, and shall remain valid until December 30, 2019, or:

- 30 days after the First Unit Commissioning Date; or
- 30 days after the Agreement's (PPA's) expiry date; or
- 180 days after COD plus 30 days, namely December 30, 2019.

6. Commitments and Contingencies

There are no commitments and contingencies based on the Company's financial statements as of March 31, 2019.

ALL OF THE COMPANY'S LIABILITIES AS OF MARCH 31, 2019, HAVE BEEN DISCLOSED IN THE FINANCIAL STATEMENTS AND THE PROSPECTUS.

THERE ARE NO MATERIAL FACTS THAT MAY RESULT IN ANY SIGNIFICANT CHANGES TO LIABILITIES RELATING TO PAYMENT OF PRINCIPALS AND/OR INTERESTS ON BORROWINGS AND/OR OTHER AGREEMENTS THAT OCCUR SUBSEQUENT TO THE DATE OF THE LAST FINANCIAL STATEMENTS UNTIL THE DATE OF THE INDEPENDENT AUDITOR'S REPORT AND FROM THE DATE OF THE INDEPENDENT AUDITOR'S REPORT UNTIL THE EFFECTIVE DATE OF THE REGISTRATION STATEMENT.

THE MANAGEMENT, WHICH IN THIS RESPECT ACTS FOR AND BEHALF OF THE COMPANY, AND PURSUANT TO ITS DUTIES AND RESPONSIBILITIES TO THE COMPANY, HEREBY REPRESENTS ITS ABILITIES TO MEET THE COMPANY'S LIABILITIES DISCLOSED IN THE FINANCIAL STATEMENTS AND PRESENTED IN THIS PROSPECTUS.

FROM MARCH 31, 2019, UNTIL THE DATE OF THE INDEPENDENT AUDITOR'S REPORT AND FROM THE DATE OF THE INDEPENDENT AUDITOR'S REPORT UNTIL THE EFFECTIVE DATE OF THIS REGISTRATION STATEMENT, THE COMPANY HAS NO NEW LIABILITIES AND COMMITMENTS OTHER THAN THE LIABILITIES ARISING FROM THE COMPANY'S NORMAL

COURSE OF BUSINESS AND THE LIABILITIES THAT HAVE BEEN STATED ON AND DISCLOSED IN THE CONSOLIDATED FINANCIAL STATEMENTS AND THIS PROSPECTUS.

THERE ARE NO BREACHES OF COVENANTS STIPULATED IN THE CREDIT AGREEMENTS BY THE COMPANY OR ITS SUBSIDIARIES THAT MAY HAVE MATERIAL EFFECTS TO THE COMPANY'S GOING CONCERN.

THERE ARE NO DEFAULTS ON PAYMENT OF LOAN PRINCIPALS AND/OR INTERESTS THAT OCCUR SUBSEQUENT TO THE LAST FINANCIAL STATEMENT DATE UP TO THE DATE OF EFFECTIVENESS OF THE REGISTRATION STATEMENT, INCLUDING THE LATEST DEVELOPMENTS OF NEGOTIATION IN CONNECTION WITH DEBT RESTRUCTURING.

THERE ARE NO NEGATIVE COVENANTS THAT MAY RESTRICT THE COMPANY FROM CONDUCTING A SHARE INITIAL PUBLIC OFFERING AND/OR INJURE THE RIGHTS OF THE PUBLIC SHAREHOLDERS.

IV. KEY FINANCIAL HIGHLIGHTS

Prospective Investors are required to read the key financial highlights presented below in conjunction with the Company's financial statements and notes to the financial statements presented in the Prospectus. Prospective Investors are also required to read Chapter V concerning Management's Discussions and Analysis.

The following key financial highlights are derived from/prepared based on the Company's consolidated statements of financial position as of March 31, 2019, December 31, 2018, 2017, and 2016, and the consolidated statements of profit and lost and other comprehensive income for the three months ended March 31, 2019 and 2018, and the years ended December 31, 2018, 2017, and 2016. The Company and its Subsidiaries' consolidated financial statements as of March 31, 2019, and December 31, 2018, and 2017, and for the three months ended March 31, 2019, and the years ended December 31, 2018, and 2017, have been audited by the Public Accounting Firm Kosasih, Nurdian, Mulyadi, Tjahjo & Rekan (member of Crowe Global), an independent auditor, based on the Auditing Standards stipulated by the Indonesian Institute of Public Accountant (Institut Akuntan Publik Indonesia, "IAPI"), which expressed an unmodified opinion in its report signed by Mulyadi (Public Accountant Registration No. AP. 0008) dated June 26, 2019. The Company and its Subsidiaries' consolidated financial statements as of December 31, 2016, have been restated in connection with the implementation of ISAK (*Interpretasi Standar Akuntansi Keuangan*, Interpretation of Accounting Standards) No. 15 and PSAK (*Pernyataan Standar Akuntansi Keuangan*, Statement of Financial Accounting Standard) No. 38. The consolidated financial statements as of December 31, 2016, and the year then ended, have been audited by the Public Accounting Firm Drs. Bambang Sudaryono & Rekan, an independent auditor, based on the Auditing Standards stipulated by the Indonesian Institute of Public Accountant (Institut Akuntan Publik Indonesia, "IAPI"), which expressed an unmodified opinion in its report signed by Dr. Bambang Sudaryono, MBA, CPA (Public Accountant Registration No. AP. 0739). The statements of profit or loss and other comprehensive income, statements of changes in equity, and statements of cash flows for the 3 (three) month period ended March 31, 2018, were not audited.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In US\$)

Description	For the three-month period ended March 31, 2019	December 31,		
		2018	2017	2016
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	12,234,069	150,755	1,307,854	925,847
Unbilled financial assets from service concession project	3,138,665	2,648,700	1,397,420	-
Trade Receivables				
Third Parties	2,058,772	2,278,245	2,185,174	989,692
Other receivables				
Related Parties	-	-	207,041	27,760
Third parties	57,452	102,295	83,277	593,830
Prepaid expenses	66,459	26,026	35,028	41,151
Other current assets	495,480	524,210	139,370	-
TOTAL CURRENT ASSETS	18,050,897	5,730,231	5,355,164	2,578,280
NON-CURRENT ASSETS				
Other receivables				
Related Parties	94,434	126,223	37,285	-
Unbilled financial assets from service concession project - non-current	229,387,703	227,324,870	213,089,021	188,537,888
Fixed Assets - net of accumulated depreciation of US\$232,116 as of March 31, 2019, US\$211,304 as of December 31, 2018, US\$140,333 as of December 31, 2017, and US\$110,980 as of December 31, 2016.	626,183	139,140	205,309	53,012
Deferred tax assets	109,560	78,574	37,910	30,676
Restricted cash in bank	1,462,170	538,003	80,350	-
Goodwill	138,585	-	-	-
Other Non-Current Assets	111,058	1,101	639,290	1,207
TOTAL NON-CURRENT ASSETS	231,929,693	228,207,911	214,089,165	188,622,783
TOTAL ASSETS	249,980,590	233,938,142	219,444,329	191,201,063
LIABILITIES AND EQUITY				
Current Liabilities				
Trade payables				
Third Parties	4,161,750	4,784,525	6,957,923	6,458,236
Other Account Payables				
Third Parties	4,803,427	-	-	-
Related parties	-	-	-	6,582,010

(In US\$)

Description	For the three-month period ended	December 31,			
	March 31, 2019	2018	2017	2016	
Accrued liabilities	453,173	288,868	614,452	68,581	
Taxes Payable	583,552	23,285	89,235	61,306	
Short-term bank loans	-	-	-	372,134	
Current maturities of long-term borrowings:					
Bank loans	5,281,929	4,833,119	3,199,592	3,534,759	
Financial Institution loans	861,158	883,592	-	-	
Consumer financing payables	147,545	196,766	259,695	200,889	
TOTAL SHORT-TERM LIABILITIES	16,292,534	11,010,155	11,120,897	17,277,915	
NON-CURRENT LIABILITIES					
Other Account Payables					
Related parties	6,581,254	7,248,453	6,843,799	-	
Long-term borrowings - net of current maturities					
Bank loans	37,977,296	38,871,894	37,822,715	32,948,809	
Financial Institution loans	18,800,193	18,488,361	15,951,857	12,930,370	
Consumer financing payables	21,130	29,681	252,801	408,794	
Deferred tax liabilities - net	35,122,821	34,897,547	31,201,202	27,153,432	
Employee Benefits Liability	756,473	587,386	349,311	259,004	
TOTAL LONG-TERM LIABILITIES	99,259,167	100,123,322	92,421,685	73,700,409	
TOTAL LIABILITIES	115,551,701	111,133,477	103,542,582	90,978,324	
EQUITY					
Share capital - Rp100 per share as of March 31, 2019, and December 31, 2018, and Rp1,000,000 per share as of December 31, 2017, and 2016					
Authorized capital - 11,473,080,000 shares as of March 31, 2019 and December 31, 2018, 1,147,308 shares as of December 31, 2017, 102,855 shares as of December 31, 2016					
Issued and paid-up capital - 2,933,050,000 shares as of March 31, 2019 and December 31, 2018, 286,827 shares as of December 31, 2017, 102,855 shares as of December 31, 2016	23,408,996	23,408,996	22,959,260	9,397,004	
Additional paid-in capital - net	38,009,094	38,009,094	36,638,058	(3,313,347)	
Proforma equity arising from restructuring transactions of entities under common control	-	-	-	35,883,306	
Retained Earnings	45,465,361	43,446,484	37,413,520	34,850,537	
Difference in transactions with non-controlling party	2,447,186	-	-	-	
Foreign exchange difference arising from translation of financial statements	5,691,956	5,691,956	5,691,956	5,153,939	
Total equity attributable to the owners of parent entity	115,022,593	110,556,530	102,702,794	81,971,439	
Non-controlling interests	19,406,296	12,248,135	13,198,953	18,251,300	
TOTAL EQUITY	134,428,889	122,804,665	115,901,747	100,222,739	
TOTAL LIABILITIES AND EQUITY	249,980,590	233,938,142	219,444,329	191,201,063	

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(In US\$)

Description	For the 3 (three)-month period ended		December 31,		
	March 31, 2019	March 31, 2018 (Unaudited)	2018	2017	2016
REVENUE	5,687,167	5,501,776	26,448,486	34,969,836	26,410,537
DIRECT COSTS	1,756,891	1,615,953	9,725,790	8,937,133	6,005,200
GROSS PROFIT	3,930,276	3,885,823	16,722,696	26,032,703	20,405,337
OPERATING EXPENSES	453,178	409,888	2,173,648	1,155,771	896,143
INCOME FROM OPERATIONS	3,477,098	3,475,935	14,549,048	24,876,932	19,509,194
OTHER INCOME (EXPENSES)					
Gain from acquisition of Subsidiary	251,981	-	-	-	-
Interest expense	(1,044,459)	(990,515)	(4,016,707)	(9,058,004)	(6,075,143)
Foreign exchange gain (loss) - net	(284,298)	592,033	2,567,043	(21,344)	329,043
Amortization expense	(15,058)	(51,998)	(264,429)	(14,886)	-
Insurance claims	-	-	-	-	737,728
Write-off of other receivables	-	-	(197,022)	-	-
Other income (expenses) - net	(69,011)	(37,414)	32,436	(44,347)	(32,628)
OTHER INCOME (EXPENSES) - NET	(1,160,845)	(487,894)	(1,878,679)	(9,138,581)	(5,041,000)
INCOME BEFORE INCOME TAX BENEFIT (EXPENSE)	2,316,253	2,988,041	12,670,369	15,738,351	14,468,194
INCOME TAX EXPENSE (BENEFIT)					
Current	292,925	-	-	-	-
Deferred	(358,203)	1,300,349	5,760,379	4,323,891	2,340,175
TOTAL INCOME TAX EXPENSE (INCOME)	(65,278)	1,300,349	5,760,379	4,323,891	2,340,175
INCOME BEFORE PROFORMA INCOME ADJUSTMENT ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL	2,381,531	1,687,692	6,909,990	11,414,460	12,128,019
PROFORMA INCOME ADJUSTMENT ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL	-	-	-	(7,814,981)	(4,733,104)
TOTAL INCOME FOR THE PERIOD/YEAR	2,381,531	1,687,692	6,909,990	3,599,479	7,394,915
OTHER COMPREHENSIVE INCOME (LOSS):					
Items that will not be reclassified to profit or loss:					
- Remeasurement of employee benefit liabilities	(119,170)	203	773	(27,686)	(37,077)
- Related income tax expense	29,792	(51)	(192)	6,921	9,269
Sub-total	(89,378)	152	581	(20,765)	(27,808)
Items that will be reclassified to profit or loss:					
- Gain (loss) on translation of financial statements	-	-	-	3,731,568	(2,024,173)
OTHER COMPREHENSIVE INCOME (LOSS) BEFORE PROFORMA OTHER COMPREHENSIVE INCOME ADJUSTMENT ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL	(89,378)	152	581	3,710,803	(2,051,981)
PROFORMA OTHER COMPREHENSIVE LOSS ADJUSTMENT ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL	-	-	-	(2,954,656)	830,976
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD/YEAR, NET OF TAX	(89,378)	152	581	756,147	(1,221,005)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,292,153	1,687,844	6,910,571	4,355,626	6,173,910

(In US\$)

Description	For the 3 (three)-month period ended		December 31,		
	March 31, 2019	March 31, 2018 (Unaudited)	2018	2017	2016
TOTAL INCOME FOR THE PERIOD/YEAR ATTRIBUTABLE TO:					
Owners of the Company	2,106,546	1,534,760	6,033,442	2,570,605	5,289,633
Non-controlling interests	274,985	152,932	876,548	1,028,874	2,105,282
TOTAL	2,381,531	1,687,692	6,909,990	3,599,479	7,394,915
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR ATTRIBUTABLE TO:					
Owners of the parent entity	2,018,877	1,535,106	6,032,964	3,101,000	4,413,962
Non-controlling interests	273,276	152,738	877,607	1,254,626	1,759,948
TOTAL	2,292,153	1,687,844	6,910,571	4,355,626	6,173,910
BASIC EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF PARENT ENTITY	0.0007	0.0005	0.0021	0.0022	0.0091

STATEMENTS OF CASH FLOWS
(In US\$)

Description	For the 3 (three)-month period ended		The year ended December 31,		
	2019	2018 (Unaudited)	2018	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customer	3,353,062	2,668,217	10,868,286	7,825,801	5,122,843
Cash receipts from interest income	2,416	2,331	4,461	13,408	6,053
Cash payments to contractors, suppliers, and others	(2,760,044)	(2,872,945)	(13,770,389)	(5,684,856)	(4,132,891)
Cash payments to employees	(168,569)	(141,802)	(447,634)	(538,049)	(438,592)
Receipt (payment) of cash collateral	-	-	119,893	(529,178)	-
Cash receipts from insurance claims	-	-	-	-	737,728
Cash receipts from tax amnesty	-	-	-	-	17,799
Net cash provided by (used in) operating activities	426,865	(344,199)	(3,225,383)	1,087,126	1,312,940
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceed from sale of partial interest in a subsidiary	14,500,000	-	-	-	-
Acquisitions of fixed assets	(47,836)	(1,187)	(4,802)	(70,851)	(10,475)
Addition investment in subsidiary	-	-	(457,389)	(13,001,279)	-
Proceeds from disposal of fixed assets	-	-	-	1,124	-
Net cash used in investing activities	14,452,164	(1,187)	(462,191)	(13,071,006)	(10,475)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from long-term borrowings	858,552	1,016,182	9,238,372	47,559,394	5,212,824
Proceeds from issuance of additional paid-in capital	-	-	449,736	13,562,256	-
Payment of long-term borrowings	(1,090,210)	(402,325)	(3,653,000)	(39,368,300)	(3,588,189)
Payments of interest expense	(1,033,191)	(951,604)	(3,731,983)	(7,796,418)	(6,075,143)
Decrease (increase) in restricted cash in bank	(924,167)	157	(457,653)	(80,350)	-
Receipts (payments) of advances from related parties - net	(708,496)	(203,258)	685,003	232,176	2,951,236
Net decrease in share capital of subsidiaries attributable to non-controlling interests	-	-	-	(214,273)	-
Payment of long-term borrowing transaction costs	-	-	-	(1,156,464)	-
Net cash provided by (used in) financing activities	(2,897,512)	(540,848)	2,530,475	12,738,021	(1,499,272)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,981,517	(886,234)	(1,157,099)	754,141	(196,807)
CASH AND CASH EQUIVALENTS FROM ACQUIRED SUBSIDIARY	101,797	-	-	-	-

(In US\$)

Description	For the 3 (three)-month period ended		The year ended December 31,		
	2019	2018 (Unaudited)	2018	2017	2016
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	150,755	1,307,854	1,307,854	553,713	750,520
CASH AND CASH EQUIVALENTS AT END OF PERIOD/YEAR	12,234,069	421,620	150,755	1,307,854	553,713
Cash and bank consist of:					
Cash and Cash Equivalents	12,234,069	421,620	150,755	1,307,854	925,847
Bank Overdraft	-	-	-	-	(372,134)
Net	12,234,069	421,620	150,755	1,307,854	553,713

KEY CONSOLIDATED FINANCIAL RATIOS

Description	For the 3 (three)-month period ended	December 31,			
	2019	2018	2017	2016	
Growth Ratio (%)					
Net Sales	3.37	-24.37	32.41	-27.04	
Income for the Year	35.80	58.66	-29.45	-56.70	
Total assets	12.92	6.60	14.77	12.03	
Total liabilities	11.34	7.33	13.81	12.96	
Total Equity	14.32	5.96	15.64	11.20	
Operating Ratios (%)					
Gross Profit / Net Sales	69.11	63.23	74.44	77.26	
Gross Profit to Average Assets	1.67	7.38	12.68	11.28	
Gross Profit to Average Equity	3.12	14.01	24.09	21.44	
Profit before Income Tax to Net Sales	40.73	47.91	45.01	54.78	
Profit Before Income Tax to Average Assets	0.98	5.59	7.67	8.00	
Profit Before Income Tax to Average Equity	1.84	10.62	14.56	15.20	
Income for the Year to Net Sales	40.30	26.13	12.46	23.38	
Income for the Year to Average Assets	0.97	3.05	2.12	3.41	
Income for the Year to Average Equity	1.82	5.79	4.03	6.49	
Activity Ratios (x)					
Receivable turnover ratio	0.65	1.68	2.86	5.57	
Receivable days	560	217	127.46	65.53	
Financial Ratios (x)					
Cash and Cash Equivalent/Current Liabilities	0.75	0.01	0.12	0.05	
Current Assets/Current Liabilities	1.11	0.52	0.48	0.15	
Total Liabilities/Total Equity	0.86	0.90	0.89	0.91	
Total Liabilities/Total Assets	0.46	0.48	0.47	0.48	

FINANCIAL RATIOS REQUIRED UNDER LOAN AGREEMENTS OR OTHER LIABILITIES AND THE COMPLIANCE THERETO

PT Energy Sakti Sentosa

Ratio	Value Required under Credit Agreements	Compliance with Required Value (March 31, 2019)
Debt Service Coverage Ratio	> 1	> 1
Current Ratio	>= 100%	>= 100%
Debt Equity Ratio	<= 300%	<= 300%

PT Bangun Tirta Lestari

Ratio	Value Required in Credit Agreements	Compliance with Required Value (March 31, 2019)
Debt Service Coverage Ratio	> 1	> 1
Current Ratio	>= 100%	>= 100%
Debt Equity Ratio	<= 300%	<= 300%

V. MANAGEMENT'S DISCUSSION AND ANALYSIS

The analysis and discussion presented in this section must be read in conjunction with the Key Financial Highlights, the Company and its Subsidiaries' consolidated financial statements and notes to the consolidated financial statements and other financial information, which are entirely presented in this Prospectus. The consolidated financial statements of the Company and its Subsidiaries are presented in conformity to the Financial Accounting Standards in Indonesia.

The following key financial highlights are derived from the Company's consolidated statements of financial position as of March 31, 2019, December 31, 2018, 2017, and 2016, and the consolidated statements of profit and loss and other comprehensive income for the three months ended March 31, 2019 and 2018, and the years ended December 31, 2018, 2017, and 2016. The Company and its Subsidiaries' consolidated financial statements as of March 31, 2019, and December 31, 2018, and 2017, and for the three months ended March 31, 2019, and the years ended December 31, 2018, and 2017, have been audited by the Public Accounting Firm Kosasih, Nurdjaman, Mulyadi, Tjahjo & Rekan (member of Crowe Global), an independent auditor, based on the Auditing Standards stipulated by the Indonesian Institute of Public Accountant (Institut Akuntan Publik Indonesia, "IAPI"), which expressed an unmodified opinion in its report signed by Mulyadi (Public Accountant Registration No. AP. 0008) dated June 26, 2019. The Company and its Subsidiaries' consolidated financial statements as of December 31, 2016, have been restated in connection with the implementation of ISAK (*Interpretasi Standar Akuntansi Keuangan*, Interpretation of Accounting Standards) No. 15 and PSAK (*Pernyataan Standar Akuntansi Keuangan*, Statement of Financial Accounting Standard) No. 38. The consolidated financial statements as of December 31, 2016, and the year then ended, have been audited by the Public Accounting Firm Drs. Bambang Sudaryono & Rekan, an independent auditor, based on the Auditing Standards stipulated by the Indonesian Institute of Public Accountant (Institut Akuntan Publik Indonesia, "IAPI"), which expressed an unmodified opinion in its report signed by Dr. Bambang Sudaryono, MBA, CPA (Public Accountant Registration No. AP. 0739). The statements of profit or loss and other comprehensive income, statements of changes in equity, and statements of cash flows for the 3 (three) month period ended March 31, 2018, were not audited.

The Management's Discussion and Analysis contain forward-looking statements that reflect the Company's current views with respect to future events and financial performance. The Company's actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in this chapter and Chapter VI of this Prospectus.

1. OVERVIEW

The shareholders approved the change of the Company's name to "PT Kencana Energi Lestari" on September 10, 2018, pursuant to the notarial deed No. 25 drawn up before Yulia, S.H. Since its establishment, the Company's Articles of Association have been amended several times, and the most recent amendment is stipulated in the Deed No. 50 dated May 10, 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Indonesian Financial Accounting Standards (*Standar Akuntansi Keuangan*, "SAK") which comprises the Statements of Financial Accounting Standards (*Pernyataan Standar Akuntansi Keuangan*, "PSAK") and Interpretations of Financial Accounting Standards (*Interpretasi Standar Akuntansi Keuangan*, "ISAK") issued by the Board of Financial Accounting Standards of the Indonesian Institute of Accountants and Regulation No. VIII.G.7 on Presentation and Disclosures of Financial Statements of Issuers or Public Companies.

The consolidated financial statements have been prepared in accordance with PSAK No. 1 (2015) "Presentation of Financial Statements." The Group elected to present one single consolidated statement of profit or loss and other comprehensive income and presented additional disclosures on source of estimation uncertainty and capital management.

The accounting policies adopted in the preparation of the financial statements are consistent with those made in the preparation of the Group's consolidated financial statements for the year ended December 31, 2018, except for the adoption of several revised SAKs. As disclosed in the accompanying notes to the financial statements, several accounting standards have been revised and issued, and are effective on January 1, 2019. The consolidated financial statements, except for the consolidated statements of cash flows, have been prepared on the accrual basis using the historical cost concept of accounting, except for certain accounts which are measured on the bases described in the related accounting policies of each account.

The Group implements PSAK No. 2 (Revised 2016), "Statement of Cash Flows" The disclosures prescribed by the Amendment of PSAK No. 2 (Revised 2016) are disclosed in the consolidated financial statements. The consolidated statements of cash flows are prepared using the indirect method with classifications of cash flows into operating, investing and financing activities.

Significant Accounting Policies

a. Changes in Accounting Policies

Changes in accounting policies in the last 3 (three) fiscal years or since the establishment of the Group and its Subsidiaries with material effects are as follows:

- PSAK No. 38 - "Accounting for Restructuring of Entities under Common Control"
As presented in Note 4 to the consolidated financial statements, acquisition of subsidiaries is categorized as restructuring transaction of entities under common control under PSAK No. 38 - "Accounting for Restructuring of Entities under Common Control." The acquisition is accounted for with pooling-of-interest method, applied retrospectively. As a result, the Group restated the comparative financial statements and presented the statement of financial position as of the beginning of the nearest prior period.

Acquisition of a subsidiary that meet the criteria of restructuring transaction of entities under common control are accounted for in accordance with PSAK No. 38 (Revised 2012), "Accounting for Restructuring of Entities under Common Control." Under this standard, acquisition of a subsidiary is accounted for based on the pooling-of-interest method, where the subsidiary's assets and liabilities are accounted for at book value. The difference between the purchase price and the Group's share in the subsidiary's book value, if any, is presented as additional paid-in capital under equity.

- PSAK No. 10 (Amendment 2010) - "Effects of Fluctuation in Foreign Exchange Rate."

Effective from January 1, 2018, the Group's functional currency has been changed from Rupiah to US Dollar. In management's assessment, a number of changes have occurred with respect to the underlying transactions, events, and conditions in 2018, which were mainly triggered by the changes in electricity tariff from Rupiah to US Dollars, effective from 2018, as a result of the amendment to PPA with PLN (Note 27 in the consolidated financial statements). Management also reviewed other factors supporting the evidence of changes in 2018, namely, bank loans that were converted from Rupiah to US Dollars, and that substantially all capital expenditures were incurred in US Dollars.

In accordance with the provisions of PSAK No. 10 (Amendment 2010), "Effects of Changes in Foreign Exchange Rate," in the case of a change in functional currency, the Group adopted the translation procedures for the new functional currency, applied prospectively beginning on the date of the change. The Group translated all accounts, except for equity accounts, into the new functional currency (US Dollar) using the exchange rate at the date of change (Rp13,548 for US\$1). Equity accounts were translated using historical exchange rates. The results of translated amounts for non-monetary accounts were deemed as historical costs as of such date.

Accounts before January 1, 2018, were subsequently translated into US Dollar, as the reporting currency, using the following procedures.

- (a) assets and liabilities in every statement of financial position presented (including comparative statement) were translated using the closing exchange rate on the reporting date of the respective statement of financial position;
- (b) income and expenses in every statement of profit or loss and other comprehensive income (including comparative statements) were translated using the average Bank Indonesia middle rate, where such exchange rate, for practical purposes, approximated the exchange rate on the transaction date; and
- (c) all foreign exchange difference arising from the translation were recognized as Other Comprehensive Income in the account "Foreign Exchange Difference arising from Translation of Financial Statements."

- ISAK No. 16 - "Service Concession Agreement" and ISAK No. 22 "Service Concession Agreement: Disclosures."

Certain accounts in the consolidated financial statements as of December 31, 2016, 2015, and January 1, 2015/December 31, 2014, have been restated pursuant to the adoption of ISAK No. 16 - "Service Concession Agreement" and ISAK No. 22 "Service Concession Agreement: Disclosures" in accordance with the requirements of Indonesian Financial Accounting Standards.

The Group adopted ISAK No. 16 - "Service Concession Agreement" and ISAK No. 22 "Service Concession Agreement: Disclosures" with respect to the Power Purchase Agreement ("PPA") with PT Perusahaan Listrik Negara Persero ("PLN").

A service concession agreement is an agreement where the government or other agency ("grantor") contracts with a private entity ("operator") to provide public services. The agreement is commonly referred to as 'build-operate-transfer', 'rehabilitate-operate-transfer', or 'public-to-private' service concession agreements. Under the agreement, the operator builds the infrastructures used to provide public services and operates and maintains the infrastructures for a specified period of time. The operator is compensated for the services provided during the period of the agreement. The agreement is arranged by a contract that stipulates the performance standards, price adjustment mechanisms, and arrangement to resolve disputes. In certain cases, the operator may develop existing infrastructures.

The general features of a service concession agreement are:

- The grantor is a public sector body, including Government institutions, or a private entity that has been granted with the responsibility over such services.
- The operator is responsible for at least a part of the management of the infrastructures and the related services, and does not only act as an agent on behalf of the grantor.
- The contract stipulates the initial price to be charged by operator, and stipulates the price adjustments over the period of the service concession agreement.
- The operator is required to transfer the infrastructures to the grantor at the end of the agreement period in a specified condition, with a minimum or without additional compensation, regardless of which party initially financed the infrastructures.

The PPA between PLN and the Group meets the definition of a service concession agreement, where PLN acts as the grantor and the Group as the operator.

Under the service concession agreement, the Group does not recognize the fixed assets used to provide the specified services. The fixed assets are deemed as PLN's assets, and the Group recognizes financial assets to the extent that the Group has an unconditional contractual right to receive cash from PLN for the construction and maintenance of the concession assets (capacity payment). Financial assets are accounted for as "Loans and Receivables" according to PSAK 55 "Financial Instruments: Recognition and Measurement."

At the end of the concession period, all accounts related to the concession right are derecognized. Gains or losses arising from derecognition or disposal of concession assets are charged to profit or loss.

The following table presents the quantitative effects of changes in material accounting policies:

	December 31, 2016	
	Before Restatement	After Restatement
ASSETS		
CURRENT ASSETS		
Cash and bank	471,230	925,847
Trade Receivables		
Third parties	989,692	989,692
Other receivables		
Related parties	2,756,785	27,760
Third parties	20,535	593,830
Advances	1,207	-
Prepaid expenses	1,375	41,151
TOTAL CURRENT ASSETS	4,240,824	2,578,280
NON-CURRENT ASSETS		
Unbilled financial assets from service concession project - non-current	-	188,537,888
Fixed assets - net of accumulated depreciation of US\$1,492,348 as of December 31, 2016	37,509,296	53,012
Deferred tax assets	89,568	30,676
Other non-current assets	-	1,207
TOTAL CURRENT ASSETS	37,598,864	188,622,783
TOTAL ASSETS	41,839,688	191,201,063
LIABILITIES AND EQUITY		
Current Liabilities		
Trade payables		
Third parties	-	6,458,236
Other Account Payables		
Related parties	2,875,215	6,582,010
Third parties	2,375,377	-
Accrued liabilities	16,967	68,581
Taxes payable	4,069	61,306
Short-term bank loans	-	372,134
Current maturities of long-term borrowings:		
Bank loans	-	3,534,759
Consumer financing payables	-	200,889
TOTAL CURRENT LIABILITIES	5,271,628	17,277,915

	December 31, 2016	
	Before Restatement	After Restatement
NON-CURRENT LIABILITIES		
Long-term borrowings		
net of current		
maturities:		
Bank loans	26,271,717	32,948,809
Financial institution loans	-	12,930,370
Consumer financing payables	-	408,794
Deferred tax liabilities - net	-	27,153,432
Employee benefit liabilities	192,114	259,004
TOTAL CURRENT LIABILITIES	26,463,831	73,700,409
TOTAL LIABILITIES	31,735,459	90,978,324
EQUITY		
Share capital - Rp1,000,000		
per share		
Authorized Capital-		
102,855 shares		
Issued and		
paid-up capital -		
102,855 shares as of		
December 31, 2016	9,397,004	9,397,004
Additional paid-in capital - net	255,003	(3,313,347)
Proforma equity from restructuring		
Transaction of entities under common control	-	35,883,306
Retained earnings	(958,320)	34,850,537
Foreign exchange difference arising from translation		
of financial statements	(1,453,788)	5,153,939
Total equity		
attributable to owners		
of parent entity	7,239,899	81,971,439
Non-controlling interest	2,864,330	18,251,300
TOTAL EQUITY	10,104,229	100,222,739
TOTAL LIABILITIES AND EQUITY	41,839,688	191,201,063

	December 31, 2016	
	Before Restatement	After Restatement
REVENUE	6,112,535	26,410,537
DIRECT COSTS	1,762,334	6,005,200
GROSS PROFIT	4,350,201	20,405,337
OPERATING EXPENSES	559,087	896,143
INCOME FROM OPERATIONS	3,791,114	19,509,194
OTHER INCOME (EXPENSES)		
Insurance claims	-	737,728
Interest expenses	-	(6,075,143)
Loss on foreign exchange - net	-	329,043
Other expenses - net	(1,395,604)	(32,628)
OTHER EXPENSES - NET	(1,395,604)	(5,041,000)
INCOME BEFORE INCOME TAX EXPENSE	2,395,510	14,468,194

	December 31, 2016	
	Before Restatement	After Restatement
INCOME		
TAX EXPENSE		
Deferred	360,462	2,340,175
INCOME BEFORE PROFORMA INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL	2,035,048	12,128,019
PROFORMA INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL	-	(4,733,104)
TOTAL INCOME FOR THE YEAR	2,035,048	7,394,915
OTHER COMPREHENSIVE INCOME (LOSS)		
Items that will not be reclassified to profit or loss		
- Remeasurement of employee benefit liabilities	(25,758)	(37,077)
- Related income tax expense	6,439	9,269
Sub-total	(19,319)	(27,808)
Items that will be reclassified to profit or loss		
- Gain (loss) arising from translation of financial statements	187,161	(2,024,173)
OTHER COMPREHENSIVE INCOME (LOSSES) BEFORE PROFORMA OTHER COMPREHENSIVE INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL	167,842	(2,051,981)
PROFORMA OTHER COMPREHENSIVE INCOME (LOSS) ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER CONTROL	-	830,976
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR, NET OF TAX	167,842	(1,221,005)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,202,890	6,173,910
INCOME FOR THE YEAR ATTRIBUTABLE TO:		
Owners of parent entity	1,450,403	5,289,633
Non-controlling interests	584,645	2,105,282
TOTAL	2,035,048	7,394,915

	December 31, 2016	
	Before Restatement	After Restatement
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		
ATTRIBUTABLE TO:		
Owners of parent entity	1,569,553	4,413,962
Non-controlling interests	633,337	1,759,948
TOTAL	2,202,890	6,173,910

	December 31, 2015	
	Before Restatement	After Restatement
ASSETS		
CURRENT ASSETS		
Cash and bank	298,082	750,520
Other receivables -		
Related parties	710,813	9,218
Third parties	417,985	933,578
Advances	114,910	-
Prepaid expenses	5,971	13,534
TOTAL CURRENT ASSETS	1,547,761	1,706,850
NON-CURRENT ASSETS		
Unbilled financial assets from service concession project - non-current	-	168,239,886
Fixed assets - net of depreciation of		
US\$83,906 as of December 31, 2015	35,664,427	66,425
Deferred tax assets	22,023	22,023
Other non-current assets	413,971	632,153
TOTAL NON-CURRENT ASSETS	36,100,421	168,960,487
TOTAL ASSETS	37,648,182	170,667,337

LIABILITIES AND EQUITY

Current Liabilities

Trade payables -		
Third parties	-	5,468,435
Other payables -		
Related parties	3,036,924	3,518,226
Third parties	2,828,047	-
Accrued liabilities	613	53,102
Taxes payable	2,322	5,854
Current maturities of long-term borrowings:		
Bank loans	-	2,742,185
Financial institution loans	-	264,589
Consumer financing payables	-	12,622

TOTAL CURRENT LIABILITIES	5,867,906	12,065,013

NON-CURRENT LIABILITIES

Long-term borrowings net of current maturities:		
Bank loans	23,756,704	31,888,024
Financial institution loans	-	12,216,923
Consumer financing payables	-	15,111

	December 31, 2015	
	Before Restatement	After Restatement
NON-CURRENT LIABILITIES		
Deferred tax liabilities - net	-	24,190,425
Employee benefit liabilities	129,866	162,932
TOTAL CURRENT LIABILITIES	23,886,570	68,473,415
TOTAL LIABILITIES	29,754,476	80,538,428
EQUITY		
Share capital - Rp1,000,000 per share		
Authorized Capital- 57,863 shares		
Issued and paid-up capital - 57,863 shares as of December 31, 2015	5,780,283	5,780,283
Additional paid-in capital - net	247,356	(3,320,994)
Advance for issuance of shares	3,616,791	3,616,791
EQUITY		
Proforma equity from restructuring		
Transaction of entities under common control	-	31,971,026
Retained earnings	(2,392,428)	29,577,198
Foreign exchange difference arising from translation of financial statements	(1,589,233)	6,013,316
Total equity attributable to owners of parent entity	5,662,769	73,637,620
Non-controlling interest	2,230,937	16,491,289
TOTAL EQUITY	7,893,706	90,128,909
TOTAL LIABILITIES AND EQUITY	37,648,182	170,667,337

3. FACTORS AFFECTING THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATION

The Company's financial condition and operational activities have been, and will continue to be, affected by a number of key factors, including:

- Changes in Government Policies and Regulations in the electricity industry.**
 The Company is engaged in the power supply business, where electricity is a vital resources with material impacts to the lives of Indonesian people. Accordingly, the government of Indonesia directly and indirectly regulates the provision and utilization of electricity through the policies and regulations issued by the government. Changes in issued regulations and policies may cause fluctuations in the Company's financial condition and results of operations.
- Changes in hydrological and geological conditions.**
 The Company operates Hydroelectric Power Plant, which heavily relies on water debit to move the turbines in order to generate electricity. It is important to note hydrological and geological conditions as one of the factors that the Company needs to consider from the design phase, construction phase, to operational phase. Any changes in hydrological and geological conditions, either anticipated or unanticipated, which are generally caused by natural disasters, may affect the Company's financial conditions and results of operations.
- Amendment to the Power Purchase Agreement (PPA)**
 The Company operates on the basis of cooperation agreements between the Company and PLN, in the form of the Power Purchase Agreements (PPAs), which are valid for a period of 30 years, commencing on the Commissioning Date. The same contract stipulates the clauses that regulate the rights, obligations, payment mechanisms, and payments structures received by the Company in return for the power supply, and the applicable penalties if any party, either the Company or PLN, breaches the PPA. Amendment to certain sections of current or potential PPAs could be one of the factors that may affect the Company's financial conditions and results of operations.

- **Manpower Availability**

The Company's business field requires special manpower or skilled labors, which may be resourced from both foreign and domestic labor. Certain scope of work must be carried out by foreign workers due to the unique scope of work and as a result of the linkage between the turbine engines used and the skills of the technicians. However, the Company also requires domestic labors to carry out its business, particularly local labors in the areas where the Company builds and operates its hydroelectric power plant facilities. A scarcity of manpower or changes in manpower policies resulting in a scarcity of manpower may affect the Company's financial conditions and results of operations.

- **Vendor and Spare Parts Availability**

Up to the issuance of this Prospectus, the Company continues to rely on foreign vendors to build and support its hydroelectric power facilities. These facilities include turbine engines, hydropower supporting engines, spare parts, and engine maintenance or overhaul. Any changes in the work agreements between the Company and certain vendors, or any changes in the financial and operational conditions of vendors cooperating with the Company may also affect the Company's financial condition and results of operations.

- **Rupiah exchange rate against foreign currency**

In carrying out their business activities, the Company and its Subsidiaries enter into a great deal of cooperation with foreign vendors. As a result, the Company and its Subsidiaries are exposed to fluctuation in foreign exchange as a result of the use of foreign currency, which in this case is the US Dollar, as a basis to determine payment values. On the other hand, the Company, in return for its business activities, also receives payments in foreign currency, which in this case is the US Dollar, as a basis to determine payment values, hence, resulting in a natural hedge. In light of the foregoing, the Company's financial statements are presented in US Dollar. Any changes and fluctuation in Rupiah exchange rate against US Dollar may affect the financial performance reflected in the Company's financial statements for the last 3 (three) years and in the future years while the Company's PPA remains to be based in US Dollar.

- **Changes in Inflation**

The Company, in carrying out its business activities through its Subsidiaries, is directly and indirectly exposed to the inflation rate in Indonesia and in the countries of vendors cooperating with the Company and its Subsidiaries. The Company's projects, which are carried out through its Subsidiaries, use the lump-sum payment method during the construction stage, which incorporates the inflation rate during the construction period. Any exposures to changes in inflation rate during construction period have been taken into account and are quantifiable. Costs incurred other than during the construction period, such as maintenance and overhauls, are exposed to inflation during the year.

4. GOVERNMENT POLICIES

Government policies such as fiscal, monetary, tax or other policies that may affect the Company's operational activities are as follows:

- Fiscal policies such as changes in tax rates and levies applicable to the Company's industry could result in an increase in income taxes and additional expenses to the services provided by the Company. The foregoing may affect the Company's tax expense and net income.
- Monetary policies such as an increase in interest rate and fluctuation of Rupiah exchange rate could affect the availability of financing options and the Company's business development plans.
- Public economics and political policies, such as policies related to manpower, e.g., changes in Minimum Regional Wage/Minimum Provincial Wage and social security may affect the Company's salary and wages expense.
- Any changes in policies related to the hydroelectric power plant industry, such as licensing requirements/processes may affect the Company's potential business development.

5. BUSINESS OPERATIONS ANALYSIS BY SEGMENT

The chief operating decision maker has been identified as the members of the Board of Directors. The Board of Directors examines the Company's performance from a geographic perspective which consists of two reportable segments. The Company, through its Subsidiaries, operates the 3x6 MW hydroelectric power plant in Pakkat (North Sumatra), through its Subsidiary, PT Energi Sakti Santosa, and the 3x7 MW hydroelectric power plant in Air Putih (Bengkulu), through PT Bangun Tirta Lestari.

Statement of Profit or Loss by HPP Segment

Description	The 3-month (three-month) period ended March 31, 2019 (Audited)				
	Pakkat	Air Putih	Unallocated	Elimination	Total
Revenue	2,709,655	2,977,512	-	-	5,687,167
Direct costs	206,997	1,549,894	-	-	1,756,891
Gross Profit	2,502,658	1,427,618	-	-	3,930,275
Operating Expenses	115,262	159,868	178,048	-	453,178
Income (Loss) from Operations	2,387,396	1,267,750	(178,048)	-	3,477,098
Total Income for the Period	1,728,956	210,969	43,532,046	(43,090,440)	2,381,531
Total Comprehensive Income (Loss) for the Period	1,718,695	204,951	43,458,947	(43,090,440)	2,292,152

(In US\$)

Statement of Profit or Loss by HPP Segment

Description	The 12-month (twelve-month) period ended December 31, 2018 (Audited)				
	Pakkat	Air Putih	Unallocated	Elimination	Total
Revenue	9,563,937	16,884,549	-	-	26,448,486
Direct costs	757,425	8,968,365	-	-	9,725,790
Gross Profit	8,806,512	7,916,184	-	-	16,722,696
Operating Expenses	878,649	811,321	483,678	-	2,173,648
Income (Loss) from Operations	7,927,863	7,104,863	(483,678)	-	14,549,048
Total Income for the Period	4,364,589	2,980,054	(434,653)	-	6,909,990
Total Comprehensive Income (Loss) for the Period	4,370,351	2,983,292	(443,072)	-	6,910,571

Statement of Profit or Loss by HPP Segment

Description	The 12-month (twelve-month) period ended December 31, 2017 (Audited)				
	Pakkat	Air Putih	Unallocated	Elimination	Total
Revenue	10,341,031	24,628,805	-	-	34,969,836
Direct costs	855,181	8,081,952	-	-	8,937,133
Gross Profit	9,485,850	16,546,853	-	-	26,032,703
Operating Expenses	580,388	530,503	44,880	-	1,155,771
Income (Loss) from Operations	8,905,462	16,016,350	(44,880)	-	24,876,932
Total Income for the Period	3,626,526	7,814,980	(27,046)	(7,814,981)	3,599,479
Total Comprehensive Income (Loss) for the Period	4,422,243	10,769,636	(74,116)	(10,762,137)	4,355,626

Statement of Profit or Loss by HPP Segment

Description	The 12-month (twelve-month) period ended December 31, 2016 (Audited)				
	Pakkat	Air Putih	Unallocated	Elimination	Total
Revenue	13,258,800	13,151,737	-	-	26,410,537
Direct costs	1,703,065	4,302,135	-	-	6,005,200
Gross Profit	11,555,735	8,849,602	-	-	20,405,337
Operating Expenses	484,140	381,205	30,798	-	896,143
Income (Loss) from Operations	11,071,595	8,468,397	(30,798)	-	19,509,194
Total Income for the Period	7,420,595	4,733,104	(25,680)	(4,733,104)	7,394,915
Total Comprehensive Income (Loss) for the Period	6,203,381	3,902,128	152,715	(4,084,314)	6,173,910

6. ANALYSIS OF THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS, STATEMENTS OF FINANCIAL POSITION, STATEMENTS CASH FLOWS AND KEY FINANCIAL RATIOS
ANALYSIS OF STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table presents the details of statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2019, and 2018, and the years ended December 31, 2018, 2017, and 2016, which are derived from the Company's financial statements presented elsewhere in this Prospectus.

Description	For the 3 (three)-month period ended				
	March 31,		December 31,		
	2019	2018 (Unaudited)	2018	2017	2016
REVENUE	5,687,167	5,501,776	26,448,486	34,969,836	26,410,537
DIRECT COSTS	1,756,891	1,615,953	9,725,790	8,937,133	6,005,200
GROSS PROFIT	3,930,276	3,885,823	16,722,696	26,032,703	20,405,337
OPERATING EXPENSES	453,178	409,888	2,173,648	1,155,771	896,143
OPERATING PROFIT	3,477,098	3,475,935	14,549,048	24,876,932	19,509,194
OTHER INCOME (EXPENSES) - NET	(1,160,845)	(487,894)	(1,878,679)	(9,138,581)	(5,041,000)
TOTAL INCOME FOR THE PERIOD/YEAR	2,381,531	1,687,692	6,909,990	3,599,479	7,394,915
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,292,153	1,687,844	6,910,571	4,355,626	6,173,910

A. Revenue

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended March 31, 2018

The Company's revenue for the 3-month (three-month) period ended March 31, 2019, amounted to US\$5,687,167. Total revenue for the 3-month (three-month) period ended March 31, 2019, increased by US\$185,391 or 3.37% compared to the revenue for the 3-month (three-month) period ended March 31, 2018, which amounted to US\$5,501,776. The increase in total revenue was relatively insignificant. However, revenue from sale of electricity increased significantly by 175.12% of US\$809,426, which was contributed by revenue from a subsidiary, ESS. On the contrary, concession project revenue decreased by US\$641,363 or 17.72% as BTL's construction works was near completion during the period ended March 31, 2019.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's revenue in 2018 amounted to US\$26,448,486. Total revenue in 2018 decreased by US\$8,521,350 or 24.37% compared to total revenue in 2017, which amounted to US\$34,969,836. Such decrease was mainly attributed to the decrease in the Company's revenue component in 2017, i.e., concession project revenue, which decreased by 31.44% or US\$7,744,257 as the Air Putih Project's construction was near completion.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's revenue in 2017 amounted to US\$34,969,836. Total revenue in 2017 increased by US\$8,559,299 or 32.41% compared to total revenue in 2016, which amounted to US\$26,410,537. Such increase was mainly attributed to the increase in three of the Company's revenue components in 2016, i.e., concession project revenue by 27.26%, concession interest income by 34.71%, and sale of electricity by 64.92%.

B. Direct Costs

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended March 31, 2018

The Company's direct costs for the 3-month (three-month) period ended March 31, 2019, amounted to US\$1,756,891. Total direct costs for the 3-month (three-month) period ended March 31, 2019, increased by US\$140,938 or 8.72% compared to the direct costs for the 3-month (three-month) period ended March 31, 2018, which amounted to US\$1,615,953. The increase was dominated by the increase in cost of concession project incurred by a Subsidiary, BTL, which increased by US\$160,670 or 11.57%. On the contrary, the 3-month (three-month) period ended March 31, 2019, saw a decrease in repairs and maintenance expenses by US\$60,682 or 78.84% compared to prior period.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's direct costs in 2018 amounted to US\$9,725,790. Total direct costs in 2018 increased by US\$788,657 or 8.82% compared to direct costs in 2017, which amounted to US\$8,937,133. The increase was dominated by the increase in cost of concession project incurred by a Subsidiary, BTL.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's direct costs in 2017 amounted to US\$8,937,133. Total direct costs in 2017 increased by US\$2,931,933 or 48.82% compared to direct costs in 2016, which amounted to US\$6,005,200. The increase was mainly attributed to an increase in overhead, which consists of repair and maintenance, license fee, mess construction, and survey and development expenses.

C. Gross Profit

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended March 31, 2018

The Company's gross profit for the 3-month (three-month) period ended March 31, 2019, amounted to US\$3,920,276. Total gross profit for the 3-month (three-month) period ended March 31, 2019, increased by US\$44,453 or 1.14% compared to gross profit for the 3-month (three-month) period ended March 31, 2018, which amounted to US\$3,885,823. The relatively insignificant increase resulted from a decrease in concession project revenue from a Subsidiary, BTL. On the other hand, cost of concession project also increased. As a result, there was no significant fluctuation in gross profit recognized by the Company in the 3-month (three-month) period ended March 31, 2018.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's gross profit in 2018 amounted to US\$16,722,696. Total gross profit in 2018 decreased by US\$9,310,007 or 35.76% compared to gross profit in 2017, which amounted to US\$426,032,703. The decrease was attributed by a relatively significant decrease in concession project revenue owing to the nearly complete construction phase and an increase in direct costs arising from costs incurred during the construction phase of a Subsidiary, BTL.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's gross profit in 2017 amounted to US\$26,032,703. Total gross profit in 2017 increased by US\$5,627,366 or 27.58% compared to gross profit in 2016, which amounted to US\$20,405,337. The increase resulted from an increase in direct costs which was compensated by a higher increase in the Company's revenue.

D. Operating Expenses

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended March 31, 2018

The Company's operating expenses for the 3-month (three-month) period ended March 31, 2019, amounted to US\$453,178. Total operating expenses for the 3-month (three-month) period ended March 31, 2019, increased by US\$43,290 or 10.56% compared to operating expenses for the 3-month (three-month) period ended March 31, 2018, which amounted to US\$409,888. Operating expenses mainly consisted of salaries and professional fees. Professional fees increased by 60.69% or US\$32,107, consisting of professional fees for financial consultants and legal consultants for KEL and BTL, and the acquisition of Madong project.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's operating expenses in 2018 amounted to US\$2,173,648. Total operating expenses in 2018 increased by US\$1,017,877 or 88.07% compared to operating expenses in 2017, which amounted to US\$1,155,771, which was attributed to the increase in mess expenses, KEL and ESS' employee benefits expenses, KEL and BTL's financial consultant and legal consultant fees, and donations made by the Company to the local communities.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's operating expenses in 2017 amounted to US\$1,155,771. Total operating expenses in 2017 increased by US\$259,628 or 28.97% compared to operating expenses in 2016, which amounted to US\$896,143. The increase was attributed to the Company's charities to the local communities, an increase in professional fees, and repairs and maintenance of HPP facilities.

E. Income from Operations

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended March 31, 2018

The Company's income from operations for the 3-month (three-month) period ended March 31, 2019, amounted to US\$3,477,098. Income from Operations for the 3-month (three-month) period ended March 31, 2019, increased by US\$1,163 or 0.03% compared to income from operations for the 3-month (three-month) period ended March 31, 2018, which amounted to US\$3,475,935. The relatively insignificant fluctuation in the Company's income from operations was attributed by a slight increase of 1.14% in the Company's gross profit, which was offset by an increase in operating expenses by 10.56%. This was due to the nearly completed construction of a Subsidiary, BTL, which has approached a stable phase as construction revenue was no longer recognized.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's income from operations in 2018 amounted to US\$2,173,648. Total income from operations in 2018 decreased by US\$10,327,884 or 41.52% compared to income from operations in 2017, which amounted to US\$24,876,932, as a result of a significant decrease in the Company's revenue as the construction of Air Putih project neared its completion, combined with a significant increase in operating expenses in 2018.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's income from operations in 2017 amounted to US\$24,876,932. Total income from operations in 2017 increased by US\$5,367,738 or 27.51% compared to income from operations in 2016, which amounted to US\$19,509,194, as the increase in the Company's was substantially higher than the increase in operating expenses during the year.

F. Other Income (Expenses) - Net

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended March 31, 2018

The Company's other income (expenses), net, for the 3-month (three-month) period ended March 31, 2019, amounted to US\$1,160,845. Other income (expenses), net, for the 3-month (three-month) period ended March 31, 2018, amounted to US\$487,894, showing a 137.94% increase or US\$672,951 in 2019 compared to the same period in 2018. The fluctuation arose from the net gain (loss) on foreign exchange for the 3-month (three-month) period ended March 31, 2018, in which the Company recognized a loss of US\$284,298 in 2019, compared to a gain of US\$592,033 in 2018.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's other income (expenses), net, for the year ended December 31, 2018, amounted to US\$1,878,679. Other income (expenses), net, for the year ended December 31, 2018, amounted to US\$9,138,581, showing a 79.4% increase or US\$259,902 in 2019 compared to the same period in 2018. The fluctuation arose from the net gain (loss) on foreign exchange for in 2018, in which the Company recognized a gain of US\$2,567,043, compared to a loss of US\$21,344 in 2018.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's other income (expenses), net, in 2017, amounted to US\$9,138,581. Total other income (expenses), net, in 2017, showed an increase in expenses by US\$4,097,581 or 81.29% compared to net other income (expenses) in 2016, which amounted to US\$5,041,000. The increase was attributed to payment of interests in 2017, which increased by 49.09% compared to interest expense in 2016.

G. Total Income for the Period/Year

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended March 31, 2018

The Company's total income for the 3-month (three-month) period ended March 31, 2019, amounted to US\$2,381,531. Total income for the 3-month (three-month) period ended March 31, 2019, increased by US\$693,839 or 41.11% compared to total income for the 3-month (three-month) period ended March 31, 2018, which amounted to US\$1,687,692. Although the Company reported income before income tax of US\$2,988,041 for the 3-month (three-month) period ended March 31, 2019, and US\$2,316,253 for the 3-month (three-month) period ended March 31, 2018, the fluctuation in Income for the Period/Year was mainly attributed to the Company's income tax, where during the same period in 2018 the Company incurred a deferred tax expense of US\$1,300,349, while in 2019 the Company received a deferred tax benefit of US\$358,203.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's total income for the period/year in 2018 amounted to US\$6,909,990. Total income for the period/year in 2018 increased by US\$3,310,511 or 91.97% compared to total income for the period/year in 2017, which amounted to US\$3,599,479, as the interest expense paid in 2018 was only half of the interest expense paid in 2017, and the absence of additional expense as a result of restructuring of entities under common control in 2018.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's total income for the period/year in 2017 amounted to US\$3,599,479. Total income for the period/year in 2017 decreased by US\$3,795,436 or 51.32% compared to total income for the period/year in 2016, which amounted to US\$7,394,915, as a result of the significant interest expense in 2017 compared to prior year, and the additional expense arising from restructuring of entities under common control.

H. Total Comprehensive Income for the Year

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended March 31, 2018

The Company's total comprehensive income for the 3-month (three-month) period ended March 31, 2019, amounted to US\$2,292,153. Total comprehensive income for the 3-month (three-month) period ended March 31, 2019, increased by US\$604,309 or 35.8% compared to total comprehensive income for the 3-month (three-month) period ended March 31, 2018, which amounted to US\$1,687,844. The increase compared to the 3-month (three-month) period ended March 31, 2018, was dominated by the fluctuation in the Company's income tax expense. Although the Company recognized additional expenses arising from remeasurement of employee benefit liabilities and expenses relating to restructuring of entities under common control totaling US\$89,378, in the 3-month (three-month) period ended March 31, 2019, the Company reported a higher total comprehensive income during the same period in 2018.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's total comprehensive income for the year in 2018 amounted to US\$6,910,571. Total comprehensive income for the year 2018 increased by US\$2,554,945 or 58.66% compared to total comprehensive income in 2017, which amounted to US\$4,355,626, due to the absence of expenses arising from proforma other income (loss) adjustments arising from restructuring of entities under common control as in prior period.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's total comprehensive income for the year in 2017 amounted to US\$4,355,626. Total comprehensive income for the year 2017 decreased by US\$1,818,284 or 29.45% compared to total comprehensive income in 2016, which amounted to US\$6,173,910, as a result of additional expenses arising from proforma other income (loss) adjustments arising from restructuring of entities under common control.

ANALYSIS OF STATEMENTS OF FINANCIAL POSITION

The following table presents the details of statements of financial position for the three-month period ended March 31, 2019, and 2018, and the years ended December 31, 2018, 2017, and 2016, which are derived from the Company's financial statements presented elsewhere in this Prospectus.

A. Current Assets

(In US\$)

Description	For the three-month period ended March 31, 2019	December 31,		
		2018	2017	2016
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	12,234,069	150,755	1,307,854	925,847
Unbilled financial assets from service concession project	3,138,665	2,648,700	1,397,420	-
Trade Account Receivables				
Third Parties	2,058,772	2,278,245	2,185,174	989,692
Other receivables				

(In US\$)

Description	For the three-month period ended March 31, 2019	December 31,		
		2018	2017	2016
Related Parties	-	-	207,041	27,760
Third parties	57,452	102,295	83,277	593,830
Prepaid expenses	66,459	26,026	35,028	41,151
Other Current Assets	495,480	524,210	139,370	-
TOTAL CURRENT ASSETS	18,050,897	5,730,231	5,355,164	2,578,280

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended December 31, 2018

The Company's current assets for the 3-month (three-month) period ended March 31, 2019, amounted to US\$18,050,897. The Company's current assets for the 3-month (three-month) period ended March 31, 2019, increased by US\$12,320,666 or 215% compared to the Company's current assets for the year ended December 31, 2018, which amounted to US\$5,730,231. The increase was attributed to the increase and decrease in several components of current assets. Cash and bank showed the most significant increase, i.e., US\$12,083,314 or 8,015.20% as a result of additional cash of US\$6,501,245 in PT Bank UOB Indonesia, US\$1,208,267 in PT Bank Mandiri (Persero) Tbk, and an increase of US\$4,314,097 in Rupiah time deposit in PT Bank Mandiri (Persero) Tbk owing to the investments made by a Japanese strategic investor, "Chugoku Electric Power Company," to strengthen the Company's business in renewable energy power plant.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's current assets in 2018 amounted to US\$5,730,231. The Company's total current assets in 2018 increased by US\$375,067 or 7.00% compared to current assets in 2017, which amounted to US\$5,355,164. The increase was attributed to the increase and decrease in several components of current assets. Cash and bank decreased by 88.47% or US\$1,157,099, owing to the financing of working capital, while other receivables from related parties decreased by 100.00% or US\$207,041. Unbilled financial assets from service concession project increased by 89.54% or US\$1,251,280, while other current assets increased by 276.13% as a result of cash guarantee related to cash payments to PT Asuransi Jasa Indonesia, which was pledged as collateral for the bank Guarantees issued by PT Bank Mandiri (Persero) Tbk to PLN under the name of ESS and BTL. Unbilled financial assets from service concession project and trade receivables from third parties are the main components of the Company's current assets as a consequence of the Company's business with PLN. The Company periodically evaluate the quality of its trade receivables, which are guaranteed under the PPA between the Company and PLN for a period ranging from 20-30 years.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's current assets in 2017 amounted to US\$5,355,164. The Company's total current assets in 2017 significantly increased by US\$2,776,884 or 107.70% compared to current assets in 2016, which amounted to US\$2,578,280. The increase was attributed to an increase in trade receivables from third parties by US\$1,195,482, an increase in unbilled financial assets from service concession project by US\$1,397,420 and, an increase in other receivables from related parties by US\$179,281. The increase in trade receivables consisted of receivables from PLN, and the amount was relatively significant compared to the increase in current assets. The Company periodically evaluate the quality of its trade receivables, which are guaranteed under the PPA between the Company and PLN for a period of 30 years.

B. Non-Current Assets

(In US\$)

Description	For the three-month period ended March 31, 2019	December 31,		
		2018	2017	2016
ASSETS				
NON-CURRENT ASSETS				
Other receivables				
Related Parties	94,434	126,223	37,285	-
Unbilled financial assets from service concession project - non-current	229,387,703	227,324,870	213,089,021	188,537,888
Fixed Assets - net of accumulated depreciation of US\$232,116 as of March 31, 2019, US\$211,304 as of December 31, 2018, US\$140,333 as of December 31, 2017, and US\$110,980 as of December 31, 2016.	626,183	139,140	205,309	53,012
Deferred tax assets	109,560	78,574	37,910	30,676
Restricted cash in bank	1,462,170	538,003	80,350	-
Goodwill	138,585	-	-	-
Other Non-Current Assets	111,058	1,101	639,290	1,207
TOTAL NON-CURRENT ASSETS	231,929,693	228,207,911	214,089,165	188,622,783

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended December 31, 2018

The Company's non-current assets for the 3-month (three-month) period ended March 31, 2019, amounted to US\$231,929,693. The Company's total non-current assets for the 3-month (three-month) period ended March 31, 2019, increased by US\$3,721,782 or 1.63% compared to the Company's non-current assets for the year ended December 31, 2018, which amounted to US\$228,207,911. The increase in non-current assets for the 3-month (three-month) period ended March 31, 2019, was not as significant as prior years, where the increase in non-current assets was generally dominated by the increase in unbilled financial assets from service concession project – non-current. There was no increase in unbilled financial assets from service concession project for the 3-month (three-month) period ended March 31, 2019, as the completion of project construction under a Subsidiary, BTL, has reached 95.90%. The Company's fixed assets increased by 350% or US\$487,043 as a result of additions in buildings, and acquisition of land by a Subsidiary, BHE. In addition, restricted cash in bank increased by US\$924,167 or 171.78% as a result of cash pledged as collateral for long-term loans from PT Bank Mandiri (Persero) Tbk.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's non-current assets in 2018 amounted to US\$228,207,911. The Company's total non-current assets in 2018 increased by US\$14,118,746 or 6.59% compared to non-current assets in 2017, which amounted to US\$214,089,165. The increase was attributed to an increase in unbilled financial assets from service concession project - non-current by US\$14,235,849, which was dominated by a Subsidiary, BTL, and an increase in restricted cash in bank by 569.75% or US\$457,653 to US\$538,003 in 2018. The restricted cash in bank consisted of collateral for long-term bank loans from PT Bank Mandiri (Persero) Tbk.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's non-current assets in 2017 amounted to US\$214,089,165. The Company's total non-current assets in 2017 increased by US\$25,466,382 or 13.50% compared to non-current assets in 2016, which amounted to US\$188,622,783. The increase was attributed to an increase in unbilled financial assets from service concession project - non-current by US\$24,551,133.

C. Short-Term Liabilities

(In US\$)

Description	For the three-month period ended March 31, 2019	December 31,		
		2018	2017	2016
LIABILITIES				
CURRENT LIABILITIES				
Trade payables				
Third Parties	4,161,750	4,784,525	6,957,923	6,458,236
Other Account Payables				
Third Parties	4,803,427	-	-	-
Related parties	-	-	-	6,582,010
Accrued liabilities	453,173	288,868	614,452	68,581
Taxes Payable	583,552	23,285	89,235	61,306
Short-term bank loans	-	-	-	372,134
Current maturities of long-term borrowings:				
Bank loans	5,281,929	4,833,119	3,199,592	3,534,759
Financial Institution loans	861,158	883,592	-	-
Consumer financing payables	147,545	196,766	259,695	200,889
TOTAL SHORT-TERM LIABILITIES	16,292,534	11,010,155	11,120,897	17,277,915

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended December 31, 2018

The Company's current liabilities for the 3-month (three-month) period ended March 31, 2019, amounted to US\$16,292,534. The Company's total current liabilities for the 3-month (three-month) period ended March 31, 2019, increased by US\$5,282,379 or 47.98% compared to the Company's current liabilities for the year ended December 31, 2018, which amounted to US\$11,010,155. The increase in current liabilities was dominated by additional other payables to third parties of US\$4,803,427, which previously did not exist as of December 31, 2018. Other payables to third parties arose from the Company's acquisition of minority shares in a Subsidiary, ESS.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's current liabilities in 2018 amounted to US\$11,010,155. The Company's total current liabilities in 2018 decreased by US\$110,742 or 1.00% compared to current liabilities in 2017, which amounted to US\$11,120,897. This relatively insignificant decrease was attributed to an increase in current maturities of long term borrowings, specifically bank loans, by US\$1,633,527 or 51.05% compared to prior year, which was compensated by a decrease in trade payables to third parties, namely Sinohydro Corporation Limited, Sichuan Anhe Hydraulic and Hydroelectric Engineering Co., Ltd and Hangzhou Hangfa Electrical Equipment Co., Ltd. in the amount of US\$2,173,398 or 31.24%.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's current liabilities in 2017 amounted to US\$11,120,897. The Company's total current liabilities in 2017 decreased by US\$6,157,018 or 35.64% compared to current liabilities in 2016, which amounted to US\$17,277,915. The decrease was attributed to the reclassification of current liabilities to non-current liabilities in accordance with the agreement entered into between the Group and related parties that the outstanding balance will be repaid in December 2019.

D. Long-Term Liabilities
(In US\$)

Description	For the three-month period ended	December 31,		
	March 31, 2019	2018	2017	2016
LIABILITIES				
NON-CURRENT LIABILITIES				
Other Account Payables				
Related parties	6,581,254	7,248,453	6,843,799	-
Long-term borrowings - net of current maturities				
Bank loans	37,977,296	38,871,894	37,822,715	32,948,809
Financial Institution loans	18,800,193	18,488,361	15,951,857	12,930,370
Consumer financing payables	21,130	29,681	252,801	408,794
Deferred tax liabilities - net	35,122,821	34,897,547	31,201,202	27,153,432
Employee Benefits Obligation	756,473	587,386	349,311	259,004
TOTAL LONG-TERM LIABILITIES	99,259,167	100,123,322	92,421,685	73,700,409

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended December 31, 2018

The Company's non-current liabilities for the 3-month (three-month) period ended March 31, 2019, amounted to US\$99,259,167. The Company's total non-current liabilities for the 3-month (three-month) period ended March 31, 2019, decreased by US\$864,155 or 0.86% compared to the Company's non-current liabilities for the year ended December 31, 2018, which amounted to US\$100,123,322. The insignificant decrease consisted of a decrease in other payables to related parties (PT Paramita Indah Lestari) by US\$667,199 to US\$6,581,254 and an increase in employee benefit liabilities by US\$169,087 or 28.79%.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's non-current liabilities in 2018 amounted to US\$100,132,322. The Company's total non-current liabilities in 2018 increased by US\$7,701,637 or 8.33% compared to current liabilities in 2017, which amounted to US\$92,421,685. The increase was attributed to additions in long-term borrowings, net of current maturities, and financial institution loans totaling US\$2,536,504 or 15.90% in 2018 and additions in deferred tax liabilities, net, of US\$3,696,345 or 11.85% compared to prior year. In 2018, the Company utilized the financial institution loan facility from PT Sarana Multi Infrastruktur (Persero) to finance the construction of Air Putih project.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's non-current liabilities in 2017 amounted to US\$92,421,685. The Company's total non-current liabilities increased by US\$18,721,276 or 25.40% compared to non-current liabilities in 2016, which amounted to US\$73,799,498. The increase was attributed to the accelerated payment made by the Company with respect to its outstanding debts and the new loans denominated in US Dollars obtained from Mandiri and SMI in December 2017.

E. Equity
(In US\$)

(in US\$)

Description	For the three-month period ended March 31, 2019	December 31,		
		2018	2017	2016
EQUITY				
Share capital - Rp100 per share as of March 31, 2019, and December 31, 2018, and Rp1,000,000 per share as of December 31, 2017, and 2016				
Authorized capital - 11,473,080,000 shares as of March 31, 2019 and December 31, 2018, 1,147,308 shares as of December 31, 2017, 102,855 shares as of December 31, 2016				
Issued and paid-up capital - 2,933,050,000 shares as of March 31, 2019 and December	23,408,996	23,408,996	22,959,260	9,397,004

(In US\$)

Description	For the three-month period ended March 31, 2019	December 31,		
		2018	2017	2016
31, 2018, 286,827 shares as of December 31, 2017, 102,855 shares as of December 31, 2016				
Additional paid-in capital - net	38,009,094	38,009,094	36,638,058	(3,313,347)
Proforma equity arising from restructuring transactions of entities under common control	-	-	-	35,883,306
Retained Earnings	45,465,361	43,446,484	37,413,520	34,850,537
Difference in transactions with non-controlling party	2,447,186	-	-	-
Foreign exchange difference arising from translation of financial statements	5,691,956	5,691,956	5,691,956	5,153,939
Total equity attributable to the owners of parent entity	115,022,593	110,556,530	102,702,794	81,971,439
Non-controlling interests	19,406,296	12,248,135	13,198,953	18,251,300
TOTAL EQUITY	134,428,889	122,804,665	115,901,747	100,222,739
TOTAL LIABILITIES AND EQUITY	249,980,590	233,938,142	219,444,329	191,201,063

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended December 31, 2018

The Company's equity for the 3-month (three-month) period ended March 31, 2019, amounted to US\$134,428,889. The Company's equity for the 3-month (three-month) period ended March 31, 2019, increased by US\$11,624,224 or 9.47% compared to equity for the year ended December 31, 2018, which amounted to US\$122,804,665. The increase was attributed to an increase in retained earnings by US\$2,018,877 as of March 31, 2019, as a result of an increase in equity value due to the difference in transaction with non-controlling party amounted to US\$2,447,186.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

The Company's equity in 2018 amounted to US\$122,804,665. The Company's total equity increased by US\$6,902,918 or 5.96% compared to equity in 2017, which amounted to US\$115,901,747. The increase was attributed to an increase in retained earnings and additional paid-in capital as a result of restructuring totaling US\$38,009,094 in 2018 as the effect of changes in ownership.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

The Company's equity in 2017 amounted to US\$115,901,747. The Company's total equity in 2017 increased by US\$15,679,008 or 15.64% compared to equity in 2016, which amounted to US\$100,222,739 as a result of additional paid-in capital totaling US\$36,638,058 in 2017.

ANALYSIS OF STATEMENTS OF CASH FLOWS

(In US\$)

Description	For the 3 (three)-month period ended		The year ended December 31,		
	2019	2018	2018	2017	2016
	(Unaudited)				
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customer	3,353,062	2,668,217	10,868,286	7,825,801	5,122,843
Cash receipts from interest income	2,416	2,331	4,461	13,408	6,053
Cash payments to contractors, suppliers, and others	(2,760,044)	(2,872,945)	(13,770,389)	(5,684,856)	(4,132,891)
Cash payments to employees	(168,569)	(141,802)	(447,634)	(538,049)	(438,592)
Receipt (payment) of cash collateral	-	-	119,893	(529,178)	-
Cash receipts from insurance claims	-	-	-	-	737,728
Cash receipts from tax amnesty	-	-	-	-	17,799
Net cash provided by (used in) operating activities	426,865	(344,199)	(3,225,383)	1,087,126	1,312,940
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceed from sale of partial interest in a subsidiary	14,500,000	-	-	-	-
Acquisitions of fixed assets	(47,836)	(1,187)	(4,802)	(70,851)	(10,475)
Addition investment in subsidiary	-	-	(457,389)	(13,001,279)	-
Proceeds from disposal of fixed assets	-	-	-	1,124	-
Net cash used in investing activities	14,452,164	(1,187)	(462,191)	(13,071,006)	(10,475)

Description	(In US\$)				
	For the 3 (three)-month period ended		The year ended December 31,		
	2019	2018 (Unaudited)	2018	2017	2016
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from long-term borrowings	858,552	1,016,182	9,238,372	47,559,394	5,212,824
Proceeds from issuance of additional paid-in capital	-	-	449,736	13,562,256	-
Payment of long-term borrowings	(1,090,210)	(402,325)	(3,653,000)	(39,368,300)	(3,588,189)
Payments of interest expense	(1,033,191)	(951,604)	(3,731,983)	(7,796,418)	(6,075,143)
Decrease (increase) in restricted cash in bank	(924,167)	157	(457,653)	(80,350)	-
Receipts (payments) of advances from related parties - net	(708,496)	(203,258)	685,003	232,176	2,951,236
Net decrease in share capital of subsidiaries attributable to non-controlling interests	-	-	-	(214,273)	-
Payment of long-term borrowing transaction costs	-	-	-	(1,156,464)	-
Net cash provided by (used in) financing activities	(2,897,512)	(540,848)	2,530,475	12,738,021	(1,499,272)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,981,517	(886,234)	(1,157,099)	754,141	(196,807)
CASH AND CASH EQUIVALENTS OF ACQUIRED SUBSIDIARY	101,797	-	-	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	150,755	1,307,854	1,307,854	553,713	750,520
Cash and Cash Equivalent at Beginning of Period/YEAR	12,234,069	421,620	150,755	1,307,854	553,713
Cash and bank consist of:					
Cash and Cash Equivalents	12,234,069	421,620	150,755	1,307,854	925,847
Bank Overdraft	-	-	-	-	(372,134)
Net	12,234,069	421,620	150,755	1,307,854	553,713

A. Cash Flows from Operating Activities

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended March 31, 2018

Net cash provided by operating activities for the 3-month (three-month) period ended March 31, 2019, amounted to US\$426,865. Total cash used in operating activities for the 3-month (three-month) period ended March 31, 2019, increased by US\$771,064 or 224.02% compared to the 3-month (three-month) period ended March 31, 2018, where the Company reported a deficit in cash flows from operating activities totaling US\$344,199. The Company's cash receipts from customers increased by US\$3,353,062 or an increase of US\$684,845 or 25.67% compared to the 3-month (three-month) period ended March 31, 2018, which amounted to US\$2,668,217. The increase occurred at the subsidiary level, i.e., ESS. In additions cash payments to suppliers slightly decreased by US\$112,901 to US\$2,760,044, or 3.93% lower compared to the 3-month (three-month) period ended March 31, 2018, as the construction project under a Subsidiary, i.e., BTL, neared its completion.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

Net cash used in operating activities in 2018 showed a deficit of US\$3,225,385. Total cash used in operating activities increased by US\$4,312,511 or 396.69% compared to prior year, in which the Company received a total cash flows of US\$1,087,126 from operating activities. The Company's cash receipts from customers amounted to US\$10,868,286, an increase of 38.88% or US\$3,042,485 compared to prior year. The increase occurred as a Subsidiary, ESS, has commenced full operation at a more efficient capacity factor level compared to prior year. However, in 2018, the Company made cash payments to contractors, suppliers, and others, in the amount of US\$13,770,389, 142.23% or US\$8,085,535 higher compared to prior year's payments totaling US\$5,684,856. The increase in such cash payments was related to the construction of project under a Subsidiary, BTL, which was nearly completed in 2018. Accordingly, although the Company successfully received higher cash flows from customers compared to prior year, the Company also recorded higher payments to contractors, suppliers, and others, compared to prior year. As a result of the foregoing, the Company reported a net cash outflows from operating activities.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

Net cash provided by operating activities in 2017 amounted to US\$1,087,126. Total cash flows provided by operating activities in 2017 decreased by US\$225,814 or 17.20% compared to cash flows provided by operating activities in 2016, which amounted to US\$1,312,940. The decrease was attributed to an increase in cash payments to contractors, suppliers, and others, and cash payments to employees. The main contributing factors consisted of an increase in expenses related to the Construction of Power Plant in Bengkulu, and payment of cash collaterals for Bank Guarantee of US\$529,178. As a result, the increase in revenue in 2017 did not have a significant impact to

cash flows, as it was offset by a significant increase in costs. Revenue in 2017 appeared to have increased compared to 2016 as revenue in 2016 represented the revenue of a Subsidiary (ESS) subsequent to the COD in April 2016, or for a period of eight months, whereas in 2017, the Company recognized revenue for a full year. In 2017, the Company also received proceeds from insurance claims totaling US\$737,728. As a result, the Company's overall cash receipts were higher compared to 2016.

B. Cash Flows from Investing Activities

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended March 31, 2018

Net cash used in investing activities for the 3-month (three-month) period ended March 31, 2019, amounted to US\$14,452,164. Total cash flows used in investing activities for the 3-month (three-month) period ended March 31, 2019, demonstrated a highly significant increase of US\$14,450,977 compared to cash flows used in investing activities for the 3-month (three-month) period ended March 31, 2018, which amounted to US\$1,187. Such increase was driven by the sales of the Company's 25% controlling interest in its Subsidiary, ESS, to a Japanese strategic investor, "Chugoku Electric Power Company", which possesses an expertise in renewable energy. Therefore, the Company perceived that the investor will provide added value to the Company's future development and operations. Proceeds from sale of controlling interest in subsidiary will be used to finance the Company's future business development.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

Net cash used in investing activities in 2018 amounted to US\$462,191. Total cash flows used in investing activities in 2018 decreased significantly by US\$12,608,815 or 94.46% compared to cash flows used in investing activities in 2017 totaling US\$13,071,006 as there was no additional investment in any new subsidiary. However, the Company increased its investment in shares of BTL, a Subsidiary.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

Net cash used in investing activities in 2017 amounted to US\$13,071,006. Total cash flows used in investing activities in 2017 increased by US\$13,060,631 or 124,682.87% compared to cash flows used in investing activities in 2016 totaling US\$10,475. The increase was attributed to additional investment in a Subsidiary (BTL) totaling US\$13,001,279 in connection with the restructuring of the Company's share capital.

C. Cash Flows from Financing Activities

The 3-month (three-month) period ended March 31, 2019, compared to the 3-month (three-month) period ended March 31, 2018

Net cash provided by financing activities for the 3-month (three-month) period ended March 31, 2019, amounted to US\$2,897,512. Total cash flows provided by financing activities for the 3-month (three-month) period ended March 31, 2019, decreased by US\$2,356,665 or 435.73% compared to cash flows used in financing activities for the 3-month (three-month) period ended March 31, 2018, which amounted to US\$540,848. Such decrease was attributed to payment of long-term borrowings in the amount of US\$1,090,210 to banks and contractors, payment of interest expense in the amount of US\$1,033,191 on bank loans, combined with a decrease in restricted cash in bank by US\$924,167, which was pledged as collaterals for the long-term borrowings from PT Bank Mandiri (Persero) Tbk for a Subsidiary, ESS.

The Year Ended December 31, 2018, compared to the Year Ended December 31, 2017

Net cash provided by financing activities in 2018 amounted to US\$2,530,475. Total cash flows provided by financing activities in 2018 decreased by US\$10,207,546 or 80.13% compared to cash flows used in financing activities in 2017, which amounted to US\$12,738,021. The increase was attributed to proceeds from long-term borrowings which were lower compared to prior year. In 2018, the Company obtained a total long-term borrowings of US\$9,238,272, whereas in 2017, the Company obtained a total long-term borrowings of US\$47,559,394. As a result, cash flows provided by financing activities in 2018 were significantly lower compared to 2017.

The Year Ended December 31, 2017, compared to the Year Ended December 31, 2016

Net cash provided by financing activities in 2017 amounted to US\$12,738,021. Total cash flows provided by financing activities in 2017 increased by US\$14,237,293 or 949.61% compared to cash flows used in financing activities in 2016, which amounted to US\$1,499,272. The increase was attributed to significant amount of proceeds from long-term borrowings and additional paid-in capital. The increase was mainly driven by the accelerated payment of the Company's outstanding debts and the new US Dollar denominated loans obtained by the Company. In addition, several parties invested in the Company's shares in 2017, resulting in an increase in proceeds from additional paid-in capital.

The Company's significant cash flows prior to the Commercial Operation Date were mainly generated from operating and financing activities. Cash flows from operating activities were dominated by payments to contractors, suppliers, and others. Whereas cash flows from financing activities were dominated by proceeds from long-term borrowings. Subsequent to the Commercial Operation Date, the Company's cash flows were characterized by operating activities, dominated by receipts from customer, i.e., PLN, in return for sale of electricity. The Company has two sources of cash flows, namely cash flows from operating activities and financing activities from bank and non-bank. The Company incurred cash flows for investment in 2017 as a result of additional investment in Subsidiaries.

KEY FINANCIAL RATIOS

SOLVENCY

Solvency represents the ability to meet all liabilities using all assets and liabilities. Solvency ratio can be calculated using two approaches as described below:

1. Total Liabilities divided by Total Equity (Equity Solvency) or Debt to Equity Ratio
2. Total Liabilities divided by Total Assets (Asset Solvency) or Debt to Asset Ratio

3. The Company's Equity Solvency ratios as of March 31, 2019, December 31, 2018, 2017, 2016, were 0.86x; 0.90x; 0.89x; and 0.91%, respectively.
4. The Company's Asset Solvency ratios as of March 31, 2019, December 31, 2018, 2017, 2016, were 0.46x; 0.48x; 0.47x; and 0.48x, respectively.

PROFITABILITY

Profitability is measured by among others, Net Profit Margin, Return on Asset, and Return on Equity. These ratios reflect the Company's ability to generate profit in a specified period of time.

1. Net Profit Margin is the ratio of net profit to the Company's sales. The Company's Net Profit Margins for the period ended March 31, 2019, and for the years ended December 31, 2018, 2017, and 2016, were 0.42%; 0.26%; 0.10%; and 0.28%, respectively.
2. Return on Assets represents the ratio of asset turnover to generate profit. The Company's Return on Assets as of March 31, 2019, December 31, 2018, 2017, 2016, were 0.01%; 0.03%; 0.02%; and 0.04%, respectively.
3. Return on Equity represents the ratio of net income to equity. The Company's Return on Equity as of March 31, 2019, December 31, 2018, 2017, 2016, were 0.02%; 0.06%; 0.03%; and 0.07%, respectively.

6. LIQUIDITY AND CAPITAL SOURCES

During the past few years, the Company's cash flows were primarily used to finance the Company's working capital, capital expenditures and payments of interest and taxes, and the Company's expansion. Historically, the Company's sources of liquidity consisted of additional paid-in capital, net income from operations, and bank loans.

The Company's ability to finance its financing requirements with loans from banks is subject to the Company's operational activities. In the event that the Company enters into credit agreements, the applicable interest rate on loans will affect the Company's ability to pay its obligations.

The Company believes that its current liquidity is sufficient to meet its working capital and capital expenditure requirements. Therefore, fluctuations in interest rates will not affect the Company's ability to repay its debts.

The Company categorizes its liquidity sources to external and internal liquidity sources. The Company relies on its internal liquidity sources from the Company's results of operations to meet its liabilities that are due. Whereas the Company's main external liquidity sources are short-term and long-term bank loans.

The Company has material external liquidity sources that are not yet utilized, including, among others, investment credit facilities from banks that the Company has not fully disbursed. The Company does not have any agreements, claims or commitments, events and/or uncertainties that may result in a material increase or decrease in the Company's liquidity. However, there is a tendency of decreased liquidity when the Company incurs capital expenditures.

Up to the date of this Prospectus, there are no extraordinary events that may result in an increase or decrease of certain account balances or the Company's overall financial positions and there are no events that affect the Company's current financial positions that had not effects in the past.

7. CAPITAL EXPENDITURES

The Company incurs capital expenditures in the form of buildings, machineries, and supporting equipment for HPP. Historically, the Company incurred capital expenditures to expand its business activities, namely hydroelectric power. The Company and its Subsidiaries' total capital expenditures for the 3-month (three-month) period ended March 30, 2019, and the years ended December 31, 2018, 2017, and 2016, amounted to US\$199,737, US\$4,802, US\$190,386, and US\$10,475, respectively.

The following table summarizes the Company's capital expenditures for each period indicated:

(In US\$)

Description	March 31,	December 31,		
	2019	2018	2017	2016
Building	198,022	-	-	-
Office equipment	1,715	4,627	3,942	1,130
Vehicles	-	174	186,444	9,345
Total Capital Expenditures	199,737	4,802	190,386	10,475

The Company's routine capital expenditures are for the purpose of construction of hydroelectric power plants. Purchase of capital goods is financed by the Company's available cash, cash from operating activities, and external financing. The Company plans to finance the Company's and/or its Subsidiaries' capital expenditures through a combination of cash flows from operating activities, bank loans, and the capital market. However, as an implication of the adoption of ISAK 16 in the Company's accounting policy, additions in construction of hydroelectric power plant were not reflected in the fixed assets presented in the notes to financial statements. However, the capital expenditures relating to the additions in construction of hydroelectric power plant were charged to the consolidated statements of profit or loss and other comprehensive income under Direct Costs. The realization of the Company's capital expenditures may deviate from the initial plan due to a number of factors, including, among others, the Company's and/or its Subsidiaries' future cash flows, results of operations and financial condition, changes in Indonesia's economic condition, regulatory changes in Indonesia, and changes in the Company's business plans and strategies.

The Company implements prudential principles in procuring capital goods to ensure such procurement of capital goods are made in accordance with their proper functions and requirements. All of the Company's capital expenditures are aimed to improve services and efficiency to ultimately increase the Company's performance.

Should there be any incompatibility of function and needs in the future, the Company may re-assign the asset's function for a better purpose without having any significant impacts to the Company's performance. Up to the issuance of this Prospectus, all capital expenditure commitments have been fully realized.

8. CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of the issuance of this Prospectus, the Company neither has off-balance sheet arrangements nor contingent liabilities.

9. RISK MANAGEMENT

Risk Management System is a method used by the management to address various issues arising from risks, which principally aims to manage all risks that may arise from factors that may potentially results in losses to the Company.

Several potential risks that the Company may be exposed to include, among others:

1. Business Risks, including:
 - a) Risks associated with amendment(s) to PPA
The Company anticipates the impacts that may arise from the above risk by maintaining a contact person or help desk from PLN as the grantor of PPA to allow the Company to have the latest information concerning PPA or the latest policies adopted by PLN or other institutions that may affect the Company's current PPA. By maintaining a contact person or help desk in PLN, PLN endeavors to provide the latest information. Furthermore, the Company may have the opportunity to participate in the public hearing held by PLN prior to amendment of PPA.
 - b) Business competition risk
The Company anticipates the impacts that may arise from the above risk by maintaining good relationship with PLN to allow the Company to have a better prospect to obtain the next PPA.
2. Operational risks, including:
 - a) Risks related to analysis and changes in hydrological and geological conditions.
The Company anticipates the impacts that may arise from the above risks by appointing consultants to perform initial studies on the initial hydrological and topographic conditions, and studies on the probability of future changes in hydrological and topographic conditions. The Company and its Subsidiaries also perform maintenance, reservation, and revitalization of the areas and rivers around the HPP to maintain a stable hydrological condition. The Company anticipates the impact by appointing consultants to perform initial studies on the initial hydrological and topographic conditions, and studies on the probability of future changes in hydrological and topographic conditions, specifically those related to activities of HPP facilities as operation commences.
 - b) Risks associated with scarcity of spare parts
The Company anticipates the impacts that may arise from the above risks by consistently performs observations on new vendors. The Company and its Subsidiaries require vendors to supply spare parts within a specified period of time.
 - c) Risk of dependence on foreign workers
The Company anticipates the impacts that may arise from the above risk by conducting transfer of knowledge from foreign technicians to local technicians to prevent the Company from being continuously dependent on foreign technicians.
 - d) Risks of resistance from the local communities around the HPP
The Company anticipates the impacts that may arise from the above risks by ensuring proper environmental conservations and maintaining good relationships between the Company and its Subsidiaries and the local communities through its Corporate Social Responsibility (CSR) activities.
3. Financial risks, including:
 - a) Risk of foreign exchange rate fluctuation
The Company anticipates the impacts that may arise from the above risk through the creation of natural hedge, where the revenue generated from 2 (two) of the 3 (three) HPPs owned by the Company through its subsidiaries, are denominated in USD. With such natural hedge, the Company is more poised to anticipate the negative impacts of fluctuations in foreign exchange rate.
 - b) Risk of Inflation
The Company anticipates the changes in inflation during the construction period by implementing cooperation agreement with construction vendors that are based on lump-sum payment and project completion system, where the costs stipulated under the agreements are binding for the entire period of construction, which have factored in inflation during the construction period. Therefore, the impact of changes in inflation during the construction period are quantified and locked. With respect to costs other than construction costs, such as maintenance and overhaul, the Company, through its subsidiaries, continuously monitors inflation rate to be able to estimate the impacts to expenses that are exposed to inflation. One of measures taken by the Company is by entering into overhaul and maintenance cooperation contracts that have factored in the inflation rate in order to ensure the impacts of inflation are measurable.
 - c) Risk of cost overrun
The Company anticipates the impacts that may arise from the above risk by performing preliminary analysis and cost estimate exercise with respect to the construction of HPP facilities together with the appointed consultants, and by applying the Turnkey & Lump-Sum Payment method for appointed contractors, which will commercially mitigate the risk of cost overrun.
 - d) Risk of Floating Interest Rate on Credit Facilities

The Company anticipates the impacts that may arise from the above risk by consistently monitoring the benchmark interest rate or 7-Day Repo Rate and other benchmark interest rates that are used as the bases to calculate the floating interest rate on the Company's credit facilities. The Company also adjusts its ability to pay floating interest rate by sourcing alternative credit or financing facilities that are more favorable to the Company.

4. Legal risks, including:

a) Risks associated with land status and licensing

The Company anticipates the impacts that may arise from the above risk by ensuring the process of land acquisition and land use are in accordance with the prevailing local and national laws and regulations in order to minimize any disruptions relating to land licensing. The Company and its Subsidiaries are committed to mitigate risks arising from changes in policies from time to time by obtaining the Borrow-to-Use Forestry Permit (*Izin Pinjam Pakai Kawasan Hutan*, "IPPKH"), which may be used as a basis to use protected forest area.

VI. RISK FACTORS

The Company recognizes that risks are an inherent part of its operational activities and may affect the Company's results of operations and performance if the Company is not well prepared to anticipate and manage such risks. The risks must be managed properly and accountably. To that end, the Company is committed to implement the best risk management principles that are in line with the directions set by regulators. Presented below are the description of each material risk that the Company and its Subsidiaries are exposed to:

A. MAIN RISKS WITH SIGNIFICANT EFFECTS TO THE COMPANY'S GOING CONCERN

The dependence of the Company, as a Parent Company, to the Subsidiaries' performance.

Up to the issuance of this Prospectus, the Company is engaged in the electricity and service industries through its Subsidiaries. At present, 3 of the Company's Subsidiaries own hydroelectric power plants in Indonesia. As of the issuance of this Prospectus, the Company acts as a Parent Entity without having any other business activities. Therefore, the Company's revenues and cash flows are generated by its Subsidiaries. Accordingly, the Company is fully dependent on the performance of its Subsidiaries, both in terms of revenue and cash flows. Any disruption or issues occurring at Subsidiary level could have adverse effects to the Company's performance as a Parent Entity.

Significant actions taken by, or circumstances arising at Subsidiary level could have adverse effects to the Company's performance as a Parent Entity. For example, changes in government policies related to the electricity industry may affect the Subsidiaries' existing Power Purchase Agreements; the Subsidiaries' management policies affecting dividend distributions and other cash flows attributed to the Parent Entity; direct competitions that may disrupt the Subsidiaries' performance; and threats of hostile takeover to the Subsidiaries.

The Company, as the Parent Entity, is committed to mitigate such risks by continuously supporting the Subsidiaries' plans and practices that will bring positive impacts to the Parent Company. The Company, as a Parent Entity, also consistently maintains its position as the majority and controlling shareholder of the Subsidiaries. Consequently, any corporate action to be taken by the Subsidiaries requires the Company's approval as the Parent Entity.

B. RISKS ASSOCIATED WITH THE COMPANY AND ITS SUBSIDIARIES' BUSINESS ACTIVITIES

I. RISKS ASSOCIATED WITH THE COMPANY AND ITS SUBSIDIARIES

1. Changes in Government Policies and Regulations in the electricity industry.

Electricity is a vital resources with material impacts to the lives of Indonesian people. Accordingly, the government of Indonesia directly and indirectly regulates the provision and utilization of electricity through the policies and regulations issued by the central government, regional governments, and other institutions. The government regulation covers licensing of electricity supply, requirements to obtain such licenses, requirements to extend such licenses, tariff imposed, and other matters relating to the power supply industry. Changes in policies and regulations may have adverse impacts to the Company and its Subsidiaries' going concern.

The Company and its Subsidiaries are committed to mitigate such risks by consistently complying with the mandatory policies, regulations, and requirements to do business in the power supply industry. The Company and its Subsidiaries also periodically seek updates on information concerning policies and regulations in the power supply industry that have been issued or will be issued in the future.

2. Risks related to the status of land ownership, acquisition, utilization permits and changes in policies related to the plots of land used as the Hydroelectric Power Plants' facilities.

In general, land ownership in Indonesia resides at the Government, where the Government grants land right for a specified period of time. Application for land rights in Indonesia may involve several stages. The main stages of application include, among others: (i) application for permit to perform land survey; (ii) issuance of location permit; (iii) application to obtain the revocation of forest area (if the land in question is located in a forest area); (iv) land acquisition/transfer from the local communities, (v) measurement of cadastral map (a land measurement and survey process); (vi) preparation of survey certificate, recommendation of Minutes of Land Inspection; (vii) decree to grant land rights; (viii) issuance of land right certificate subsequent to the payment of land registration fee to the state treasury. Under the circumstances where the Company and its Subsidiaries only hold the right to operate or use land due to PLN's interest pursuant to the Power Purchase Agreement (PPA), the Company and its Subsidiaries cannot have the certainty of obtaining land rights or long-term use permit to support the principles of going concern. Accordingly, the foregoing may have material impacts to the Company's prospects and business activities.

Under the Power Purchase Agreement (PPA) held by the Company through its Subsidiaries; the Company and its Subsidiaries may carry out their business according to the PPA period, i.e., 30 years. However, there is a possibility that the land used as the site for HPP facilities may be subject to changes in policies, either at regional government or central government letter, e.g., conversion of the initial spatial designation into protected forest area. The foregoing may affect the continuity of HPP's operations if the sites are converted into protected forest area and can no longer be used. Changes in policies concerning land rights may occur either during construction, commissioning, or subsequent to COD.

3. Risks of potential resistance from the local communities in the Company and its Subsidiaries' power plant areas, and risk of terrorism.

During the construction period until the expiry of the PPA, i.e. 30 years subsequent to the COD, the Company, through its Subsidiaries, may face resistance from the local communities, who may hold demonstrations or boycott the HPP facilities or its surroundings. Such resistance is generally caused by the local communities' perception of threats of environmental damages. Such resistance may result in the HPP facilities being held hostage by the local community, thereby preventing the Company, through its Subsidiaries, from carrying out its business activities. The Company and its Subsidiaries are also exposed to potential threat of terrorism that may threaten the operational continuity of the Company and its Subsidiaries' HPP facilities.

4. Risk of Business Competition

As is common in business with high prospects, the Company also faces the risk of competition from other power generation players, particularly those focusing on renewable energy power plants. The key to success amidst the competitive landscape are technical skills and experience in developing the potential of renewable energy power plant, as well as the ability to obtain Power Purchase Agreements granted by PLN based on recommendation from the Ministry of Energy and Mineral Resources (MEMR). In addition, PLN and MEMR also takes into account the credibility and track records of IPP candidates.

The PPA is granted through a tender procurement process, which considers a number of key aspects such as technical skills, experience in managing power plant projects, and project financing from construction to commercial date operation (financial closure). The scores are granted based on, among others, production efficiency, price or asset value of the power plant, electricity sale price, the power plant asset investment and operation offered by the Company compared to other Independent Power Producers (IPPs).

Referring to the Government's plan and drawing from the potential power plant capacity target of 35,000 MW planned by the Government, there are ample opportunities to obtain PPA to achieve this target. However, certain technical constraints present unique challenges to achieve such target. In terms of IPP, business competition mainly focuses on obtaining the most feasible PPA from the available power plant projects. Such feasibility will affect construction strategies and affects the formulation of commercial clauses and other economic factors with respect to the PPA to be issued.

When a PPA for a certain location is won by an IPP, the same PPA for such location will not be issued. Despite of delays in completion of construction, revocation of PPA from the existing IPP and nomination of a new PPA to the new PPA holder will only be carried out upon review of technical feasibility and default on delivery under the terms agreed by PLN and the relevant IPP.

5. Risk of Changes in Technology.

The Company's operations are technology intensive, particularly mechanical engineering and civil engineering with respect to the construction of HPP and generation of electricity in the HPP. The technologies used by the Company will continue to evolve along with innovations in mechanical and electrical engineering. In terms of civil engineering, the HPP is built to operate longer than the PPA period. However, changes in technology may require the Company to upgrade its equipment or assets used to produce electricity using the run-of-the river.

In the event of rapid technological development, the currently operating HPP assets or equipment may become outdated or obsolete, rendering them inefficient compared to the electricity output or production, the Company will be required to upgrade the necessary equipment. In circumstances where equipment or spare parts that need replacements are no longer produced by the manufacturers, the Company may have to replace the entire unit (module) of the relevant machineries, and may accordingly be required to make additional investment in the relevant HPP's capital expenditures. Such expenditures may constitute unrecoverable cost component or price under the PPA due to the difference in conditions that PLN is responsible for based on the agreed BOOT cooperation scheme.

II. RISKS ASSOCIATED WITH THE SUBSIDIARIES

1. Operational risks during the construction period.

Risks related to hydrological and geological conditions.

Hydrological and geological conditions are the main factors to determine the HPP facility construction process. Hydrological and geological factors that have the most significant impacts to the construction phase are water debit, natural and landscape condition of the area used to build the HPP facility. Water debit factor is a key factor of hydrological and geological conditions during the construction process, as it will determine the amount of electric power generated. The HPPs owned by the Company's group uses water debit as the force to turn the turbines. Factors that may affect hydrological and geological conditions, particularly water debit, include level of rainfall, climate, changes in water flow condition and changes in geological and hydrological conditions at the upstream and downstream river that may affect water debit, and may technically affect the HPP construction process with respect to the civil engineering method (ground works) to be implemented and the required time allocation plan. The initial hydrological and geological conditions, and all changes or shifts thereof may have adverse effects to the HPP facility construction process. Included in those conditions is unpredictable climate change during the construction process.

Risks related to engineering design failures.

The specifications of components, equipment, and blueprint of the HPP facilities at the construction stage are unique for each HPP project, tailored to the site where the Company, through its Subsidiaries, carry out its business. In the construction phase, the Company, through its Subsidiaries, appoints several contractors, who will carry out their duties to perform the construction of HPP facilities. There are risks related to errors in the initial design/blueprint planning stage, incompatibility between components, and incorrect installations of components and equipment in the HPP facilities.

2. Operational risks during the commissioning period.

Commissioning will be carried out when the Company, through its Subsidiaries, has completed the construction of HPP facilities. Commissioning is conducted as part a trial of the electric power generation activities in the completed HPP facilities, with the purpose of measuring the performance and durability of the HPP facilities to achieve an optimal point. Commissioning is generally carried out from a period ranging from approximately 3 months to 1 year.

Risks related to changes in hydrological and geological conditions.

Commissioning will be carried out for a period ranging from 3 months to 1 year, depending on the result of the commissioning, before the Commercial Operation Date (COD) commences. During this stage, the Company, through its Subsidiaries, is exposed to the risks of changes in hydrological and geological conditions, which could have adverse impacts if the actual hydrological conditions differ from the conditions at the time of commissioning. Issues that may arise include changes in the water flow (debit) used to drive the turbine in the HPP facilities, which could result in less than optimum condition. Another issue is changes of geological conditions, such as the shifting of soil as a result of earthquakes or landslide at the hillside surrounding the HPP sites.

Risks related to engineering design failures.

The Company, through its Subsidiaries, relies on the completed HPP facilities to generate electric power. During the commissioning stage, the HPPs owned by the Company through its Subsidiaries are tested, both in terms of electric power generation, and distribution of electric power generated. The Company, through its Subsidiaries, is exposed to the risk of engineering design failure if the HPP being tested is unable to generate electricity according to the initial target, or is unable to generate electric power at an optimum level. Such failure may arise from the absence or lack of integration of the components in the HPP facilities. To distribute electricity, the Company, through its Subsidiaries, requires conductors, whether in the form of cables, towers, transmitters, and other equipment to distribute electricity to the Company and its Subsidiaries' customers. However, the Company, through its Subsidiaries, may not have such necessary electricity distribution equipment. The Company and its Subsidiaries' HPP are exposed to risks of potential engineering design failure when the HPP is able to generate electricity, but the electricity generated cannot be distributed to consumers as the existing conductors are not sufficient to distribute the electricity generated by the HPP. Both engineering failures could have adverse impacts as the customer is unable to benefit from the electricity generated by the HPP.

3. Risks during operational period (subsequent to Commercial Operation Date).

Risks related to scarcity of resources and raw material (hydrological and geological) supply.

Under the Power Purchase Agreement (PPA) owned by the Company through its Subsidiaries requires the Group's HPPs to generate electricity for a period of 30 (thirty) years from the Commercial Operation Date (COD). For the agreed duration of PPA 30, i.e., (thirty) years since the Commercial Operation Date (COD), the Company, through its Subsidiaries, is highly dependent on the hydrological and geological condition. Any significant changes in hydrological and geological conditions in the sites around the HPP could cause the Company to experience operational difficulties and prevent the Company from continuing the PPA. Although several of these possibilities are regulated under the *force majeure* clause, there is no certainty that the Company, through its Subsidiaries, will be free from all possibilities that may affect its operations and financial conditions.

Risks of failure to achieve the Minimum Capacity Factor

Under the Power Purchase Agreement (PPA) owned by the Company through its Subsidiaries requires the Group's HPPs to generate electricity for a period of 30 (thirty) years from the Commercial Operation Date (COD). During the PPA period, the Company, through its Subsidiaries, is required to meet the Minimum Capacity Factors stipulated in each respective PPA. In the event that the Company, through its Subsidiaries, fails to generate such Minimum Capacity Factors, the Company, through its Subsidiaries, will be subject to penalties in the form of fines as stipulated in each respective PPA.

4. Risks related to the clauses in the Power Purchase Agreement (PPA)

Changes in clauses of PPA made by PLN in response to changes in Government policy due to unexpected changes in market condition and demand for electrification.

The Company and its Subsidiaries will invariably comply with the provisions of the Power Purchase Agreement (PPA) mutually agreed by PLN and the Company through its Subsidiaries. Any unilateral changes or additions in policies that are unexpected by the Company, through its Subsidiaries, may result in potential risks that may hamper the Subsidiaries' operational condition, and ultimately, the Company's operational condition during construction, commissioning, or subsequent to the Commercial Operation Date (COD), such as the reduction of electricity allocation that the Company and its Subsidiaries' HPPs are entitled to distribute.

The Company may not have the same ability to obtain a new PPA when the current PPA expires.

The Company, through its Subsidiaries, carry out its business based on the existing PPAs. The Company's PPAs, which are obtained through its Subsidiaries, have a duration of 30 years subsequent to the Commercial Operation Date (COD). Upon expiry of the PPAs, there is a risk that the Company, through its Subsidiaries, may not be able to extend the existing PPAs or obtain new PPAs. The foregoing could have adverse material impacts to the Company, through its Subsidiaries, as the Company could lose its main business activities as the holder of power supply license to PLN and lose its main source of revenue.

The clause concerning Built Operate Own Transfer (BOOT) method in the current Power Purchase Agreement (PPA).

The Company, through its Subsidiaries, holds PPAs with BOOT method, where at the end of the PPA period, i.e., 30 years subsequent to the Commercial Operation Date (COD), all assets, i.e., the HPP facilities, will be transferred to PLN and the ownerships of such assets will reside in PLN. Given the characteristics of Built Operate Transfer, by the time the Company and its Subsidiaries transfer the assets of HPP facilities to the grantor of PPA, the Company and its Subsidiaries will no longer have productive assets to generate electric power. The Company and its Subsidiaries will have to rebuild the necessary HPP facilities to generate electric power.

The clause concerning PLN's accelerated purchase option of the Company and its Subsidiaries' assets that are used as productive assets to generate electrical power in accordance with the Power Purchase Agreement (PPA).

The Power Purchase Agreement (PPA), which governs the cooperation between the Company and its Subsidiaries and PLN, contains an options that gives PLN the right to accelerate the purchase of (i) all the Subsidiaries' rights and interests in a project, or (ii) all the Subsidiaries' shares. Whereas according to the initial PPA, the initial process of transfer of assets will be conducted in 30 years subsequent to the COD. Although the Company, through its Subsidiaries, will be compensated in the event of acceleration of such option using the purchase method in the form of the revenue portion that would be earned during the remaining duration of the contract, the Company, through its Subsidiaries, cannot guarantee that such accelerated transfer would not have adverse impacts as the Company is at risk of losing its business, which will affect the Company's ability to continue operating its business.

5. Risks of dependence on certain vendors and the availability of spare parts

Up to the issuance of this Prospectus, the Company, through its Subsidiaries, has appointed a number of contractors from other countries (China and the Republic of Czechoslovakia) as the supplier of turbine equipment and components of the HPP facilities. In general, the components used in the HPP facilities are specific components that are specially designed according to the Company's requirements as stipulated through its Subsidiaries, and the spare parts of the machineries used in the HPP facilities are unique and specific to the machineries uses. Accordingly, the Company's dependence on its main vendors to obtain such components and spare parts will be higher if such spare parts are non-fast moving items. The unique geological conditions and remote locations of the Company's HPP facilities owned through its Subsidiaries also contribute to dependence on certain vendors that possess the skills and qualifications to work in complex geological conditions. The foregoing lowers the Subsidiaries' bargaining power, and ultimately, the Company's, in negotiating spare part contracts and prices, which creates risks to the efficiency of the Subsidiaries' operational activities and revenue, and ultimately, the Company's operational activities and revenue.

6. Business risks associated with concentration in one main customer, PLN.

Perusahaan Listrik Negara holds a long-term contract for the next 30 years, i.e., the Power Purchase Agreement with the Company, through its Subsidiaries, as the supplier of electricity. Under this agreement, PLN is the main and single customer of the Company through its Subsidiaries. The Subsidiaries' limitation, and by extension, the Company's limitation, where the Company and its Subsidiaries are only entitled to sell or distribute electricity to PLN leaves no flexibility for the Company and its Subsidiaries in terms of sales. Such limitation gives rise to financial susceptibility. If the Company, through its Subsidiaries, is not selected as the supplier of electricity after the expiry of PPA, the Company's performance and revenue generated through its Subsidiaries may be materially affected.

7. Risks of changes in manpower policies related to foreign workers in Indonesia

The Company, through its Subsidiaries, employs foreign workers for the construction of HPP facilities, and for the maintenance and overhaul of HPP. There is a possibility that additional restriction and licenses may be imposed to the Company, through its Subsidiaries, in connection with foreign workers, specifically foreign technicians, who work on behalf of the Company through its Subsidiaries. The foregoing may have adverse impacts to the maintenance and overhaul of the Company's HPP owned through its Subsidiaries.

C. FINANCIAL RISKS

1. Risks related to financial liquidity during the construction of Hydroelectric Power Plant facilities.

The Company and/or its Subsidiaries require approximately 3 (three) to 4 (four) years to complete the construction of HPP facilities. Upon completion, a commissioning period must be undertaken before the Commercial Operation Date (COD) can be set. Upon agreement on the COD, the electricity produced by the Company and/or its Subsidiaries' HPP can be sold to generate revenue. During the initial construction process up to COD, the Company and/or its Subsidiaries are required to utilize their own capital and debt financing. During the construction process, the Company and/or its Subsidiaries have to cover expenditures for the construction of the Company and/or its Subsidiaries' HPP facilities. To finance such construction, the Company, through its Subsidiaries, utilizes credit facilities using the drawdown method, i.e., reimbursement by progress, where the Company and/or its Subsidiaries are required to initially pay for their expenditures before applying for reimbursements from the lenders. Such reimbursements are granted in the form of borrowings, and accordingly causes the Company and/or its Subsidiaries to assume debts. As a result of debt financing, the Company and/or its Subsidiaries are subject to interest expense, which creates liquidity pressures to the Company and its Subsidiaries. The Company and/or its Subsidiaries have credit facilities that are subject to fixed interest rate for the first year, and to floating interest rate for the years thereafter.

2. Risks of cost overrun during construction phase.

The Company and/or its Subsidiaries generally require approximately 3 (three) to 4 (four) years to complete the construction of HPP facilities. The unique hydrological and geological conditions and hard-to-reach locations for vendors or contractors may result in delays in the construction of HPP facilities, which may cause a cost overrun for the Company and/or its Subsidiaries. Such unique hydrological and geological conditions and hard-to-reach locations may have further effects that could result in a cost overrun, particularly in the event of natural disasters that may damage the HPP facilities, close access to the HPP facilities, and extreme weather that may result in delay of works. In addition, natural disasters may also cause changes in hydrological and geological conditions on the site of HPP facilities or in the area surrounding the HPP facilities. These changes may result in a cost overrun, particularly if the initial design no longer fits the local hydrological and geological conditions after the occurrence of natural disasters.

3. Risks of cost overrun during commissioning phase.

The Company and/or its Subsidiary will undergo a commissioning phase for a period of approximately 3 (three) months. During commissioning, the Company and its Subsidiaries will generate electricity and the respective production costs that the Company and/or its Subsidiaries will have to incur will not be compensated. The commissioning phase will end upon agreement of Commercial Operation Date (COD) between PLN and the Company, through its Subsidiaries. At this point, the Company and/or its Subsidiaries, may begin commercial

operation. Longer commissioning phase will result in higher costs that must be borne by the Company and/or its Subsidiaries without the rights to receive compensation for costs incurred, which may result in a cost overrun. The costs referred to above may consist of electricity production costs, maintenance costs, and security costs for the HPP facilities.

4. Risk associated with foreign exchange fluctuations

The Company and/or its Subsidiaries, have borrowings denominated in US Dollars, where the repayments of the respective loan principal and interest expense are exposed to foreign exchange fluctuations. If the US Dollar appreciates against Rupiah at the time the Company and/or its Subsidiaries are obligated to pay interest expense and loan principal, the Company and/or its Subsidiaries will require higher funds in Rupiah to repay the interest expense and loan principal denominated in US Dollar.

5. Risks associated with accounting policies

At present, the Company and/or its Subsidiaries applies the provisions of ISAK 16, where the Company and/or its Subsidiaries account the HPP assets as current assets, in the form of receivables that are amortized over the life of the respective PPA. The amortization rate is calculated based on the amount of electricity produced by the Company and/or its Subsidiaries' HPP facilities. While in general, HPP facilities are accounted as fixed assets. The provisions of ISAK 16 are adopted due to the characteristics of existing PPAs, which are based on the BOOT scheme. Any changes in accounting policies requiring the Company and/or its Subsidiaries to comply with the latest accounting policies may result in the risk of uncertainty over the accounting of HPP assets in the Company and/or its Subsidiaries' financial statements. Such uncertainty over accounting policies creates risks associated with the presentation of financial statements, where the Company and/or its Subsidiaries may have adverse impacts when the changes in accounting policies are unfavorable.

6. Risks associated with interest rate fluctuations

Up to the issuance of this Prospectus, the Company and/or its Subsidiaries have, and utilize, credit facilities where the Company and/or its Subsidiaries are required to pay interest expense at a specified interest rate. Up to the issuance of this Prospectus, the Company and/or its Subsidiaries are required to pay interests with fixed rate and floating rate over the life of the loans, calculated in proportion to the loan drawn. Uncertainty on fluctuation of interest expense may affect the amount of interest expense that must be paid by the Company and/or its Subsidiaries to lenders. Uncertainty of future interest rate may also affect the transaction costs for new loans that the Company and/or its Subsidiaries may assume.

D. GENERAL RISK

1. Macroeconomic condition

All of the Company's revenues earned through its Subsidiaries are generated from its business activities in Indonesia, and the Company anticipates that it would continue to generate revenues from its business activities in Indonesia in the future. Emerging markets such as Indonesia have historically been characterized by the dynamics of political, social and economic conditions that are relatively different from those of developed countries. Risks associated with the Indonesian economy that may have material effects to the Company's business include:

- Political, social and economic uncertainties;
- Volatility of Rupiah exchange rate against other currencies;
- Acts of war, terrorism and civil conflicts;
- Government regulatory interventions related to trade of goods, which include customs, protectionisms, and subsidies;
- Changes in regulations, tax regulations and legal framework;
- Lack of transportation and energy infrastructures, and other infrastructures; and
- Quality of human resources.

The Company may not be able to predict the political and social risks that may be subject to drastic changes from time to time and therefore, the information contained in this Prospectus may become irrelevant in the future. If any of the above-mentioned risks occur, they may have material and adverse effects on the Company's business activities, financial condition, results of operations and prospects.

2. Compliance with the prevailing laws and regulations relating to the industry

In carrying out its activities, the Company and/or its Subsidiaries are required to comply with the prevailing laws and regulations. These regulations include, among others, matters related to service, environmental, health, manpower, taxation and security standard requirements. The Company and/or its Subsidiaries are also required to comply with regulations relating to licensing requirements, service practices, price setting, and taxes. Although the Company and/or its Subsidiaries believe that the Company's operational activities carried out by its Subsidiaries have complied with all the prevailing regulations, failure to satisfy obligations arising from new regulations or their amendments, or interpretations and implementations thereof, and changes to interpretations or implementations of the prevailing laws and regulations, may subject the Company to civil sanctions, including fines, penalties or product recalls and other criminal sanctions.

In addition, changes in manpower law and regulations, and laws and regulations that govern minimum wage may also result in escalated issues in industrial relations, which may have material impacts to the Company and/or its Subsidiaries' operational activities in the event of a mass labor strike. Manpower regulations, changes in laws and regulations regulating minimum wage may also result in additional liabilities to the Company and/or its Subsidiaries in order to fulfill the rights of their employees. Failure to manage such risk may deteriorate the Company and/or its Subsidiaries' industrial relations with their employees.

The Company's business activities, which are carried out by its Subsidiaries, are regulated by the Government through various regulations. The Company and/or its Subsidiaries' failure to carry out and implement new regulations stipulated by the Government may affect the Company and/or its Subsidiaries' business activities, which may in turn affect the Company's performance. In addition, the Government has the authority to formulate policies, tariffs, scope of work, to issue business permits, and to evaluate the operations by business players. Accordingly, the Company is exposed to risk of compliance with regulations applicable to the Company and/or its Subsidiaries business fields.

3. Litigations or lawsuits

In its business activities, the Company and/or its Subsidiaries deal with various parties with different interests from service users, port authorities, to the Company's employees. All such relationships are based on economic interests. These are usually stated in documents made in accordance with the provisions set by the law to regulate the rights and obligations of each parties that have been agreed upon. Any breach or dispute may prompt a party to file claims or lawsuits against the other party. Any demands or lawsuits will have the potential to cause harm to parties involved including the Company. Risk associated with lawsuits that may occur include service users' claims of service or damages that are caused by the Company and/or its Subsidiaries' negligence.

E. RISKS RELATING TO INVESTMENTS IN THE COMPANY'S SHARES

1. The price of the Company's shares may be subject to significant fluctuations in the future

The price of the Company's shares subsequent to the Initial Public Offering may be subject to significant fluctuations due to a number of factors, including, among others:

- Perceptions on the Company's business prospects;
- changes in economic, political or market conditions in Indonesia;
- the difference between the Company's actual financial and operational performance compared to investors' and analysts' expectation;
- Changes in analysts' recommendations or perceptions on the Company or the stock exchange or Indonesia's economic condition;
- the Company's announcement on significant corporate actions, such as acquisitions, strategic alliances, partnerships or divestments;
- Fluctuation in foreign companies' share prices (particularly in Asia) and other developing countries;
- Final verdict of pending litigations or litigations that may occur in the future;
sale of the Company's shares by its Majority Shareholder(s) and/or Controlling Shareholder(s).

2. The liquidity of the Company's shares

There is no guarantee that the market for the Company's shares will develop or, in the event that such market develops, that the Company's shares will remain liquid. The ability to sell and settle transactions on the Stock Exchange may be subject to the risk of delay. Therefore, there is no guarantee that the Company's shareholders will be able to sell their shares at a certain price or time as the shareholders would be able to in a more liquid stock exchange.

As of June 25, 2019, the market capitalization of the Stock Exchange in several developed countries such as the United States of America amounted to Rp537,746 trillion, UK amounted to Rp480,452 trillion, Japan amounted to Rp80,297 trillion, Hong Kong amounted to Rp62,028 trillion, which were relatively higher than the market capitalization of the Indonesia Stock Exchange, which amounted to Rp7,208 trillion (*source*: Bloomberg, June 26, 2019). It demonstrates that Indonesia's market capitalization value, although growing, remains relatively small compared to developed countries. Therefore, prices of shares traded in Indonesia's capital market are relatively more prone to fluctuation compared to shares traded in developed countries.

3. The Company's ability to pay dividends in the future

Dividend distributions shall be made based on the resolution of a GMS, with due considerations to a number of factors, including, among others, retained earnings, financial conditions, cash flows, working capital and capital expenditure requirements, agreements and costs that arise in connection to the Company's expansion. In addition, future financing required to finance the Company's future business development plan and the risk of losses recognized in the financial statements are several factors that may affect the Company's decision to forgo dividend distribution. The above factors may affect the Company's ability to pay dividends to its shareholders, therefore, the Company cannot guarantee that the Company would be able to distribute dividends or that the Company's Board of Directors would announce dividend distribution.

4. Risks of failures in investments or corporate actions

The Company is exposed to investment risk in the event that the Company's investments in potential renewable energy developments do not generate rate of return according to the initial plan. In addition, the Company is exposed to risk associated with corporate actions, i.e., divestment of shares, issuance of new shares, where there is a risk of inappropriate use of proceeds for the development of other renewable energy projects.

5. The interests of the Controlling Shareholder may conflict with the interest of the buyers of Offering Shares

Subsequent to the Initial Public Offering, the Controlling Shareholder having more than 50% of the Company's outstanding shares generally have effective control over the Company, including the authority to appoint the Company's Directors and Commissioners, and determine the outcome of any action requiring the approval from the shareholders. Although the Company's Board of Directors and Board of Commissioners are obligated to consider the interest of shareholders, including minority shareholders, considering the Controlling Shareholders may have business interests other than in the Company, the Controlling Shareholders may take actions that are more favorable to the business interests of the Controlling Shareholders referred to above than the Company's interests, which may have material

adverse impacts to the Company's business, financial condition, results of operations and prospects. Therefore, the Controlling Shareholders have, and will continue to have, significant authority over the Company, including the authority to:

- Approve any merger, consolidation or dissolution of the Company;
- exercise significant influence on the Company's policies and affairs;
- appoint the majority of the Company's Directors and Commissioners; and
- determine the outcome of actions requiring the approval of shareholders (other than approval on transactions with conflict of interest in which the Controlling Shareholder has a conflict of interest or affiliation with the Director, Commissioner or Majority Shareholder (shareholders holding 20% or more of the outstanding shares) where the party with conflict of interest is prohibited from casting any vote according to the FSA Regulation), including the time and payment of dividends in the future.

In the future, the Company may enter into transactions with entities controlled by the Controlling Shareholder, and other related parties in the course of its normal business. There is no guarantee that such transaction would be conducted at the terms and conditions that are favorable to the Company. However, any transaction containing a conflict of interest (as defined in the FSA regulation) entered into by the Company and affiliated parties subsequent to the Initial Public Offering shall require the approval of independent shareholders in accordance with the FSA Regulation as stipulated in Regulation No. IX.E.1.

THE COMPANY'S MANAGEMENT HEREBY REPRESENTS THAT ALL MATERIAL BUSINESS RISKS THAT THE COMPANY IS EXPOSED TO HAVE BEEN DISCLOSED IN THIS PROSPECTUS, AND ARE PRESENTED IN THE ORDER OF SIGNIFICANCE OF THE IMPACT OF EACH RISK, BEGINNING FROM THE COMPANY'S MAIN RISK.

VII. SIGNIFICANT EVENT SUBSEQUENT TO THE DATE OF INDEPENDENT AUDITOR'S REPORT

Until the effective date of the Registration Statement, there are no significant events with material impacts to the Company's financial condition and results of operations that occurred subsequent to the date of Independent Auditor's Report, i.e., June 26, 2019, which expressed an unmodified opinion on the Company's consolidated statement of financial position as of March 31, 2019.

VIII. DESCRIPTION OF THE COMPANY AND ITS SUBSIDIARIES, THE COMPANY AND ITS SUBSIDIARIES' CONSOLIDATED BUSINESS ACTIVITIES, TRENDS AND PROSPECTS

A. BRIEF HISTORY OF THE COMPANY

The Company was established under the name of PT Citra Alam Pratama in accordance with the Deed of Establishment No. 01 dated May 5, 2008, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-27201.AH.01.01.Tahun 2008 dated May 23, 2008, registered in the Company Registry under Number AHU-0039782.AH.01.09.Tahun 2008 dated May 23, 2008, and announced in the SGRI No. 2 dated January 6, 2009, Supplement Number 473/2009 ("**Deed of Establishment**").

Since its establishment, the Articles of Association stipulated in the Company's Deed of Establishment have been amended several times as stipulated in:

- The Company's Deed of Minutes of Meeting No. 03 dated February 19, 2010, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.10-05281 dated March 2, 2010, registered in the Company Registry under Number AHU-0016302.AH.01.09.Tahun 2010 dated March 2, 2010, and announced in the SGRI No. 79 dated October 1, 2010, Supplement Number 1513/2010.
- The Company's Deed of Meeting Resolutions No. 02 dated July 23, 2010, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-41319.AH.01.02.Tahun 2010 dated August 23, 2010, registered in the Company Registry under Number AHU-0062869.AH.01.09.Tahun 2010 dated August 23, 2010, and announced in the SGRI No. 13 dated February 14, 2012, Supplement Number 22/2012.
- The Company's Deed of Meeting Resolutions No. 06 dated June 24, 2011, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-34036.AH.01.02.Tahun 2011 dated July 7, 2011, registered in the Company Registry under Number AHU-0055331.AH.01.09.Tahun 2011 dated July 7, 2011, and announced in the SGRI No. 78 dated September 28, 2012, Supplement Number 54988/2012.
- The Company's Deed of Meeting Resolutions No. 15 dated December 16, 2014, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0000043.AH.01.02.Tahun 2015 dated January 5, 2015, registered in the Company Registry under Number AHU-0000322.AH.01.11.Tahun 2015 dated January 5, 2015, and announced in the SGRI No. 9 dated January 30, 2015, Supplement Number 575/2015.
- The Company's Deed of Meeting Resolutions No. 10 dated December 26, 2016, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was (i) approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0026161.AH.01.02.Tahun 2016 dated January 5, 2017, and registered in the Company Registry under Number AHU-0159336.AH.01.11.Tahun 2016 dated January 5, 2017, and (ii) reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0115278 dated January 5, 2017, and registered in the Company Registry under Number AHU-0159336.AH.01.11.Tahun 2016 dated January 5, 2017 ("**Deed No. 10/2016**"). Pursuant to the Representation Letter dated July 11, 2018, issued by Ir. Rusli, S.H., a Notary in Bekasi, the announcement in the SGRI for the Deed No. 10/2016 is being processed.
- The Company's Deed of Shareholder Resolutions Number 84, dated December 14, 2017, drawn up before Yulia, S.H., a Notary in South Jakarta, which was (i) approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0026483.AH.01.02.Tahun 2017 dated December 15, 2017, and registered in the Company Registry under Number AHU-0159763.AH.01.11.Tahun 2017 dated December 15, 2017, and (ii) reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0201277 dated December 15, 2017, and registered in the Company Registry under Number AHU-0159763.AH.01.11.Tahun 2017 dated December 15, 2017, and (iii) announced in the SGRI Number 65 dated August 14, 2018, Supplement Number 12249/2018 ("**Deed No. 84/2017**").
- The Company's Deed of Meeting Resolutions No. 6 dated June 26, 2018, drawn up before Abdul Haris, S.H., M.Kn., a Notary in Serang Regency, Banten, which was reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0220011 dated July 9, 2018, and registered in the Company Registry under Number AHU-0088036.AH.01.11.Tahun 2018 dated July 9, 2018 ("**Deed No. 6/2018**"). Pursuant to the Representation Letter No. 002/SKT-NOT/VIII/2018 dated August 9, 2018, issued by Abdul Haris, S.H., M.Kn., a Notary in Serang Regency, Banten, the announcement of the Deed No. 6/2018 in the SGRI is being processed.
- The Company's Deed of Shareholder Resolutions Number 25 dated September 10, 2018, drawn up before Yulia, S.H., a Notary in South Jakarta, which (i) was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0018784.AH.01.02.Tahun 2018 dated September 12, 2018, and registered in the Company Registry under Number AHU-0120060.AH.01.11.Tahun 2018 dated September 12, 2018, and (ii) reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0241652 dated September 12,

2018, and registered in the Company Registry under Number AHU-0120060.AH.01.11.Tahun 2018 dated September 12, 2018 (“**Deed No. 25/2018**”). Pursuant to the Representation Letter No. 115/CN/N/IX/2018 dated September 25, 2018, issued by Yulia, S.H., a Notary in South Jakarta, the announcement of the Deed No. 25/2018 in the SGRI is being processed.

- The Company’s Deed of Shareholder Resolutions Number 29 dated March 11, 2019, drawn up before Yulia, S.H., a Notary in South Jakarta, which (i) was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0015666.AH.01.02.Tahun 2019 dated March 21, 2019, and registered in the Company Registry under Number AHU-0047576.AH.01.11.Tahun 2019 dated March 21, 2019, and (ii) reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0161344 dated March 21, 2019, and registered in the Company Registry under Number AHU-0047576.AH.01.11.Tahun 2019 dated March 21, 2019 (“**Deed No. 29/2019**”). Pursuant to the Representation Letter No. 211/CN/N/VI/2019 dated June 25, 2019, issued by Yulia, S.H., a Notary in South Jakarta, the announcement of the Deed No. 29/2019 in the SGRI is being processed.
- The Company’s Deed of Shareholder Resolutions Number 50 dated May 10, 2019, drawn up before Yulia, S.H., a Notary in South Jakarta, which (i) was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0025348.AH.01.02.Tahun 2019 dated May 13, 2019, and registered in the Company Registry under Number AHU-0075686.AH.01.11.Tahun 2019 dated May 13, 2019, and (ii) reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0243116 dated May 13, 2019, and registered in the Company Registry under Number AHU-0075716.AH.01.11.Tahun 2019 dated May 13, 2019 (“**Deed No. 50/2019**”). Pursuant to the Representation Letter No. 210/CN/N/VI/2019 dated June 25, 2019, issued by Yulia, S.H., a Notary in South Jakarta, the announcement of the Deed No. 50/2019 in the SGRI is being processed.

According to Article 3 of the Company’s Articles of Association stipulated in the Deed No. 50/2019, the Company is engaged in the service, electricity, construction, trade, manufacturing, investment, and transportation industries.

To achieve the aforementioned aims and objectives, the Company may carry out the following main business activities:

Main Business Activities:

1. Service industry, including:

- a. Other Management Consulting Activities:
Providing business advice, guidance regarding business operation and other organizational and management issues, such as strategic planning and organization; financial-related decisions; marketing objectives and policies; planning; human resources policies and practices; production planning, scheduling, and control. The provision of service business may include providing advice, guidance, and assistance on the operational aspects of various management functions, management consulting by agronomists and agricultural economists for the agricultural business and other similar businesses, designs of accounting procedures and methods, cost accounting programs, budget monitoring procedures, and providing advices and assistance to business and community services on planning, organization, efficiency and monitoring, management information and others (ISIC (Indonesian Standard Industrial Classification) 70209);
- b. Activities of a Holding Company, a company that controls assets of a group of subsidiaries which main activity is the ownership of such group. A Holding Company is not involved in its Subsidiaries’ business activities. Its activities include services provided by counselors and negotiators in designing corporate merger and acquisition (ISIC 64200);
- c. Professional, Scientific and other Technical Activities that cannot be otherwise classified, such as agronomist consulting, environmental consulting, other technical consulting services, and other activities of consultants other than architecture, engineering, and management consulting services. Including services to salvage treasures from shipwrecks. This classification also includes activities carried out by agency or representative on behalf of individuals that are generally involved in the production of motion pictures, production of theater or other entertainments, or sports attractions and book launches, plays (drama, musical, and others), artworks, photography, and others, with publishers, producers, and others (ISIC 74909).

2. Electricity industry, including:

- a. Electrical Building Construction, which include activities of construction, maintenance, and repair of electrical installations such as power plants, electrical power transmission, and local and long-distance electrical power networks. Also including construction of electrical main stations and installation of electrical poles used for buildings (residential/dwellings) and railway transportation facilities (ISIC 42213);
- b. Activities of Engineering and Engineering Consulting, which include engineering design and consulting activities, such as industrial machineries, factories, and processes; projects involving civil engineering, hydraulic engineering, traffic engineering; development and implementation of projects related to electrical engineering and electronic engineering, mining engineering, mechanical engineering, industrial engineering, system engineering, and security engineering; water management projects; and project management activities related to construction; development activities of projects utilizing AC, refrigerant, sanitary and pollution control engineering, acoustic engineering, and others; geophysics, geology and seismic or earthquake survey activities; geodetic survey activities, including boundary demarcation and surface surveys, hydrographic survey, geological survey, and spatial and cartographic information activities, including topography (ISIC 71102);
- c. Electrical Installation Construction, including installation activities of electrical installations in residential and non-residential

- buildings, such as installation of low-voltage network installations. Including installation and maintenance activities of civil building electrical installations, such as roads, railways, and airports (ISIC 43211);
- d. Installation Engineering Inspection Service, including inspection activities of an installation design and installation process, such as inspection of electrical installations and other installations (ISIC 71204);
 - e. Power Plants, including power generation business and operation of power generation facilities that generate electrical power from various energy sources, such as water (hydroelectric), coal, gas (gas turbine), petroleum, diesel, and renewable energies, solar power, wind, ocean current, geothermal (thermal energy), nuclear energy, and others (ISIC 35101);
 - f. Electrical Power Transmission, which include electrical transmission system operation or electrical distribution from power plants to distribution network, including high-voltage electricity transmission network (between 35 kilovolts to 245 kilovolts) and/or ultra-high voltage (higher than 245 kilovolts), including the related main stations, whether produced internally or by other parties (ISIC 35102);
 - g. Undertake the application of licenses related to Power Plant Projects.

Supporting Business Activities:

1. Construction, including:

- a. Construction of residential buildings, including construction of buildings used for residential purposes, such as residential houses, apartments, and condominiums. Including construction of residential buildings carried out by real estate companies for the purpose of sale, and modifications and renovations of residential buildings (ISIC 41011);
- b. Office building construction activities, including construction of buildings used for business purposes, such as offices and SOHOs. Including construction of office buildings carried out by real estate companies for the purpose of sale, and modifications and renovations of office buildings (ISIC 41012);
- c. Industrial building construction activities, including construction of buildings used for industrial purposes, such as factories and workshops. Including modifications and renovations of industrial buildings (ISIC 41013);
- d. Retail building construction activities, including construction of buildings used for retail purposes, such as malls, convenience stores, shops, shophouses, and stalls. Including construction of shophouses carried out by real estate companies for the purpose of sale, and modifications and renovations of retail buildings (ISIC 41014);
- e. Construction of owned or leased real estates, including the purchase, sale, lease, and operation of owned and/or leased real estates, such as apartment buildings, residential buildings, and non-residential buildings (e.g. convention halls, personal storage facilities, malls, shopping centers, and others), as well as provision of houses and flats or apartments, both furnished and non-furnished, to be permanently used monthly or annually. Including land sales activities, development of buildings to be independently operated (to lease the spaces in the building), division of real estates into land plots without land development, and development of residential estates for mobile homes (ISIC 68110);
- f. Fee-based or contract-based real estates, including activities related to provision of fee-based or contract-based real estates, and real-estate related services as follows:
 - Real estate brokerage and agency activities;
 - Fee-based or contract-based brokerage of real-estate purchases, sales, and leases;
 - Fee-based or contract-based real-estate management;
 - Real-estate appraisal services;
 - Real-estate curator agent. (ISIC 6820).

2. Trade, including:

- a. Business/activities that are directly related to electricity business, such as meter recording and billing delivery services. Including electricity trade activities to consumers, electricity agent activities, which carry out electricity sales through electricity distribution system operated by other parties, operation of electrical power and transmission capacity exchange, and electrical token/pulse trade activities, and other electricity support activities (ISIC 35140);
- b. Wholesale of industrial and office machineries, spare parts and equipment, specifically those related to the electricity industry, including electricity power plant machineries and electricity materials (ISIC 46591),

including export-import, inter-island, domestic, purveyor, wholesale, supplier, distributors and agents, except travel agents, either directly or through its Subsidiaries.

3. Manufacturing, including:

- a. Manufacturing of steam machines, turbines, and windmills, including manufacturing of propulsion engine other than internal combustion engine, such as steam engine, turbines and parts thereof, steam turbines, and other vapor turbines, hydraulic turbines, waterwheels and regulators thereof, wind turbines and gas/air turbines, except turbo jets or turbo propeller for aircraft propulsion; boiler-turbine sets, turbine generator sets and windmill sets (ISIC 28111);
- b. Electric wires and other electronic wires, including the manufacturing of insulated wires and cables made of steel, copper, or aluminium, such as communication or telephone wires, low/medium/high voltage electricity network wires (ISIC 27320);
- c. Wire equipment industry, including manufacturing of fittings, switches, circuit breaker, and others, such as conveyor rods, electric

conductors (except switchgear), GFCI (ground fault circuit interrupter), lamp holder, lightning rods and coils, plugs for electric wire equipment (such as push, push button, snap, tumbler switchers), electric outlets and sockets (circuit breakers), box for electric wire equipment (such as junction, outlet, switch box), electric wires and equipment, transmission poles and line hardware, and plastics for non-current transmission wire equipment, including junction plastic boxes, face plates, and others, and plastic line pole equipment (ISIC 27330);

- d. Electric power generation industry, including the manufacturing of generators and the components/parts thereof, such as alternative current generator, direct current generator, generator set, stator, rotor, commutator, and rotary converter. Including power generator (except battery charging alternator for internal combustion engine), motor generator equipment (except turbine generator equipment), and main driving generator equipment (ISIC 27112);
- e. Manufacturing of ready-to-install construction materials made of non-aluminium metal, such as steel fences, security grills, doors/windows, vents, stairs, and other light construction products. Manufacturing of ready-to-install heavy construction materials made of steels, such as for bridges, electric towers (ISIC 25111), and ready-to-install construction materials made of aluminium, such as window frames, aluminium security grills, aluminium roofs (awnings), rolling doors, aluminium blinds, and other light construction products (ISIC 25112), manufacturing of ready-to-install heavy construction materials made of steel for bridges, hangars, high-voltage electric towers, floodgates and others (ISIC 25113);
- f. Manufacturing of electric motors, generators and transformers, particularly related to the manufacturing of electric and electronic equipment and recycling of electric and electronic equipment and the related business activities (ISIC 2711);
- g. Coal gasification in mining site (ISIC 05102);
- h. Iron ore mining (ISIC 07102);

Including assembly manufacturing industry, whether directly or through subsidiaries.

4. Investment

Enter into placement of capital (investment) directly, or through subsidiaries, in other companies or disposal of capital (divestment) in other companies that are related to the Company's business activities.

5. Transportation

Carry out ground transportation business by taking on and transport passengers and/or cargoes from one location to another using buses and trucks, including, among others:

Pipeline transportation (ISIC 49300), railway transportation for passengers (ISIC 49110), railway transportation for cargoes (ISIC 49120), including transportation business using motor vehicles (large/medium public buses) at specified schedules and Intercity-Interprovince routes (ISIC 49211), city bus transportation, including transportation from one location to another within a City or a capital city of a Regency, or in the Special Capital Region using public buses (large/medium buses) that are bound to specified routes (ISIC 49214).

B. THE COMPANY'S CAPITAL STRUCTURE AND SHAREHOLDER COMPOSITION

The history of the Company's capital structure during the last 3 (three) years up to the date of issuance of this Prospectus is presented below:

Based on the Deed of the Company's Meeting Resolutions No. 10 dated March 19, 2015, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights based on the Receipt of Notification of Changes in Company Data Number AHU-AH.01.03-0769791 dated April 14, 2015, registered in the Company Registry under Number AHU-2906327.AH.01.11.Tahun 2015 dated April 14, 2015, the Company's capital structure and shareholder composition were as follows:

Description	Nominal Value of Rp1,000,000 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	57,863	57,863,000,000	100.00
Issued and Paid-up Capital			
1. Henry Maknawi	29,510	29,510,000,000	51.00
2. Johan Maknawi	7,233	7,233,000,000	12.50
3. Eddy Maknawi	7,233	7,233,000,000	12.50
4. Jeanny Maknawi	8,679	8,679,000,000	15.00
5. Ratna Maknawi	5,208	5,208,000,000	9.00
Total Issued and Paid-up Capital	57,863	57,863,000,000	100.00
Shares in Portfolio	0	0	

The above shareholder composition resulted from the transfer of shares owned by Johan Maknawi, Eddy Maknawi, Jeanny Maknawi, and Ratna Maknawi to Henry Maknawi.

Pursuant to the Deed No. 10/2016, the Company's EGMS approved the increase in the Company's Authorized, Issued and Paid-up Capital from Rp57,863,000,000 to Rp102,855,000,000. From the increase of the Company's capital, a total of 102,855 shares were issued and subscribed by the shareholders resulting in the following capital structure and shareholder composition:

Description	Nominal Value of Rp1,000,000 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	102,855	102,855,000,000	100.00
Issued and Paid-up Capital			
1. Henry Maknawi	52,455	52,455,000,000	51.00
2. Johan Maknawi	12,857	12,857,000,000	12.50
3. Eddy Maknawi	12,857	12,857,000,000	12.50
4. Jeanny Maknawi	15,428	15,428,000,000	15.00
5. Ratna Maknawi	9,258	9,258,000,000	9.00
Total Issued and Paid-up Capital	102,855	102,855,000,000	100.00
Shares in Portfolio	0	0	

Pursuant to the Deed No. 84/2017, the Company's EGMS approved the increase in the Company's Authorized, Issued and Paid-up Capital from Rp102,855,000,000 to Rp1,147,308,000,000. Furthermore, the GMS also approved the increase in the Company's Issued and Paid-up Capital from Rp102,855,000,000 to Rp286,827,000,000, out of which a total of 286,827 shares were issued and subscribed by the shareholders, resulting in the following capital structure and shareholder composition:

Description	Nominal Value of Rp1,000,000 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	1,147,308	1,147,308,000,000	100.00
Issued and Paid-up Capital			
1. PT Paramata Indah Lestari	111,092	111,092,000,000	38.73
2. Henry Maknawi	52,455	52,455,000,000	18.29
3. Jeanny Maknawi	29,577	29,577,000,000	10.31
4. Johan Maknawi	23,030	23,030,000,000	8.03
5. Eddy Maknawi	18,403	18,403,000,000	6.42
6. Ratna Maknawi	14,187	14,187,000,000	4.95
7. Rusita	5,384	5,384,000,000	1.88
8. Bachtar	2,019	2,019,000,000	0.70
9. Myrna Agustin Annamari Rumengan	15,758	15,758,000,000	5.49
10. Jimmy Chandra	6,687	6,687,000,000	2.33
11. Rusmin Cahyadi	5,509	5,509,000,000	1.92
12. Ir. Djoni Arijanto Agung	2,726	2,726,000,000	0.95
Total Issued and Paid-up Capital	286,827	286,827,000,000	100.00
Shares in Portfolio	860,481	860,481,000,000	

Pursuant to the Deed No. 6/2018, the Company's EGMS approved the increase in the Company's Authorized, Issued and Paid-up Capital from Rp286,827,000,000 to Rp293,305,000,000. From the increase of the Company's capital, a total of 293,305 shares were issued and subscribed by the shareholders resulting in the following capital structure and shareholder composition:

Description	Nominal Value of Rp1,000,000 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	1,147,308	1,147,308,000,000	100.00
Issued and Paid-up Capital			
1. PT Paramata Indah Lestari	111,092	111,092,000,000	37.88
2. Henry Maknawi	52,455	52,455,000,000	17.88
3. Jeanny Maknawi	29,577	29,577,000,000	10.08
4. Johan Maknawi	23,030	23,030,000,000	7.85
5. Eddy Maknawi	18,403	18,403,000,000	6.27
6. Ratna Maknawi	14,187	14,187,000,000	4.84
7. Rusita	5,384	5,384,000,000	1.84
8. Bachtar	2,019	2,019,000,000	0.69
9. Myrna Agustin Annamari Rumengan	15,758	15,758,000,000	5.37
10. Jimmy Chandra	6,687	6,687,000,000	2.28
11. Rusmin Cahyadi	5,509	5,509,000,000	1.88

Description	Nominal Value of Rp1,000,000 per share		
	Total Shares	Nominal Value (Rp)	%
12. Ir. Djoni Arijanto Agung	2,726	2,726,000,000	0.93
13. Giat Widjaja	3,724	3,724,000,000	1.27
14. Agha Indra Arbina	1,377	1,377,000,000	0.47
15. PT Subur Bina Makmur	1,377	1,377,000,000	0.47
Total Issued and Paid-up Capital	293,305	293,305,000,000	100.00
Shares in Portfolio	854,003	854,003,000,000	

Pursuant to the Deed No. 25,2018, the Company's EGMS approved the change in share's nominal value from Rp1,000,000 per share to Rp100 per share. Following the changes in the nominal value of shares referred to above, the capital structure and shareholder composition of the Company were as follows:

Description	Nominal Value of Rp100 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	11,473,080,000	1,147,308,000,000	100.00
Issued and Paid-up Capital			
1. PT Paramata Indah Lestari	1,110,920,000	111,092,000,000	37.88
2. Henry Maknawi	524,550,000	52,455,000,000	17.88
3. Jeanny Maknawi Joe	295,770,000	29,577,000,000	10.08
4. Johan Maknawi	230,300,000	23,030,000,000	7.85
5. Eddy Maknawi	184,030,000	18,403,000,000	6.27
6. Ratna Maknawi	141,870,000	14,187,000,000	4.84
7. Rusita	53,840,000	5,384,000,000	1.84
8. Bachtiar	20,190,000	2,019,000,000	0.69
9. Myrna Agustin Annamari Rumengan	157,580,000	15,758,000,000	5.37
10. Jimmy Chandra	66,870,000	6,687,000,000	2.28
11. Rusmin Cahyadi	55,090,000	5,509,000,000	1.88
12. Ir. Djoni Arijanto Agung	27,260,000	2,726,000,000	0.93
13. Giat Widjaja	37,240,000	3,724,000,000	1.27
14. Agha Indra Arbina	13,770,000	1,377,000,000	0.47
15. PT Subur Bina Makmur	13,770,000	1,377,000,000	0.47
Total Issued and Paid-up Capital	2,933,050,000	293,305,000,000	100.00
Shares in Portfolio	8,540,030,000	854,003,000,000	

Pursuant to the Deed No. 9/2018, the Company's EGMS approved the transfer of shares held by PT Subur Bina Makmur to PT Tirta Energi Sentosa. The Company's shareholder composition after the transfer of shares are as follows:

Description	Nominal Value of Rp100 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	11,473,080,000	1,147,308,000,000	100.00
Issued and Paid-up Capital			
1. PT Paramata Indah Lestari	1,110,920,000	111,092,000,000	37.88
2. Henry Maknawi	524,550,000	52,455,000,000	17.88
3. Jeanny Maknawi Joe	295,770,000	29,577,000,000	10.08
4. Johan Maknawi	230,300,000	23,030,000,000	7.85
5. Eddy Maknawi	184,030,000	18,403,000,000	6.27
6. Ratna Maknawi	141,870,000	14,187,000,000	4.84
7. Rusita	53,840,000	5,384,000,000	1.84
8. Bachtiar	20,190,000	2,019,000,000	0.69
9. Myrna Agustin Annamari Rumengan	157,580,000	15,758,000,000	5.37
10. Jimmy Chandra	66,870,000	6,687,000,000	2.28
11. Rusmin Cahyadi	55,090,000	5,509,000,000	1.88
12. Ir. Djoni Arijanto Agung	27,260,000	2,726,000,000	0.93
13. Giat Widjaja	37,240,000	3,724,000,000	1.27
14. Agha Indra Arbina	13,770,000	1,377,000,000	0.47
15. PT Tirta Energi Sentosa	13,770,000	1,377,000,000	0.47
Total Issued and Paid-up Capital	2,933,050,000	293,305,000,000	100.00
Shares in Portfolio	8,540,030,000	854,003,000,000	

The shares held by PT Tirta Energi Sentosa are subject to the provisions of FSA Regulation No. 25/POJK.04/2017 concerning the Restrictions on Shares Issued Prior to a Public Offering. Accordingly, such shares are not allowed to be traded (locked-up) for a period of 8 (eight) months after the issuance of Effective Statement for the registration of public offering from the FSA.

C. KEY MILESTONES AFFECTING THE COMPANY AND ITS SUBSIDIARIES BUSINESS DEVELOPMENT

Year	Milestone
2009	ESS obtained the PPA for 2x5MW Hydroelectric Power Plant
2010	ESS began the construction of Hydroelectric Power Plant facilities
2012	- BTL obtained the PPA for 3x3.3 MW Hydroelectric Power Plant - BTL began the construction of Hydroelectric Power Plant facilities
2016	- ESS completed the construction of Hydroelectric Power Plant facilities - ESS achieved the Commercial Operation Date, with a tariff of Rp1,210/Kwh
2017	- ESS signed the amendment to PPA to 3x7 MW - BTL joined KEL's group
2018	Upon execution of the amendment to PPA, ESS began commercial operation date, charging a tariff of US\$ Cent 8.6/Kwh
2019	- The Company entered into a cooperation with a Japanese strategic partner, "Chugoku Electric Power Company," to strengthen the Company's business in Renewable Energy. - The Company acquired Madong 10 MW Mini Hydropower Power Plant.

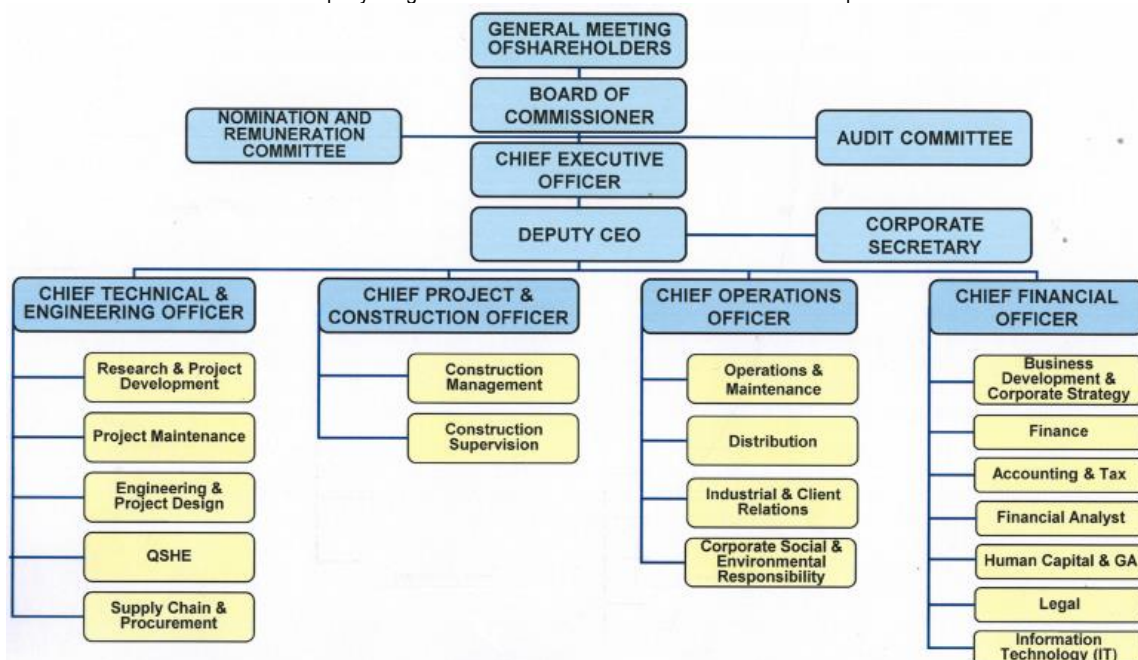
D. LICENSES

Up to the date of issuance of this Prospectus, the Company has obtained the following key licenses:

No.	License/Date/Authorized Institution	Valid up to:
1.	Certificate of Company Domicile (<i>Surat Keterangan Domisili Perusahaan</i> , "SKDP") No. 174/27.1BU.1/31.73.08.1002/-071.562/e/2018 dated September 24, 2018, issued by the One-Stop Integrated Service Implementation Unit of Meruya Utara Sub-District	September 24, 2023
2.	Taxpayer Identification Number No. 02.750.932.2-086.000 and Registered Certificate No. S-19826KT/WPJ.05/KP.1103/2019 dated June 25, 2019, issued by the Jakarta Kembangan Small Taxpayers Office, Directorate General of Taxes	Valid as long as the Company operates its business
3.	Business Registration Number (<i>Nomor Induk Berusaha</i> , "NIB") No. 8120003962256 dated September 25, 2018, which also serves as the Certificate of Company Registration, issued by the Government of the Republic of Indonesia.	Valid as long as the Company operates its business
4.	Trading Business Permit dated June 27, 2019, issued by the Government of the Republic of Indonesia	Valid as long as the Company operates its business

E. THE COMPANY'S ORGANIZATION STRUCTURE

Presented below is the chart of the Company's organization structure as of the issuance of this Prospectus.



F. MANAGEMENT AND SUPERVISION

Pursuant to the Deed No. 50/2019, the Company's Board of Commissioners and Board of Directors compositions are as follows:

Board of Commissioners

President Commissioner	:	Albert Maknawi
Independent Commissioner	:	Sim Idrus Munandar
Independent Commissioner	:	Freenny Liwang
Commissioner	:	Jeanny Maknawi Joe

Board of Directors

President Director	:	Henry Maknawi
Deputy President Director	:	Wilson Maknawi
Director	:	Rusmin Cahyadi
Director	:	Ir. Karel Sampe Pajung
Director	:	Giat Widjaja

The term of office of members of the Company's Board of Directors and Board of Commissioners shall be two years, in accordance with the Company's Articles of Association stipulated in the Deed No. 50/2019.

Presented below are the brief profiles of each member of the Company's Board of Commissioners and Board of Directors:

BOARD OF COMMISSIONERS



Albert Maknawi
President Commissioner

Indonesian Citizen, presently 38 years of age.

Serving as the Company's President Commissioner since 2018. Serving as a Commissioner of PT Listrindo Kencana (2018-present), Commissioner of PT Belitung Energy (2018-present), Commissioner of PT Kencana Agro Jaya (2017-present), President Director of PT Wira Palm Mandiri, PT Sawit Permai Lestari, PT Mentari Bangun Persada dan PT Citra Megah Kencana (2017-present), Commissioner of PT Energy Karya Persada and PT Energy Cipta Utama (2014-present), President Director of PT Cahaya Permata Gemilang and Director of PT Bumi Permai Sentosa (2010-present). Previously served as the President Director of PT Sawindo Kencana and PT Kencana Agro Jaya (2010-2017), Director of PT Indotrust, PT Wira Mas Permai, PT Wira Sawit Mas, PT Sawindo Cemerlang, PT Pelayaran Asia Marine (2010-2017), Director of PT Belitung Energy (2006-2018), Director of PT Listrindo Kencana (2005-2016) and Chief of Technical and Engineering in Kencana Group (2004-2005). Earned his Bachelor of Engineering and Economics from the University of Melbourne, Australia, in 2004.



Sim Idrus Munandar
Independent Commissioner

Indonesian Citizen, presently 65 years of age.

Serving as the Company's Independent Commissioner since 2018, Independent Director of Kencana Agri Ltd (2010-present), Independent Director of Samko Timber Ltd (2008-present). Previously served as the Independent Commissioner of BCA Finance (2012-2016), Director of Utama Bina Danatama Finance Tbk (1982-2005), Lecturer at STIE Jayakarta (1981-2014), Senior Auditor at the Public Accounting Firm Price Waterhouse (1977-1981). Earned his Bachelor of Accounting from University of Indonesia in 1981.



Freenyan Liwang
Independent Commissioner

Indonesian Citizen, presently 58 years of age.

Serving as the Company's Independent Commissioner since 2019. Serving as a Commissioner & Advisor of PT Gradana Teknoruci Indonesia (2010-present). Previously served as the President Director of PT Bank Sinar Mas Tbk (2010-2017), Deputy CEO of PT Bank Internasional Ningbo, China (1994-2010), Credit Card Center's New Account Managers at PT Bank Internasional Indonesia (1991-2000), Senior Quality Control Officer at Mondial Orient Limited (1987-1991), Jakarta and Cardex Services (Far East) Limited, Jakarta (1987-1991), Chief Department of Production Control Tuntex Incorporation, Taiwan and Systex Setia Garment (1986-1987). Earned his Bachelor of Business Administration from Tamkang University, Taiwan, in 1986.



Jeanny Maknawi Joe
Commissioner

Indonesian Citizen, presently 61 years of age.

Serving as the Company's Commissioner since 2018. Serving as a Commissioner of PT Karmolin Perdana (2018-present), Director of PT Mega Investindo (2018-present), President Commissioner of PT Kirin Investindo (2016-present), President Commissioner of PT Kharisma Alama Sejahtera (2014-present), Director of PT Makna Alam Sejahtera (2014-present), President Director of PT Graha Meruya (2013-present), Director of PT Bhaga Surya Kencana Dewata (2012-present), President Commissioner of PT Sumber Karya Kencana (2009-present). Previously served as the President Commissioner of PT Prastama Besindo Sentral (2012-2017), Director of PT Prisma Prosperti (2012-2017), Commissioner of PT Kirin Investindo (2010-2016), President Commissioner of PT Primerindo Kencana (2008-2017), Commissioner of PT Primerindo Kencana (2005-2008), President Commissioner of PT Mega Investindo (2004-2018), President Commissioner of di PT Tomang Maju Perkasa (2003-2016). Earned her Bachelor of Accountancy from UNAI College, Bandung in 1976.

BOARD OF DIRECTORS



Henry Maknawi
President Director

Indonesian Citizen, presently 63 years of age.

Serving as the Company's President Director since 2018. Serving as a Commissioner of PT Kapuk Muara Indah Lestari, President Commissioner of PT Mentari Bangun Sejahtera and PT Citra Megah Kencana (2015-present), President Director of PT Makna Alam Sejahtera (2014-present), President Director of PT Mega Investindo (2013-present), President Commissioner of PT Bhaga Surya Kencana Dewata (2012-present), President Commissioner of PT Bumi Permai Sentosa and PT Cahaya Permata Gemilang (2010-present), President Commissioner of PT Sawit Permai Lestari and PT Wira Palm Mandiri (2007-present), Founder of Kencana Agri Ltd (1994-present). Previously served as the President Director of PT Maknawi Jaya Kencana and PT Tomang Maju Perkasa (1984).



Wilson Maknawi
Vice President Director

Indonesian Citizen, presently 31 years of age.

Serving as the Company's Vice President Director since 2018. Serving as a Director of PT Energi Angin Indonesia, PT Kencana Panelindo, and PT Bangun Tirta Lestari (2012-present), Director of PT Energy Sakti Sentosa and Eurolifts Group (2011-present), Director of PT Prasanthi International Indonesia (2010-present), Director of PT Sumber Karya Kencana (2009-present). Previously served as a Director of PT Primerindo Kencana (2019-2017) and an Intern at Tradewinds Plantations Berhad (2008). Earned his Bachelor of Business Specializing in Human Resources from Monash University Melbourne, Australia, in 2007.



Rusmin Cahyadi
Director

Indonesian Citizen, presently 62 years of age.

Serving as the Company's Director since 2018. Serving as the President Director of Kencana Group (2009-present). Previously served as the President Director of PT Voksel Elektronik Tbk (2003-2008), Finance Director of PT Voksel Electronic Tbk (1998-2002), Marketing Director of PT Voksel Elektronik Tbk (1990-1997), Marketing Manager of PT Voksel Elektronik Tbk (1984-1989), and Marketing Supervisor of PT Voksel Electronic Tbk (1982-1983). Earned his Bachelor of Electronic Engineering from Maranatha Christian University, Bandung, in 1983.



Ir. Karel Sampe Pajung
Director

Indonesian Citizen, presently 63 years of age.

Serving as the Company's Director since 2018. Serving as a Director of PT Energi Sakti Sentosa, PT Bangun Tirta Lestari and PT Energi Angin Mandiri (2013-present), President Director of PT Sumber Rahmat Pertiwi (2012-present), Director of PT Tirta Energi Cemerlang and PT Energi Angin Indonesia (2012-present). Previously served as the Head of Energy of PT Listrindo Kencana and PT Belitung Energy (2012), Head of Distribution Division of PT PLN (Persero) (2010-2012), Assistant to the Board of Directors of PT PLN (Persero) (2009-2010), General Manager of PT PLN (Persero) (2007-2009), General Manager of PT PLN (Persero) (2002-2008), Regional Manager of PT PLN (Persero) (2001-2002), Deputy Chief of Operations of PT PLN (Persero) (2000-2001), Head of Pare Pare Branch of PT PLN (Persero) (1997-2000), Head of Corporate Planning Department of PT PLN (Persero) (1994-1997), Staff of Head of Corporate Planning Department of PT PLN (Persero) (1983-1994). Earned his Bachelor of Electronic Engineering from Bandung Institute of Technology in 1983.



Giat Widjaja
Director

Indonesian Citizen, presently 55 years of age.

Serving as the Company's Director since 2018. Serving as the Chief Business Development Officer of Kencana Group (2014-present), Commissioner of PT Makmur Mandiri Langgeng (2015-present). Previously served as the Chief Business Development Office of Kencana Group (2014-present), Commissioner of PT Batang Alum Industry, PT Indonesia Miki Moto and PT Sumbertex (2012-2013), Commissioner of PT Umine Energy Indonesia (2011-2012), President Commissioner of PT Ucoal Sumberdaya (2011-2012), Director of PT Bagus Setia Giri, PT Astaka Dodol, PT Selo Argo Kencono and PT Selo Argo Dedali (2008-2012), President Director of PT Baturona Adimulya (2008-2012), Finance Director of PT Alas Watu Utama (2002-2012), GM Finance & Accounting of PT Alas Watu Utama (1998-2000), Finance Manager of PT Alas Watu Utama (1995-1998), Finance & Accounting Manager of Lao Timber Corporation (1993-1995), Senior Financial Analyst at BSG Corporation (1991-1993), Senior Auditor at KAP Siddharta & Siddharta Cooper Lybrand (1989-1991). Earned his Master of Business Administration from the Royal Melbourne Institute of Technology (RMIT) University, Melbourne, Australia, in 2002, and Bachelor of Accountancy from Atmajaya University, Jakarta, in 1989.

The nomination and appointment of members of the Company's Board of Commissioners and Board of Directors have complied with the FSA Regulation No. 33/POJK.04/2014 on Board of Directors and Board of Commissioners of Issuers or Public Companies.

The family relationship among the Board of Directors and Board of Commissioners is as follows: Albert Maknawi and Wilson Maknawi are Hendry Maknawi's own children. Whereas Jeanny Maknawi Joe is Henry Maknawi's own sister.

There are no agreements or arrangements among members of the Board of Commissioners and Board of Directors with the Majority Shareholder, customers, suppliers, and/or other parties with respect to the nomination or appointment as members of the Company's Board of Commissioners and Board of Directors.

Duties and Authorities of Commissioners:

1. The Board of Commissioners shall undertake the supervision of and be responsible of the supervision of management policy, the course of management in general, whether those concerning the Company or the Company's business, and provide advices to the Board of Directors.
2. The Board of Commissioners shall establish, or determine the composition of, Audit Committee or other committees as stipulated by the laws and regulations and the Capital Market regulations, and shall evaluate the performance of such committees at the end of the Company's fiscal year.
3. The Board of Commissioners, at any time during the Company's office hours, shall have the right to enter the building and premises or any other location used or controlled by the Company, and shall have the right to examine all accounting records, documents, and other evidence, and inventories, reconcile cash balances (for verification purposes) and other marketable securities, and shall have the right to be notified of all actions taken by the Board of Directors, in that respect, the Board of Directors, and every member of the Board of Directors, shall provide explanations on all inquiries made by members of the Board of Commissioners or the professionals assisting the Board of Commissioners.
4. Segregation of duties among members of the Board of Commissioners shall be agreed among themselves. To support the efficiency of the Board of Commissioners may be assisted by a secretary appointed by the Board of Commissioners at the Company's expense.
5. The Board of Commissioners shall have the right to temporarily discharge one or more members of the Board of Directors in the event that the concerned member of the Board of Directors is considered to have acted in contrary to this Articles of Association and/or the prevailing laws and regulations in the Capital Market or has neglected their obligations, or if the Company has compelling reasons to do so.

6. Such temporary discharge shall be notified in writing to the concerned member, by stating the reasons thereof.
7. Within a period of no later than 30 (ninety) days subsequent to the date of such temporary discharge, the Board of Commissioners shall hold a GMS to adopt a resolution whether the concerned member of the Board of Directors shall be permanently discharged or reinstated to his/her original position, and during which the member of the Board of Directors so temporarily discharged shall be given the opportunity to be present and present a defense. In the event that such GMS fails to convene within a period of 30 (thirty) days subsequent to such temporary discharge, such temporary discharge shall be null and void by law, and the concerned member shall be entitled to hold his/her initial position.
8. If all members of the Board of Directors are temporarily discharged and the Company does not have any member of the Board of Directors, then the Board of Commissioners shall be temporarily obligated to undertake the management of the Company. Under such circumstances, the Board of Commissioners shall be authorized to grant temporary authorities to one or more persons among them on their joint responsibility.
9. In certain conditions, the Board of Commissioners shall be obligated to hold an Annual GMS and other GMS in accordance with its authority as stipulated by the laws and regulations and the Articles of Association.
10. The Board of Commissioners may undertake the management of the Company under certain circumstances for a specified period of time. Such authorities shall be granted based on the Articles of Association or the resolution of the GMS.

Board of Commissioners Meeting

Board of Commissioners Meeting shall be held at least 1 (one) time in every 2 (two) months. During the year 2019 up to the issuance of this Prospectus, the Board of Commissioners has held 3 (three) Board of Commissioners internal meetings.

The summary of Board of Commissioners Meetings in 2019 is presented below:

Name	No. of Meetings	Attendance	Percentage of Attendance
Albert Maknawi	3	3	100%
Sim Idrus Munandar	3	3	100%
Freenyan Liwang	3	3	100%
Jeanny Maknawi Joe	3	3	100%

Duties and Authorities of the Board of Directors

1. The Board of Directors shall have the right to represent the Company in and outside the Court of law with respect to all matters and events, to bind the Company with other parties, and other parties to the Company, and to take all actions relating to management and ownership, subject to the following limitations:
 - a. borrowing or lending monies on behalf of the Company (with the exception of withdrawing the Company's cash in bank);
 - b. establishing a new business or participating in other companies, whether domestic or overseas;
 - c. purchasing assets in the form of immovable assets from companies, with the exceptions of assets in the form of the Company's inventories;
 - d. lease and/or leasing the Company's assets, except in the normal course of the Company's business;
 - e. selling or otherwise transferring the rights over fixed assets and companies (with the exception of inventories) or pledging the Company's assets, with the amount less than or up to 50% (fifty percent) of the Company's total assets;
 - f. binding the Company as a guarantor of debts in the amount less or up to 50% (fifty percent) of the Company's total assets;
2. In order to carry out a legal action which constitutes a transaction with conflict of interest between the personal economic interest of members of the Board of Directors, Board of Commissioners or shareholders and the economic interest of the Company, the Board of Directors shall require the approval of the General Meeting of Shareholders based on the majority votes of shareholders with no conflict of interest.
3.
 - a. The President Director shall have the rights and authorities to act for and on behalf of the Board of Directors and to represent the Company;
 - b. In the event that the President Director is not present or is unavailable for any reasons whatsoever, of which no evidence to third parties shall be required, then one other member of the Board of Directors shall have the rights and authorities to act for and on behalf of the Board of Directors and to lawfully represent the Company.
4. The Board of Directors shall request the GMS' approval in order to:
 - a. Transfer the Company's assets (with the exception of inventories); or
 - b. Pledge as debt collaterals, the Company's assets in the amount exceeding 50% (fifty percent) of the Company's equity.
5. In the event that the interest of the Company is conflicting with the personal interest of a member of the Board of Directors, the Company shall be represented by other members of the Board of Directors appointed by the Board of Directors Meeting, and in the event that the Company's interest is conflicting with the interests of all members of the Board of Directors, the Company shall be represented by a member of the Board of Commissioners or a person appointed by the Board of Commissioners.
6. All actions undertaken by members of the Board of Directors that are in contrary to the Articles of Association are invalid.
7. The delegation of duties and authorities of all members of the Board of Directors shall be determined by the GMS and the authority in respect of the foregoing may be delegated by the GMS to the Board of Commissioners. In the event that the GMS does not so specify, the delegation of duties and authorities of each member of the Board of Directors shall be determined by Board of Directors resolutions.
8. The Board of Directors, in managing and/or operating the Company, shall act in accordance with the resolutions adopted by the GMS.

Board of Directors Meeting

Board of Directors Meeting shall be held at least 1 (one) time in every 2 (two) months. During the year 2019 up to the issuance of this Prospectus, the Board of Directors has held 3 (three) Board of Directors internal meetings.

The summary of Board of Directors Meetings in 2019 is presented below:

Name	No. of Meetings	Attendance	Percentage of Attendance
Henry Maknawi	6	6	100%
Wilson Maknawi	6	6	100%
Rusmin Cahyadi	6	6	100%
Ir. Karel Sampe Pajung	6	6	100%
Giat Widjaja	6	6	100%

REMUNERATION OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

Up to March 31, 2019, the Company has not paid any remuneration to the Board of Commissioners and Board of Directors whose names are mentioned in this Prospectus, as such members of the Board of Commissioners and Board of Directors were recently appointed pursuant to the Company's Deed of Shareholder Resolution No. 50/2019 dated May 13, 2019

G. GOOD CORPORATE GOVERNANCE

CORPORATE SECRETARY

In accordance with the FSA Regulation No. 35/2014, the Company has appointed Giat Widjaja as the Corporate Secretary pursuant to the Board of Directors Directive No. 01/SK-Dir/Leg-KEL/IX/2018 dated September 12, 2018, on the Appointment of Corporate Secretary. The Corporate Secretary may be reached by phone at 021-(62-21) 589 00791 or email at corporate.secretary@kencanaenergy.com.

The Corporate Secretary's duties and responsibilities are, among others, as follows:

- Advise the Company's Board of Directors with respect to compliance with the prevailing regulations, including, but not limited to, the Law No. 40 of 2007 on Limited Liability Companies, Law No 9. Of 1995 on Capital Market, and the prevailing regulations in the Republic of Indonesia, and corporate governance principles in general;
- Keep abreast of the Capital Market development, particularly the prevailing laws and regulations in the Capital Market;
- Provide input to the Company's Board of Directors and Board of Commissioners regarding compliance with the laws and regulations in the capital market;
- Assist the Board of Directors and Board of Commissioners in the implementation of corporate governance, including:
 - Provide disclosure of information to the public, including the availability of information on the Company's website;
 - Timely submission of reports to the Financial Services Authority;
 - Organization and documentation of the General Meeting of Shareholders;
 - Organization and documentation of the Board of Directors Meeting and/or Board of Commissioners Meeting; and
 - Implementation of the company orientation program for the Board of Directors and/or Board of Commissioners.
- Act as a liaison between the Company and the shareholders of the Issuer of Public Company, the Financial Services Authority, and other stakeholders.

The appointment of the Company's Corporate Secretary has complied with FSA Regulation No. 35/2014.

AUDIT COMMITTEE

In accordance with the FSA Regulation No. 55/2015, the Company has established an Audit Committee in accordance with the prevailing laws and regulations, pursuant to the Company's Board of Commissioners Directive No. 03/SK-Kom/Leg-KEL/X/2018 dated October 22, 2018, with the following composition:

Chairman of Audit : Sim Idrus Munandar
Committee
Member : Heri Mardani
Indonesian Citizen, presently 54 years of age.

Serving as a member of the Company's Audit Committee since 2018. Previously served as a Partner of the Public Accounting Firm Amachi Arifin Mardani & Muliadi (2012-present), Manager at the Public Accounting Firm Drs. Tb. Ch. Amachi (2011-2012), Manager di KAP Manager at the Public Accounting Firm Andi, Arifin & Rekan (2010-2011), Supervisor at the Public Accounting Firm Andi, Arifin, Amita Wisnu & Rekan (2009-2010), Finance Director of PT Agis Tbk (2009-2009), Finance Director of PT Agis Electronic (2007-2009), Finance Director of PT Perdana Expressindo (2003-2007), Finance Director of PT Agis Aweca Asia (2001-2003), Finance Director of PT Artha Graha Wahana (1998-2001), Finance Director of PT Artha Wahana Adhitama (1997-2001), Finance & Accounting Manager of PT Artha Graha Wahana (1996-1998), Finance & Accounting Manager of PT Amcol Graha Electronic Industries (1992-

1996), Budget Controller at PT Amcol Graha Electronic Industries (1989-1991), Internal Audit at PT Indocement Tunggul Perkasa (1989), External auditor at KPMG Hanadi Sudjendro & Co. (1987-1988).

Member : Ir. Sutiyo Siswanto
Indonesian Citizen, presently 54 years of age.

Serving as a member of the Company's Audit Committee since 2018. Previously Served as Hydro Energy Senior Manager at PT PLN - Head Office (2012-2018), Manager of Trade PT PLN - Maluku and North Maluku Regions (2010-2012), DM of Trade Mechanism at PT PLN Distribusi Jakarta Raya and Tangerang (2007-2010), DM Business Administration at PT PLN Distribusi Jakarta Raya and Tangerang (2006-2007), Marketing Staff at PT PLN Distribusi Jakarta Raya and Tangerang (2001-2006), Civil Engineer of PT PLN Pusat Pelayanan Engineering (1989-2001), Civil Engineer of PT PLN Proyek Induk Pembangkit Hidro (1986-1989).

The Company has also established an Audit Committee Charter, which was ratified by the Board of Commissioners on October 22, 2018.

The Audit Committee's duties and responsibilities are as follows:

- a. Review the financial information to be issued by the Company to the public and/or authorities, including, among others, financial statements, projections and other reports related to the Company's financial information;
- b. Review the Company's compliance with the prevailing laws and regulations applicable to the Company;
- c. Provide independent opinion in the event of difference of opinion between the management and the Accountant with respect to the services provided;
- d. Provide recommendation to the Board of Commissioners on the appointment of Accountant based on independence, scope of engagement and fee;
- e. Review the audit implementation conducted by the internal audit and supervise the implementation of follow-up actions by the Board of Directors on internal auditor's findings;
- f. Review the risk management implementation activities by the Board of Directors if the Company does not have a risk oversight function under the Board of Commissioners;
- g. Review complaints related to the Company's financial reporting and accounting processes;
- h. Review and provide advice to the Board of Commissioners on potential conflicts of interest in the Company;
- i. Maintain the confidentiality of the Company's documents, data and information.

In carrying out its duties, the Audit Committee's authorities include the followings:

- a. Access the Company's documents, data and information regarding the Company's employees, funds, assets, and resources as required;
- b. Directly communicate with employees, including the Board of Directors and the parties undertaking the internal audit and risk management functions as well as the Accountant with respect to the duties and responsibilities of the Audit Committee;
- c. Engage independent parties outside the Audit Committee to assist the implementation of its duties (if deemed necessary); and
- d. Undertake other authorities granted by the Board of Commissioners.

INTERNAL AUDIT UNIT

In accordance with the FSA Regulation No. 56/2015, the Company has established an Internal Audit Unit based on the Board of Directors Directive No. 02/SK-Dir/Leg-KEL/IX/2018 dated September 12, 2018, and appointed Ivy Liadi as the Head of Internal Audit and Yenny as Member of the Company's Internal Audit.

The Company has also established an Internal Audit Unit Charter, which was ratified by the Board of Directors on October 22, 2018.

The Internal Audit Unit reports directly to the President Director, and in the course of its duties submit reports to the President Director and Board of Commissioners (through the Audit Committee).

The scope of Internal Audit Unit's duties and responsibilities includes:

- a. Prepare and implement the annual Internal Audit plan;
- b. Test and evaluate the implementation of internal control and management according to the Company's policies;
- c. Test and assess the efficiency and effectiveness of finance, accounting, operations, human resources, marketing, information technology and other activities;
- d. Provide recommendation for improvements and objective information on audited activities to all levels of management;
- e. Prepare audit reports and submit such reports to the President Director and the Board of Commissioners;
- f. Monitor, analyze and report the implementation of follow-up actions with respect to the recommendation for improvements referred to above;
- g. Cooperate with the Audit Committee;
- h. Prepare program to evaluate the quality of the Internal Audit's activities; and
- i. Perform special audit if required.

The Internal Audit Unit's authorities are as follows:

- a. Access all relevant information regarding the Company, in connection with its duties and functions;
- b. Communicate directly with the Board of Directors, Board of Commissioner, and/or Audit Committee and members of the Board of Directors, Board of Commissioners, and/or Audit Committee;
- c. Conduct periodical and incidental meetings with the Board of Directors, Board of Commissioners and/or Audit Committee; and

- d. Coordinate internal audit activities with external auditor's activities; and

The establishment of the Company's Internal Audit Unit has complied with FSA Regulation No. 56/2015.

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the Company's Board of Commissioners Guideline dated October 22, 2018, the functions, duties, and responsibilities of the Nomination and Remuneration Committee are carried out by the Board of Commissioners.

The nomination function is implemented in the following procedures:

- Prepare the Nomination process and the composition of the Board of Directors and/or Board of Commissioners;
- Prepare policies and criteria for the Nomination process of candidates for the Board of Directors and/or Board of Commissioners;
- Perform the performance evaluation and organize capability development programs for members of the Board of Directors and/or Board of Commissioners.
- Review and propose candidates that qualify as members of the Board of Directors and/or Board of Commissioners to be further submitted to the GMS.

The remuneration function is implemented in the following procedures:

- Formulate remuneration structure for members of the Board of Directors and/or Board of Commissioners;
- Formulate remuneration policy for members of the Board of Directors and/or Board of Commissioners;
- Formulate the amount of remuneration for members of the Board of Directors and/or Board of Commissioners;

H. HUMAN RESOURCES

Human Resources ("HR") are the Company's main asset and play a pivotal role in determining the success of the Company's business. Based on such awareness, the Company believes that measures to support the development and improvement of human resources quality to achieve optimal utilization of human resources are necessary to achieve the Company's mission.

As of March 31, 2019, the Company's Group employed 72 permanent employees in total. In addition, the Company's Group employed 13 contract employees as of March 31, 2019. Contract employees are paid according to the prevailing minimum wage requirements stipulated by the Government.

Employee Composition

Presented below are the details of the Company and its Subsidiaries total employees during the past 3 (three) years:

By Position				
Position	March 31, 2019	2018	December 31, 2017	2016
Director	7	5	4	4
General Manager	2	2	1	1
Manager	6	6	6	6
Supervisor	4	4	3	3
Staff	53	50	45	33
Total	72	67	59	47

By Age				
Age	March 31, 2019	2018	December 31, 2017	2016
>55	14	9	8	8
45-54	15	16	13	13
35-44	16	16	14	12
25-34	22	22	21	8
18-24	5	4	3	6
Total	72	67	59	47

By Level of Education				
Level of Education	March 31, 2019	2018	December 31, 2017	2016
Postgraduate	0	0	0	0
Undergraduate	30	25	17	16
Diploma/Academy	8	8	23	16
High School	20	20	14	12
Junior High School and others	14	14	5	3
Total	72	67	59	47

By status				
Age	March 31, 2019	2018	December 31, 2017	2016
Permanent	56	57	40	30
Contract	16	10	19	17
Total	72	67	59	47

By Main Activity				
Main Activity	March 31, 2019	2018	December 31, 2017	2016
Directors	7	5	4	4
Plant & Technical	22	23	21	17
Sales & Marketing	1	1	1	1
Finance & Accounting	6	6	6	5
HR & Legal	5	5	6	5
Security	11	11	11	11
Others	20	16	10	4
Total	72	67	59	47

By Location				
Location	March 31, 2019	2018	December 31, 2017	2016
Head Office (Jakarta)	20	18	16	15
Project	52	49	43	32
Total	72	67	59	47

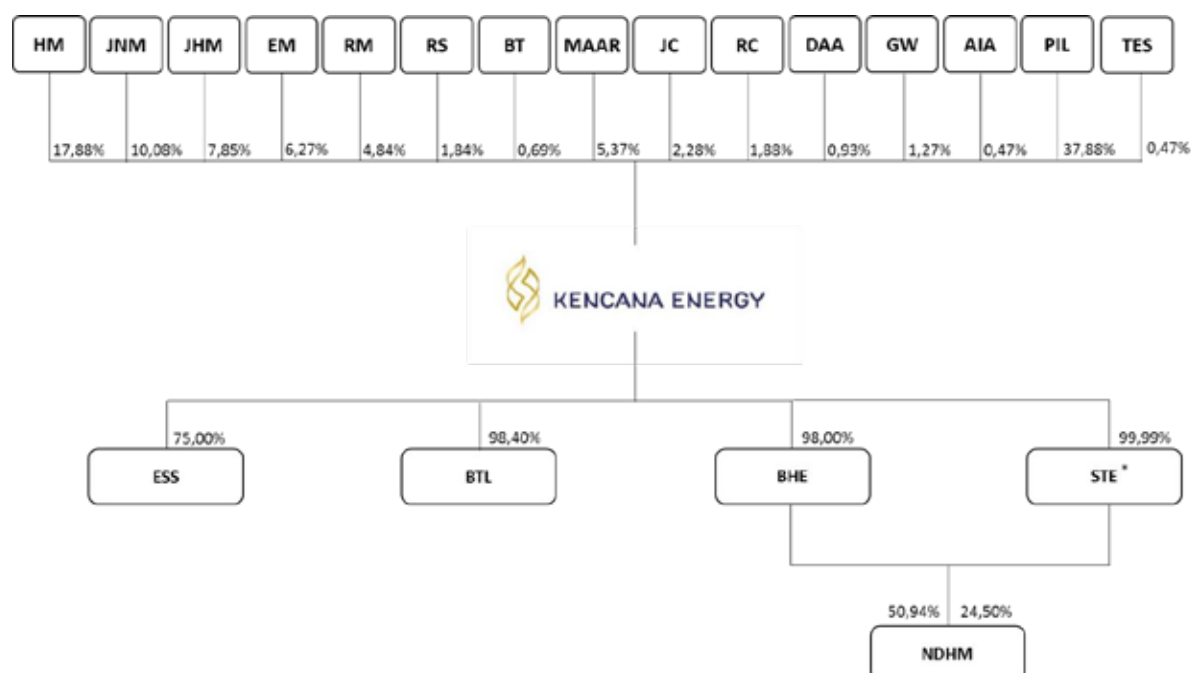
The Company does not have any employee with special set of skills whose absence will disrupt the Company's operational activities. As of the date of issuance of this Prospectus, the Company does not employ any foreign employee.

Up to the date of issuance of this Prospectus, the Group does not have a labor union established by the Group's employees.

Employee Benefits and Facilities

Up to the issuance of this Prospectus, the Company provide several employee benefits and facilities to its employees, which consist of BPJS Kesehatan, BPJS Tenaga Kerja, mandatory and voluntary Pension Fund for every employee. The Company also provide additional programs, i.e., reimbursement of medical expenses, both outpatient and inpatient, and personal accident insurance according to the position of each employee.

I. STRUCTURE OF OWNERSHIP OF THE COMPANY AND ITS SUBSIDIARIES



*) STE was acquired subsequent to the financial statements' date, i.e., March 31, 2019.

Note: (HM) Henry Maknawi, (JNM) Jeanny Maknawi, (JHM) Johan Maknawi, (EM) Eddy Maknawi, (RM) Ratna Maknawi, (RS) Rusita, (BT)

Bachtiar, (MAAR) Myrna Agustin Annamarie Rumengan, (JC) Jimmy Chandra, (RC) Rusmin Cahyadi, (DAA) Djoni Arijanto Agung, (GW) Giat Widjaja, (AIA) Agha Indra Arbina, (PIL) PT Pratama Indah Lestari, (TES) PT Tirta Energi Sentosa.

The Company's controlling shareholder is Henry Maknawi and family, through direct ownership in the Company and indirect ownership through PIL.

J. ASSOCIATION BY WAY OF MANAGEMENT AND SUPERVISION BETWEEN THE COMPANY AND ITS SHAREHOLDERS

Name	The Company	PIL	ESS	BTL	BHE	STE	NDHM
Albert Maknawi	PC	C	-	-	-	-	-
Sim Idrus Munandar	IC	-	-	-	-	-	-
Freenyan Liwang	IC	-	-	-	-	-	-
Jeanny Maknawi	C	-	-	-	-	-	-
Henry Maknawi	PD	-	-	-	-	-	-
Wilson Maknawi	VPD	D	PC	-	D	D	PC
Rusmin Cahyadi	D	-	PD	PD	-	-	D
Ir. Karel Sampe							
Pajung	D	-	D	D	-	-	PD
Giat Widjaja	D	-	C	-	C	C	C
Jimmy Chandra	-	-	-	C	-	-	-
Insinyur Djoni					-	-	-
Arijanto Agung	-	-	-	C			
Eddy Maknawi	-	-	-	PC	-	-	-
Tamura Yoshinari	-	-	C	-	-	-	-
John Paulus	-	-	-	-	-	-	
Pantouw							C

Note:

PC : President Commissioner
C : Commissioner
IC : Independent Commissioner
PD : President Director
VPD : Vice President Director
D : Director

K. OVERVIEW OF THE COMPANY'S LEGAL ENTITY SHAREHOLDER HAVING MORE THAN 5% (FIVE PERCENT) SHARE OWNERSHIP

PT Paramata Indah Lestari

Brief History

PT Paramata Indah Lestari ("PT PIL") is a limited liability company domiciling in West Jakarta, established pursuant to the Deed of Establishment of the Limited Liability Company PT Paramata Indah Lestari Number 03 dated April 16, 2020, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-24300.AH.01.01.Tahun 2010 dated May 12, 2010, registered in the Company Registry under Number AHU-0035905.AH.01.09.Tahun 2010 dated May 12, 2010, and announced in the SGRI No. 35 dated May 3, 2011, Supplement Number 11803/2011.

Business Activities

The aims and objectives of PT PIL are to engage in the trading, construction, manufacturing, agriculture, transportation, workshop, and service industries.

PT PIL may carry out the following business activities:

1. General trading, including import and export, inter-island/region and local trading of goods, either self-produced or produced by other companies, acting as distributors and representatives of other domestic and foreign institutions and/or companies, and acting as wholesaler, supplier, agent, commissioner, and franchisee.
2. Construction, acting as a developer, which includes planning, implementation and general contractor activities in general, including, among others, construction of power plants, real estates, apartments, condominiums, office buildings, retail buildings and the facilities

- thereof, including the acquisition, opening, filling, leveling works, and construction of buildings, roads, parks, dams, watering system or irrigations, bases, installation of electrical, gas, drinking water, telecommunication, air conditioning installations and other installations in the fields of civil, electronic and mechanical engineering.
3. Manufacturing, including, among others, manufacturing of medical equipment, mineral water, and furniture and fixtures.
 4. Agriculture, including agri-industry, which include cultivation and post-harvest processing, agriculture, food crop, plantation crop and horticulture, farming, freshwater/seawater fisheries, plantation and forestry.
 5. Ground transportation, expedition, warehousing, and pipeline transportation.
 6. Workshop, which include repair, maintenance, and overhaul of motor vehicles and various types of machineries.
 7. Service, including, among others, food and catering service and consulting.

Capital Structure and Shareholder Composition

Pursuant to (1) the Deed of Shareholder Resolutions No. 83 dated December 14, 2017, drawn up before Yulia, S.H., a Notary in South Jakarta, which (i) was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0026470.AH.01.02.Tahun 2017 dated December 15, 2017, and registered in the Company Registry under Number AHU-0159686.AH.01.11.Tahun 2017 dated December 15, 2017, and (ii) reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0201224 dated December 15, 2017, and registered in the Company Registry under Number AHU-0159686.AH.01.11.Tahun 2017 dated December 15, 2017, and (2) the Deed of Shareholder Resolutions No. 167 dated December 21, 2017, drawn up before Yulia, S.H., a Notary in South Jakarta, which was reported to the Minister of Law and Human Rights based on the Receipt of Notification of Changes in Company Data Number AHU-AH.01.03-0204164 dated December 21, 2017, registered in the Company Registry under Number AHU-0163736.AH.01.11.Tahun 2017 dated December 21, 2017, PTP PIL's latest capital structure and shareholder composition are as follows:

Description	Nominal Value of Rp100,000 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	5,000,000	500,000,000,000	
Issued and Paid-up Capital			
1. Henry Maknawi	253,824	25,382,400,000	20
2. Albert Maknawi	507,648	50,764,800,000	40
3. Wilson Maknawi	507,648	50,764,800,000	40
Total Issued and Paid-up Capital	1,269,120	126,912,000,000	100
Shares in Portfolio	3,730,880	373,088,000,000	

Management and Supervision

Based on the Deed of the Meeting Resolutions No. 2 dated March 6, 2018, drawn up before Abdul Haris, S.H., M.Kn., a Notary in Serang-Banten Regency, which was reported to the Minister of Law and Human Rights based on the Receipt of Notification of Changes in Company Data Number AHU-AH.01.03-0097541 dated March 7, 2018, registered in the Company Registry under Number AHU-0032175.AH.01.11.Tahun 2018 dated March 7, 2018, the compositions of PTP PIL's Board of Directors and Board of Commissioners are as follows:

Board of Commissioners

Commissioner : Albert Maknawi

Board of Directors

Director : Wilson Maknawi

Key Financial Highlights

Statements of Financial Position

(In Rupiah)

Description	March 31, 2019	December 31,		
		2018	2016	2015
Total Assets	291,817,856,419	305,804,793,665	149,958,520,825	125,775,127,948
Total Liabilities	166,610,443,580	180,239,192,782	24,155,191,000	29,227,880,352
Total Equities	125,207,412,839	125,565,600,883	125,803,329,825	96,547,247,596

Statements of Profit or Loss

(In Rupiah)

Description	March 31, 2019	December 31,		
		2018	2016	2015
Revenue	-	-	-	-
Cost of Revenues	-	-	-	-
Operating Expenses	18,615,600	65,799,500	30,024,738	42,140,135

(In Rupiah)

Description	March 31,	December 31,		
	2019	2018	2016	2015
Loss from Operation	18,615,600	65,799,500	30,024,738	42,140,135
Net Loss	188,058,400	237,677,661	30,042,710	42,967,357

L. OVERVIEW OF SUBSIDIARIES

Overviews of the Company's Subsidiaries are presented below:

a. PT Energy Sakti Sentosa

Brief History

PT Energy Sakti Sentosa is a limited liability company operating under the laws of the Republic of Indonesia, domiciling in West Jakarta ("PT ESS"), established pursuant to the Deed of Establishment of a Limited Liability Company No. 2 dated January 7, 2008, drawn up before Mardiana Karlini Hutagalung, S.H., a Notary in Jakarta, which was approved by the Minister of Law and Human Rights by virtue of Decree no. AHU-07515.AH.01.01.Tahun2008 dated February 15, 2008, registered in the Company Registry under Number AHU-0011167.AH.01.09.Tahun 2008 dated February 15, 2008, and announced in the SGRI No. 38 dated May 9, 2008, Supplement No. 5916

Business Activities

The aims and objectives of PT ESS are to engage in the electricity business.

PT ESS may carry out the following business activities:

- Electric power generation and operation of electricity generating power plant facilities that generate electrical power from various energy sources, such as water (hydroelectric); and
- carry out other activities related to the aims and objectives of PT ESS.

Capital Structure and Shareholder Composition

Pursuant to (1) the Deed of Shareholder Resolutions No. 87 dated February 25, 2019, drawn up before Yulia, S.H., a Notary in South Jakarta, which (i) was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0011148.AH.01.02.TAHUN 2019 dated February 28, 2019, and registered in the Company Registry under Number AHU-0034263.AH.01.11.TAHUN 2019 dated February 28, 2019, reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0123329 dated February 28, 2019, and registered in the Company Registry under Number AHU-0034263.AH.01.11.TAHUN 2019 dated February 28, 2019, and (2) the Deed of Shareholder Resolutions No. 77 dated March 27, 2019, drawn up before Yulia, S.H., a Notary in South Jakarta, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0019149.AH.01.02.TAHUN 2019 dated April 8, 2019, and registered in the Company Registry under Number AHU-0057833.AH.01.11.TAHUN 2019 dated April 8, 2019, reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0173304 dated March 27, 2019, and registered in the Company Registry under Number AHU-0051555.AH.01.11.TAHUN 2019 dated March 27, 2019, and Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0173305 dated March 27, 2019, registered in the Company Registry under Number AHU-0051555.AH.01.11.TAHUN 2019 dated March 27, 2019 ("Deed No. 77/2019"), the latest capital structure and shareholder composition of PT ESS are as follows:

Description	Nominal Value of Rp125,000 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	6,189,828	773,728,500,000	
Issued and Paid-up Capital			
1. PT Kencana Energi Lestari	4,642,371	580,296,375,000	75
2. Chugoku Electric Power Singapore, Pte. Ltd	1,547,457	193,432,125,000	25
Total Issued and Paid-up Capital	6,189,828	773,728,500,000	100
Shares in Portfolio	0	0	

Management and Supervision

Pursuant to the Deed No. 77/2019, the compositions of PT ESS' Board of Commissioners and Board of Directors compositions are as follows:

Board of Commissioners

President Commissioner	: Wilson Maknawi
Commissioner	: Giat Widjaja
Commissioner	: Tamura Yoshinari

Board of Directors

President Director : Rusmin Cahyadi
 Director : Ir. Karel Sampe Pajung

Key Financial Highlights
Statements of Financial Position
(In US\$)

Description	March 31,	December 31,		
	2019	2018	2017	2016
Total Assets	125,228,285	122,300,656	119,639,811	114,056,529
Total Liabilities	50,618,224	49,687,427	51,400,670	49,864,657
Total Equities	74,495,122	72,613,229	68,239,141	64,191,872

Statements of Profit or Loss
(In US\$)

Description	March 31,	December 31,		
	2019	2018	2017	2016
Revenue	2,709,655	9,563,937	10,341,031	13,258,800
Direct Costs	237,907	757,426	855,181	1,703,065
Income (Loss) from Operations	919,596	7,927,862	8,905,462	11,071,595
Total Income for the Period	1,728,956	4,368,328	3,626,526	7,420,595

b. PT Bangun Tirta Lestari
Brief History

PT Bangun Tirta Lestari ("PT BTL") is a limited liability company domiciling in West Jakarta, which was established pursuant to the Deed of Limited Liability Company PT BTL No. 15 dated March 26, 2010, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-17262.AH.01.01.Tahun 2010 dated April 6, 2010, registered in the Company Registry under Number AHU-0025426.AH.01.09.Tahun 2010 dated April 6, 2010, and announced in the SGRI No. 24 dated March 25, 2011, Supplement Number 8229/2011.

Business Activities

The aims and objectives of PT BTL are to engage in the industrial, construction, trading and service business.

PT BTL may carry out the following business activities:

- (1) Industrial;
 - a. Electric Power Generation Industry
 - b. Electric Power Generation Industry, which include the generation of electric power, sale, distribution, and other businesses related to electricity;
 - c. Manufacturing of electric and electronic equipment and recycling of electric and electronic equipment, and the related business activities;
- (2) Construction
 - a. Electricity support business, including construction, installation, and maintenance of electricity equipment and development of technology supporting supply of electricity;
 - b. General construction business, acting as a developer, which include planning, implementation and supervision of construction and the facilities thereof, including development planner, general contractor, i.e. construction of real estates, flats, industrial estates, office buildings, apartments, condominiums, retail centers, hospitals, convention halls, shophouses, schools, construction of buildings, bridges, roads, airports, and jetties;
 - c. Installation of mechanical, electrical, gas, drinking water, telecommunication equipment, freezer, cold storage, air conditioner, sprinkler, plumbing or waste installations and other installations in civil, electronic and mechanical engineering;
- (3) Trading

Electric and electronic equipment export-import and trade, including export import and inter-island/region, and local trades, both on its own behalf and on the account of others person or legal entities on a commission basis or on a mandate to act as a supplier, wholesaler, distributor, commissioner, representative, or agent for both domestic and foreign persons or legal entities.
- (4) Services
 - a. Electrical installation inspection and testing services, including electric power system operational worthiness certification (electric power main stations, transmission, distribution), electric power equipment quality certification, quality management system certification;

- b. Electrical consulting services, including, among others, planning for residential, office buildings, and the facilities and infrastructures thereof, and the related business activities.

Capital Structure and Shareholder Composition

Pursuant to (i) the Deed of PT BTL's Meeting Resolutions No. 86 dated December 14, 2017, ("Deed No. 86/2017"), drawn up before Yulia, S.H., a Notary in Jakarta, which was approved by the Minister of Law and Human Rights by virtue of Minister of Law and Human Rights Decree No. AHU-0026510.AH.01.02.Tahun 2017 dated December 15, 2017, registered in the Company Registry under No. AHU-0159892.AH.01.11.Tahun 2017 dated December 15, 2017, and reported to the Minister of Law and Human Rights as evidenced by the Receipt of Notification of Amendment to Articles of Association No. AHU-AH.01.03-0201364 dated December 15, 2017, and registered in the Company Registry under No. AHU-0159892.AH.01.11.Tahun 2017 dated December 15, 2017, and (ii) the Deed of PT BTL's Meeting Resolutions No. 7 dated June 26, 2018, ("Deed No. 7/2018") drawn up before Abdu Haris, S.H., M.Kn., a Notary in Serang-Banten Regency, which was reported to the Minister of Law and Human Rights as evidenced by the Receipt of Notification of Changes in Company Data No. AHU-AH.01.03-0220027 dated July 9, 2018, and registered in the Company Registry under No. AHU-0088052.AH.01.11.Tahun 2018 dated July 9, 2018, the latest capital structure and shareholder composition of PT BTL are as follows:

Description	Nominal Value of Rp1,000,000 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	740,320	740,320,000,000	
Issued and Paid-up Capital			
1. PT Citra Alam Pratama*	182,119	182,119,000,000	98.4
2. PT Sola Kita Energi	2,961	2,961,000,000	1.6
Total Issued and Paid-up Capital	185,080	185,080,000,000	100
Shares in Portfolio	555,150	555,150,000,000	

*Effective from September 10, 2018, PT Citra Alam Pratama changed its name to PT Kencana Energi Lestari Tbk.

Management and Supervision

Based on the Deed of the Meeting Resolutions No. 25 dated July 6, 2017, drawn up before Ir. Rusli, S.H., a Notary in Bekasi, which was reported to the Minister of Law and Human Rights based on (i) the Receipts of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0153678 and Number AHU-AH.01.03-0153679 dated July 18 2017, and registered in the Company Registry under Number AHU-0087412.AH.01.11.Tahun 2017 and Number AHU-0087412.AH.01.11.Tahun 2017 dated July 18, 2017, and (ii) the Receipt of Notification of Changes in Company Data Number AHU-AH.01.03-0153679 dated July 18 2017, and registered in the Company Registry under Number AHU00087412.AH.01.11.Tahun 2017 dated July 18, 2017, the compositions of PT BTL's Board of Directors and Board of Commissioners are as follows:

Board of Commissioners

President Commissioner	: Eddy Maknawi
Commissioner	: Jimmy Chandra
Commissioner	: Ir. Djoni Arijanto Agung

Board of Directors

President Director	: Rusmin Cahyadi
Director	: Ir. Karel Sampe Pajung

Key Financial Highlights

Statements of Financial Position

Description	March 31,	December 31,		
	2019	2018	2017	2016
Total Assets	124,142,675	121,302,306	105,071,600	79,845,012
Total Liabilities	72,756,841	70,121,429	56,874,013	43,961,707
Total Equities	51,385,832	51,180,877	48,197,587	35,883,305

Statements of Profit or Loss

Description	March 31,	December 31,		
	2019	2018	2017	2016
Revenue	2,977,512	16,884,549	24,628,805	13,151,737
Direct Costs	1,549,894	8,968,364	8,081,952	4,302,135
Income (Loss) from Operations	1,267,750	7,916,185	16,016,350	8,468,397
Total Income for the Period	210,969	2,980,052	7,814,980	4,733,104

c. PT Bangun Hidro Energi

Brief History

PT Bangun Hidro Energi ("PT BHE") is a limited liability company domiciling in West Jakarta, which was established pursuant to the Deed of Limited Liability Company of PT BHE No. 3 dated December 28, 2018, drawn up before Rianto, S.H., a Notary in West Jakarta, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0001139.AH.01.01.TAHUN 2019 dated January 9, 2019, and registered in the Company Registry under Number AHU-0003439.AH.01.11.TAHUN 2019 dated January 9, 2019 ("Deed of Establishment of PT BHE").

Business Activities

The aims and objectives of PT BHE are to engage in the electrical equipment industry, supply of electricity, gas, steam/hot water and air conditioning, special construction, wholesale trade, except motor vehicle and motorcycles, and other management consulting activities.

PT BTL may carry out the following business activities:

- (1) Electric Equipment Industry.
 - a. Electric Power Plant Industry
 - b. Transformer, Rectifier, and Voltage Stabilizer Industry;
 - c. Other electric and electronic cable industry;
 - d. Household Electrothermal Equipment Industry;
 - e. Other Electric Equipment Industry;
- (2) Supply of Electricity, Gas, Steam/Hot Water and Air Conditioning
 - a. Electric Power Generation;
 - b. Electric Power Transmission;
 - c. Electric Power Distribution;
 - d. Electricity Support Activities;
 - e. Biogas Supply;
- (3) Special Construction
 - a. Electrical Installation;
 - b. Telecommunication Installation;
 - c. Electronic Installations;
 - d. Mechanical Installation.
- (4) Wholesale trade, except of motor vehicles and motorcycles
 - a. Wholesale Trade of Electronic Spare Parts;
 - b. Wholesale Trade of Office and Industrial Machineries, Spare Parts and Equipment;
 - c. Wholesale Trade of Other Machineries, Equipment and Supplies.
- (5) Other Management Consulting Activities:
 - a. The related Engineering and Technical Consulting Activities;
 - b. Certification services.

Capital Structure and Shareholder Composition

Pursuant to (i) the Deed of Establishment of PT BHE, and (ii) the Deed of PT BHE's Shareholder Meeting Resolutions NO. 22 dated March 29, 2019, drawn up before Indra Gunawan, S.H., a Notary in North Jakarta, which was reported to the Minister of Law and Human Rights based on the Receipt of Notification of Changes in Company Data Number AHU-AH.01.03-0198377 dated April 10, 2019, and registered in the Company Registry under Number AHU-0059643.AH.01.11.TAHUN 2019 dated April 10, 2019 ("Deed No. 22/2019"), the latest capital structure and shareholder composition of PT STE are as follows:

Description	Nominal Value of Rp1,000,000 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	50	50,000,000	
Issued and Paid-up Capital			
1. PT Kencana Energi Lestari	49	49,000,000	98
2. PT Paramata Indah Lestari	1	1,000,000	2
Total Issued and Paid-up Capital	50	50,000,000	100
Shares in Portfolio	0	0	

Management and Supervision

Pursuant to the Deed of PT BHE's Shareholder Meeting Resolutions No. 26 dated May 16, 2019, drawn up before Indra, S.H., M.Kn., a Notary in North Jakarta, which was reported to the Minister of Law and Human Rights based on the Receipt of Notification of Changes in Company Data Number AHU-AH.01.03-0264412 dated May 20, 2019, and registered in the Company Registry under Number AHU-0081655.AH.01.11.TAHUN 2019 dated May 20, 2019 ("Deed No. 26/2019"), the compositions of PT BHE's Board of Commissioners and

Board of Directors compositions are as follows:

Board of Commissioners

Commissioner : Giat Widjaja

Board of Directors

Director : Wilson Maknawi

Key Financial Highlights

Statements of Financial Position

(In US\$)

Description	March 31,	December 31,	
	2019	2018	2017
Total Assets	1,051,810	1,848,285	1,933,091
Total Liabilities	533,174	729,412	726,851
Total Equities	518,636	1,118,873	1,206,240

Statements of Profit or Loss

(In US\$)

Description	March 31,	December 31,	
	2019	2018	2017
Revenue	-	-	-
Direct Costs	8,594	22,398	22,077
Income (Loss) from Operations	707,980	22,398	22,371
Total Income for the Period	620,583	9,650	(15,645)

d. PT Sumber Tirta Energi

Brief History

PT Sumber Tirta Energi is a limited liability company operating under the laws of the Republic of Indonesia, domiciling in West Jakarta ("PT STE"), established by virtue of the Deed of Establishment of a Limited Liability Company Number 2 dated March 8, 2019, drawn up before Rianto, S.H., a Notary in West Jakarta, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree Number AHU-0013070.AH.01.01.Tahun2019 dated March 11, 2019, registered under the Company Registry Number AHU-0040186.AH.01.11.Tahun 2019 dated March 11, 2019, ("Deed of Establishment of PT STE").

Business Activities

The aims and objectives of PT STE are to engage in the electrical equipment industry, supply of electricity, gas, steam/hot water and air conditioning, special construction, wholesale trade, except motor vehicle and motorcycles.

PT STE may carry out the following business activities:

- A. Electric Equipment Industry.
 - a. Electric Power Plant Industry
 - b. Transformer, Rectifier, and Voltage Stabilizer Industry;
 - c. Other electric and electronic cable industry;
 - d. Household Electrothermal Equipment Industry;
 - e. Other Electric Equipment Industry.
- B. Supply of Electricity, Gas, Steam/Hot Water and Air Conditioning
 - a. Electric Power Generation;
 - b. Electric Power Transmission;
 - c. Electric Power Distribution;
 - d. Electricity Support Activities;
 - e. Biogas Supply;
- C. Special Construction
 - a. Electrical Installation;
 - b. Telecommunication Installation;
 - c. Electronic Installations;
 - d. Mechanical Installation.
- D. Wholesale trade, except of motor vehicles and motorcycles
 - a. Wholesale Trade of Electronic Spare Parts;
 - b. Wholesale Trade of Office and Industrial Machineries, Spare Parts and Equipment;
 - c. Wholesale Trade of Other Machineries, Equipment and Supplies.

Capital Structure and Shareholder Composition

Pursuant to the Deed of Shareholder Resolutions Number 21 dated April 26, 2019, drawn up before Indra Gungawan, S.H., M.Kn., a Notary in Jakarta, which was reported to the Minister of Law and Human Rights based on the Receipt of Notification of Amendment to Articles of Association of PT STE Number AHU-AH.01.03-0239798 dated May 10, 2019, Receipt of Notification of Changes in Company Data of PT STE Number AHU-AH.01.03-0239802 dated May 10, 2019, and registered in the Company Registry under Number AHU-0074671.AH.01.11.Tahun 2019 dated May 10, 2019, the latest capital structure and shareholder composition of PT STE are as follows:

Description	Nominal Value of Rp1,000,000 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	10,000	10,000,000,000	
Issued and Paid-up Capital			
1. PT Kencana Energi Lestari	4,258	4,258,000,000	99.98
2. PT Paramata Indah Lestari	1	1,000,000	0.02
Total Issued and Paid-up Capital	4,259	4,259,000,000	100
Shares in Portfolio	5,741	5,741,000,000	

Management and Supervision

Based on the Deed of Establishment of PT STE, the composition of PT STE's Board of Commissioners and Board of Directors are as follows:

Board of Commissioners

Commissioner : Giat Widjaja

Board of Directors

Director : Wilson Maknawi

e. PT Nagata Dinamika Hidro Madong

Brief History

PT Nagata Dinamika Hidro Madong ("PT NDHM") is a limited liability company domiciling in West Jakarta, which was established pursuant to the Deed of Limited Liability Company No. 54 dated April 29, 2013, drawn up before Mohammad Dalwan Ginting, S.H., a Notary in Bogor Regency, which was approved by the Minister of Law and Human Rights by virtue of the Minister of Law and Human Rights Decree no. AHU-27236.AH.01.01.Tahun2013 dated May 21, 2013, and registered in the Company Registry under No. AHU-0046815.AH.01.09.Tahun 2013 dated May 21, 2013.

Business Activities

To achieve the aforementioned aims and objectives, PT NDHM may carry out the following main business activities:

- Engage in Electric Equipment Industry, including, among others, Electric Power Engine Industry, Transformer, Rectifier, and Voltage Stabilizer Industry, Other Electric and Electronic Cable Industry, Household Electrothermal Equipment Industry, Other Electric Equipment Industry;
- To engage in the Supply of Electricity, Gas, Steam/Hot Water and Air Conditioning, including, among others Electric Power Plant, Electric Power Transmission, Electric Power Distribution, Electricity Support Activities, Supply of Biogas;
- To engage in Special Construction industry, including, among others Electric Installation, Telecommunication Installation, Electronic Installation, Mechanical Installation;
- Engage in Wholesale Trade, except motor vehicle and motorcycles, including, among others, Wholesale Trade of Electronic Spare Parts, Wholesale Trade of Office and Industrial Machineries, Spare Parts and Equipment thereof, Wholesale of Other Machineries, Equipment and Supplies.

Capital Structure and Shareholder Composition

Pursuant to the Deed of Shareholder Resolutions Number 12 dated April 10, 2019, drawn up before Indra Gungawan, S.H., M.Kn., a Notary in Jakarta, which was reported to the Minister of Law and Human Rights based on the Receipt of Notification of Notification of Changes in Company Data Number AHU-AH.01.03-0229785 dated May 2, 2019, and registered in the Company Registry under Number AHU-0071164.AH.01.11.TAHUN 2019 dated May 2, 2019, the latest capital structure and shareholder composition of PT NDHM are as follows:

Description	Nominal Value of Rp1,000 per share		
	Total Shares	Nominal Value (Rp)	%
Authorized Capital	15,985,668	15,985,668,000	
Issued and Paid-up Capital			
1. PT Bangun Hidro Energi	8,142,691	8,142,691,000	50.94
2. PT Sumber Tirta Energi	3,916,489	3,916,489,999	24.50
3. PT Toraja Hidro Energi	3,916,488	3,916,488,000	24.49
4. PT Nagata Bisma Shakti	10,000	10,000,000	0.07
Total Issued and Paid-up Capital	15,985,668	15,985,668,000	100
Shares in Portfolio	0	0	

Management and Supervision

Pursuant to the Deed of PT NDHM's Shareholder Meeting Resolutions No. 22 dated April 26, 2019, drawn up before Indra Gunawan, S.H., a Notary in North Jakarta ("Deed No. 22/2019"), which was registered in the Company Registry under Number AHU-0076614.AH.01.11.TAHUN

2019 dated May 14, 2019, the compositions of PT NDHM's Board of Commissioners and Board of Directors are as follows:

Board of Commissioners

President Commissioner : Mr. Wilson Maknawi
 Commissioner : Mr. Giat Widjaja
 Commissioner : Mr. J Insinyur John Paulus Pantouw, M.S.

Board of Directors

President Director : Mr. Insinyur Karel Sampe Pajung
 Director : Mr. Rusmin Cahyadi
 Director : Mr. Sutiyo Siswanto

Key Financial Highlights

Statements of Financial Position

(In US\$)

Description	March 31,	December 31,		
	2019	2018	2017	2016
Total Assets	433,839	1,361,417	1,934,604	2,596,079
Total Liabilities	533,174	726,822	723,899	1,395,559
Total Equities	99,335	634,595	1,210,705	1,200,520

Statements of Profit or Loss

(In US\$)

Description	March 31,	December 31,		
	2019	2018	2017	2016
Revenue	-	-	-	-
Direct Costs	1,239,401	506,676	22,077	4,823
Income (Loss) from Operations	1,239,401	506,676	22,371	4,823
Total Income for the Period	1,236,825	493,928	15,645	34,282

M. THE COMPANY AND ITS SUBSIDIARIES' MATERIAL AGREEMENTS

AGREEMENTS WITH THE COMPANY'S AFFILIATES

Preliminary Investment Plan Agreement between PT Paramata Indah Lestari and PT Kencana Energi Lestari Tbk Number 03/PKS-PIL/VI/2019 dated June 27, 2019

The Parties	:	- PT Paramata Indah Lestari ("First Party") - The Company ("Second Party") (jointly referred to as "The Parties")
Object of Agreement	:	The First Party and the Second Party agree on the investment plan to be made by the Second Party in several subsidiaries of the First Party under the following conditions ("Investment Plan"): a. The Second Party's investment scheme shall be made in the form of investment in new shares in, and/or acquisition of the First Party's shares in the First Party's subsidiaries; b. The Second Party's minimum share ownership in the First Party's subsidiaries shall be 70%; c. The Second Party's investment may be conducted gradually, where the Second

		Party shall make a minimum initial investment, which shall be increased after the Power Purchase Agreement with PT Perusahaan Listrik Negara (Persero) is signed by the First Party's subsidiaries; and d. All of the Second Party's investment plan under this Agreement shall be carried out in accordance with the prevailing laws and regulations, including, but not limited to, the capital market regulations.
Term of Agreement	:	The Agreement shall remain valid upon execution by the Parties, and shall terminate upon mutual agreement of the Parties.
Key Provisions	:	Conditions Precedent The Conditions Precedent that must be satisfied before the Second Party carries out the Investment Plan are as follows: - The completion of the Second Party's public offering, which shall be proven by the registration of the Second Party's shares on the Indonesia Stock Exchange; - The completion of due diligence review on the First Party's subsidiaries by the Second Party, which results are deemed satisfactory by the Second Party; and - The procurement of necessary approvals by each Party, including, but not limited to: (i) corporate internal approval (according to the Articles of Association of each Party); and/or (ii) approval(s) from third parties, agencies, institutions, and/or the relevant bodies (as appropriate). Investment Value The value of investment to be made by the Second Party in the First Party's subsidiaries shall be determined further following the completion of due diligence review on the First Party's subsidiaries by the Second Party.
Termination	:	Termination of Agreement shall be applied in writing by the Parties by no later than 30 (thirty) days prior to the expiry of this Agreement.
Governing Law	:	Republic of Indonesia
Dispute Settlement	:	The Parties shall be obligated to give their best efforts to achieve amicable resolutions over all disputes that may arise from and/or in connection with this Agreement.
Description	:	-

MATERIAL AGREEMENTS WITH THIRD PARTIES

PT Energy Sakti Sentosa

Hydroelectric Power Plant and Power Purchase Agreement

Power Purchase Agreement from Pakkat 2x5 MW Hydroelectric Power Plant dated December 28, 2009, as amended by (i) Amendment No. 1 to Power Purchase Agreement dated April 4, 2011, (ii) Amendment No. 2 to Power Purchase Agreement dated May 22, 2012, (iii) Amendment No. 3 to Power Purchase Agreement dated October 19, 2012, (iv) Amendment No. 4 to Power Purchase Agreement dated September 17, 2013, (v) Amendment No. 5 to Power Purchase Agreement dated November 3, 2014, (vi) Amendment No. 6 to Power Purchase Agreement dated April 18, 2016, and was last amended and restated in the Amendment to Pakkat 3x6 MW Hydroelectric Power Plant Agreement dated September 8, 2017.

The Parties	:	- PT ESS ("SELLER") - PT PLN (Persero) ("PLN")
Object of Agreement	:	- The Expansion Project shall include the testing, commissioning, ownership, operation, management, and maintenance of the Existing Power Plant and Interconnection Point and Electric Interconnection Facility Additional Unit as a base load station in accordance with and under the provisions of this Agreement; - Design, engineering, financing, construction, testing, and commissioning of 20kV distribution network from the Power Plant to the Interconnection Point, under this Agreement; and - Sale by seller, and purchase by PLN, the Net Energy Production (if applicable) required by PLN and Exclusive Energy Commitment from the Power Plant in accordance with, and under the terms of this Agreement.
Value	:	- The electricity unit price payable by PLN on a take-or-pay basis to the SELLER shall be determined based on the calculation method and components stipulated under this Agreement. - Late payment by any of the Party shall be subject to interest at the Late Payment Interest Rate, from the initial maturity of the payment date until the actual payment date.
Term of Agreement	:	The Agreement shall commence on the date this Agreement is executed by and delivered to the Parties under this Agreement and shall terminate: - subject to paragraph (b) below, in 30 (thirty) years from and after the Commercial Operation Date; or - on any other date as applicable in accordance with the provisions of Paragraph 14.3(d), in any case, except in the event of early termination under the provisions of this Agreement.

Prohibitions	:	1. SELLER shall not transmit or re-transmit 20 kV electric power to any Power Plant without prior written approval from PLN Representative, which shall not be unreasonably withheld. SELLER shall notify PLN on initial generation by at least 30 (thirty) Days prior to the proposed date to transmit electric power to the main step-down transformer and redirect the electric power to the Power Plant. 2. SELLER operate its Power Plant simultaneously with PLN's electric system without prior written approval from PLN Representative, which shall not be unreasonably withheld. 3. Unless stipulated otherwise herein, SELLER shall not (i) be engaged in any business other than reasonably required to perform its obligations and benefit from its rights under the Project Documents and Financing Agreement, or (ii) become a party in any merger, consolidation or amalgamation agreement with any business entity, or (iii) except requested by Lender(s) for the purpose of enforcing the SELLER's payment obligations to the Lender(s) under the Financing Agreement, sell all or substantially all of its assets. 4. The Parties shall not sell, assign, or otherwise transfer their rights and obligations under or according to this Agreement without written approval from the other Party, except for the purpose of financing the Expansion Project or Project (as applicable), where SELLER may transfer or incur encumbrance on its rights and interests under or according to this Agreement, any other Project Documents, Expansion Project or Project (as applicable), land use right on Site, movable assets, and intellectual property rights of the SELLER, or revenue or any right or assets of the SELLER. 5. Each Party agrees that they, and shall ensure that their respective employees, officials, commissioners, and directors, shall undertake reasonable efforts to ensure that their agents maintain the confidentiality of all information, document, data, or technical know-how entrusted to them by the other Party that are stated in writing as "confidential" ("Confidential Information"), and shall not disclose to any third party, or use such Confidential Information or any parts thereof, without prior written approval from the other Party, provided that such Confidential Information may be disclosed to (i) a Government Agency in accordance with the provisions of the prevailing laws and regulations, and (ii) to financial institutions, credible prospective SELLER, and consultants whose duties and responsibilities reasonably require such disclosure, provided that, except for disclosures to independent legal adviser, such other party shall first agree not to disclose such Confidential Information to any other party for any purpose whatsoever.

PT Bangun Tirta Lestari

Hydroelectric Power Plant and Power Purchase Agreement

Amendment and Restatement of Power Purchase Agreement between PT PLN (Persero) and PT Bangun Tirta Lestari dated September 8, 2017

The Parties	:	1. PT BANGUN TIRTA LESTARI ("SELLER") 2. PT PLN (Persero) ("PLN")
Object of Agreement	:	The Project shall consist of: 1. Design, engineering, construction, testing, and commissioning of Power Plant, and ownership, operation, management and maintenance of Electric Interconnection Facility, Interconnection Point to be operated as a base load, in accordance with and under the terms of this Agreement. 2. Design, engineering financing, construction, testing, and commissioning, and transfer by the SELLER to PLN, of the Special Facility, which shall consist of 70 kV Transmission Network from the Power Plant to the Interconnection Points, under this Agreement; and 3. Sale by seller, and purchase by PLN, the Net Energy Production or Emergency Output (if applicable) required by PLN, in accordance with, and under the terms of this Agreement.
Value	:	The amount specified herein that shall be payable under this Agreement by PLN to the SELLER for the purchase of Exclusive Commitment Energy during the Term.
Term of Agreement	:	The Agreement shall commence on the date this Agreement is executed by and delivered to the Parties under this Agreement and shall terminate:

		a. subject to paragraph (b) below, in 30 (thirty) years from and after the Commercial Operation Date; or b. on any other date as applicable in accordance with the provisions of Paragraph 14.3(d), in any case, except in the event of early termination under the provisions of this Agreement.
Prohibitions	:	1. SELLER shall not transmit or re-transmit 70 kV electric power to any Unit or Power Plant without prior written approval from PLN Representative. 2. SELLER operate its Power Plant simultaneously with PLN's electric system without prior written approval from PLN Representative, which shall not be unreasonably withheld. 3. Unless stipulated otherwise herein, SELLER shall not (i) be engaged in any business other than reasonably required to perform its obligations and benefit from its rights under the Project Documents and Financing Agreement, or (ii) become a party in any merger, consolidation or amalgamation agreement with any business entity, or (iii) except requested by Lender(s) for the purpose of enforcing the SELLER's payment obligations to the Lender(s) under the Financing Agreement, sell all or substantially all of its assets. 4. The Parties shall not sell, assign, or otherwise transfer their rights and obligations under or according to this Agreement without written approval from the other Party, except for the purpose of financing the Expansion Project or Project (as applicable), where SELLER may transfer or incur encumbrance on its rights and interests under or according to this Agreement, any other Project Documents, Project (as applicable), land use right on Site, movable assets, and intellectual property rights of the SELLER, or revenue or any right or assets of the SELLER. Any actual, attempted, or intentional transfer, assignment, or transfer by any Party of its rights or obligations or interests under or according to this Agreement that fails to satisfy the provisions of this Agreement shall be null or void. 5. Each Party agrees that they, and shall ensure that their respective employees, officials, commissioners, and directors, shall undertake reasonable efforts to ensure that their agents maintain the confidentiality of all information, document, data, or technical know-how entrusted to them by the other Party that are stated in writing as "confidential" ("Confidential Information"), and shall not disclose to any third party, or use such Confidential Information or any parts thereof, without prior written approval from the other Party, provided that such Confidential Information may be disclosed to (i) a Government Agency in accordance with the provisions of the prevailing laws and regulations, and (ii) to financial institutions, credible prospective SELLER, and consultants whose duties and responsibilities reasonably require such disclosure, provided that, except for disclosures to independent legal adviser, such other party shall first agree not to disclose such Confidential Information to any other party for any purpose whatsoever.

Agreements Related to Acquisition of Assets

PT BTL has signed 52 agreements related to acquisition of assets, i.e., uncertified plots of land, for the purpose of PT BTL's transmission tower construction plan located in Lebong Regency, Bengkulu Province. Presented below are the agreements entered into by PT BTL

No.	Agreement	The Parties	Object of Agreement	Amount
1.	Land and Crop Compensation Agreement No. 01/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Nismawala as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village: Turan Lalang District : South Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/36/1005/2016 dated November 22, 2016	Rp26,000,000
2.	Land and Crop Compensation Agreement No. 02/SPK-GRTT/BTL/XII/2016 dated	1. BTL as the First Party; and 2. Umayas as the	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as	Rp14,625,000

No.	Agreement	The Parties	Object of Agreement	Amount
	December 15, 2016	Second Party	described below: a. Total area : 225m2 b. Location Sub-District/Village : Turan Lalang District : South Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/37/1005/2016 dated November 22, 2016	
3.	Land and Crop Compensation Agreement No. 03/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Yahya as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Turan Lalang District : South Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/38/1005/2016 dated November 22, 2016	Rp14,625,000
4.	Land and Crop Compensation Agreement No. 04/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Hermansyah as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village : Tik Jeniak District : South Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 140/151/SKTTJK/XI/2016 dated November 22, 2016	Rp20,000,000
5.	Land and Crop Compensation Agreement No. 05/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Ashari as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Tik Jeniak District : South Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 146/152/TKJ/XI/2016 dated November 22, 2016	Rp30,000,000
6.	Land and Crop Compensation Agreement No. 032/SPK-GRTT/BTL/V/2017 dated May 19, 2017	1. BTL as the First Party; and 2. Harwini as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village : Tik Jeniak District : South Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 68/1005/TKJ/XI/2017 dated March 13, 2017.	Rp40,000,000

No.	Agreement	The Parties	Object of Agreement	Amount
7.	Land and Crop Compensation Agreement No. 021/SPK-GRTT/BTL/III/2017 dated March 28, 2017	1. BTL as the First Party; and 2. Tarmizi as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Karang Dapo Atas District : Bingin Kuning Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 02/KDA/2021/2017 dated January 18, 2017.	Rp30,000,000
8.	Land and Crop Compensation Agreement No. 022/SPK-GRTT/BTL/III/2017 dated March 28, 2017	1. BTL as the First Party; and 2. Saprudin as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Pungguk Pedaro District : Bingin Kuning Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 02/2008/PGP/2017 dated January 21, 2017.	Rp30,000,000
9.	Land and Crop Compensation Agreement No. 023/SPK-GRTT/BTL/III/2017 dated March 28, 2017	1. BTL as the First Party; and 2. Jalaludin as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Karang Dapo Bawah District : Bingin Kuning Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 02/KDB/2007/2017 dated January 18, 2017.	Rp30,000,000
10.	Land and Crop Compensation Agreement No. 024/SPK-GRTT/BTL/III/2017 dated March 28, 2017	1. BTL as the First Party; and 2. Lukman as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Pungguk Pedaro District : Bingin Kuning Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 01/2008/PGP/2017 dated January 22, 2017.	Rp30,000,000
11.	Land and Crop Compensation Agreement No. 01/SPK-GRTT/BTL/I/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Kadarna as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Karang Dapo Bawah District : Bingin Kuning	Rp30,000,000

No.	Agreement	The Parties	Object of Agreement	Amount
			Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 01/KDB/SKT/2007/2016 dated November 23, 2016.	
12.	Land and Crop Compensation Agreement No. 02/SPK-GRTT/BTL/I/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Azna as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Bungin District : Bingin Kuning Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 192/2009/BGN/2016 dated November 21, 2016.	Rp30,000,000
13.	Land and Crop Compensation Agreement No. 03/SPK-GRTT/BTL/I/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Riza Elpiana as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village: Bungin District : Bingin Kuning Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 195/2009/BGN/2016 dated November 21, 2016.	Rp25,000,000
14.	Land and Crop Compensation Agreement No. 04/SPK-GRTT/BTL/I/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Syamsiah as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Bungin District : Bingin Kuning Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 193/2009/BGN/2016 dated November 21, 2016.	Rp30,000,000
15.	Land and Crop Compensation Agreement No. 05/SPK-GRTT/BTL/I/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Sesuwandi as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Bungin District : Bingin Kuning Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 198/2009/BGN/2016 dated November 25, 2016.	Rp27,000,000
16.	Land and Crop Compensation Agreement No. 06/SPK-GRTT/BTL/I/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Siti Saleha as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below:	Rp35,000,000

No.	Agreement	The Parties	Object of Agreement	Amount
			a. Total area : 400m ² b. Location Sub-District/Village : Bungin District : Bingin Kuning Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 199/2009/BGN/2016 dated December 4, 2016.	
17.	Land and Crop Compensation Agreement No. 010/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Norman Solihin as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 25m ² b. Location Sub-District/Village : Bungin District : Bingin Kuning Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 196/2009/BGN/2016 dated November 25, 2016.	Rp14,000,000
18.	Land and Crop Compensation Agreement No. 012/SPK-GRTT/BTL/II/2017 dated February 14, 2017	1. BTL as the First Party; and 2. Nurcahya as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m ² b. Location Sub-District/Village : Bungin District : Bingin Kuning Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 206/2009/BGN/2016 dated December 10, 2016.	Rp27,000,000
19.	Land and Crop Compensation Agreement No. 011/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Ilul as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m ² b. Location Sub-District/Village : Semelako II District : Central Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 02/SKT/2013/SEM2/2016 dated December 1, 2016.	Rp15,000,000
20.	Land and Crop Compensation Agreement No. 012/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and Fatma Wati as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m ² b. Location Sub-District/Village : Semelako District : Central Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 05/SKT/2013/SMLK/2016 dated December 1, 2016.	Rp10,000,000

No.	Agreement	The Parties	Object of Agreement	Amount
21.	Land and Crop Compensation Agreement No. 013/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Suryanti as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Semelako II District : Central Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 01/SKT/2013/SMLK/2016 dated December 1, 2016	Rp15,000,000
22.	Land and Crop Compensation Agreement No. 025/SPK-GRTT/BTL/III/2017 dated March 28, 2017	1. BTL as the First Party; and 2. Yeti Masita Amril as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village : Semelako I District : Central Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 04/2007/SMKI/2017 on January 27, 2017	Rp100,000,000
23.	Land and Crop Compensation Agreement No. 014/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Akhmad Jausi as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Semelako II District : Central Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 03/SKT/2013/SMLK/2016 dated December 1, 2016	Rp15,000,000
24.	Land and Crop Compensation Agreement No. 013/SPK-GRTT/BTL/II/2017 dated February 14, 2017	1. BTL as the First Party; and 2. M. Yata as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Tanjung Bungai II District : Central Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/02/SKT/2023/2017 dated January 12, 2017	Rp35,000,000
25.	Land and Crop Compensation Agreement No. 014/SPK-GRTT/BTL/II/2017 dated February 14, 2017	1. BTL as the First Party; and 2. Yerin Deserlina as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Tanjung Bungai II District : Central Lebong Regency : Lebong Province : Bengkulu	Rp35,000,000

No.	Agreement	The Parties	Object of Agreement	Amount
			Evidence of Ownership : Land Ownership Certificate No. 593/03/SKT/2023/2017 dated January 12, 2017	
26.	Land and Crop Compensation Agreement No. 015/SPK-GRTT/BTL/II/2017 dated February 14, 2017	1. BTL as the First Party; and 2. Badrul as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Tanjung Bungai II District : Central Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/01/SKT/2023/2017 dated January 12, 2017	Rp35,000,000
27.	Land and Crop Compensation Agreement No. 07/SPK-GRTT/BTL/II/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Dahniar as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Pagar Agung District : Central Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 288/2008/2016 dated November 16, 2016	Rp15,000,000
28.	Land and Crop Compensation Agreement No. 026/SPK-GRTT/BTL/III/2017 dated March 28, 2017	1. BTL as the First Party; and 2. Afrizal Effendi as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Pagar Agung District : Central Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 07/2008/P.A/2017 dated January 31, 2017	Rp35,000,000
29.	Land and Crop Compensation Agreement No. 016/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Muhammad Harun as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Nangai Tayau I District : Amen Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 140/209/2002/2016 dated November 26, 2016.	Rp15,000,000
30.	Land and Crop Compensation Agreement No. 027/SPK-GRTT/BTL/III/2017 dated March 28, 2017	1. BTL as the First Party; and 2. Hasima as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location	Rp45,000,000

No.	Agreement	The Parties	Object of Agreement	Amount
			Sub-District/Village : Nangai Tayau I District : Amen Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 477/510/2002/2016 dated November 20, 2016.	
31.	Land and Crop Compensation Agreement No. 08/SPK-GRTT/BTL/I/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Nasirudin as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village : Nangai Tayau District : Amen Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/189/NT/XI/2016 dated November 22, 2016.	Rp25,000,000
32.	Land and Crop Compensation Agreement No. 018/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Sarida as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Pyang Mbik District : Amen Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 079/10.30/SKT/PM/2016 dated November 22, 2016.	Rp7,500,000
33.	Land and Crop Compensation Agreement No. 036/SPK-GRTT/BTL/I/2018 dated January 31, 2018	1. BTL as the First Party; and 2. Yurmani as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village : Pyang Mbik District : Amen Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 203/31/SKT/I/B.3.18 dated January 20, 2018.	Rp40,000,000
34.	Land and Crop Compensation Agreement No. 019/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Iskandar as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Pyang Mbik District : Amen Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 081/10.03/PM/2016 dated November 22, 2016.	Rp10,000,000
35.	Land and Crop Compensation Agreement No. 020/SPK-	1. BTL as the First Party; and	The First Party and the Second Party agree on the compensation of the Second Party's	Rp22,250,000

No.	Agreement	The Parties	Object of Agreement	Amount
	GRTT/BTL/XII/2016 dated December 15, 2016	2. Nurbaiti as the Second Party	land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Sukau Mergo District : Amen Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 140/05/SKT/SKM/AM/2016 dated November 28, 2016.	
36.	Land and Crop Compensation Agreement No. 021/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Nurbaiti as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Sukau Mergo District : Amen Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 140/06/SKT/SKM/AM/2016 dated November 28, 2016.	Rp22,250,000
37.	Land and Crop Compensation Agreement No. 022/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Amirudin as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Talang Ulu District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 180/SKT/TU.LU/2016 dated November 24, 2016.	Rp7,000,000
38.	Land and Crop Compensation Agreement No. 09/SPK-GRTT/BTL/I/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Hery Setiawan as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Gandung District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 140/67/SKT/LU/2002/2016 dated November 25, 2016.	Rp28,000,000
39.	Land and Crop Compensation Agreement No. 034/SPK-GRTT/BTL/I/2018 dated January 15, 2018	1. BTL as the First Party; and 2. M. Thoha as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 256m2 b. Location Sub-District/Village : Lebong Tambang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership	Rp30,000,000

No.	Agreement	The Parties	Object of Agreement	Amount
			Certificate No. 593/-/2016/XII/2017 dated December 18, 2017.	
40.	Land and Crop Compensation Agreement No. 033/SPK-GRTT/BTL/VIII/2017 dated August 16, 2017	1. BTL as the First Party; and 2. Sufaat as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/50/2022/SKPT/2017 dated March 6, 2017	Rp30,000,000
41.	Land and Crop Compensation Agreement No. 028/SPK-GRTT/BTL/III/2017 dated March 28, 2017	1. BTL as the First Party; and 2. Rasdja as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/41/2022/SKT/II/2017 dated January 23, 2017.	Rp45,000,000
42.	Land and Crop Compensation Agreement No. 017/SPK-GRTT/BTL/II/2017 dated February 14, 2017	1. BTL as the First Party; and 2. Fathul Mashuri as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village: Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/37/SKT/2002/5/2017 dated January 14, 2017.	Rp20,000,000
43.	Land and Crop Compensation Agreement No. 029/SPK-GRTT/BTL/III/2017 dated March 28, 2017	1. BTL as the First Party; and 2. Saryono as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/09/SKT/2022/II/2017 dated January 26, 2017.	Rp30,000,000
44.	Land and Crop Compensation Agreement No. 018/SPK-GRTT/BTL/II/2017 dated	1. BTL as the First Party; and	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as	Rp30,000,000

No.	Agreement	The Parties	Object of Agreement	Amount
	February 14, 2017	2. Nurul Huda as the Second Party	described below: a. Total area : 225m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/39.2022/SKT/II/2017 dated January 16, 2017.	
45.	Land and Crop Compensation Agreement No. 030/SPK-GRTT/BTL/III/2017 dated March 28, 2017	1. BTL as the First Party; and 2. Erwan Efendi as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/05/SKT/2022/II/2017 dated January 19, 2017.	Rp40,000,000
46.	Land and Crop Compensation Agreement No. 019/SPK-GRTT/BTL/II/2017 dated February 14, 2017	1. BTL as the First Party; and 2. Eko Saputro as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/40/2022/SKT/II/2017 dated January 17, 2017.	Rp35,000,000
47.	Land and Crop Compensation Agreement No. 010/SPK-GRTT/BTL/II/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Ihsan as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/63/ SKT /2022/XI/2016 dated November 20, 2016.	Rp20,000,000
48.	Land and Crop Compensation Agreement No. 020/SPK-GRTT/BTL/II/2017 dated February 14, 2017	1. BTL as the First Party; and 2. Kuat Santosa as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 225m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong	Rp35,000,000

No.	Agreement	The Parties	Object of Agreement	Amount
			Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/38/2022/SKT/II/2017 dated January 15, 2017.	
49.	Land and Crop Compensation Agreement No. 031/SPK-GRTT/BTL/III/2017 dated March 28, 2017	1. BTL as the First Party; and 2. Jurma as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/04/SKT/2022/II/2017 dated January 17, 2017.	Rp30,000,000
50.	Land and Crop Compensation Agreement No. 025/SPK-GRTT/BTL/XII/2016 dated December 15, 2016	1. BTL as the First Party; and 2. Hamim as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/61/SKT/2022/XI/2016 dated November 19, 2016.	Rp18,500,000
51.	Land and Crop Compensation Agreement No. 011/SPK-GRTT/BTL/I/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Epa Nurhayati as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/62/SKT/2022/XI/2016 dated November 20, 2016.	Rp25,000,000
52.	Land and Crop Compensation Agreement No. 011/SPK-GRTT/BTL/I/2017 dated January 13, 2017	1. BTL as the First Party; and 2. Epa Nurhayati as the Second Party	The First Party and the Second Party agree on the compensation of the Second Party's land and the crop growing on such land as described below: a. Total area : 400m2 b. Location Sub-District/Village : Ladang Palembang District : North Lebong Regency : Lebong Province : Bengkulu Evidence of Ownership : Land Ownership Certificate No. 593/62/SKT/2022/XI/2016 dated November 20, 2016.	Rp25,000,000

PT Nagata Dinamika Hidro Madong
Hydroelectric Power Plant and Power Purchase Agreement

Ma'Dong 2x5 MW Mini Hydroelectric Power Plant Power Purchase Agreement dated June 27, 2016, as amended by the First Addendum to Power Purchase Agreement dated August 1, 2018, and the Second Addendum to Power Purchase Agreement dated January 2, 2019.¹

The Parties	:	1. PT Nagata Dinamika Hidro Madong (" SELLER "); and 2. PT PLN (Persero) (" PURCHASER ").
Object of Agreement	:	1. SELLER shall develop and build, including designing, engineering, financing, construction, testing, and commissioning, the mini hydroelectric power plant with an installed capacity of 2x5 MW (" Power Plant ") in Toraja Utara Regency, South Sulawesi Province, under the Build, Operate, and Own (BOO) scheme, including the measurement system, and operate and maintain the Power Plant according to the specified procedures; 2. SELLER shall build the interconnection facilities and networks connecting the Power Plant to the interconnection points - i.e. the networks connecting the PURCHASER's network to the special facility (" Special Facility "), which shall include the design, engineering, financing, construction, testing, and commissioning according to the technical specifications, and operation and maintenance of the Special Facilities according to the specified procedures, except otherwise stipulated in the Agreement. 3. SELLER agrees to sell to PURCHASER, all electric power generated by the Power Plant and transmit the electric power to the purchaser's network (" Electric Power "), and BUYER agrees to purchase such Electric Power according to the terms and conditions of the Agreement.
Value	:	1. Electric Power Price shall be: i. Rp1,320/kWh for Year 1 - 8 after the Power Plant's commercial operation date; and ii. Rp1,020/kWh for Year 9 - 20 after the Power Plant's commercial operation date, which shall include the costs related to Special Facility at a fixed rate without any escalation, subject to the laws and regulations concerning the obligation to use Rupiah. 2. The price to be paid by PLN for excess electric power shall be equal to 50% to the Electric Power Price referred to above.
Term of Agreement	:	The Agreement is effective from June 27, 2016, until the closing of Operation Period (240 months commencing on the first day of the month in which the power plant's commercial operation date is achieved, and shall expire on the last day of the 240th month).
SELLER's Rights and Obligations	:	1. SELLER shall be responsible for: a. Land acquisition and preparation, negotiation, signing and implementation of arrangement documents or agreements with other parties, including financing agreement, EPC (engineering, procurement & construction) agreements, insurance commitments, operational maintenance agreements (if any), and other project-related agreements, which are necessary to meet the SELLER's obligations hereunder; b. The financing, construction, development, ownership, operation, and maintenance of the Power Plant with an installed capacity of 2 Units x 5 MW and the metering system, including, but not limited to, the provisions to comply with the requirements and standards applicable in Indonesia; c. The financing, construction, and development of the Special Facility consisting of a 19-km electricity network and the Interconnection Facilities connecting the Power Plant to the Interconnection Point according to the requirements and standards applicable in Indonesia; d. The operation and maintenance of the Special Facilities, unless stipulated otherwise in the Agreement; e. To sell and distribute all Electric Power generated by the Power Plant to the Purchases as stipulated in the Agreement, unless stipulated otherwise in the future upon agreement of the Parties.

¹ All Capitalized terms refer to the definitions stipulated herein.

	f. To maintain the continuity of Electric Power sales to the Purchases in accordance with the terms and conditions of the Agreement, unless stipulated otherwise in the future upon agreement of the Parties. g. To apply for all licenses and/or approvals from Government Institutions, including the extensions and/or amendment necessary to carry out the construction, operation, and maintenance of the Power Plant and Special Facilities, including the application of land ownership rights; h. To manage and guide employees in accordance with the Occupational Health and Safety regulations and the prevailing laws and regulations. Work accidents suffered by operators or employees of the SELLER or Other Party shall be the SELLER's expense and responsibility; i. All legal issues (including but not limited to, claims, litigations, and/or lawsuits brought by Other Parties, whether related to issues on Intellectual Property Rights, licensing, environmental impacts, and others) filed by Other Parties in connection with the Project; j. To meet the Local Content Level (<i>Tingkat Kandungan Dalam Negeri</i>, "TKDN") according to the prevailing laws and regulations; k. To carry out the Corporate Social Responsibility (CSR) for the Project's environment; l. To submit the Performance Bond, and any renewal, extension or replacement thereof, to the PURCHASER in the form of Bank Guarantees issued by a Commercial Bank or Foreign Bank operating in Indonesia (excluding Rural Banks and Banks included in the blacklist/watch list), which shall consist of: • Phase I Performance Bond in the amount of Rp1,447,674,181.00, which shall be submitted by the SELLER to the PURCHASER prior to or on the Execution Date, valid for a period of 19 months subsequent to the Execution Date, which shall be returned upon achievement of the Financing Date. • Phase II Performance Bond in the amount of Rp3,619,185,452.00, which shall be submitted by the SELLER to the PURCHASER prior to or on the financing Date, valid for a period of 18 months subsequent to the achievement of the Power Plant's Commercial Operation Date Target. m. To prepare technical planning, build the Power Plant and Special Facilities synchronized with the Purchaser's Network; n. During the Term of Agreement, the SELLER shall satisfy all the required terms and conditions as stipulated in the prevailing laws and regulations, including the Minister of Energy and Mineral Resources Regulation No. 19/2015. 2. SELLER shall be obligated to pay taxes in accordance with the laws and regulations issued by the Central Government and Regional Government, which are related to the construction and operation of the Power Plant referred to in this Agreement; 3. SELLER shall be obligated to meet the environmental quality standards, and undertake the environmental management and monitoring in accordance with the provisions of the Agreement and the prevailing laws and regulations; 4. SELLER shall periodically report the environmental condition, starting from the commencement of construction of the Power Plant, during Commissioning, and during the operation of the Power Plant, to the Directorate General of Electricity or the authorized Government Officials, and the PURCHASER; 5. SELLER shall achieve the Financing Date by no later than 18 months from the Execution Date, subject to the following provisions: a. The occurrence of Financing Date shall be indicated by the satisfaction of the following conditional precedents, stipulated in the Minutes of Financing Date signed by the Parties: i. All documents attached herein have become effective; ii. All licenses and approvals from the authorized Government Institutions have been obtained; iii. The Financial Closing Date has occurred;

	b. In the event of failure to achieve the Financing Date, the PURCHASER shall have the right to terminate this Agreement and liquidate the Phase I Performance Bond as stipulated in Article 19. 6. SELLER shall achieve the Financing Date by no later than 3 months from the issuance of Electricity Supply Business Permit (<i>Izin Usaha Penyediaan Tenaga Listrik</i>, "IUPTL"), subject to the following provisions: a. The occurrence of Construction Commencement Date is indicated by the issuance and delivery of construction commencement notice from the SELLER to the PURCHASER as proven by: i. Copy of the Work Order (WO) from the SELLER to the Contractor(s) to begin the construction of Power Plant; and ii. The commencement of land opening and preparation of the Power Plant's main buildings, which the PURCHASER shall be able to verify in site visits, and SELLER shall provide PURCHASER with access to site at all time, b. The achievement of Construction Commencement Date shall be stipulated in the Minutes of Construction Commencement Date signed by the Parties; c. In the event of a delay in achieving the Construction Commencement Date, the provisions of Article 10(2) shall apply; d. In the event of failure to achieve the Construction Commencement Date due to reasons other than <i>Force Majeure</i>, in a period exceeding 15 months since the issuance of IUPTL, the PURCHASER shall have the right to terminate this Agreement and liquidate the Phase II Performance Bond as stipulated in Article 19; 7. SELLER shall deliver detailed INVOICES for each BILLING PERIOD to the PURCHASER according to the calculation stipulated in Appendix E, by no later than 7 Business Days subsequent to the end of the BILLING PERIOD; 8. SELLER, at its own expense, shall insure the Project, including all equipment and workers, during the construction and operation period of the Power Plant, against all losses and damage that may arise, including business interruption risk; 9. SELLER, at its own expense, shall insure the Special Facilities, until the transfer of such facilities to the PURCHASER in the event of transfer referred to in Article 9 (3) (d) of this Agreement; 10. SELLER shall carry Third Party Liability Insurance for both bodily injury and material injury in connection with the construction of Power Plant undertaken by the SELLER; 11. SELLER shall be obligated to submit the Power Plant construction progress report every 6 months, beginning on the commencement date, to the Director General of Renewable New Energy and Energy Conservation (RNEEC) until the Commercial Operation Date, with copies to the Directorate General of Electricity and the Board of Directors of PURCHASER. 12. Upon completion of the Special Facilities and prior to the commissioning of such Special Facilities, if necessary, the SELLER shall notify the PURCHASER in writing that the Special Facilities are complete, except for minor parts that shall be described in the Inspection Checklist.
PURCHASER's Rights and Obligations	1. PURCHASER shall be obligated to purchase the Electric Power generated by the SELLER's Power Plant upon achievement of the Power Plant's commercial operation date as stipulated in the Agreement; 2. PLN shall be obligated to pay the SELLER for the Total Energy, which shall be calculated in accordance with the provisions stipulated in the Agreement; 3. PURCHASER shall be responsible for maintaining the reliability of, and maintaining the PURCHASER's network facilities to receive and transmit Electric Power from the SELLER; 4. PURCHASER shall make payments to SELLER according to invoices that are due to the account under the name of SELLER; 5. Payments shall be made on a monthly basis from the PURCHASER to the SELLER by no later than 15 Business Days after the PURCHASER receives the complete, correct, and non-defective payment request from the SELLER;

		6. PURCHASER shall have the right to witness every tests the Special Facilities, and shall be notified in 10 days prior to the inspection. In the event that the PURCHASER does not witness such construction tests, SELLER shall not be required to postpone the test and such test shall be treated as failure due to the PURCHASER's absence.
Force Majeure		1. <i>Force Majeure</i> is an event that occurs due to a reason beyond the control of the Parties, which cannot be previously estimated by the Parties and/or is beyond the Parties' control, which directly affects the object of this Agreement, and may result in delay to or suspension of the construction works, operation of the Power Plant, or failure or delivery/reception of Electric Power caused by, including but not limited to: - War; - Civil disorder: riots, rebellions, sabotages, unrests, and violent demonstrations; - Natural disasters: earthquake, drought, flood, or other natural disasters, or discovery of historical objects on site; - Strike or work ban, or unrest and attacks conducted by employees of other companies; 2. If PLN or SELLER fails to perform all or part of their obligations hereunder as a result of a Force Majeure, such Party shall be released from its obligations, provided that the Party unable to perform its obligation shall: - Immediately submit a verbal notice by no later than 3 calendar days, to be followed by a written notice by no later than 14 calendar days, commencing on the date of event, supported by written statement issued by the authorized Institution concerning the cause of Force Majeure; or for conditions that are clearly visible in layman's terms as a Force Majeure shall not require proof in the form of written statement issued by the authorized Institutions; - Take immediate action to remedy/resolve the events arising from such Force Majeure and submit accountable evidence that all reasonable efforts have been made to remedy the effects of such Force Majeure; - To perform all reasonable efforts to mitigate or limit the loss to other Party, to the extent that such actions will not have adverse impacts to its own interest; - Submit a written notice by no later than 3 calendar days to the other Party concerning the end of Force Majeure. 3. If, within the period referred to in paragraph 2 of this Article, the Party suffering from the Force Majeure fails to notify the Force Majeure event to the other party, such event shall be deemed to have not been caused by Force Majeure; 4. The obligations of one of the Parties that must be settled prior to the occurrence of Force Majeure resulting in failure to perform such obligations cannot be released as a result of a Force Majeure; 5. In the event of Force Majeure that occur outside the jurisdiction of Indonesia, the notice of Force Majeure shall be supported by the statement from the authorized local official and authorized by the local Official Representative of the Republic of Indonesia; 6. Purchaser shall not be obligated to pay for Electric Power during a Force Majeure.
Default	:	In the event of a breach of Representation under Appendix G point 5, SELLER shall be obligated to, at its own expense and as soon as possible, to undertake the necessary remedies and replacements to remedy such breach. In any case, SELLER is responsible for all consequential damages in any form whatsoever.
Covenants	:	The Parties shall not disclose to other party, or use, any confidential information or any parts thereof, without prior written approval from the other Party, on the condition that such Confidential Information may be disclosed to government organs or institutions in accordance with the provisions of the law, and to bonafide financial institutions, consultants, and contractors who reasonably require such disclosure.
Termination		1. Other than due to the conditions referred to in paragraph 5 of this Article, any of the following events shall constitute a default, negligence, and inability of the SELLER, which may result in Termination of Agreement. SELLER's failure to achieve the Construction Commencement Date in more than 15 months subsequent to the issuance of IUPTL referred to in Article 5;

	b. SELLER's failure to achieve the Power Plant Commercial Operation Date in more than 15 months subsequent to the Power Plant Target Commercial Operation Date referred to in Article 12; c. SELLER's Failure to operate the Power Plant for 7 consecutive days that is not caused by a Force Majeure or as a result of the Purchaser's failure to perform its obligations under the Agreement. d. The occurrence of the following events: i. Issuance of judgment of bankruptcy, financial insolvency, liquidation process, or liquidation, or any other similar events concerning the SELLER; ii. Appointment of a trustee, liquidator, custodian, temporary official to undertake the processes referred to in point (i), where the appointment of such person is not revoked, or continues to survive, for more than 60 calendar days; or iii. Orders from the court having the authority to conduct a liquidation process, or confirm bankruptcy or financial insolvency, where such order is not revoked, or continues to survive, for more than 60 calendar days. e. The assignment of SELLER as Hydropower Manager for Power Plant is revoked by the authorized Government Institution or becomes null and void. f. SELLER's failure to perform its responsibilities and other obligations under this Agreement, except for points a, b, c, d, and e referred to above. 2. Upon occurrence of the SELLER's failure referred to in paragraph 1 of this Article, the following procedures must be undertaken by the SELLER: a. PURCHASER may issue a Notice to the SELLER concerning the SELLER's defaults ("Notice of Remedy"). b. SELLER shall submit a report outlining the cause of such failures and the remedy program in detail to the PURCHASER by no later than 30 calendar days following the receipt of Notice of Remedy. The remedy period shall be no later than 90 calendar days following the receipt of SELLER's report by the PURCHASER; c. If the remedy period referred to in the Remedy Program has elapsed and/or the Parties are unable to reach an agreement, the PURCHASER shall have the right to terminate the Agreement by issuing a Notice of Termination to the SELLER, stating the termination date of the Agreement, which shall be no less than 30 calendar days subsequent to the date of Notice of Remedy. d. At the time the remedy period referred to in paragraph 2(c) of this Article has passed, and except: i. The Parties reach another agreement; or ii. The Event causing the issuance of Notice of Remedy has been remedied, the Agreement shall automatically terminate without first requiring a Final Notice of Termination, effective from the date referred to in the Notice of Termination or the date further agreed by the Parties. e. In the event that the PURCHASER fails to submit a Remedy Program referred to in paragraph 2 (b), the PURCHASER shall have the right to terminate the Agreement by issuing a Notice of Termination to the SELLER, stating the termination date of the Agreement, which shall be no less than 30 calendar days subsequent to the date of Notice of Remedy. 3. Other than due to the conditions referred to in paragraph 5 of this Article, any of the following events shall constitute an event of default, negligence, and inability of the SELLER, which may result in Termination of Agreement. a. PURCHASER's failure to make the payments under this Agreement in 3 consecutive months; b. Liquidation, merger, consolidation, amalgamation, restructuring reconstruction or privatization of PLN, except to the extent that the foregoing has no effect to the ability of the new company to perform its obligations under this Agreement. 4. Upon occurrence of the PURCHASER's failure referred to in paragraph 3 of this Article, the following procedures must be undertaken by PLN:

	a. SELLER may issue a Notice to the PURCHASER concerning the PURCHASER's defaults ("Notice of Remedy"). b. Within a maximum of 30 calendar days following the receipt of Notice of Remedy, PURCHASER shall settle all its obligations under the Agreement. c. In the event that the PURCHASER is unable to settle its obligations referred to in paragraph 4 (b) and/or in the absence of agreement between the Parties, SELLER shall have the right to terminate the Agreement. d. In the event that the termination of Agreement referred to in paragraph 4(c) occurs in the following period: i. The 1st to 8th year since the Commercial Operation Date, the PURCHASER shall be obligated to purchase the Project and pay to the Seller the Project Termination Price as stipulated in the Agreement; ii. The 9th to 20th year since the Commercial Operation Date, the Agreement shall terminate without causing any obligation from one party to another Party, and therefore, SELLER shall have no right to file any claim, damages, or compensation in any form whatsoever to the PURCHASER, e. Upon termination of this Agreement, in the event that the PURCHASER purchases the Project and pays the Project Termination Price referred to in paragraph 4 (d), the SELLER shall be obligated to transfer the ownership of the Project to PLN or Other Party appointed by the PURCHASER. Whereas the PURCHASER, at its own discretion and preference, may undertake the acquisition by way of transfer of shares from the SELLER's Shareholders or by way of transfer of ownership of the Project's assets according to the procedures set forth in the Agreement. 5. Termination of Agreement due to other causes: a. PURCHASER shall have the right to Terminate the Agreement by issuing a notice of termination to the SELLER, if the conditions precedent to the Financing Date are not/are not yet satisfied within a period of no later than 18 months subsequent to the Execution Date, except to the extent that such failure to meet the conditions precedents are caused by a Force Majeure, excluding, however, the SELLER's failure to acquire land for the purpose of the Project, the Agreement shall terminate on the date stated on the Notice of Termination without giving rise to any obligations from one Party to another Party, except the PURCHASER's right to liquidate the Phase I Performance Bond. b. PURCHASER or SELLER may Terminate the Agreement in the event (i) an authorized Government Institution issues a decision in any form whatsoever, including directives, order, decision, regulation, to revoke the appointment of the SELLER to manage electricity from the SELLER's power plant and/or (ii) the existence of any provisions of the law or the Government policy that forbid the enforcement of this Agreement, in which case the Agreement shall automatically terminate on the date of revocation of appointment, cancellation of assignment or enactment of the regulation, and none of the Parties shall be responsible to the other Party for termination of Agreement under this paragraph. c. PURCHASER or SELLER may terminate the Agreement due to Force Majeure, if such Force Majeure continues for 180 consecutive calendar days, by written notice to the other Party. 6. Consequences of Termination and Payment of Performance Bonds: a. In the event of Termination of Agreement due to the SELLER's failure to achieve the Financing Date, the PURCHASER shall have the right to liquidate the Phase I Performance Bond; b. In the event of Termination of Agreement in the period subsequent to the Financing Date until prior to the Power Plant's Commercial Operation Date caused by the SELLER's defaults, the PURCHASER shall have the right to liquidate the Phase II Performance Bond; 7. In the event of termination of Agreement, the Parties agree to waive the provisions of Article 1266 of Civil Code applicable to this Agreement, termination may be performed

		legally and sufficiently with a written notice without having to wait for a judgment from a judge; 8. The Party terminating the Agreement shall be held harmless from any legal claims from the other Party arising from the termination of this Agreement, and therefore shall be the full responsibility of the Terminated Party; 9. If there are unsettled liabilities from one Party to another Party at the time the Agreement terminates, the Party having such liabilities shall remain liable for all liabilities incurred prior to the termination of this Agreement, in accordance with the provisions of this Agreement; 10. In the event that the Agreement terminates due to the SELLER's defaults referred to in paragraph 1 of this Article, PLN shall issue a recommendation to revoke the relevant licenses to the Regional Government and the relevant Institution, and announce the termination of the Agreement in the media.
Governing Law	:	Republic of Indonesia
Dispute Settlement	:	1. In the event of a dispute between the Parties in connection with the enforcement of this Agreement, the Party acknowledging such dispute shall notify the occurrence of such dispute in writing to the other Party and the Parties shall endeavor to settle the dispute in amicable settlement within a period of 30 calendar days following such notice. 2. In the event that the settlement period referred to in paragraph 1 of this Article has passed and the dispute cannot be resolved by amicable settlement referred to in paragraph 1 of this Article, the Parties agree to settle such dispute at BANI Arbitration Center (<i>Badan Arbitrase Nasional Indonesia</i>, "BANI"), which domiciles in Jakarta, and which awards are final and binding;
Description	:	a. The language used in this Agreement shall be the Indonesian Language, in the event that the Agreement is required for the purpose of financing/funding, SELLER may, at its own expense, translate the agreement into the English Language. However, the Parties agree that such translation shall not binding and shall not have any legal force. b. The Project Schedule stipulated in the Agreement is as follows: • Execution Date: June 27, 2016 • Financial Closure Date September 27, 2017 • Financing Date December 31, 2019 • Plant's Commercial Operation Date Target March 31, 2022.

CREDIT AGREEMENTS

PT Energy Sakti Sentosa

Investment Credit Agreement Number CRO.KP/256/KI.2017 stipulated in the Deed of Investment Credit Agreement Number: 42 dated December 15, 2017, drawn up before Wenda Taurusita Amidjaja, S.H., a Notary in Jakarta, as amended by the First (1st) Addendum to Investment Credit Agreement pursuant to the letter Number TIO.CRO/CCL.1233/ADD/2018 dated December 20, 2018

The Parties	:	a. PT ESS ("First Party") b. PT Bank Mandiri (Persero) Tbk. ("Second Party")
Object of Agreement	:	The Second Party grants an on-revolving investment credit facility to the First Party The purpose of the Investment Credit Agreement is to finance Pakkat 3x6 MW Hydroelectric Power Plant's (HPP) existing assets in Nanggumba Village, Pakkat District, Humbang Hasundutan Regency, North Sumatra Province.
Amount	:	a. <u>Credit Facility Limit</u> US\$31,000,000 (thirty one million United States Dollars) b. <u>Interest</u>: 5.75% (five point seventy five percent) per annum
Term	:	87 (eighty seven) months, effective from the execution date of the Credit Agreement, i.e., December 15, 2017, until March 14, 2025, including a 3-month (three-month) availability period.
Covenants	:	a. To assume other debt agreements, encumbrances, or liabilities, or pledge, in any form whatsoever, the Company's assets, including rights over receivables, with other parties in the future.

	b. To conduct a merger, acquisition, to sell asset in the amount exceeding Rp2,000,000,000 (two billion Rupiah), to incur or change its capital structure, shareholder, and shareholder composition, with the exception of: - Changes in management composition (Board of Directors and Board of Commissioners), to the extent that the new member of management is not registered in Bank Indonesia's blacklist, are allowed by providing a written notice to the Second Party by no later than 14 calendar days subsequent to the GMS in which such changes are made; - Changes in share ownership where the Maknawi family remains as the ultimate majority shareholder are allowed by providing a written notice to the Second Party by no later than 14 calendar days subsequent to the GMS in which such changes are made; - Increase in authorized capital or paid-up capital is allowed by providing a written notice to the Second Party by no later than 14 (fourteen) calendar days subsequent to the GMS in which such changes are made; c. Obtain any credit facility or loans from other banks with the same purpose of use as the credit facility from the Second Party; d. Enter into an arrangement, agreement, or other documents that are contrary to the Credit Agreement and/or collateral document; e. Transfer the collateral objects; f. Fully repay any shareholder loans; g. Subscribe to any capital/equity for non-business interests and personal interests.
Collaterals	a. Fixed Asset Collaterals i. The financed Project, including land, buildings, and machineries of Pakkat Hydroelectric Power Plant (HPP), with the evidence of ownership in the form of HGB Certificates number 3, 4, 5, 6, 7, 8, 9 under the name of the First Party and 2 (two) certificates that are in the process of issuance, resulting in a total land area of 66,408 m² (sixty six thousand four hundred and eight square meters), and machineries with the evidence of ownerships in the form of invoices that shall be charged with an Encumbrance in a minimum amount of Rp515,161,280,000 (five hundred fifteen billion one hundred sixty one million two hundred eighty thousand Rupiah), supported by the Power to Sell from the First Party Specifically for HGB Certificates Number 3, 4, 5, 6, 7, 8, 9 which shall be charged with Mortgage Right in the amount of Rp514,151,420,000 (five hundred fourteen billion one hundred fifty one million four hundred twenty thousand Rupiah). For the 2 (two) certificates in process, upon issuance such certificates shall be charged with Mortgage Right in the amount of Rp1,009,860,000 (one billion nine million eight hundred sixty thousand Rupiah); ii. Land with a total area of 13,140 m² (thirteen thousand one hundred forty square meters) with evidence of ownership in the form of Freehold Title certificate Number 15041/Benoa, located in Jalan Bypass Nusa Dua, Benoa, Kuta Selatan, Badung Regency, Bali, which shall be charged with Mortgage Right in the amount of Rp152,000,000,000 (one hundred fifty two billion Rupiah); and iii. Land and building with a total area of 66 m² (sixty six square meters)/255 m² (two hundred fifty five square meters) with evidence of ownership in the form of Freehold Title Certificate Number 155/Petojo Selatan, located at Jalan Majapahit Number 26Q and 26R, Petojo Selatan, Gambir, Central Jakarta, which shall be charged with Mortgage Right in the amount of Rp5,000,000,000 (fifty five billion Rupiah). The collaterals supported by evidence of ownership in the form of Freehold Title Certificate Number 5041/Benoa and Freehold Title Certificate Number 155/Petojo Selatan are replacement collaterals considering the issuance of the 2 certificates for the land in Pakkat Area is still pending; and the Air Putih Hydroelectric Power Plant (HPP) owned by PT Bangun Tirta Lestari (the First Party's business group). b. Non-Fixed Asset Collaterals Receivables from Perusahaan Listrik Negara, which shall be charged with Fiduciary Liens in the amount of Rp18,000,000,000 (eighteen billion Rupiah). c. Others i. Personal Guarantee and Cash Deficit Guarantee under the name of Henry Maknawi; ii. Right of claim over insurance claims, which shall be charged with fiduciary lien totaling Rp412,300,000,000 (fourteen and twelve billion three hundred million Rupiah); iii. Cash at the US\$ (US Dollar) Escrow Current Account) in the amount equal to 3 (three) installments and 3 (three) interest payment for the following months; iv. Pledge of the First Party's shares;

		v. Assignment of step-in right, which include the assignment of irrevocable power of attorney to the Second Party to appoint a third party as the operator of Pakkat Hydroelectric Power Plant (HPP).
Description	:	-

Financing Agreement

a. Multifinancing Agreement - Purchase with Installment Payments dated September 18, 2017

The Parties	:	1. PT ESS ("Debtor") 2. PT BCA Finance ("Creditor")
Object of Agreement	:	Creditor agrees to grant a consumer financing facility to the Debtor at the amount, term, interest rate, and terms and conditions set forth in the Agreement ("Financing Facility").
Financing Value	:	Rp552,048,000 (five hundred fifty two million forty eight thousand Rupiah)
Purpose and Sources of Financing	:	Debtor shall use the Financing Facility to finance the purchase of motor vehicle
Interest Rate	:	4.10% flat p.a. or equal to 8.00% effective p.a.
Term	:	48 (forty-eight) months/48 (forty-eight) installments
Rights and Obligations	:	A. Creditor's Rights - Creditor shall have the right to confirm the purchase or order of the object and/or objects, and, if deemed necessary, carry out the order of object and/or objects to the seller; - During and as long as the debt liabilities remain outstanding, the creditor shall have the right to apply, receive, obtain, store, and administer all ownership document of the object and/or collaterals, prepare, made to be prepared, and sign any receipt of ownership documents of such object and/or collateral. B. Debtor's Obligations - The model/brand/type of the object or collateral object which procurement is financed by this Financing Facility, and the seller from which such object or collateral object is bought, selected, and determined by Debtor until a sale and purchase transaction occurs upon agreement between the Debtor (buyer) and the seller/supplier/dealer, accordingly, the history of ownership of the vehicle, quality or flaw or defect of the product of the object or collateral object which procurement is financed by this Financing Facility are beyond the control and responsibility of the Creditor; <i>Debtor hereby represent not to cite reasons of condition, history of ownership, quality, flaw, and product defect as counterclaim, opposition, and grounds to postpone or to refrain from paying the installment obligations to the Creditor.</i> - Delivery of object or collateral object shall be carried out by the seller/supplier/dealer to the Debtor/Debtor's representative. Therefore, Debtor is responsible for the accuracy of specification and the condition of goods received. - Debtor shall be continuously obligated to undertake reasonable and proper maintenance of the object or collateral object, perform maintenance/repair at the appointed/recommended authorized workshops and according to the procedures and usage and maintenance manuals issued by the manufacturer of the object or collateral object.
Collateral	:	Type : Passenger Car Brand : Hyundai Type : H1 Royale Gas NG A/T LTD Year : 2017 Condition : New Total : 1 (one) Certificate of : ESS Motor Vehicle Ownership under the name of Seller : PT Hyundai Mobil Indonesia
Default	:	Debtor may be declared in default if the following events or conditions occur: - Debtor fails to perform the obligations arising from this agreement; - Debtor fails to perform its debt payment obligations, either the principal, interest or any other expenses arising from this agreement or any other agreements entered into and signed by the Creditor and Debtor; - Debtor is declared to be in default under an agreement or debt payment obligations to a banking institution or other consumer financing institutions; - Debtor is involved in a civil, criminal, or state administrative proceedings, which may result in the Debtor being ordered to pay liabilities or damages in the amount that the

		Creditor deems to potentially affect the Debtor's ability to perform its debt payment obligations to the Creditor; e. Debtor or any third party files a petition for bankruptcy or suspension of debt payment obligations (<i>Penundaan Kewajiban Pembayaran Utang</i>, "PKPU"); f. Debtor is involved in a general criminal act or special criminal act, including but not limited to, an economic or financial criminal act, against the Creditor or any other third party; g. In the Creditor's opinion, the Debtor's financial condition, bonafidity, liquidity and solvency, have deteriorated such that they may hamper or prevent the Debtor's ability to perform its debt payment obligations; h. Part or all of the Debtor's assets are seized by any authorized institutions; i. The object or collateral object is destroyed, lost, or impaired in value such that it may affect the Debtor's ability to perform its debt payment obligations; j. In the event of evidence or indication demonstrating that the date, information, and representations used as the basis to grant the Financing Facility is false or untrue.
Covenants	:	Without prior approval from Creditor, Debtor is prohibited to enter into any arrangement/agreement to lease, transfer, sell, charge, or enter into any agreement that shall cause the transfer of ownership or control over the object or collateral object and the replacement of Debtor's position as the party in debt under this agreement to other party.
Governing Law	:	Republic of Indonesia
Dispute Settlement	:	South Jakarta District Court.
Description	:	-

2. Financing Agreement No. 0001700589 dated March 17, 2017

The Parties	:	a. PT ESS ("Debtor") b. PT Mandiri Tunas Finance ("Creditor")
Object of Agreement	:	Creditor grants a financing facility for the procurement of goods and/or service (" Financing Facility ").
Financing Value	:	Rp287,175,000 (two hundred eighty seven million one hundred seventy five thousand Rupiah)
Purpose and Sources of Financing	:	Debtor shall use the Financing Facility to finance the purchase of motor vehicle
Interest Rate	:	6.22% flat p.a. or equal to 12.17% effective p.a.
Term	:	36 (thirty-six) months/36 (thirty-six) installments
Rights and Obligations	:	- Debtor shall repay the Financing Facility received by Debtor through installment payments and/or the full amount of the outstanding balance, which shall be made on time according to the agreement. - In the event that Debtor has repaid the entire installments and other liabilities, the Creditor shall submit the collateral document in the form of BPKB to the Debtor immediately within 3 (three) business days subsequent to the repayment of the outstanding liabilities. Debtor shall pay the cost of safekeeping the BPKB to Creditor, which shall be calculated from 90 (ninety) calendar days after the Financial Facility is declared to be fully paid by the Creditor.
Collateral	:	Brand : Toyota HiLux-Double Cabin 2.5 G 4X4 M/T Type : Toyota/Jeep Year : 2017 Condition : New Total : 1 (one) Certificate of : ESS Motor Vehicle Ownership under the name of
Default	:	1. Debtor fails to pay the installments and/or in the event of payment of installments in the amount lower or less than the amount of installment that shall be paid to the Creditor under the agreement, which shall be proven solely by the elapse of time. 2. Debtor fails to comply with or carry out a provision or other requirements that are expressly stipulated in the agreement. 3. If, in the Creditor's opinion, the Debtor's financial condition, bonafidity, and solvency have deteriorated such that the Debtor is unable to pay the installments and/or the outstanding liabilities. 4. If the company is liquidated, or sued for liquidation, or suspended. 5. If Debtor files a petition for bankruptcy or is declared bankrupt, or file a petition for suspension of debt payment obligations or due to any reasons whatsoever no longer has the right to manage and control its assets, or is declared to be under custodianship, or a petition for bankruptcy is filed against the Debtor.

	:	6. If any civil claim is filed against the Debtor, or the declaration as a suspect in a criminal case and/or a judgment of the case is available. 7. If part or all of the Debtor's assets are seized. 8. If the object is partially or fully destroyed, or the right to control terminates, or the object is seized by the authorized party. 9. If the representations, documents, information provided by Debtor to Creditor is proven to be false or untrue.
Covenants	:	-
Governing Law	:	Republic of Indonesia
Dispute Settlement	:	
Description	:	-

Amendment and Restatement of Promissory Note Agreement dated March 29, 2019

The Parties	:	a. PT Paramata Indah Lestari (" First Party ") b. PT ESS (" Second Party ")
Object of Agreement	:	The First Party grants a loan to the Second Party.
Amount	:	Rp8,276,130,497 (eight billion two hundred seventy six million one hundred thirty thousand four hundred ninety seven Rupiah)
Interest	:	6.15% (six point fifteen percent) per annum
Term	:	April 1, 2019 up to December 31, 2020
Rights and Obligations	:	The Second Party shall pay/repay all the following debts, including the interest thereof, to the First Party, upon expiry of this agreement, namely on December 31, 2010, or any other date as agreed by the parties.
Default	:	-
Covenants	:	-
Governing Law	:	-
Dispute Settlement	:	Amicable Settlement
Description	:	-

PT Bangun Tirta Lestari

Credit Agreement

- Investment Credit Agreement Number CRO.KP/292/KI/2017 stipulated in the Deed of Credit Agreement Number 128 dated December 19, 2017, drawn up before Wenda Taurusita Amidjaja, S.H., a Notary in Jakarta, as amended by the First Amendment to Investment Credit Agreement Number CRO.KP/292/KI/2017, Deed Number 128 dated December 19, 2017, drawn up before Wenda Taurusita Amidjaja, S.H., a Notary in Jakarta, with respect to the changes in covenants.

The Parties	:	1. PT BTL (" Debtor "); 2. PT Bank Mandiri (Persero) Tbk (" Bank ")
Object of Agreement	:	1. Non-revolving Investment Credit Facility used to finance the construction of Air Putih 3 x 7 MW Hydroelectric Power Plant located in Ladang Palembang Village, Lebong Utara District, Lebong Regency, Bengkulu, on a club deal basis with PT Sarana Multi Infrastruktur (Persero) (" PT SMI "); Total project investment value of US\$50,441,353.00 (fifty million four hundred forty one thousand three hundred fifty three United States Dollars) equivalent to Rp670,870,000,000.- (six hundred seventy billion eight hundred seventy million), with the following financing portions: a. Bank, in the amount of US\$21,000,000.- (twenty one million United States Dollars) equivalent to Rp279,300,000,000.- (two hundred seventy nine billion three hundred million Rupiah); b. PT SMI, in the amount of Rp190,000,000,000.- (one hundred ninety billion Rupiah). Non-Cash Loan Facility is granted in the form of Uncommitted, Advised and Non-Revolving LC/Local LC at Sight / Usance / Usance Payable at Sight (UPAS). Non-Cash Loan Facility may be used solely for the purpose of opening LC/Local LC at Sight / Usance / Usance Payable at Sight (UPAS) in connection with project financing, including purchases of machineries.
Amount	:	Credit Facility Limit USD21,000,000,000, Non-Cash Loan Facility sub-limit of US\$3,000,000.
Term	:	1. Credit Facility: 97 (ninety seven) months, effective from the December 19, 2017, until January 18, 2025, including a 20-month (three-month) availability period.

		2. Non-Cash Loan Facility: 20 (twenty) months, effective from the December 19, 2017, until August 19, 2019
Covenants	:	Debtor is prohibited from undertaking any of the followings without prior written approval from the Bank, for the period where all liabilities that arise and payable by the Debtor under the agreement and/or other agreements that form an integral part of the agreement, are not fully repaid: 1. To assume other debt agreements, encumbrances, or liabilities, or pledge, in any form whatsoever, the Company's assets, including rights over receivables, with other parties in the future. 2. To conduct a merger, acquisition, to sell asset in the amount exceeding Rp2,000,000,000 (two billion Rupiah), to incur or change its capital structure, shareholder, and shareholder composition, with the exception of: a. Changes in management composition (Board of Directors and Board of Commissioners), to the extent that the new member of management is not registered in Bank Indonesia's blacklist, are allowed by providing a written notice to the Bank by no later than 14 calendar days subsequent to the GMS in which such changes are made; b. Changes in share ownership where the Maknawi family remains as the ultimate majority shareholder are allowed by providing a written notice to the Bank by no later than 14 calendar days subsequent to the GMS in which such changes are made; c. Increase in authorized capital or paid-up capital is allowed by providing a written notice to the Bank by no later than 14 calendar days subsequent to the GMS in which such changes are made; 3. Obtain credit facilities or loans from other bank with the same purpose of use as the credit facility from the Bank, with the exception of additional limit from PT Sarana Multi Infrastruktur (Persero), resulting in a credit limit of US\$20,000,000 (twenty million United States Dollars); 4. Enter into an arrangement, agreement, or other documents that are contrary to the Credit Agreement and/or collateral document; 5. Transfer the collateral objects; 6. Fully repay any of Debtor's shareholder loans; 7. Subscribe to any capital/equity for non-business interests and personal interests.
Description	:	1. Under the First Amendment, in the event of failure to complete the Initial Public Offering of PT Kencana Energi Lestari Tbk, the applicable credit terms and conditions shall refer to the Investment Credit Agreement Number CRO.KP/292/KI/2017 No. 128 dated December 19, 2017.

2. The Financing Agreement stipulated in the Deed of Financing Agreement Number 130 dated December 19, 2017, drawn up before Wenda Taurisita Amidjaja, S.H., a Notary in Jakarta, as amended by the First Amendment Agreement to Financing Agreement Number PERJ-009/SMI/0219 dated February 8, 2019, an Second Amendment Agreement to Financing Agreement Number PERJ-028/SMI/0419 dated April 9, 2019 ("**Financing Agreement**")

The Parties	:	1. PT BTL ("Debtor"); 2. PT Sarana Multi Infrastruktur (Persero)
Object of Agreement	:	United States Dollar denominated Investment Financing Facility with a maximum limit of US\$20,000,000. The nature of this financing is non-revolving and available credit balance arising from payment/repayment of loan principal that cannot be drawn/used
Amount	:	US\$20,000,000
Term	:	99 Months since the execution date of the Financing Agreement, including grace period
Covenants	:	1. Enter into/assume any new loans/credit facilities from banks/financial institutions or other third parties that give rise to debtor's obligations to other parties, including but not limited to the issuance of bonds, medium term notes, convertible bonds, or other debt securities, except for loans from Debtor's shareholder(s) for the purpose of self-financing, and/or top up of cash deficiency, and loans for normal operations and course of business in a reasonable amount; 2. Change the Debtor's share ownership structure, or undertake the sale and purchase of Debtor's share ownership; 3. Conduct a divestment, merger, consolidation, and/or acquisition of part/all shares of other companies;

		4. Sell and transfer all or part of Debtor's assets, both movable and immovable assets, and or the financed project to other parties; 5. Grant loans/credit facilities to other parties, including but not limited to shareholders and their affiliates, except for the Debtor's normal operation and course of business and employee loans; 6. Sell, dispose, or otherwise transfer part or all of the Debtor's assets that are pledged as collaterals; 7. Assign/transfer part or all of the Debtor's rights or obligations that arise from the Financing Agreement to any other party; 8. Change the Debtor's current form, legal status, and scope of business; 9. Place new investments or interests in other companies; 10. Bind itself as a guarantor or underwriter in any form and under any name whatsoever on behalf of other party, or pledge the company's assets to any other party; 11. File a petition for the company's dissolution, liquidation, or petition for bankruptcy or suspension of debt payment obligation to the authorized institutions; 12. Transfer, pledge, offset liabilities or take any other legal action causing the transfer of the Debtor's receivables that are charged with fiduciary lien; 13. Use the financing facility for purposes other than the intended purpose; 14. Pay or repay loans to the Debtor's shareholders and/or affiliates and/or guarantor with respect to loans that are currently existing and/or will exist in the future, whether in terms of principal, interest, and other payable sums. 15. Transfer or sell the Debtor's shares such that Mr. Henry Maknawi and family (including children and wife) no longer remain as the ultimate majority and controlling shareholders in directing the Debtor's business policies, or cause their direct or indirect share ownership to be less than 41.4%. 16. Withdraw and/or transfer funds from the collection account, debt service account, debt service reserve account, operational account, and excess cash account, other than the withdrawals and/or transfers stipulated in the escrow account management agreement. 17. Enter into/create other power purchasing agreement with PT PLN, other than the power purchase agreement for the financed project;
Description	:	1. PT BTL and the Creditor signed a Mutual Agreement dated April 9, 2019, to agree on the followings: i. PT BTL shall be obligated to notify the Creditor in writing within a period of 5 (five) business days in the event that the Initial Public Offering (IPO) and the change into a public company (listed on the Indonesia Stock Exchange (IDX)) of PT Kencana Energi Lestari, Tbk is not accomplished. ii. In the event that the IPO and registration on the IDX are not accomplished, PT BTL shall be obligated to enter into and sign the amendment to Financing Agreement to arrange the enforcement of negative covenants, which essentially read as follows: "without prior approval from the Creditor, effective from the date of Financing Agreement until the repayment of all Debtor's outstanding obligations to the Creditor, the Debtor shall be prohibited from, among others, including but not limited to, distributing dividends to shareholders."

Financing Agreements

1. Investment Financing Agreement with Sale and Leaseback Facility dated October 14, 2016, Number 13.30.16.00261

The Parties	:	1. BTL ("Lessee") 2. PT Chandra Sakti Utama Leasing ("Lessor")																								
Object of Agreement	:	Lessee requires financing for capital goods, and Lessor agree to grant a financing facility in the form of investment financing with sale and leaseback facility to the Lessee consisting of financing of capital goods facility, according to the specifications, details, and data set forth in this agreement.																								
Financing Value	:	<table> <tr> <td>Purchase Price</td><td>:</td><td>Rp1,636,000,000</td></tr> <tr> <td>Guarantee Deposit</td><td>:</td><td>Rp490,800,000</td></tr> <tr> <td>Residual Value</td><td>:</td><td>Rp490,800,000</td></tr> <tr> <td>Annual Insurance Premium</td><td>:</td><td>Rp40,950,000</td></tr> <tr> <td>Administrative expenses</td><td>:</td><td>Rp5,000,000</td></tr> <tr> <td>Financing Value</td><td>:</td><td>Rp1,145,200,000</td></tr> <tr> <td>Lease payment/month</td><td>:</td><td>Rp39,209,000</td></tr> <tr> <td>Total lease payments</td><td>:</td><td>Rp1,411,524,000</td></tr> </table>	Purchase Price	:	Rp1,636,000,000	Guarantee Deposit	:	Rp490,800,000	Residual Value	:	Rp490,800,000	Annual Insurance Premium	:	Rp40,950,000	Administrative expenses	:	Rp5,000,000	Financing Value	:	Rp1,145,200,000	Lease payment/month	:	Rp39,209,000	Total lease payments	:	Rp1,411,524,000
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Financing Value	:	Rp1,145,200,000																								
Lease payment/month	:	Rp39,209,000																								
Total lease payments	:	Rp1,411,524,000																								
Purpose and Sources of Financing	:	Financing of capital goods																								
Interest Rate	:	-																								
Term	:	1. The agreement is valid from the signing of the agreement until all of the Lessee's obligations to the Lessor are fulfilled 2. Lease Period: 36 months																								
Rights and Obligations	:	A. Lessor's Rights and Obligations 1. Lessor shall have the right to use all financing value as a basis to calculate any damages that the Lessee is obligated to pay to the Lessor under this agreement. 2. Lessor shall have the right to withhold and control the guarantee deposit, on the condition that such guarantee deposit represents a guarantee for the Lessee's compliance and ability to perform all terms, conditions, and provisions of this agreement. 3. Lessor shall have the right to receive lease payments from the Lessee according to the schedule set in the agreement; 4. Lessor shall have the right to obtain the Lessee's documents according to the terms of the agreement and the applicable terms of the Lessor; 5. Lessor shall be obligated to provide a financing facility; 6. Lessor shall have the right to provide information concerning the financing facility; 7. Lessor shall have the right to provide the documents related to the financing facility to the Lessee, consisting of: (i) the original/copy of agreement signed by the parties; and (ii) collateral documents and/or other documents (if any) when the agreement is fully repaid. B. Lessee's Rights and Obligations 1. Lessee shall be obligated to pay the costs stipulated under this agreement. 2. Lessee shall be obligated to pay the lease payments to the Lessor under this agreement without requiring any prior notice or collection in any way whatsoever from the Lessor to the Lessee. 3. Lessee shall be obligated to pay the lease payments in the amount, currency, and according to the payment procedures and schedules stipulated in the agreement. 4. Lessee, at its own expense, shall be obligated to insure or maintain an insurance on the object, with all risks insurance or any other insurance as deemed necessary by the Lessor, against all of the Lessor's risks, at the insurance company and re-insurance companies partnering with the Lessor, or in the event that the closing of insurance is made by the Lessee, with prior approval from the Lessor. 5. Lessee shall have the right to receive a financing facility; 6. Lessee shall have the right to receive information regarding the financing facility; 7. Lessee shall have the obligation to pay lease payments according to the schedule set in the agreement; 8. Lessee shall have the obligation to submit the financing facility disbursement documents required by the Lessor; 9. Lessee shall have the obligation to utilize the financing facility in accordance with the purpose of financing; 10. Lessee shall have the obligation to pay all tax obligations according to the prevailing regulations; 11. Lessee shall have the obligation to submit other documents as requested by the Lessor from time to time, which shall be requested in accordance with the Lessor's																								

		requirements; 12. Lessee shall have the obligation to pay various obligations arising from various facilities or services provided by other parties in an orderly and regular manner; 13. Lessee shall have the obligation to pay all taxes, levies, or other duties imposed by the customary authorized institutions in connection with this agreement, in an accurate and regular manner.
Collateral	:	-
Default	:	1. Lessee fails to fulfill the document requirements or other requirements stipulated by the Lessor, which constitute the requirements to grant the financing facility to the Lessee 2. On the respective payment date, the Lessee fails to make the lease payments, or other obligations stipulated in this agreement; 3. One or more warranties or representations made by Lessee in this agreement are proven to be untrue; 4. Lessee breaches, takes no action or allows to be breached, one or more provisions of this agreement or agreements entered into by the parties; 5. The object is sold, assigned, transferred in any way or form whatsoever, partially or fully leased, licensed, pledged as collateral by, among others, ownership, charge of lien, mortgage right, encumbrance, fiduciary lien, or otherwise disposed, either directly in directly, or the Lessee approves, offers, endeavors or intends to do so, or in other words charge or allow any lien, encumbrance, mortgage right, fiduciary lien, or preferential claim or encumbrance over any interest in this agreement or to the object, in whole or in part, to any other party without the Lessor's prior approval, or abandoned or used in a manner that is contrary to the provision of this agreement; 6. Lessee or guarantor (if any) files a petition for bankruptcy, suspension of debt payment obligations, or liquidation; 7. Lessee or guarantor (if any) is forced into bankruptcy, suspension of debt payment obligations, or liquidation by other parties, or is liquidated by law; 8. Guarantor who is a natural person (if any) is deceased; 9. The objects or assets pledged as collateral (if any) under this agreement or agreements, are confiscated or seized by other parties due to any reason whatsoever; 10. Lessee, for any reason whatsoever, is no longer able to carry out its business; 11. Lessee, including its management, supervisors, shareholders (if Lessee is a business entity) and/or guarantor (if any) is involved in any criminal or civil proceedings; 12. Lessee undertakes a merger or amalgamation or is acquired by other company, without the Lessor's written approval, and/or; 13. Lessee and/or guarantor is negligent or in default under the existing agreements between the Lessor and the Lessee and/or guarantor; 14. Lessee is indicated to be involved in a suspicious financial transactions referred to in the Law Number 8 of 2010 on Prevention and Eradication of Money Laundering Criminal Act and the implementing regulations thereof; 15. Lessee is indicated to be involved in terrorism financing referred to in the Law Number 9 of 2013 on Prevention and Eradication of Terrorism Financing Criminal Act and the implementing regulations thereof;
Covenants	:	Lessee is prohibited from transferring any rights, obligations, and interests under the agreement to any other party without Lessor's prior written approval.
Governing Law	:	The Law of the Republic of Indonesia
Dispute Settlement	:	1. Amicable settlement 2. District court which jurisdiction include the place of domicile of the Lessor or the Lessors' branch or any other jurisdiction appointed by the Lessor as the jurisdiction to settle dispute among the parties arising in connection with the agreement and the enforcement thereof.
Description	:	-

2. Investment Financing Agreement with Sale and Leaseback Facility dated October 14, 2016, Number 13.30.16.00260

The Parties	:	1. BTL ("Lessee") 2. PT Chandra Sakti Utama Leasing ("Lessor")
Object of Agreement	:	Lessee requires financing for capital goods, and Lessor agree to grant a financing facility in the form of investment financing with sale and leaseback facility to the Lessee consisting of financing of capital goods facility, according to the specifications, details, and data set forth in this agreement.
Financing Value	:	Purchase Price : 4,094,651,000 Guarantee Deposit : 1,228,395,300 Residual Value : 1,228,395,300

		Annual Insurance Premium : 40,996,510 Administrative expenses : 2,500,000 Financing Value : 2,866,255,700 Lease payment/month : 98,134,000 Total lease payments : 3,532,824,000
Purpose and Sources of Financing	:	Financing of capital goods
Interest Rate	:	-
Term	:	1. The agreement is valid from the signing of the agreement until all of the Lessee's obligations to the Lessor are fulfilled 2. Lease Period: 36 months
Rights and Obligations	:	A. Lessor's Rights and Obligations 1. Lessor shall have the right to use all financing value as a basis to calculate any damages that the Lessee is obligated to pay to the Lessor under this agreement. 2. Lessor shall have the right to withhold and control the guarantee deposit, on the condition that such guarantee deposit represents a guarantee for the Lessee's compliance and ability to perform all terms, conditions, and provisions of this agreement. 3. Lessor shall have the right to receive lease payments from the Lessee according to the schedule set in the agreement; 4. Lessor shall have the right to obtain the Lessee's documents according to the terms of the agreement and the applicable terms of the Lessor; 5. Lessor shall be obligated to provide a financing facility; 6. Lessor shall have the right to provide information concerning the financing facility; 7. Lessor shall have the right to provide the documents related to the financing facility to the Lessee, consisting of: (i) the original/copy of agreement signed by the parties; and (ii) collateral documents and/or other documents (if any) when the agreement is fully repaid. B. Lessee's Rights and Obligations 1. Lessee shall be obligated to pay the costs stipulated under this agreement. 2. Lessee shall be obligated to pay the lease payments to the Lessor under this agreement without requiring any prior notice or collection in any way whatsoever from the Lessor to the Lessee. 3. Lessee shall be obligated to pay the lease payments in the amount, currency, and according to the payment procedures and schedules stipulated in the agreement. 4. Lessee, at its own expense, shall be obligated to insure or maintain an insurance on the object, with all risks insurance or any other insurance as deemed necessary by the Lessor, against all of the Lessor's risks, at the insurance company and re-insurance companies partnering with the Lessor, or in the event that the closing of insurance is made by the Lessee, with prior approval from the Lessor. 5. Lessee shall have the right to receive a financing facility; 6. Lessee shall have the right to receive information regarding the financing facility; 7. Lessee shall have the obligation to pay lease payments according to the schedule set in the agreement; 8. Lessee shall have the obligation to submit the financing facility disbursement documents required by the Lessor; 9. Lessee shall have the obligation to utilize the financing facility in accordance with the purpose of financing; 10. Lessee shall have the obligation to pay all tax obligations according to the prevailing regulations; 11. Lessee shall have the obligation to submit other documents as requested by the Lessor from time to time, which shall be requested in accordance with the Lessor's requirements; 12. Lessee shall have the obligation to pay various obligations arising from various facilities or services provided by other parties in an orderly and regular manner; 13. Lessee shall have the obligation to pay all taxes, levies, or other duties imposed by the customary authorized institutions in connection with this agreement, in an accurate and regular manner.
Collateral	:	-
Default	:	1. Lessee fails to fulfill the document requirements or other requirements stipulated by the Lessor, which constitute the requirements to grant the financing facility to the Lessee 2. On the respective payment date, the Lessee fails to make the lease payments, or other obligations stipulated in this agreement; 3. One or more warranties or representations made by Lessee in this agreement are proven to be untrue; 4. Lessee breaches, takes no action or allows to be breached, one or more provisions

		of this agreement or agreements entered into by the parties; 5. The object is sold, assigned, transferred in any way or form whatsoever, partially or fully leased, licensed, pledged as collateral by, among others, ownership, charge of lien, mortgage right, encumbrance, fiduciary lien, or otherwise disposed, either directly or indirectly, or the Lessee approves, offers, endeavors or intends to do so, or in other words charge or allow any lien, encumbrance, mortgage right, fiduciary lien, or preferential claim or encumbrance over any interest in this agreement or to the object, in whole or in part, to any other party without the Lessor's prior approval, or abandoned or used in a manner that is contrary to the provision of this agreement; 6. Lessee or guarantor (if any) files a petition for bankruptcy, suspension of debt payment obligations, or liquidation; 7. Lessee or guarantor (if any) is forced into bankruptcy, suspension of debt payment obligations, or liquidation by other parties, or is liquidated by law; 8. Guarantor who is a natural person (if any) is deceased; 9. The objects or assets pledged as collateral (if any) under this agreement or agreements, are confiscated or seized by other parties due to any reason whatsoever; 10. Lessee, for any reason whatsoever, is no longer able to carry out its business; 11. Lessee, including its management, supervisors, shareholders (if Lessee is a business entity) and/or guarantor (if any) is involved in any criminal or civil proceedings; 12. Lessee undertakes a merger or amalgamation or is acquired by other company, without the Lessor's written approval, and/or; 13. Lessee and/or guarantor is negligent or in default under the existing agreements between the Lessor and the Lessee and/or guarantor; 14. Lessee is indicated to be involved in a suspicious financial transactions referred to in the Law Number 8 of 2010 on Prevention and Eradication of Money Laundering Criminal Act and the implementing regulations thereof; 15. Lessee is indicated to be involved in terrorism financing referred to in the Law Number 9 of 2013 on Prevention and Eradication of Terrorism Financing Criminal Act and the implementing regulations thereof;
Covenants	:	Lessee is prohibited from transferring any rights, obligations, and interests under the agreement to any other party without Lessor's prior written approval.
Governing Law	:	The Law of the Republic of Indonesia
Dispute Settlement	:	1. Amicable settlement 2. District court which jurisdiction include the place of domicile of the Lessor or the Lessors' branch or any other jurisdiction appointed by the Lessor as the jurisdiction to settle dispute among the parties arising in connection with the agreement and the enforcement thereof.
Description	:	-

3. Investment Financing Agreement with Sale and Leaseback Facility dated October 14, 2016, Number 13.30.16.00228

The Parties	:	1. BTL ("Lessee") 2. PT Chandra Sakti Utama Leasing ("Lessor")
Object of Agreement	:	Lessee requires financing for capital goods, and Lessor agree to grant a financing facility in the form of investment financing with sale and leaseback facility to the Lessee consisting of financing of capital goods facility, according to the specifications, details, and data set forth in this agreement.
Financing Value	:	Purchase Price : 6,650,185,000 Guarantee Deposit : 1,995,055,500 Residual Value : 1,995,055,500 Annual Insurance : 66,551,850 Premium Administrative expenses : 2,500,000 Financing Value : 4,655,129,500 Lease payment/month : 159,380,000 Total lease payments : 5,737,680,000
Purpose and Sources of Financing	:	Financing of capital goods
Interest Rate	:	-
Term	:	1. The agreement is valid from the signing of the agreement until all of the Lessee's obligations to the Lessor are fulfilled 2. Lease Period: 36 months
Rights and Obligations	:	A. Lessor's Rights and Obligations 1. Lessor shall have the right to use all financing value as a basis to calculate any damages that the Lessee is obligated to pay to the Lessor under this agreement. 2. Lessor shall have the right to withhold and control the guarantee deposit, on the

		condition that such guarantee deposit represents a guarantee for the Lessee's compliance and ability to perform all terms, conditions, and provisions of this agreement. 3. Lessor shall have the right to receive lease payments from the Lessee according to the schedule set in the agreement; 4. Lessor shall have the right to obtain the Lessee's documents according to the terms of the agreement and the applicable terms of the Lessor; 5. Lessor shall be obligated to provide a financing facility; 6. Lessor shall have the right to provide information concerning the financing facility; 7. Lessor shall have the right to provide the documents related to the financing facility to the Lessee, consisting of: (i) the original/copy of agreement signed by the parties; and (ii) collateral documents and/or other documents (if any) when the agreement is fully repaid. B. Lessee's Rights and Obligations 1. Lessee shall be obligated to pay the costs stipulated under this agreement. 2. Lessee shall be obligated to pay the lease payments to the Lessor under this agreement without requiring any prior notice or collection in any way whatsoever from the Lessor to the Lessee. 3. Lessee shall be obligated to pay the lease payments in the amount, currency, and according to the payment procedures and schedules stipulated in the agreement. 4. Lessee, at its own expense, shall be obligated to insure or maintain an insurance on the object, with all risks insurance or any other insurance as deemed necessary by the Lessor, against all of the Lessor's risks, at the insurance company and re-insurance companies partnering with the Lessor, or in the event that the closing of insurance is made by the Lessee, with prior approval from the Lessor. 5. Lessee shall have the right to receive a financing facility; 6. Lessee shall have the right to receive information regarding the financing facility; 7. Lessee shall have the obligation to pay lease payments according to the schedule set in the agreement; 8. Lessee shall have the obligation to submit the financing facility disbursement documents required by the Lessor; 9. Lessee shall have the obligation to utilize the financing facility in accordance with the purpose of financing; 10. Lessee shall have the obligation to pay all tax obligations according to the prevailing regulations; 11. Lessee shall have the obligation to submit other documents as requested by the Lessor from time to time, which shall be requested in accordance with the Lessor's requirements; 12. Lessee shall have the obligation to pay various obligations arising from various facilities or services provided by other parties in an orderly and regular manner; 13. Lessee shall have the obligation to pay all taxes, levies, or other duties imposed by the customary authorized institutions in connection with this agreement, in an accurate and regular manner.
Collateral	:	-
Default	:	1. Lessee fails to fulfill the document requirements or other requirements stipulated by the Lessor, which constitute the requirements to grant the financing facility to the Lessee 2. On the respective payment date, the Lessee fails to make the lease payments, or other obligations stipulated in this agreement; 3. One or more warranties or representations made by Lessee in this agreement are proven to be untrue; 4. Lessee breaches, takes no action or allows to be breached, one or more provisions of this agreement or agreements entered into by the parties; 5. The object is sold, assigned, transferred in any way or form whatsoever, partially or fully leased, licensed, pledged as collateral by, among others, ownership, charge of lien, mortgage right, encumbrance, fiduciary lien, or otherwise disposed, either directly in directly, or the Lessee approves, offers, endeavors or intends to do so, or in other words charge or allow any lien, encumbrance, mortgage right, fiduciary lien, or preferential claim or encumbrance over any interest in this agreement or to the object, in whole or in part, to any other party without the Lessor's prior approval, or abandoned or used in a manner that is contrary to the provision of this agreement; 6. Lessee or guarantor (if any) files a petition for bankruptcy, suspension of debt payment obligations, or liquidation; 7. Lessee or guarantor (if any) is forced into bankruptcy, suspension of debt payment obligations, or liquidation by other parties, or is liquidated by law; 8. Guarantor who is a natural person (if any) is deceased;

		9. The objects or assets pledged as collateral (if any) under this agreement or agreements, are confiscated or seized by other parties due to any reason whatsoever; 10. Lessee, for any reason whatsoever, is no longer able to carry out its business; 11. Lessee, including its management, supervisors, shareholders (if Lessee is a business entity) and/or guarantor (if any) is involved in any criminal or civil proceedings; 12. Lessee undertakes a merger or amalgamation or is acquired by other company, without the Lessor's written approval, and/or; 13. Lessee and/or guarantor is negligent or in default under the existing agreements between the Lessor and the Lessee and/or guarantor; 14. Lessee is indicated to be involved in a suspicious financial transactions referred to in the Law Number 8 of 2010 on Prevention and Eradication of Money Laundering Criminal Act and the implementing regulations thereof; 15. Lessee is indicated to be involved in terrorism financing referred to in the Law Number 9 of 2013 on Prevention and Eradication of Terrorism Financing Criminal Act and the implementing regulations thereof;
Covenants	:	1. Lessee is prohibited from transferring any rights, obligations, and interests under the agreement to any other party without Lessor's prior written approval.
Governing Law	:	The Law of the Republic of Indonesia
Dispute Settlement	:	1. Amicable settlement 2. District court which jurisdiction include the place of domicile of the Lessor or the Lessors' branch or any other jurisdiction appointed by the Lessor as the jurisdiction to settle dispute among the parties arising in connection with the agreement and the enforcement thereof.
Description	:	-

4. Multifinancing/Working Capital/Investment - Purchase Agreement with Installment Payments dated October 30, 2017

The Parties	:	1. PT BCA Finance (" Creditor ") 2. BTL (" Debtor ");
Object of Agreement	:	Creditor agrees to grant a consumer financing facility to the Debtor at the amount, term, interest rate, and terms and conditions set forth below.
Financing Value	:	Rp1,012,500,000
Purpose and Sources of Financing	:	1. Debtor shall use the financing facility to finance the purchase of object approved by the Creditor from the seller/sales agent/supplier/dealer; 2. Creditor shall have the rights and authorities to seek and determine the source of funds to provide the Financing Facility to the Debtor, including from a Financial Institution/banks, obtained by the Creditor under a Joint Financing Agreement or Assignment Agreement.
Interest Rate	:	3.5% flat p.a. or equal to 6.99% effective p.a.
Term	:	October 30, 2017 up to September 30, 2020
Rights and Obligations	:	1. Creditor shall have the right to confirm the purchase or order of the object and/or objects, and, if deemed necessary, carry out the order of object and/or objects to the seller; 2. During and as long as the debt liabilities remain outstanding, the creditor shall have the right to apply, receive, obtain, store, and administer all ownership document of the object and/or collaterals, prepare, made to be prepared, and sign any receipt of ownership documents of such object and/or collateral.
Collateral	:	-
Default	:	1. Debtor fails to perform the obligations arising from this agreement; 2. Debtor fails to perform its debt payment obligations, either the principal, interest or any other expenses arising from this agreement or any other agreements entered into and signed by the Creditor and Debtor; 3. Debtor is declared to be in default under an agreement or debt payment obligations to a banking institution or other consumer financing institutions; 4. Debtor is involved in a civil, criminal, or state administrative proceedings, which may result in the Debtor being ordered to pay liabilities or damages in the amount that the Creditor deems to potentially affect the Debtor's ability to perform its debt payment obligations to the Creditor; 5. Debtor or any third party files a petition for bankruptcy or suspension of debt payment obligations; 6. Debtor is involved in a general criminal act or special criminal act, including but not limited to, an economic or financial criminal act, against the Creditor or any other third party; 7. In the Creditor's opinion, the Debtor's financial condition, bonafidity, liquidity and solvency, have deteriorated such that they may hamper or prevent the Debtor's ability

		to perform its debt payment obligations; 8. Part or all of the Debtor's assets are seized by any authorized institutions; 9. The object or collateral object is destroyed, lost, or impaired in value such that it may affect the Debtor's ability to perform its debt payment obligations; 10. In the event of evidence or indication demonstrating that the date, information, and representations used as the basis to grant the Financing Facility is false or untrue.
Covenants	:	-
Governing Law	:	-
Dispute Settlement	:	The South Jakarta District Court Administration Office, without prejudice to the Creditor's rights to file claims/lawsuits against the Debtor and to perform execution in other district court in the Republic of Indonesia
Description	:	-

Amendment and Restatement of Promissory Note Agreement dated March 29, 2019

The Parties	:	1. PT Paramata Indah Lestari (" First Party ") 2. PT BTL (" Second Party ")
Object of Agreement	:	The First Party grants a loan to the Second Party.
Amount	:	Rp95,234,971,475 (ninety five billion two hundred thirty four million nine hundred seventy one thousand four hundred seventy five Rupiah)
Interest	:	6% (six percent)/annum
Term	:	April 1, 2019 up to December 31, 2020
Rights and Obligations	:	The Second Party shall pay/repay all the following debts, including the interest thereof, to the First Party, upon expiry of this agreement, namely on December 31, 2010, or any other date as agreed by the parties.
Default	:	-
Covenants	:	-
Governing Law	:	-
Dispute Settlement	:	Amicable Settlement
Description	:	-

PT Bangun Hidro Energi

The Parties	:	1. PT Kencana Energi Lestari (" Creditor "); 2. PT BHE (" Debtor ")
Object of Agreement	:	Creditor shall grant a Loan to the Debtor at the amount, term, and other terms and conditions set forth below.
Financing Value	:	Rp13,294,534,000
Purpose and Sources of Financing	:	1. Debtor shall use the proceeds from the Loan to fully repay shareholder loan to PT Nagata Dinamika
Interest Rate	:	-
Term	:	-
Rights and Obligations	:	1. Debtor agrees to, and shall, repay the amount disbursed with respect to the agreement, and any and all sums payable to the Creditor under the agreement, on the date agreed by the parties; 2. Debtor shall have the right, power, and full authority to sign the agreement and to perform its obligations hereunder; Debtor has obtained the required approvals and licenses, where the agreement shall be in full effect and effective form the date of this agreement; 3. As long as the Loan is not fully repaid, or as long as the debtor has any obligations under this agreement or under any document or instrument set forth in his agreement, or in any of such agreements, except upon written approval or instruction from the Creditor, the Debtor shall comply with the laws and regulations applicable to the debtor that are relevant to the performance of its obligations hereunder.
Collateral	:	-
Default	:	1. Debtor fails to pay the Creditor, any amount which the Debtor is obligated to pay under this agreement, when such amount matures and becomes payable; 2. Debtor fails to perform or on the contrary breaches any provision of this agreement, and such failure or breach continues without any effort of remedy for a period of 30 (thirty) days after the receipt of written notice from the creditor; 3. It becomes illegal for this agreement to continue in effect or for the debtor to perform any obligation under this agreement; 4. A disruption in Indonesia's or global financial market, economic or political conditions, or any adverse changes of circumstances, including but not limited to, any and all action taken by any and all competent authorities against the debtor or its assets, which, in the creditor's reasonable opinion, may threaten, postpone, or prevent the

		fulfillment of the debtor's obligation hereunder; 5. Debtor becomes insolvent or is unable to pay its debts when due, or the creditor voluntarily file a petition, of being petitioned, for bankruptcy or suspension of debt payment obligation and such petition is not canceled within a period of 30 (thirty) days from the date such petition is filed to the relevant court; 6. If any of the representations, warranties, or representation of facts by the debtor as stipulated in this agreement are, or at any time become, untrue or false, and such failure or such false representations are not remedied within a period of 30 (thirty) days from the receipt of written notice from the creditor.
Covenants	:	Debtor shall not have the right to sell, transfer, assign, surrender or otherwise dispose (assign) the rights and obligations of the debtor hereunder, including to its affiliates, during the term of this agreement, without prior approval from the creditor.
Governing Law	:	Indonesian Law
Dispute Settlement	:	BANI Arbitration Center (<i>Badan Arbitrase Nasional Indonesia</i> , "BANI"), to be held in Jakarta During the process of filing to the arbitration center and thereafter, until the arbitration tribunal issues its award, the Parties shall, except in the case of expiry and termination, continue to perform their obligations hereunder.
Description	:	-

PT Nagata Dinamika Hidro Madong

Credit Agreement

Based on representations from BHE and PT NDHM, the credit agreement is entered into under arm's length terms. In addition, both BHE and PT NDHM are the Subsidiaries of the Company.

The Parties	:	1. PT Bangun Hidro Energi ("Creditor") 2. PT Nagata Dinamika Hidro Madong ("Debtor")
Object of Agreement	:	Creditor shall grant a loan to the Debtor in the amount of Rp13,200,000,000 (thirteen billion two hundred million Rupiah) for the purpose of, among others, financing the Debtor's business development and operational activities.
Amount	:	Rp13,200,000,000 (thirteen billion two hundred million Rupiah)
Interest Rate	:	There is no interest charged to the Debtor under this Agreement, and the Agreement shall be deemed as unsecured loan
Term	:	1. The Debtor agrees to, and shall, repay the amount disbursed from the Loan, and any and all sums payable to the Creditor under this Agreement, in 12 months subsequent to the disbursement date.
Collateral	:	-
Default	:	1. Debtor fails to pay the Creditor, any amount which the Debtor is obligated to pay under this agreement, when such amount matures and becomes payable; 2. Debtor fails to perform or on the contrary breaches any provision of this agreement, and such failure or breach continues without any effort of remedy for a period of 30 (thirty) days after the receipt of written notice from the creditor; 3. It becomes illegal for this agreement to continue in effect or for the debtor to perform any obligation under this agreement; 4. A disruption in Indonesia's or global financial market, economic or political conditions, or any adverse changes of circumstances, including but not limited to, any and all action taken by any and all competent authorities against the debtor or its assets, which, in the creditor's reasonable opinion, may threaten, postpone, or prevent the fulfillment of the debtor's obligation hereunder; 5. Debtor becomes insolvent or is unable to pay its debts when due, or the creditor voluntarily file a petition, of being petitioned, for bankruptcy or suspension of debt payment obligation and such petition is not canceled within a period of 30 (thirty) days from the date such petition is filed to the relevant court; 6. If any of the representations, warranties, or representation of facts by the debtor as stipulated in this agreement are, or at any time become, untrue or false, and such failure or such false representations are not remedied within a period of 30 (thirty) days from the receipt of written notice from the creditor.

Covenants	:	1. The execution, delivery, and enforcement of this Agreement shall not violate and regulations, or cause an event of default under any other agreement whatsoever in which the Debtor is a Party, or where the Debtor or its assets are encumbered; 2. There are no legal proceedings, arbitration or administrative proceedings before any court or other tribunal that are currently pending or threatened against the Debtor, which may have material adverse impacts to the Debtor's ability to perform its obligations hereunder. 3. There are no measures that have been, or are currently taken with respect to the Debtor under the law in connection with the Debtor's bankruptcy, suspension of payment, insolvency, or disposal. 4. Debtor shall not have the right to sell, transfer, assign, surrender or otherwise dispose (assign) the rights and obligations of the debtor hereunder, including to its affiliates, during the term of this agreement, without prior approval from the creditor. 5. This Agreement shall not be amended except by virtue of a written agreement signed by the Parties of this Agreement.
Governing Law		The agreement is governed by the law of Indonesia.
Dispute Settlement		1. Settlement 2. Arbitration settlement, to be conducted in the Indonesian language, under the regulations of BANI Arbitration Center (Badan Arbitrase Nasional Indonesia, "BANI"), having its registered office at Wahana Graha Levels 1 & 2, Jl. Mampang Prapatan No. 2 Jakarta (BANI).
Description	:	1. Without prejudice to the payment obligations referred to in Article 4 of this Agreement, the Creditor, at its own choice, may (but is not obligated to) convert all or part of the outstanding Loan into shares in the Debtor. 2. Upon conversion, the converted outstanding Loan shall be deemed fully paid and shall no longer be payable. 3. If, due to any reason whatsoever, the Creditor is prohibited by the prevailing laws and regulations to own shares in the Debtor, the Creditor shall have the right to appoint other party, to act for and on behalf of the Creditor, to hold the shares. 4. Certified as true copy by Indra Gunawan, S.H., M.Kn., a Notary in North Jakarta, under Certified True Copy Number 391/Leg/Not-IG/111/2019 dated March 22, 2019. 5. The loan was disbursed on March 22, 2019. Accordingly, Debtor shall repay the loan by no later than March 22, 2020.

N. TRANSACTIONS WITH AFFILIATES

Presented below is the information concerning Transactions with Affiliates for the 3-month (three-month) period ended March 31, 2019, the years ended December 31, 2018, 2017, and 2016, and as of the three-month period ended March 31, 2019, and 2018, and the years ended December 31, 2018, 2017, and 2016. The Company and its Subsidiaries' consolidated financial statements as of March 31, 2019, and December 31, 2018, and 2017, and for the three months ended March 31, 2019, and the years ended December 31, 2018, and 2017, have been audited by the Public Accounting Firm Kosasih, Nurdian, Mulyadi, Tjahjo & Rekan (member of Crowe Global), an independent auditor, based on the Auditing Standards stipulated by the Indonesian Institute of Public Accountant (Institut Akuntan Publik Indonesia, "IAPI"), which expressed an unmodified opinion in its report signed by Mulyadi (Public Accountant Registration No. AP. 0008) dated June 26, 2019. The Company and its Subsidiaries' consolidated financial statements as of December 31, 2016, have been restated in connection with the implementation of ISAK (*Interpretasi Standar Akuntansi Keuangan*, Interpretation of Accounting Standards) No. 15 and PSAK (*Pernyataan Standar Akuntansi Keuangan*, Statement of Financial Accounting Standard) No. 38. The consolidated financial statements as of December 31, 2016, and the year then ended, have been audited by the Public Accounting Firm Drs. Bambang Sudaryono & Rekan, an independent auditor, based on the Auditing Standards stipulated by the Indonesian Institute of Public Accountant (Institut Akuntan Publik Indonesia, "IAPI"), which expressed an unmodified opinion in its report signed by Dr. Bambang Sudaryono, MBA, CPA (Public Accountant Registration No. AP. 0739). The statements of profit or loss and other comprehensive income, statements of changes in equity, and statements of cash flows for the 3 (three) month period ended March 31, 2018, were not audited.

Nature of Relationship

Affiliates are legal persons and natural persons that are associated by ownership or management with the Company, both directly and indirectly.

Affiliate	Nature of Relationship	Nature of Transaction
Henry Maknawi	Ultimate controlling party	Provide personal guarantee, land, and building as collaterals for bank loans and financial institution loans
PT Paramata Indah Lestari	Direct parent entity	Other Account Payables
PT Subur Bina Makmur	Has the same key management and	Other receivables and other payables

Affiliate	Nature of Relationship	Nature of Transaction
	shareholder	
PT Sola Kita Energi	Has the same key management and shareholder	Other receivables
PT Sumber Bahtera Abadi	Has the same key management and shareholder	Other receivables
PT Graha Meruya	Has the same key management and shareholder	Lease
PT Bukit Sumber Rejeki	Has the same key management and shareholder	Other Account Payables
Giat Widjaja	Shareholder	Other receivables
Agha Indra Arbina	Shareholder	Other receivables
Board of Commissioners, Board of Directors, and Majority Shareholders who are also part of Management	The Company's key management	Compensation and remuneration

In carrying its business activities, the Company enters into certain transactions with affiliates. These transactions include:

OTHER RECEIVABLES

(In US\$)

Description	March 31, 2019	December 31,		
		2018	2017	2016
Current				
PT Subur Bina Makmur	-	-	142,087	-
PT Sola Kita Energi	-	-	64,954	-
Others	-	-	-	27,760
Sub-total	-	-	207,041	27,760
Non-Current				
Giat Widjaja	42,588	41,891	-	-
Agha Indra Arbina	28,727	28,257	-	-
PT Sumber Bahtera Abadi	-	-	19,856	-
Others	23,119	56,075	17,429	-
Sub-total	94,434	126,223	37,285	-
Total	94,434	126,223	244,326	27,760

OTHER PAYABLES

(In US\$)

Description	March 31, 2019	December 31,		
		2018	2017	2016
Current				
PT Paramata Indah Lestari	-	-	-	6,548,097
Others	-	-	-	33,913
Sub-total	-	-	-	6,582,010
Non-current				
PT Paramata Indah Lestari	6,359,548	7,065,951	6,771,136	-
PT Subur Bina Makmur	116,888	113,388	-	-
PT Bukit Sumber Rejeki	72,000	69,114	-	-
Others	32,818	-	72,663	-
Sub-total	6,581,254	7,248,453	6,843,799	-
Total	6,581,254	7,248,453	6,843,799	6,582,010

LEASE EXPENSE

(In US\$)

Description	For the 3 (three)-month period ended		December 31,		
	March 31, 2019	March 31, 2018	2018	2017	2016
		(Unaudited)			
PT Graha Meruya	11,434	8,354	42,323	56,449	9,086

EMPLOYEE BENEFIT

Description	For the 3 (three)-month period ended	
	March 31, 2019	March 31, 2018 (Unaudited)
Board of Directors	35,925	29,297

O. THE COMPANY AND ITS SUBSIDIARIES' FIXED ASSETS

THE COMPANY'S FIXED ASSETS

The Company has no fixed assets. The Company's asset consists of investment in shares in Subsidiaries.

THE SUBSIDIARIES' FIXED ASSETS

PT Energy Sakti Sentosa

In carrying out its business activities, PT ESS owns immovable assets in the form of 7 (seven) plots of land registered under Right to Build Certificates (*Hak Guna Bangunan*, HGB) located in Purba Bersatu Village, Pakkat District, Humbang Haunsdutan, North Sumatra, and movable assets in the form of 4 (four) units of motor vehicles and one unit of heavy equipment.

PT Bangun Tirta Lestari

1. PT BTL owns assets in the form of 32 (thirty two) plots of land registered under HGB certificates, located in Lebong Regency, Bengkulu.
2. PT BTL has 6 (six) units of motor vehicles and 2 (two) units of heavy equipment.

PT Nagata Dinamika Hidro Madong

1. PT NDHM owns assets in the form of 1 (one) plot of land with a total area of 81,008m² (eighty one thousand eight square meters), registered under HGB certificate, located in Madong Sub-district, Dende' Piongan Napo District, Toraja Utara Regency, South Sulawesi Province.

P. THE COMPANY AND ITS SUBSIDIARIES' INSURANCE

Based on the Company and its Subsidiaries' insurance policies presented in this Prospectus, as of the issuance of this Prospectus, the Company's management believes that the current sums insured are adequate to cover losses that may arise from potential risks. The Company's management shall continue to evaluate risk potentials and sums insured of its current insurance policies.

THE SUBSIDIARIES' INSURANCE POLICIES

PT Energy Sakti Sentosa

1. Property All Risk Insurance Policy

Number	: P.F05.001.18.000042.00
Date	: November 14, 2018
Insurer	: PT Asuransi ASEI Indonesia
Insured Party	: PT ESS
Term	: November 10, 2018 up to November 10, 2019
Insured Objects	: Building, Machineries, and Equipment at Pakkat HPP, North Sumatra
Type of Insurance	: Property All Risk (for material damage and business interruption)
Sum Insured	: Rp128,786,993,765 (one hundred twenty-eight billion seven hundred eighty-six million nine hundred ninety-three thousand seven hundred and sixty five Rupiah)

2. Property All Risk Insurance Policy

Number	: P.F05.001.18.000043.00
Date	: November 14, 2018
Insurer	: PT Asuransi ASEI Indonesia
Insured Party	: PT ESS
Term	: November 10, 2018 up to November 10, 2019
Insured Objects	: Building, Machineries, and Equipment at Pakkat HPP, North Sumatra
Type of Insurance	: Property All Risk (all physical loss or damage to insured property for any cause whatsoever, except machine damages).
Sum Insured	: Rp45,102,229,660 (forty-five billion one hundred two million two hundred twenty-nine thousand six hundred and sixty Rupiah)

3. Indonesia Standard Earthquake Insurance Policy

Number	:	P.F04.001.18.000026.00
Date	:	November 14, 2018
Insurer	:	PT Asuransi ASEI Indonesia
Insured Party	:	PT ESS
Term	:	November 10, 2018 up to November 10, 2019
Insured Objects	:	Building, Machineries, and Equipment at Pakkat HPP, North Sumatra
Type of Insurance	:	Earthquake (for material damage and business interruption)
Sum Insured	:	Rp128,786,993,765 (one hundred twenty-eight billion seven hundred eighty-six million nine hundred ninety-three thousand seven hundred and sixty five Rupiah)

4. Indonesia Standard Earthquake Insurance Policy

Number	:	P.F04.001.18.000027.00
Date	:	November 14, 2018
Insurer	:	PT Asuransi ASEI Indonesia
Insured Party	:	PT ESS
Term	:	November 10, 2018 up to November 10, 2019
Insured Objects	:	Building, Machineries, and Equipment at Pakkat HPP, North Sumatra
Type of Insurance	:	Earthquake (all physical loss or damage to insured property for any cause whatsoever, except machine damages).
Sum Insured	:	Rp45,102,229,660 (forty-five billion one hundred two million two hundred twenty-nine thousand six hundred and sixty Rupiah)

5. Civil Engineering Complete Risk (CECR) Insurance Policy

Number	:	P.E05.001.18.000002.0
Date	:	November 14, 2018
Insurer	:	PT Asuransi ASEI Indonesia
Insured Party	:	PT ESS
Term	:	November 10, 2018 up to November 10, 2019
Insured Objects	:	Dams, diversion works (tunnel, surge tank, penstock), and roads at Pakkat HPP, North Sumatra
Type of Insurance	:	<i>Civil Engineering Completed Risk</i> Unexpected and sudden physical loss and damage as a result of: 1. Fire, lightning strike, explosion, damage caused by ground or water transportation 2. Damage caused by airplanes and other aircrafts or any item falling from thereof 3. Earthquake, volcanism, tsunami; 4. Storm 5. Flood and inundation, tide surge 6. Subsidence, landslide, rock avalanche, or other tectonic movements 7. Frosts, snow avalanche, and ice 8. Vandalism
Sum Insured	:	Rp166,177,776,575 (one hundred sixty six billion one hundred seventy seven million seven hundred seventy six thousand five hundred seventy five Rupiah)

6. Standard Personal Accident Insurance Policy

Number	:	17 ZI-PAC-2402885
Date	:	July 2, 2018
Insurer	:	PT Zurich Insurance Indonesia
Insured Party	:	PT ESS
Term	:	July 8, 2018 up to July 9, 2019
Insured Objects	:	30 employees (without stating names)
Type of Insurance	:	Protection benefits from risk of death and permanent disability caused by accidents and reimbursement of actual medical expenses incurred or the reasonable expenses deemed necessary in the event of an accident
Sum Insured	:	Rp6,000,000,000 (six billion Rupiah)
Description	:	Notes:

Extension of the insurance policy is in process.

7. Heavy Equipment and Vehicle Insurance Policy

a. Contractors' Equipment and Machinery Insurance Policy

Number : 307.412.300.18.00004/000/000
 Date : November 8, 2018
 Insurer : PT Asuransi Jasa Indonesia (Persero)
 Insured Party : PT ESS
 Term : August 18, 2018 up to August 18, 2019
 Insured Objects : 1 Unit of Excavator, Model SK200-8
 Serial No.: YN12-T4336
 Model Year: 2012
 Type of Insurance : All risks on contractors' machineries and equipment
 Sum Insured : Rp1,500,000,000 (one billion five hundred million Rupiah)
 Description : -

b. Contractors' Equipment and Machinery Insurance Policy

Number : 45081319000467
 Date : June 12, 2019
 Insurer : PT Asuransi Multi Artha Guna, Tbk.
 Insured Party : PT ESS
 Term : May 16, 2019 up to May 16, 2020
 Insured Objects : 1 Unit Kobelco Excavator, SK 200-8 Super X Acera Geospec, including GPS Tracking System
 Type of Insurance : Any unexpected physical loss or damage to the Insured Object within certain geographical boundary, namely Pakkat, Medan - North Sumatra
 Sum Insured : US\$260,700 (two hundred sixty thousand and seven hundred United States Dollars)

c. Contractors' Equipment and Machinery Insurance Policy

Number : 1010152618001589
 Date : September 5, 2018
 Insurer : PT Asuransi Asoka Mas
 Insured Party : PT ESS
 Term : August 24, 2018 up to August 24, 2019
 Insured Object 1 & Sum Insured 1 : Soosan Hydraulic Breaker
 Type: SB B1 – Vertical Type
 Model Year: 2011
 Serial Number: 10179
 : US\$25,500 (twenty three thousand and five hundred United States Dollars)
 Insured Object 2 & Sum Insured 2 : *Hydraulic Breaker Class 20 Ton.*
 Brand: AJCE
 : Rp382,500,000 (three hundred eighty-two million and five hundred thousand Rupiah)
 Type of Insurance : Comprehensive insurance, including physical loss or damage to heavy equipment

d. Toyota Fortuner Vehicle Insurance Policy

Number : 1BD02251800539
 Date : May 25, 2019
 Insurer : PT KSK Insurance Indonesia
 Insured Party : PT ESS
 Term : May 28, 2019 up to May 28, 2020
 Insured Objects : - Brand/Type/Model Year: Toyota Fortuner 2.5 GAT/JEEP S.C.HDTP/2015
 - License Plate Number: B.1490.BJN
 - Engine Number/Chassis Number: 2KDS526349 / MHFYR59G7F0100471
 - No. of Seats: 5
 - User of Vehicle: Private
 - Color: Metallic Black
 Type of Insurance : - *Comprehensive (CASCO) MV*
 - *TPL*
 - *Authorize Garage*
 - *Earthquake (Motor Vehicle) Comprehensive*
 - *Flood (Motor Vehicle) for Comprehensive*
 - *PA Passenger*
 - *PA Driver*
 - *RSCC (Motor Vehicle) Comprehensive*

- Sum Insured : - *Terrorism & Sabotage Comprehensive*
Rp325,000,000 (three hundred twenty-five million Rupiah)
- e. Hyundai Vehicle Insurance Policy
- Number : 010102021100002
Date : September 19, 2017
Insurer : PT BCA Finance
Insured Party : PT ESS
Term : September 18, 2017 up to September 18, 2021
Insured Objects : - Brand/Type: Hyundai H1 Royale Gas NG A/T LTD
- License Plate Number: B 2931 BOX
- Engine Number: G4KGHA921824
- Chassis Number: MHXWF31RMHJ204519
- Model Year: 2017
- Color: Hyper Silver
- User of Vehicle: Operational
- Type of Insurance : - *Comprehensive (CASCO) MV*
- *TPL*
- *Authorize Garage*
- *Earthquake (Motor Vehicle) Comprehensive*
- *Flood (Motor Vehicle) for Comprehensive*
- *PA Passenger*
- *PA Driver*
- *RSCC (Motor Vehicle) Comprehensive*
- *Terrorism & Sabotage Comprehensive*
- Sum Insured : Rp525,500,000 (five hundred twenty-five million and five hundred thousand Rupiah)
- f. Toyota Hi-Lux Vehicle Insurance Policy
- Number : 01-M-00001-001-05-2015
Date : May 2, 2017
Insurer : PT Asuransi Raksa Pratikara
Insured Party : PT Mandiri Tunas Finance
QQ PT ESS
Term : March 31, 2017 up to May 3, 2020
Insured Objects : - Brand/Type: Toyota Hi-Lux-Pickup
- License Plate Number: B 9855 BBC
- Engine Number: 2KDU945608
- Chassis Number: MR0KS8CD1H1104021
- Model Year: 2017
- Color: Metallic Black
- User of Vehicle: Private
- Type of Insurance : Comprehensive
- Sum Insured : Rp1,435,875,000 (one billion four hundred thirty-five million eight hundred and seventy-five thousand Rupiah);
- g. Mitsubishi Pajero Vehicle Insurance Policy
- Number : 1BD02251801023
Date : October 5, 2018
Insurer : PT KSK Insurance Indonesia
Insured Party : PT ESS
Term : October 3, 2018 up to October 3, 2019
Insured Objects : - Brand/Type/Model Year: Mitsubishi Pajero/Jeep/2015
- License Plate Number: B.1321.BJF
- Engine Number/Chassis Number: 4D56UCCZ6056 / MMBGRKG40CF003909
- No. of Seats: 5
- User of Vehicle: Private
- Type of Insurance : - *Comprehensive (CASCO) MV*
- *TPL*
- *Authorize Garage*
- *Earthquake (Motor Vehicle) Comprehensive*
- *Flood (Motor Vehicle) for Comprehensive*
- *PA Passenger*

Sum Insured : - PA Driver
- RSCC (Motor Vehicle) Comprehensive
- Terrorism & Sabotage Comprehensive
: Rp330,000,000 (three hundred thirty million Rupiah)

PT Bangun Tirta Lestari

1. Motor Vehicle Insurance Policies

a. BMW X5 Motor Vehicle Insurance Policy

Policy Number : 01-M-0001-001-11-2008
Certificate Number : 01-M-02641-000-10-2017
Date : October 31, 2017
Insurer : PT Asuransi Raksa Pratikara
Insured Party : PT BCA Finance qq. BCA qq. Rusmin Cahyadi qq. BTL
Term : October 30, 2017 up to October 30, 2020
Insured Objects : BMW X5 Jeep
Type of Insurance : -
Sum Insured :

Year	Physical/material damage	Own Retention (per incident)	Third Party liability insurance (maximum limit/incident)
2017	Rp1,350,000,000	Rp300,000	Rp50,000,000
2018	Rp1,215,000,000	Rp300,000	Rp50,000,000
2019	Rp1,080,000,000	Rp300,000	Rp50,000,000

b. Toyota Rush Motor Vehicle Insurance Policy

Policy Number : 1BD02251900523
Date : May 25, 2019
Insurer : PT KSK Insurance Indonesia
Insured Party : BTL
Term : May 22, 2019 up to May 22, 2020
Insured Objects : Toyota Rush 1.5 G (F700RE- GMDF) / Minibus / 2013
Type of Insurance : Coverage:

1. Comprehensive;
2. Third Party Liability;
3. Authorized garage;
4. Comprehensive Earthquake (Motor Vehicle);
5. Comprehensive Flood (Motor Vehicle);
6. PA Passenger;
7. PA Driver;
8. Comprehensive RSCC (Motor Vehicle);
9. Comprehensive Terrorism and sabotage;

Sum Insured :

Total Sum Insured	:	Rp150,000,000
Extension of Coverage	:	Rp50,000,000
PA Driver	:	Rp10,000,000
Passenger @Rp10,000,000 (maximum passengers)	4	Rp40,000,000

2. Contractor All Risk Insurance Policy

Policy Number : 01080116060001
Date : June 21, 2016
Insurer :

Leader	:	PT Pan Pacific Insurance
Member	:	Asuransi Bosowa Periskop
		Asuransi Jasa Tania
		Asuransi Mega Pratama
		Asuransi Tri Pakarta
		Asuransi Umum Videi
		Bangun Tirta Lestari Indonesia

		China Taiping Insurance Indonesia
		Meritz Korindo Insurance
Insured Party	:	BTL
Term	:	November 28, 2015, up to May 31, 2019
Insured Objects	:	Air Putih Hydroelectric Power Plant Project (3x7 MW)
Type of Insurance	:	Contractor All Risk
Sum Insured	:	

Chapter 1 - Material Damage		
Total Contract Value	:	Rp584,642,500,000
Chapter 2 - Third Party Liability		
Third Party Liability	:	US\$2,000,000

Description	:	Based on BTL's representation, BTL is in the process of converting the Contractor All Risk insurance to Property All Risk insurance. Although the change in insurance policy is in process, the insurance coverage over the insured object, i.e., the Air Putih 3x7 MW Hydroelectric Power Plant Project, remains valid under the Contractor All Risk insurance referred to above under the clause on maintenance period until December 31, 2019.

Q. PENDING LITIGATIONS ASSOCIATED WITH THE COMPANY, ITS SUBSIDIARIES, COMMISSIONERS AND DIRECTORS OF THE COMPANY, AND COMMISSIONERS AND DIRECTORS OF ITS SUBSIDIARIES

THE COMPANY'S LITIGATIONS

As of the date of issuance of this Prospectus, the Company, its Subsidiaries, and each Commissioner and Director of the Company and its Subsidiaries, are not involved in any bankruptcy, debt payment obligation suspension, intellectual property rights proceedings or other proceedings in the Commercial Court or any courts and arbitration centers in Indonesia or overseas, and have not been involved in any legal cases, either civil, criminal, tax, state administrative, or industrial relations cases or any other cases in any level of courts in Indonesia or, to the extent of the Company's knowledge, in any other countries, which may have material effects to the Company's going concern and assets.

THE SUBSIDIARIES' LITIGATIONS

PT Energy Sakti Sentosa

Pursuant to PT ESS' Representation Letter dated May 27, 2019, PT ESS, members of the Board of Directors of PT ESS and/or members of the Board of Commissioners of PT ESS, are not currently involved in, and there is no threat that PT ESS may be involved in, any bankruptcy, debt payment obligation suspension, intellectual property rights proceedings or other proceedings in the Commercial Court or any courts and arbitration centers in Indonesia or overseas, and have not been involved in any legal cases, either civil, criminal, tax, state administrative, or industrial relations cases or any other cases in any level of courts in Indonesia.

PT Bangun Tirta Lestari

Pursuant to PT BTL's Representation Letter dated May 27, 2019, PT BTL, members of the Board of Directors of PT BTL and/or members of the Board of Commissioners of PT BTL, are not currently involved in, and there is no threat that PT BTL may be involved in, any bankruptcy, debt payment obligation suspension, intellectual property rights proceedings or other proceedings in the Commercial Court or any courts and arbitration centers in Indonesia or overseas, and have not been involved in any legal cases, either civil, criminal, tax, state administrative, or industrial relations cases or any other cases in any level of courts in Indonesia.

PT Bangun Hidro Energi

Pursuant to PT BHE's Representation Letter dated May 27, 2019, PT BHE, members of the Board of Directors of PT BHE and/or members of the Board of Commissioners of PT BHE, are not currently involved in, and there is no threat that PT BHE may be involved in, any bankruptcy, debt payment obligation suspension, intellectual property rights proceedings or other proceedings in the Commercial Court or any courts and arbitration centers in Indonesia or overseas, and have not been involved in any legal cases, either civil, criminal, tax, state administrative, or industrial relations cases or any other cases in any level of courts in Indonesia.

PT Sumber Tirta Energi

Pursuant to PT STE's Representation Letter dated May 27, 2019, PT STE, members of the Board of Directors of PT STE and/or members of the Board of Commissioners of PT STE, are not currently involved in, and there is no threat that PT STE may be involved in, any bankruptcy, debt payment obligation suspension, intellectual property rights proceedings or other proceedings in the Commercial Court or any courts and arbitration centers in Indonesia or overseas, and have not been involved in any legal cases, either civil, criminal, tax, state administrative, or industrial relations cases or any other cases in any level of courts in Indonesia.

PT Nagata Dinamika Hidro Madong

Pursuant to PT NDHM's Representation Letter dated June 27, 2019, PT NDHM, members of the Board of Directors of PT NDHM and/or members of the Board of Commissioners of PT NDHM, are not currently involved in, and there is no threat that PT NDHM may be involved in, any bankruptcy, debt payment obligation suspension, intellectual property rights proceedings or other proceedings in the Commercial Court or any courts and arbitration centers in Indonesia or overseas, and have not been involved in any legal cases, either civil, criminal, tax, state administrative, or industrial relations cases or any other cases in any level of courts in Indonesia.

R. INTELLECTUAL PROPERTY RIGHTS

At present, the Company, PT BTL, PT ESS, PT BHE, PT STE and PT NDHM do not own any asset in the form of Intellectual Property Rights.

S. BUSINESS ACTIVITIES, TRENDS AND PROSPECTS

THE COMPANY'S BUSINESS ACTIVITIES

Since its establishment in 2008, the Company and its management have committed to carry out business activities in the electricity industry that focuses on Renewable Energy. The Company generate electric power using hydropower as one of Renewable Energy sources that is considered relatively effective and efficient to meet the need for electricity in both small and large scales. The Company also considers the utilization of water resources well-suited to the geographical and hydrological condition of the locations where the Company carry out its business by operating the Hydroelectric Power Plants that the Company builds. The Company undertake a business to business operation (B2B), where Perusahaan Listrik Negara (PLN) is the Company's customer under the Power Purchase Agreement entered into by the Company and PLN, which serves as a basis for each HPP.

In general, the use of hydropower as a resource to generate electricity is categorized into several types based on their respective typology:

- **Run-of-river hydropower**
Power plant that utilizes run-of-river using canals or penstock to turn the turbines in the power plant. In general, run-of-river hydropower has no water storage facility. Accordingly, run-of-river hydropower generate continuous supply of electric power according to the existing water debit. However, the power plant facility has the operational flexibility to regulate the level of water debit absorption according to the regulation of each power plant.
- **Storage hydropower**
This type of power plant generally has a reservoir to store water. The water stored is channeled through turbines to activate generators used to generate electric power. Storage hydropower offers flexibility over the water flow used, which allow it to stop or resume the flow of water in a short notice. Storage hydropower is able to operate independently without additional water flow from outside the reservoir for weeks or months.
- **Pumped-storage hydropower**
A hydroelectric power plant with two reservoirs in the power plant facility, each having different height, i.e. lower reservoir and higher reservoir. The water flows in the facility are connected and balanced by pumps that are set based on the level of electricity demand.
- **Offshore hydropower**
Hydroelectric power plant that utilizes tidal current or wave to generate electricity from the ocean.

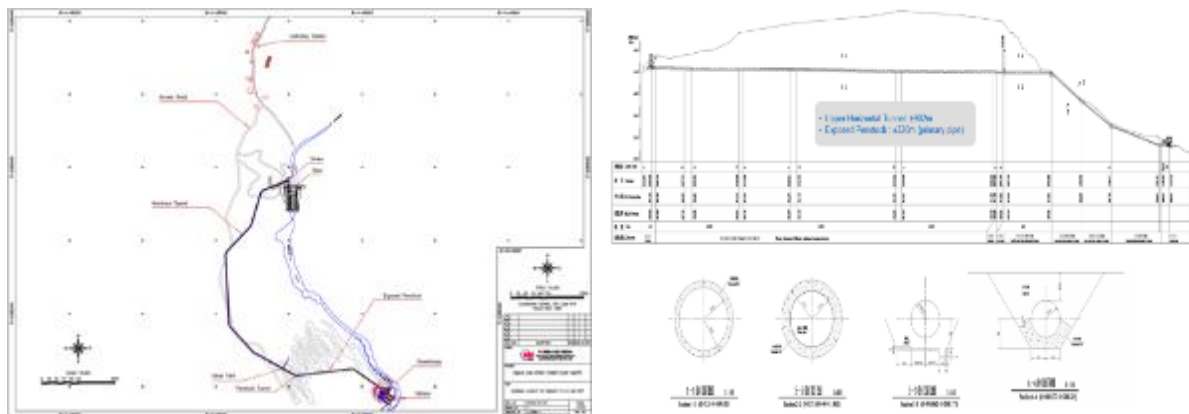
To maintain the efficiency and effectiveness of its business activities, the Company operates hydroelectric power plant that are tailored to the local geographical and hydrological power plant. Hence, the Company uses the run-of-river hydropower method for its subsidiaries, i.e., PT Energy Sakti Sentosa (Pakkat Project), PT Bangun Tirta Lestari (Air Putih Project) and its indirect subsidiary, PT Nagata Hidro Madong (Madong Project).

PRODUCTION CAPACITY

Up to the issuance of this Prospectus, the Air Putih Project and Madong Project have not commenced operational activities. Accordingly, the historical production capacity is unavailable. However, Pakkat Project has commenced commercial activities since April 2016, and its historical production capacity is presented in the following table:

Production	Month	Period			
		Year			
		2016	2017	2018	2019
KwH	January	-	10,237,708	6,124,064	12,500,448
	February	-	9,067,232	9,389,342	11,620,478
	March	-	10,176,002	12,177,391	12,330,424
	April	2,901,850	12,267,715	12,604,729	11,552,400
	May	5,596,932	11,496,659	12,588,127	10,304,859
	June	8,301,110	7,233,723	7,687,095	-
	July	7,487,543	6,393,241	8,080,492	-
	August	6,920,480	8,749,351	7,446,121	-
	September	7,375,495	10,904,011	11,906,934	-
	October	7,370,104	8,374,396	13,852,032	-
	November	9,976,287	9,119,639	13,496,645	-
	December	10,990,236	8,282,490	13,080,310	-
Total		66,920,040	112,302,167	128,433,282	58,308,609

Pakkat Project Layout



Pakkat Project Facility

Site Aerial View



DAM



Turbine Powerhouse



Piping System



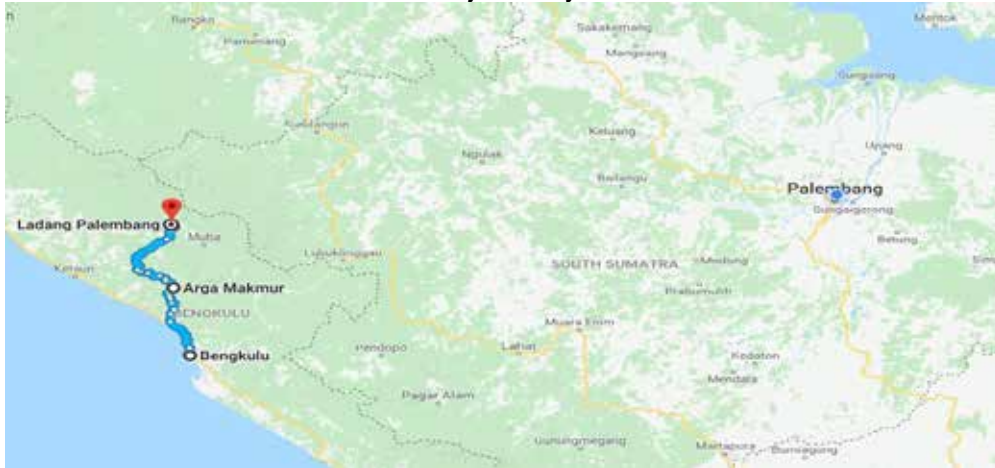
In carrying out its business, the Company, through ESS, monitors all turbines and generators in Pakkat Project to ensure they operate in an optimal condition. ESS also maintains inventory of spare parts required for routine replacement and overhaul in order to achieve quick recovery to prevent prolonged outage. The Company, through ESS, appointed Sinohydro Corporation Ltd and Jianxi Water and Hydropower Construction Co., Ltd as contractors for the construction of Pakkat Project. For the main component, i.e., turbines, ESS uses turbines from Strojirny Brno's, a company based in the Republic of Czechoslovakia that is engaged in the water turbine and hydro-mechanical equipment industry.

PT Bangun Tirta Lestari

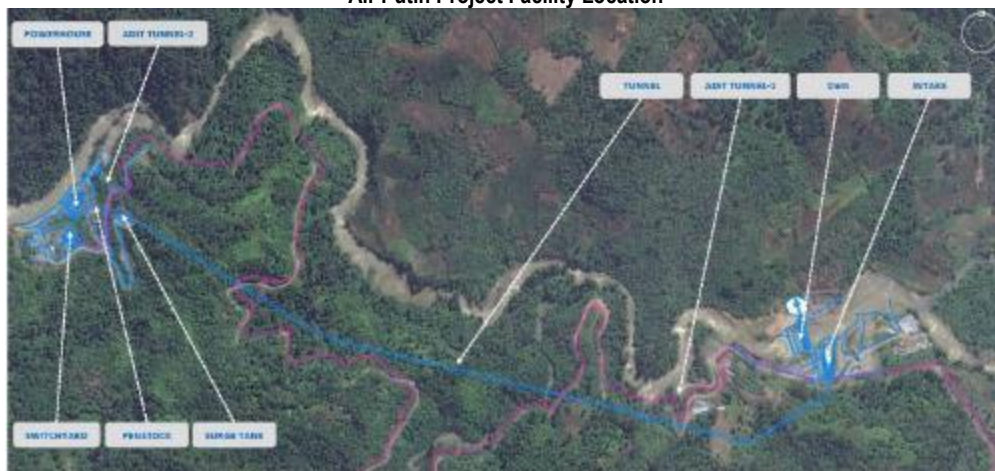
The Company, through its Subsidiary, BTL, signed a master PPA with PLN for a total of 9.90 Megawatt on January 31, 2012. However, on September 8, 2017, the master PPA between PLN and BTL was revised, allowing BTL to distribute electric power of up to 21.00 Megawatt. The Company, through BTL, completed the financial closure in 2013, for BTL's PPA under the built-operate-own-transfer for a period of 30 years subsequent to the Commercial Operation Date (COD).

Since 2012, BTL has entered the HPP facility construction phase, which is targeted to be completed in the third quarter of 2019. BTL is targeted to achieve its Commercial Operation Date (COD) in the third quarter of 2019. BTL is building a run-of-river HPP facility in Lebong Utara district, Ladang Palembang village, Bengkulu province, approximately 160 km from Bengkulu's city center. The HPP facility uses the current of Ketahun and Air Putih rivers. In accordance with the name of the river used as source of water, BTL named the HPP facility Air Putih Project.

Air Putih Project Facility Location

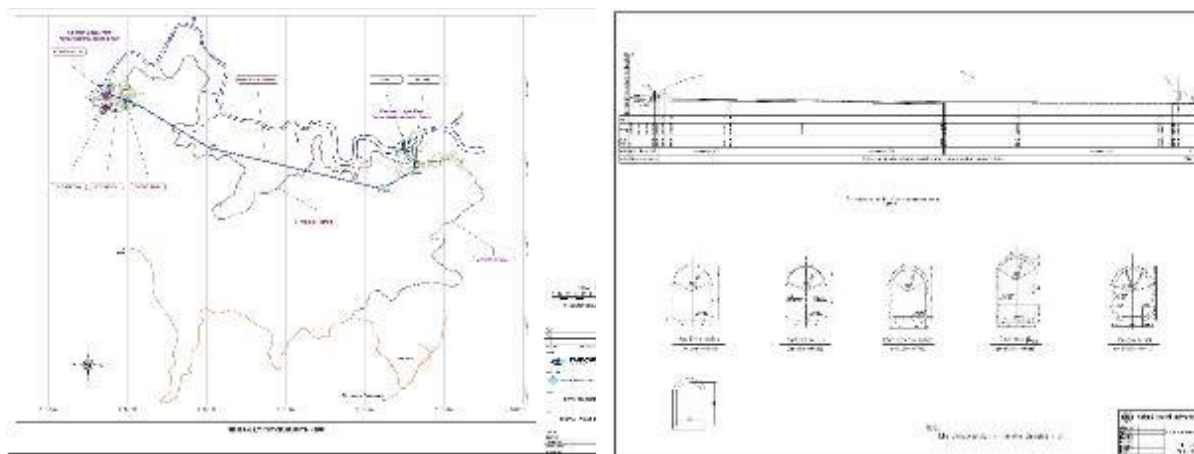


Air Putih Project Facility Location



To support water flow channel from Ketahun and Air Putih rivers, the Company, through BTL, equipped the Air Putih Project HPP with a reservoir inside the facility. Air Putih Project HPP Facility has a maximum output capacity of 21.90 Megawatt. However, according to the PPA, total output to be distributed is 21.00 Megawatt with an annual energy production target of 135.00 GWh/year.

Air Putih Project Layout



HPP Capacity and Air Putih Project Power Production Capacity

Description	Unit	Data
Net head	M.	36.00
Installed capacity:		
• Maximum output	Mw	21.90
• Contract capacity	Mw	21.00
Plant utilization rate (Capacity factor)	%	73.4 (2019 target)
Annual utilization	Hr	6,429 (2019 target)
Exclusive Committed Energy	Gwh/year	115.13
Target Annual Energy Production	Gwh/year	135.00
Levelized base tariff	USD ^c	8.4509 (All Component)
Transmission	Type	High Voltage Power Lines 70Kv
• Length	Km	± 25.3 km
• Connecting point		TESS Substation

Air Putih Facilities

Site Aerial View



DAM



Powerhouse



Tunnel System



The Company, through BTL, appointed Sinohydro Corporation Ltd and Anhe Hydro Engineering as contractors for the construction of Air Putih Project. For the main component, i.e., turbines, BTL uses turbines from Hangzhou Hangfa Electrical Equipment, a company in China that is engaged in the turbine industry.

PT Nagata Dinamika Hidro Madong

In 2018, the Company conducted a corporate action by acquiring a new PPA, named as Madong Project with a capacity of 10 MW. The Madong Project's PPA is held by PT NDHM. The Company owns the PPA through its subsidiaries, BHE and STE. Accordingly, PT NDHM is an indirect subsidiary. This measure was taken as the Madong Project has not reached its COD, therefore, acquisition as a direct subsidiary is not possible. As of March 31, 2018, the Company held a 99.99% interest in BHE, and BHE held a 50.95% interest in PT NDHM. However, as of the issuance of this prospectus, the Company holds a 99.99% interest in STE, and STE holds a 24.06% interest in PT NDHM. Accordingly, the Company held a 75.44% ownership in PT NDHM through BHE and STE as of the issuance of this Prospectus.

Madong Project is a 10 MW PPA located in South Sulawesi, north of Toraja. Madong Power Plant is planned to be built in Ma'daong village, Dende' Piongan Napo District, Toraja Utara Regency, South Sulawesi Province. The expansion was in line with the Company's plan to expand to eastern Indonesia. Madong Project PPP, as the basis for cooperation between the Company and PLN is based on the BOO method and is valid for a period of 20 years after the COD.

Madong Project uses water flow from Maiting river, using the run-of-river method. The completed feasibility study indicates that Maiting River has a low water flow fluctuation throughout the year, and maintains a relatively strong water flow in the dry season. Based on the feasibility study, it is concluded that the total turbines required is between 1 to 3 turbines. This conclusion was drawn after considering various aspects, i.e., operational continuity, operating expenses, maintenance and procurement expenses. According to its capacity, i.e., 10 MW, Madong Project will generate 59.28 GWh per year, with a 68% plant factor.

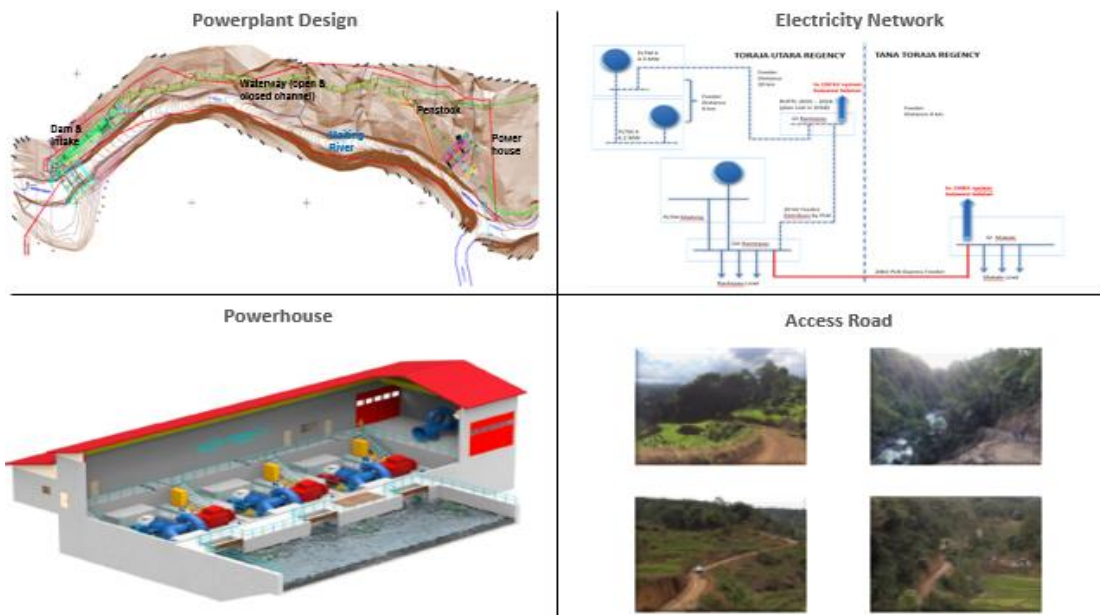
Madong Project Site Plan



Mini Hydroelectric Power Plant Capacity and Madong Project Development Plan

Description	Data
Construction Commencement Target	Second quarter of 2019
Construction Completion Target	Fourth quarter of 2021
Commercial Operation Date Target	First quarter of 2022
Maximum Output	10.00MW
Target plant utilization rate (Capacity factor)	70.00%
Target annual utilization	6,132 hour
Target Annual Energy Production	61.32 GWh
Levelized base tariff	Year 1-8 Rp1,320/KWh Year 9-20 Rp1,020/KWh

Madong Facility Plan



The Company, through its subsidiaries, plans to appoint EPC contractors and vendors to supply power plant supporting equipment and turbines from Austria. Up to the issuance of this Prospectus, the Company, through its subsidiaries, is in the process of building the access roads for Madong Project.

COMPETITIVE ADVANTAGES

- **Secured long-term recurring income under PPA with Perusahaan Listrik Negara**

Up to the issuance of this Prospectus, the Company, through its subsidiaries, have successfully won PPAs from PLN, with periods ranging from 20-30 years since the Commercial Operation Date. Each PPA that the Company acquired through its subsidiaries set forth the cooperation procedures, including the purchase of electric power from the Company, as represented by its subsidiaries; as well as the tariff charged for the purchase of electric power by PLN. These provisions are binding to both parties over the respective PPA's term. Pakkat Project that is currently operating provides fixed future cash inflows for the next 30 years since the COD. However, the Company, through its subsidiaries, will secure long-term cash inflows by operating the Air Putih Project, with the target COD in Q1 of 2019 based on a 30-year PPA with PLN, and operating the Madong Project, with the target COD in Q1 of 2022 based on a 20-year PPA.

- **Hydroelectric Power Plant method used affects the efficiency of operating and maintenance expenses**

The Company and its Subsidiaries' hydroelectric power plant model adopts the run-of-river method, which utilizes water flow as its main source of energy. This model has advantages compared to other hydroelectric power plant methods. The most significant advantage is the minimum number of additional supporting machineries or equipment required other than generators and turbines as the main energy generator in the power plant. Therefore, the Company will be able to maintain a more efficient operating and maintenance expenses that focus on the main engine components such as generators and turbines as the main energy generator in the power plant.

- **Financing supports from strong and competent creditors**

Up to the issuance of this prospectus, the Company and its Subsidiaries are supported by strong and competent external financing in building the hydroelectric power plant facilities, i.e. PT Sarana Multi Infrastruktur (SMI) and PT Bank Mandiri Tbk. PT Sarana Multi Infrastruktur (SMI) is a State-Owned Enterprise (SOE) operating as an infrastructure financing company, which is 100% owned by the Government of Indonesia through the Ministry of Finance of the Republic of Indonesia. PT SMI promotes the Public Private Partnership (PPP) scheme by providing financing support to the electricity sector in which the Company and its Subsidiaries operate as part of the Government's infrastructure development agenda. The Company is also supported by and SOE engaged in the banking industry, namely, PT Bank Mandiri Tbk, as one of the Company's stakeholders. Bank Mandiri's support to the Company has strengthened the confidence level of suppliers and other contractors.

- **Experienced contractors cooperating with the Company through its Subsidiaries**

The Company, through its subsidiaries, has established a cooperation with a European based company from the Republic of Czechoslovakia, namely, Strojirny Brno, a company established in 1991 that is engaged in the planning, manufacturing, and installation of water turbines and hydro-mechanical equipment, which has collaborated with hydroelectric power plants in various countries such as the Philippines, Macedonia, Sweden, Russia, Italy, Bulgaria, Bolivia, Republic of Czechoslovakia, and African countries. In Indonesia alone, Strojirny Brno has taken part in the construction of 6 HPPs located across Indonesia, among others, in Pakkat, Banjarnegara, Bandung, Labuhanbatu, and Dairi.

In addition, the Company, through its subsidiaries, also entered into a cooperation with Sinohydro Corporation Ltd, a company from the People's Republic of China. Sinohydro Corporation Ltd was established in 1950, as the first company in China that focuses on the construction of hydroelectric power plant. At present, Sinohydro Corporation Ltd has grown into an international company with branches in Asia-Pacific, Africa, USA, and Eurasia. In addition, the Company also established cooperation with Anhe Hydro Engineering and Hangzhou Hangfa. For the development of Madong Project, the Company will enter into a cooperation with an EPC contractor and supplier from Austria, i.e. Global Hydro Energy. Global Hydro Energy has carried out the construction of hydroelectric power plants in Medan, West Sumatra, Bengkulu, Bogor, and West Sulawesi. Global Hydro Energy has obtained the ISO 9001:2008 certification.

- **The Government's development equity policy**

Indonesia is a vast archipelagic country with low electrification ratio. Given the Government's aggressive mission to promote equity in development through various government programs, electricity is indicated as one of the development equity programs that the Government focuses on. This condition has favorable impacts to the Company and its Subsidiaries. Indonesia, as an archipelagic country has the water resources to strongly support the continuity of the Company and its Subsidiaries hydroelectric power plant business.

- **Relatively insignificant impact of fuel cost fluctuations**

During the construction period, every power plant is affected by fluctuations in fuel cost, particularly if such fluctuations are significant. However, upon completion of power plant construction and commencement of electric power production, the Company will not be significantly affected by fuel cost fluctuations, since the Company generate electricity using Renewable Energy, therefore fuel cost component becomes less significant to the electric power generation activities. This presents a competitive advantage to the Company, particularly when compared to other power companies that uses oil as resources. Furthermore, this condition allows the Company to focus more on electric power generation activities instead of having to control costs arising from fuel cost fluctuations.

- **Two of the three PPAs that the Company currently held generate US\$ denominated revenue**

Up to the issuance of this Prospectus, the Company, through its Subsidiaries, holds three PPAs, two of which generates US\$ denominated revenue, i.e. Pakkat Project PPA and Air Putih Project PPA. Whereas Madong Project PPA's revenue is denominated in Rupiah due to its current capacity of 10 MW. Companies that are engaged in Renewable Energy generally make significant investments in construction materials, consultant services, and EPC contractors, which are paid in US\$. In this respect, the Company has a potential natural hedge against the costs incurred in operating power plants.

- **Competent and experienced management team**

Members of the management team possess sufficient skills and extensive experience and knowledge on the power plant industry in Indonesia. Management is also fully committed to prioritize construction of hydroelectric power plant through the Company and its Subsidiaries.

THE COMPANY'S BUSINESS STRATEGIES

- **Carry out studies to discover potential areas for new hydroelectric power plants.**

The Company and its subsidiaries will continue to seek potential areas for new hydroelectric power plants by conducting feasibility studies on the existing geological and hydrological conditions. The feasibility studies will be matched with the results of surveys on potential electricity demand in the area. The cooperation between well-known and competent consultants in conducting feasibility studies and additional surveys that are necessary has greatly assisted the Company and its Subsidiaries to discover potential areas for new hydroelectric power plants. At present, the Company and its Subsidiaries have discovered potential areas for new hydroelectric power plants in Kalimantan and Sulawesi.

- **Expansion to other Renewable Energies**

As of the issuance of this Prospectus, the Company's project portfolio is heavily concentrated in the use of water as a Renewable Energy source. However, the Company is committed to develop and expand its business to other Renewable Energy sources such as solar, biomass, geothermal and wind, both in short-term and long-term. Seeing the statistical data that indicates Indonesia has low Renewable Energy utilization, the Company is confident that expansion to other Renewable Energy will bring positive impacts to the Company, Indonesia, and the environment in the long-term. This is in line with the Company's commitment to be an electric power supply company that solely use renewable energy.

- **Minimize financial risks during the construction of hydroelectric power plant facilities.**

During the hydroelectric power plant construction period, the Company is exposed to financial risks, including, among others, risk of cost overrun. The risk may arise due to various factors, from failure in initial construction design, prolonged construction time, natural disasters to damages in geological and hydrological conditions, or deviation of the power plant capacity compared to its initial design.

To minimize the risk of cost overrun, the Company and its Subsidiaries endeavors to implement the Lump Sum - Turnkey method to all contracts between the Company and its vendors, by using the Engineering Procurement Construction agreements for hydroelectric power plants. Therefore, the Company and its Subsidiaries will only pay the contractors according to the amount specified to complete the works, and contractors are responsible to complete the hydroelectric power plant facility construction; the financial risk is therefore borne by the contractors. Whereas Turnkey specifies the scope of work of the contractors, from [construction of facility] to normal operation.

- **Carry out evaluation of, and appoint competent and experienced hydroelectric power plant facility construction professionals**

At present, the Company and its Subsidiaries have entered into cooperation with world-class vendors from Europe and China, who specialize on the hydroelectric power plant construction and industry. Nonetheless, the Company and its Subsidiaries will continue to evaluate their current and past vendors in terms of performance effectiveness and efficiency.

The Company and its Subsidiaries ensure they appoint competent and experienced professionals in all stages, from the initial planning stage to explore potential new areas, perform feasibility studies on geological and hydrological conditions, prepare the preliminary design for construction of hydroelectric power plant facilities, to the hydroelectric power plant facility construction, operational process and handover from vendors to the Company and its Subsidiaries. The Company and its Subsidiaries are aware that the machineries and supporting equipment of hydroelectric power plants are unique and specifically designed for each hydroelectric power plant area. Accordingly, the Company and its Subsidiaries consistently ensure that the appointed professionals also provide after-sales services in the future.

- **Obtain efficient financing.**

For the Company and its Subsidiaries' power plant project, particularly for the construction stage, financing sources may consist of the Company and its Subsidiaries' own capital or credit facilities, or a combination of both. The Company and its Subsidiaries consistently endeavors to implement the most efficient financing strategies to finance the construction of power plants. The Company and its Subsidiaries particularly monitor their debt financing, whether in terms of financing procedures, term, and interest rate arising from debt financing. The Company and its Subsidiaries' strategy to consistently obtain efficient financing is expected to have positive impacts to the Company and its Subsidiaries' overall financial performance.

- **Maintain good relationship with its main customer**

PT Perusahaan Listrik negara is the Company and its Subsidiaries' main customer, where all electric power generated by the Company and its Subsidiaries from their hydroelectric power plants are entirely sold and distributed to PLN. In light of the foregoing, the Company and its Subsidiaries has established a strategy to provide the best service and commitment for the existing contracts and to maintain good relationships with PLN. By maintaining good relationship and giving its full commitment, the Company and its Subsidiaries hope to be entrusted with new projects in the future, which the Company believes will bring positive impact to the Company and its Subsidiaries' long-term plan.

PRODUCTION AND PRODUCTION FACILITIES

As of the issuance of this Prospectus, the Company owns three facilities. The first one is the Hydroelectric Power Plant located in Medan, specifically in Nangumba Village, which has a maximum capacity of 18,90 MW. The second one is the Hydroelectric Power Plant located in Bengkulu, specifically in Ladang Palembang Village, which has a maximum capacity of 21.90 MW. The third one is the Mini Hydroelectric Power Plant located in South Sulawesi, north of Toraja. This facility has obtained a PPA for a total capacity of 10 MW and is in the process towards financial closure, and of appointing contractors and suppliers. The Company is committed to continue seeking, evaluating, and conducting surveys on areas that are potential for hydroelectric power plants, or other Renewable Energy.

MARKETING AND DISTRIBUTION

Up to the issuance of this Prospectus, the Company and its Subsidiaries market and distribute their products, i.e., electric power, solely to PT Perusahaan Milik Negara, who shall further arrange the distribution of such electric power to be enjoyed the end customers, i.e., the public. Technically, the electric power generated by the Company and its Subsidiaries' hydroelectric power plants are distributed through transmission networks to connecting points, which may consist of substations or switching stations. The Company and its Subsidiaries' electric power marketing and distribution is limited to distribution from the hydroelectric power plants to PLN's substations and switching stations.

COMPETITORS AND BUSINESS COMPETITION

At present, the Company, through its Subsidiaries, is trusted by PLN, as proven by the grant of PPA in areas where the Company operates its business through the Subsidiaries. Undeniably, there are similar companies engaged in the hydroelectric power plant business, which will create a healthy business competition for the Company and its Subsidiaries. However, in the management's opinion, in order to obtain the PPAs, the Company and its Subsidiaries must successfully achieve financial closure and gain PLN's support and trust. In granting PPA, PLN will also consider territorial boundaries. Furthermore, as PPAs are generally long-term in nature, and the electric power produced by each hydroelectric power plant under the PPAs shall be entirely purchased by PLN, the Company and its Subsidiaries do not consider the presence of other similar companies to create negative business competition or to have adverse impacts to the Company and its Subsidiaries' performance. However, the Company and its Subsidiaries shall endeavor to remain effective and efficient in operating its business in order to become the leading and trusted hydroelectric power plant company.

RAW MATERIALS AND SUPPLIERS

In operating its business to distribute electric power, the Company operates hydroelectric power plants that use water flow as their main raw materials, in order to turn the turbines to generate electric power. The water flow used as main raw material is highly dependent on the hydrological and geological conditions at the site where the Company operates. In addition, the Company also uses spare parts for maintenance and overhaul of turbines and main engines. Spare parts used are procured from suppliers, consisting of foreign vendors. The Company is committed to continuously evaluate its existing and potential vendors engaged by the Company to continuously prioritize effectiveness and efficiency.

CUSTOMER

As of the issuance of this Prospectus, and under the existing PPAs, the Company and its Subsidiaries only have a single customer, namely PT Perusahaan Listrik Negara, one of the State-Owned Enterprises entrusted to regulate, distribute, and support the distribution of electricity to meet the need of Indonesian people. However, it remains possible that in the future the Company and its Subsidiaries will have other SOEs, Regional SOEs, or Private Entities as customers. This is highly subject to the future policies or regulations.

TECHNOLOGY

In operating its hydroelectric power plant business, the Company uses technologies from vendors that are relatively common, but according to the Company's opinion is sufficient to support its business activities considering the hydrological and geological conditions of the sites where the Company operates its business. In the Company's opinion, the technology applied in each turbine, main engine, and other supporting engines are suitable with the relatively long period of the PPA. The Company is committed to remain abreast of the latest developments in technologies related to turbine, main engine, and other supporting engines, by attending domestic and global hydropower conferences.

RESEARCH AND DEVELOPMENT

As of the issuance of this Prospectus, the Company has no specific research and development division, as the Company's business model applies technology according to the global development in hydropower technology. The Company is committed to continue develop its hydroelectric power business, both organically and inorganically, by conducting comprehensive assessments, feasibility studies, and due diligence review on potential new hydroelectric power plants. The Company will specifically recruit vendors and professionals to perform research and development on potential new hydropower that in the Company's opinion will create added value and new business to the Company. The Company is also committed to perform research and development on other Renewable Energy sources.

QUALITY CONTROL

The Company has established a computerized quality control system in each hydroelectric power HPP facility in order to continuously generate electricity in accordance with the engine capacity and in accordance with the provisions of the Company and its Subsidiaries' PPAs. At each hydroelectric power HPP facility, the Company provides a control room to monitor the performance of turbines, engines, and water flow. The Company also periodically performs maintenance, calibration, and overhaul to maintain turbine performance in order to achieve the desired effectiveness and efficiency, adjusted to the water flow feeding into the turbines.

TRENDS AND SEASONALITY

The Company, through its Subsidiaries, carry out its operations according to the existing PPAs, and are therefore not exposed to any trend and seasonality in demand for their product.

AWARDS AND CERTIFICATIONS

As of the issuance of this Prospectus, the Company has not received any awards or certifications that are relevant to its business. The Company is committed to maintain consistency and improve the quality of its hydroelectric power plant business in order to achieve awards and certifications from third parties.

Environmental Impact Analysis (*Analisis Mengenai Dampak Lingkungan*, “AMDAL”)

Up to the issuance of this Prospectus, the Company does not directly operate its business. Instead, the Company operates through its Subsidiaries. Accordingly, the environmental impact analysis is performed by the Subsidiaries. In operating its business, the Company shall consistently consider the environmental impacts by performing a comprehensive environmental impact analysis during the initial stage, during operational stage, and upon termination of the Company and its Subsidiaries' operational activities.

GOOD CORPORATE GOVERNANCE (“GCG”)

The Company's Board of Commissioners, Board of Directors, and employees are committed to implement good corporate governance on the Company and its Subsidiaries business activities to establish a strong platform for future business expansion and continuity. The Company realizes the importance of good corporate governance (GCG) in the Company's operational activities, in order to generate and maintain consistent performance and optimize shareholder values, which are closely related to the Company's long-term business.

Oversight of the Company's good corporate governance is carried out by two separate parties, i.e., the Board of Commissioners and the Board of Directors. This measure is taken to ensure that the oversight is carried out in an effective, comprehensive, and accountable manner. The Board of Commissioners is responsible to supervise, monitor, and support the Board of Directors. The Board of Commissioners and Board of Directors hold regular meetings to achieve such objectives. The Board of Directors is entrusted with the management and supervision of the Company and its Subsidiaries' daily activities. The Board of Directors is assisted by other parties in carrying out its duties, e.g., corporate secretary. The Corporate Secretary is responsible to, among others, assist shareholders and stakeholders by providing information required by the shareholders and stakeholders regarding the Company and its Subsidiaries' conditions.

THE COMPANY'S CORPORATE SOCIAL RESPONSIBILITY

Up to the issuance of this Prospectus, the Company, through its Subsidiaries, have carried out a number of joint activities with the local communities as part of the Company's social responsibility to the local community. The social activities carried out by the Company through its Subsidiaries are as follows:

- Construction and installation of Public Street Lighting for communities in Purba Bersatu Village
- Construction and repair of roads and culverts in Ladang Palembang Village
- Repair of roads in Tunggang Village
- Construction and repair of bridges in Lebong Tambang Village.

In the future, the Company and its Subsidiaries will continue to commit on social activities as part of the Company and its Subsidiaries' corporate social responsibility.

BUSINESS PROSPECTS

Renewal Energy consists of solar power, hydro power, wind power, ocean power, geothermal, biodiesel, bioethanol, commercial biomass, including agriculture and household waste. Renewal Energy is categorized into two categories, i.e. Energy sources for power plants and energy sources to replace oil fuel.

Renewal Energy is continued to be developed and optimized by changing the mindset from viewing Renewal Energy as an alternative to fossil fuel to using Renewal Energy as the national energy supply, comprising a minimum of 23% in 2025 and a minimum of 31% in 2050, in accordance with GR No. 79/2014 on National Energy Policy. However, based on the 2019-2028 RUPTL, after further studies on Renewal Energy potential, the 23% utilization rate is targeted to be achieved in 2028. Therefore, the majority of Renewal Energy must be utilized independently by PLN or together with its partners.

The resources considered for the electric system are geothermal, solar power, wind power, hydro power (HPP, Mini HPP/Micro HPP, and pump storage), biomass, urban waste, industrial liquid waste. In the discussion on electricity outlook, the contribution of Renewable Energy power plant to total electricity production during the highest projected period is expected to range from 12%-27%, depending on the conditions of the respective scenario. From the total electric power production from Renewable Energy power plants in 2025, the production shares of geothermal power plant (GPP) and hydroelectric power plant (HPP) are expected to dominate in all scenario, slightly higher for GPP. The condition shifts in 2025. HPP's production share will be more dominant than GPP as a result of the increased difficulties faced by GPP to grow, and the construction cost of power plants that are higher than that for HPP.

Based on the Indonesia Energy Outlook Report issued in 2016 by the Ministry of Energy and Mineral Resources, contribution and utilization of Renewable Energy are classified into 3 scenarios, i.e., BaU (Business as Usual), ALT 1 (Alternative 1), and ALT 2 (Alternative 2). The difference among the three scenarios is in the higher level of Renewable Energy utilization in ALT 1 and ALT 2 scenarios compared to BAU, particularly in the industry, transportation, household, commercial, electricity, and other sectors.

Renewable Energy Demand by Sector and Scenario



Source: Outlook Energi Indonesia 2016, Ministry of Energy and Mineral Resources

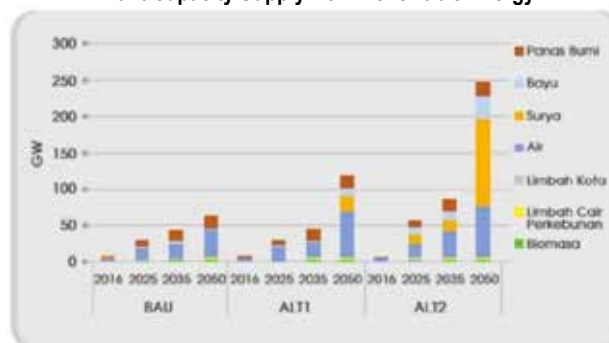
Percentage of Renewable Energy Power Plant Contribution



Source: Outlook Energi Indonesia 2016, Ministry of Energy and Mineral Resources

Renewable Energy requirement in the electricity sector under the BaU (Business as Usual) scenario is 29 GW in 2025 and 63 GW in 2050, as presented in the following chart.

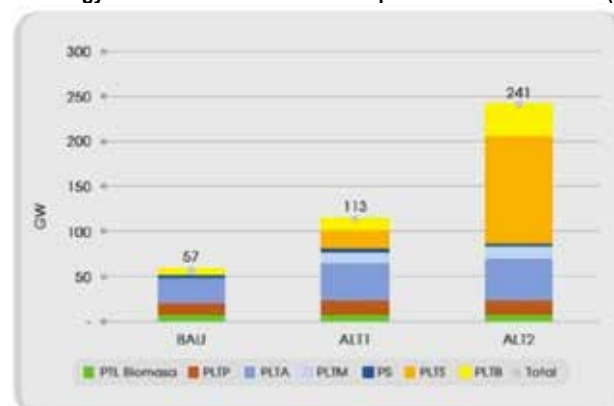
Plant Capacity Supply from Renewable Energy



Source: Outlook Energi Indonesia 2016, Ministry of Energy and Mineral Resources

Under the ALT 1 scenario, Renewable Energy requirement in the electricity sector is 30 GW in 2025 and approximately 119 GW in 2050. Whereas under the ALT 2 scenario Renewable Energy requirement for the electricity sector is estimated to reach 56 GW in 2025 and 247 GW in 2050.

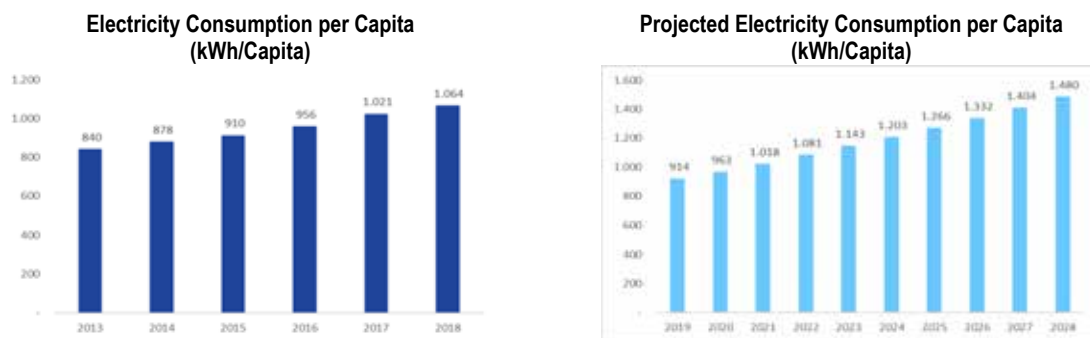
Renewable Energy Power Plants' Additional Requirements for 1 Decade (2016-2025)



Source: Outlook Energi Indonesia 2016, Ministry of Energy and Mineral Resources

Based on the type of Renewable Energy, the addition of HPP is projected to be the highest, i.e., approximately 42 GW. This indicates a growth in demand for construction of HPP on the back of economic factors, i.e., the relatively lower cost of construction, and more simple operational efficiency.

Based on the performance report of the Directorate General of Electricity for the 2018 budget year, Indonesia's electricity consumption per capita in 2018 amounted to 1,064 kWh/capita, whereas the target electricity consumption per capita during the year was 1,129 kWh/capita. The failure to achieve the target electricity consumption per capita in 2018 was mainly contributed by the absence of consumption of electricity from Renewable Energy.



Source: Larkin DJK 2018, RUPTL 2019-2028, RHB

PLN, as the umbrella for national electricity supply through RUPTL, has prepared a projection on Indonesia's electricity sales, which also serves as a parameter of demand for electricity in Indonesia from 2019 to 2028, which is expected to reach 432.7 TWh. Demand for electricity is dominated by households, which is expected to reach 156.8 TWh in 2028. Whereas the projected total consumers are expected to be 88 million in 2028. During the same year, household consumer will increase to 78.8 million.

Projected Electric Power Sales in Indonesia (GWh)

Uraian	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Rumah Tangga	101.307	105.794	110.909	116.363	122.144	128.251	134.627	141.642	149.035	156.802
Bisnis	46.332	49.716	53.585	57.599	61.753	66.215	70.869	75.815	81.326	87.048
Publik	16.749	17.871	19.122	20.453	21.831	23.267	24.788	26.553	28.436	30.448
Industri	80.991	88.069	95.736	105.094	114.276	122.190	130.655	139.300	148.442	158.415
Total	245.379	261.450	279.353	299.510	320.004	339.923	360.939	383.310	407.239	432.713
Pertumbuhan (%)	5,6	6,5	6,8	7,2	6,8	6,2	6,2	6,2	6,2	6,3

Source: RUPTL 2019-2028, RHB

Projected Electric Power Customers in Indonesia (thousands of customers)

Uraian	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Rumah Tangga	68.827	71.588	72.494	73.357	74.174	74.967	75.731	76.432	77.109	77.765
Bisnis	3.986	4.201	4.448	4.702	4.962	5.231	5.508	5.817	6.142	6.484
Publik	2.120	2.250	2.391	2.542	2.702	2.870	3.049	3.249	3.462	3.690
Industri	92	96	100	105	110	115	120	126	132	137
Total	75.025	78.135	79.433	80.706	81.947	83.183	84.409	85.624	86.845	88.077

Source: RUPTL 2019-2028, RHB

Projected Electric Power Composition (GWh)

Jenis Bahan Bakar	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Air	17.199	18.345	20.496	20.312	21.163	30.569	42.928	46.673	50.284	54.736
Panas Bumi	14.099	15.753	16.627	19.301	20.699	24.686	43.965	47.187	47.616	48.217
EBT Lain	774	1.178	2.004	5.288	6.345	6.956	8.063	8.065	11.662	13.205
Gas	59.911	58.309	57.970	63.273	71.684	76.899	90.827	96.653	103.896	110.150
BBM	11.294	8.789	4.763	1.881	1.855	1.545	1.650	1.751	1.889	2.019
Batubara	176.985	197.606	219.196	232.718	243.397	247.271	225.418	239.002	256.906	272.354
Impor	1.802	1.774	391	428	292	-	-	-	-	-
Jumlah	282.065	301.755	321.446	343.201	365.436	387.926	412.851	439.330	472.253	500.681

Source: RUPTL 2019-2028, RHB

In addition to its existing power plants, i.e., Pakkat Project and Air Putih Project, with a combined capacity of 39 MW, the Company also strives to achieve future business development. As of the issuance of this Prospectus, the Company has completed the acquisition of hydroelectric power plant with a total capacity of 10 MW, namely the Madong Project in Toraja Utara, South Sulawesi. In accordance with its capacity, the Madong Project is categorized as a mini hydroelectric power plant. The Company will operate Madong Project under the BOO (Built Own Operate) scheme for a period of 25 years from the COD (Commercial Operation Date) as stipulated in the PPA signed by

PLN in 2016. The Company plans to begin the construction in mid-2012, and COD is targeted to be achieved in the first quarter of 2022.

With respect to future business development, up to the issuance of this Prospectus, the Company has several PPA targets, which potential and feasibilities are being analyzed. The Company has also identified areas that are considered potential to be proposed for PPA to PLN. The Company intends to carry out continuous development in the hydroelectric power and other Renewable Energy businesses, both through organic growth, i.e., by independently obtaining PPA from the beginning or through inorganic growth, i.e. through acquisition or takeover of existing PPAs or PPAs obtained by other parties. The Company is interested in developing hydroelectric power business by continuing the implementation of run-of river considering the Company and its management's current experience and technical skills.

The Company has set an operational plan to operate hydroelectric power plant with a total capacity of more than 200 MW, targeting the eastern parts of Indonesia. The Company's business strategy is to consistently perform explorations and feasibilities in areas that have been identified to have potential water flow from the local rivers that are considered ideal to build hydroelectric power plant, with due considerations to the demand and electrification ration in areas targeted as locations for expansion. However, the Company's future development plans are highly dependent on the various factors described in the Risk Factor in this Prospectus, among others, the direction of the Government's policies with respect to electricity supply and issuance of cooperation contracts with other parties.

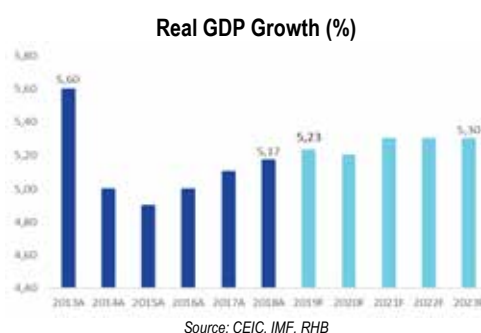
The Company believes that hydroelectric power plant will be prioritized to become the main source of energy and replace the domination of fossil energy sources with a more environmentally friendly energy sources.

PIL, as the Company's shareholder, has the additional functions to seek, evaluate, and obtain Power Purchase Agreements. PIL offers the Company with the opportunity to cooperate in operating future renewable energy prospects pursuant to the Preliminary Investment Plan Agreement agreed by both parties. The investment and cooperation to be undertaken by PIL and the Company shall be carried out in accordance with the prevailing laws and regulations, including, but not limited to, the capital market regulations.

INDUSTRY OVERVIEW AND PROSPECTS

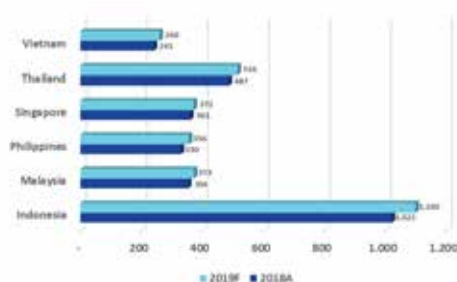
Indonesia's Economic Condition

As an archipelagic country, Indonesia's economic growth and macroeconomic condition play an important role in the Company's business activities in all areas, including the Company and its Subsidiaries' business in electric power generation from their hydroelectric power plants. In general, Indonesia is expected to continue experiencing positive economic growth and is expected to be one of the countries that play a key roles in Asia. Based on the Global Competitiveness Index survey report issued by the World Economic Forum on Indonesia, in 2018 Indonesia holds the 45th place out of 140 countries, 2 ranks higher compared to the 43rd place in 2017, which was mainly supported by national productivity. Based on International Monetary Fund's (IMF) data, IMF estimates that Indonesia will record an annual Real GDP growth of 5.23%, considering Indonesia has reported an annual Real GDP Growth of 5.17% in 2018, or a 0.06% increase compared to 2018.

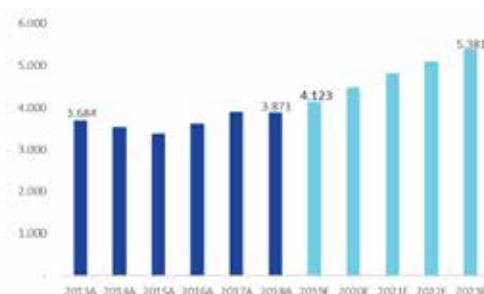


In terms of GDP, compared to other neighboring ASEAN countries such as Singapore, Vietnam, Malaysia, Philippine, and Thailand, Indonesia has the highest GDP. In 2017, Indonesia reported a total GDP of US\$1,015 million, and was the country with the highest GDP compared to other countries. Indonesia's historical GDP per capita in the last five years demonstrated a rebound after the plunge of GDP per capita in 2013. Based on IMF projection, Indonesia is projected to demonstrate an increasing trend until 2023.

Gross Domestic Product of Southeast Asian Countries (In millions of US\$)



Indonesia's GDP per Capita



Source: IMF, RHB

Inflation and Benchmark Interest Rate

Indonesia has experienced relatively high inflation rate, with an average annual inflation rate of 6.4% during the period from 2013 to 2014. However, the inflation rate was suppressed to 3.5% in 2016. From the year 2016 to 2017, Indonesia's inflation rate remained relatively stable. Based on data from Bank Indonesia, inflation rate in 2018 stood at 3.1%, better controlled compared to the inflation rate in 2017. Based on IMF data, Indonesia is projected to experience an annual inflation rate of approximately 3.6% to 3%. This is in line with IMF's inflation rate projection for developing countries in Asia, indicating that Indonesia's inflation rate is in line with the inflation rate trend in Asia.

Inflation Growth Rate (%)



Inflation Rate of Selected Southeast Asian Countries (%)



Source: BI, IMF, RHB

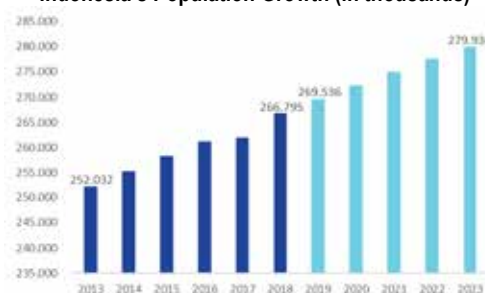
Compared to its neighboring countries, such as Vietnam, Thailand, Singapore, Philippine, and Malaysia, Indonesia's inflation rate is relatively sound and stable. The sound and stable inflation rate is achieved on the back of positive economic growth and consumer purchasing power that support inflation rate. Based on IMF Data, Singapore has the lowest inflation rate compared to other countries, and experienced a deflation in 2015 and 2016.

One of the efforts made by the government to maintain better stability of inflation in Indonesia is by increasing or lowering the benchmark interest rate. The benchmark interest rate used as a policy to regulate inflation is the BI 7-day (Reverse) Repo Rate. Since April 2016, BI 7-day (Reverse) Repo Rate, which previously stood at 5.50% has been lowered several times to 4.75% in December 2016. At the beginning of January 2017, BI 7-day (Reverse) Repo Rate stood at 4.75% and remained at the same level until July 2017, and was lowered to 4.25% in December 2017, being the lowest benchmark interest rate in the last two years. At the beginning of January 2019, BI 7-day (Reverse) Repo Rate stood at 4.25% due to the increase in the U.S.' benchmark interest rate, which caused Rupiah to depreciate. To counter the foregoing, the Government, through Bank Indonesia, countered the increase in US' benchmark interest rate by increasing BI 7-day (Reverse) Repo Rate to 5.50% as of August 2018. On September 27, 2018, Bank Indonesia again increased BI 7-day (Reverse) Repo Rate to 5.75%, which was again revised to 6.00% on November 15, 2018, in an effort to maintain the balance of interest rate and the stability of Rupiah.

Population Growth

As a country that is made up of numerous islands, Indonesia has a diverse population in terms of cultures and ethnicities across Indonesia. Based on World bank report, Indonesia is the 4th (fourth) most populous country in the world, with a total population of 260 million. Based on the data issued by the United Nations, Indonesia is expected to experience a stable growth in terms of population.

Indonesia's Population Growth (in thousands)



Source: IMF, BPS, RHB

Based on the UN data, Indonesia reported a population growth of 5.86% from 2013 to 2018, and is projected to continue growing to reach a total population of 279,934 million by 2023. As the 4th (fourth) most populous country in the world, basic needs will also increase, resulting in additional demand for electricity.

Indonesia's Electricity Condition

As the 4th (fourth) most populous country in the world, Indonesia is striving to provide electricity to all its people. To supply electricity, the government of Indonesia, through PLN, generally utilizes the power plant facilities, both that are directly owned by PLN or through PPA with private entities. There are three main methods to drive power plants, i.e. using combustible fuels and hydro power. Indonesia does not utilize nuclear power to generate electricity.

Based on the UN's statistics, electricity users in Indonesia are divided into three categories, i.e., industry and construction; transportation; and households and others. However, based on PLN's RUPTL, Indonesia's electricity users are divided into six categories, i.e. households; industry; business; social, government building; and public road lighting. Historically, the category that used most electricity is households.

In 2018, there were approximately 65.3 million household consumers in Indonesia compared to 43.2 million in 2011, reflecting a 6.39% CAGR. Total electricity consumption by households in 2018 amounted to 97 TWh, compared to 64.9 TWh in 2011. On the contrary, electricity consumption by industrial consumers in 2011 amounted to 54.2 TWh and increased to 76.3 TWh in 2018, indicating a 5.00% CAGR. Geographically, compared to its neighboring countries such as Thailand, Malaysia, Singapore, Vietnam, Brunei, Philippines, Taiwan, South Korea and Japan, Indonesia's consumption in terms of kWh per capital is the lowest.

Comparison of Electricity Consumption of Selected Southeast Asian Countries



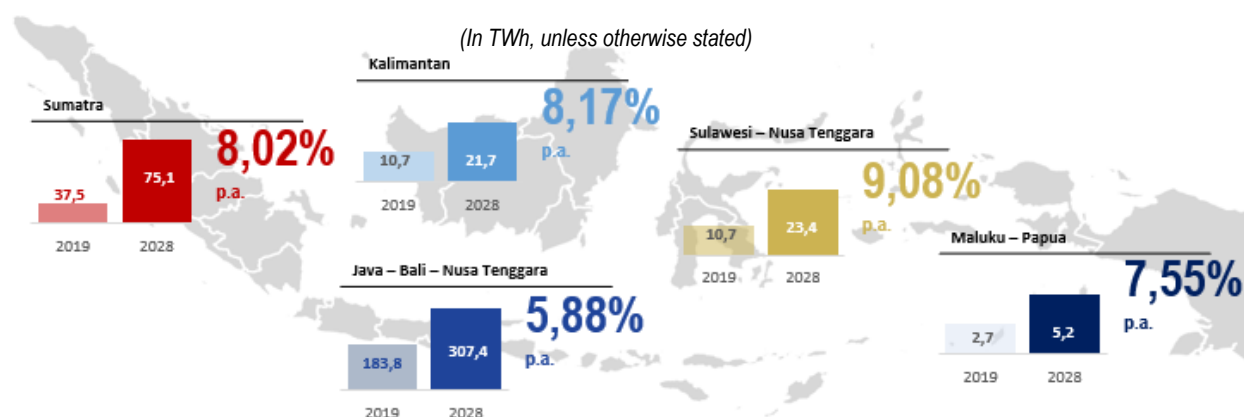
Source: RHB

Electricity Demand in Indonesia

Indonesia's electricity demand grew by 5.82% CAGR per annum, from 156.3 TWh in 2011 to 232.3 TWh in 2018. In general, Indonesia is one of the countries with the fastest growth in demand for electricity. The foregoing is driven by strong and sound economic growth, increasing urbanization, and sound and stable population growth. All these factors contributed to the growing demand for electricity consumption. In line with the economic growth rate, the projected population growth is expected to be dominated by middle class consumer, with an estimated growth of 8 to 9 million people per year. The middle class consumer population is expected to grow to 141 million in 2020. The growing middle class will result in growing needs or demand for electricity, particularly for household and industrial users. Combined, the two sectors are projected to achieve nearly double growth during the period from 2018 to 2028.

At the same time, there is a demand or need for electricity in remote areas, considering Indonesia is an archipelagic country. There is electricity demand for approximately 8% of the total population that the Government of Indonesia is unable to fulfill. The Government of Indonesia plans to supply electricity covering 100% of Indonesia by 2019. The Government of Indonesia, through PLN, projected an average electricity demand growth of 6.42% in the next 10 years, from 2018 to 2028. As a result of the projected growth in demand for electricity, PLN estimates the need for electricity will reach 433 TWh in 2028. PLN projected the total consumer will continue to grow to 88 million by 2028.

Indonesia's Projected Electricity Requirements 2019 - 2028

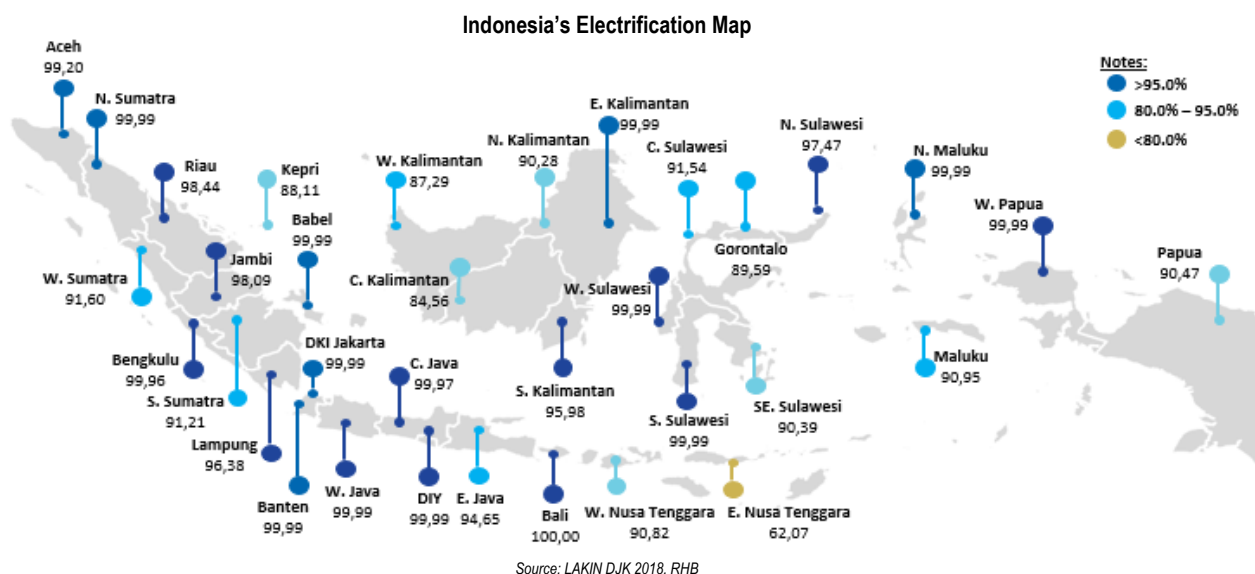


Source: LAKIN DJK 2018, RHB

Electrification Rate in Indonesia

Access to and consumption of electricity highly varies in Indonesia. Consumption rate will be higher in highly populated area and industrial area, such as West Java. In general, electrification rate in Western Indonesia is higher than Eastern Indonesia. For example, the electrification rate of DKI Jakarta Province in 2018 has reached 99.99%. It can be concluded that nearly all of areas in DKI Jakarta are connected to electricity network. However, there are differences and fluctuations in electrification ratio in Eastern Indonesia. For example, in 2018, Papua's electrification rate has reached 90.47%, but the electrification rate of East Nusa Tenggara Province was only 62.07%. Compared to its neighboring countries such as Malaysia, Singapore, and Thailand with 99.99% electrification rate, Indonesia is slightly behind, with a 98.30% electrification rate in 2018. However, Indonesia's area is far larger compared to Malaysia, Singapore and Thailand. Based on PLN's 2019 Electricity Supply Business Plan (*Rancangan Usaha Penyediaan Tenaga Listrik, "RUPTL"*), which provides an outlook on the electricity supply business plan for the period from 2019 to 2028, PLN set a national electrification ratio target of 100.00% in 2019.

However, it is undeniable that there are several provinces with electrification ratio of less than 100.00%. In 2020, PLN set an electrification rate target of 100% for every province.

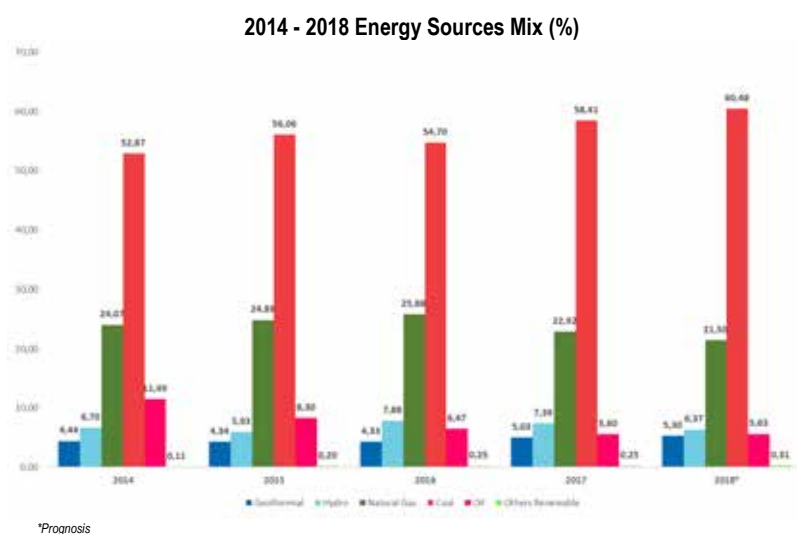


In 2018, total installed capacity of power plants in Indonesia amounted to 62.90 GW, with the following percentage of ownership: PLN - 68.67%, Independent Power Producer (IPP) - 23.66%, Private Power Utility (PPU) 2.87%, Non-Fuel Operational License 0 3.80%. In 2018, there was a 2.11 GW additions in installed capacities, from the expected target of 5.96%, due to pending financial closures and completion of construction of several PPAs.

Hydro Power Renewable Energy Potential

In response to the growth in national electricity consumption and demand, the Government of Indonesia is committed to increase electricity capacity by 56.5GW during the next ten years, within the period from 2019 to 2026, with an average additional capacity per annum of 5.6 GW, to ensure all the people of Indonesia are able to consume and use electricity. Previously, Indonesia has high dependency on fossil fuel, natural gas, and oil fuel to generate electricity, making it one of the highest producer of greenhouse gases in the world. However, Indonesia, as an archipelagic country, boasts an enormous potential for renewable energy, such as hydro power, geothermal, biomass/biogas, solar photovoltaic ("PV"), wind power and marine energy. Referring to the Paris Agreement, Indonesia continues to increase its efforts to maintain a more conducive climate. The use of renewable energy will confirm Indonesia's commitment to reduce its greenhouse gas by 29.0% by 2030.

At present, hydro power is one of the main renewable energy sources for Indonesia. Based on PLN's 2019 RUPTL, for the period from 2019 to 2029, PLN targets a mix of electricity installed capacity from Renewable Energy to be 11.4% in 2019 and 23.2% in 2028. Based on the Directorate Performance Report, the Government, through PLN, has promoted the increase in utilization of Renewable Energy from 11.57% in 2014 to 12.39% in 2018. The Renewable Energy is dominated by hydro power.



Indonesia has a potential hydro power growth of approximately 75 GW in 1983, according to the Hydro Power Potential Study (HPPS) and this potential was re-evaluated in 1993 by the Hydro Power Inventory Study. However, upon further screening stage by Nippon Koei in 2011,

hydro power potential amounted to 26 GW, 4 GW of which is operating, 6 GW of which consists of planned projects under construction, and 16 GW of which represents the new potential for hydro power. As an archipelagic country with abundant water resources is a strong point to support the construction of hydroelectric power plant facilities. Based on the 2019 RUPTL, there are 79 hydro power points with a total capacity of approximately 12.3 GW that are already included in PLN's master plan, and there are 99 new potential points with a total capacity of approximately 11.4 GW. The above potential has not included renewable energy potential that consists of Mini Hydro, Solar, Urban Waste, Biomass, CPO (B20), and Biogas. Up to the issuance of this Prospectus, PLN is conducting a research on the potential of renewable energy from tidal wave and marine current energy.

Hydroelectric power plant not only has the potential to support national electrification but is also an environmentally friendly renewable energy source with low operating expenses that is able to operate over a long period, and is not exposed to fluctuations of coal and oil prices. The Government of Indonesia has a plan to develop renewable energy resources in the next 10 years to replace fossil fuel fired power plants. Of the total additional electricity planned by the Government of Indonesia, 23% will be generated by renewable energy by 2028.

The Government of Indonesia's target is to achieve the potential capacity of HPP totaling 4,526 MW, and Other Renewable Energy Power Plant totaling 2,564 MW. The Hydroelectric Power Plant construction plan is spread across Indonesia, with the following composition: 2,281 MW in Sumatra, Java, and Bali; 361 MW in Nusa Tenggara, 235 MW in Kalimantan, 1,559 MW in Sulawesi, and 90 MW in Maluku and Papua.

Referring to 2017 statistic, Kalimantan Island is the island with the largest coverage compared to Indonesia's total area, covering 28.39%, with a total area of 544,150 km² and total population of 15,924 thousand in 2017. Up to the issuance of this Prospectus, the President of Indonesia, Mr. Jokowi is planning to move Indonesia's Capital from Java to Kalimantan. This creates a potential Renewable Energy development as demand for electricity is expected to surge. Based on 2019-2028 RUPTL, electricity sales in 2018 in Kalimantan amounted to 9.2 TWh and is projected to increase to 10.7 TWh in 2019, and to 21.7 TWh in 2028. Sulawesi covers 9.85% of Indonesia's total area, with a total area of 188,522 km² and a total population of 19,219.2 thousand. Electricity sales in 2018 in Sulawesi amounted to 9.9 TWh and is projected to increase to 10.7 TWh in 2019, and to 23.3 TWh in 2028.

After considering the statistical data and electricity development projection prepared by PLN, as well as the government's aim to achieve development equity to included Eastern Indonesia, the Company is confident to expand its business to Eastern Indonesia by utilizing Renewable Energy. The foregoing is supported by the potential area currently studied and analyzed by the Company, i.e. to build Renewable Energy based Power Plant in Sulawesi with a total capacity of 212 MW.

IX. EQUITY

The following key financial highlights are derived from the Company's consolidated statements of financial position as of March 31, 2019, December 31, 2018, 2017, and 2016, and the consolidated statements of profit and loss and other comprehensive income for the three months ended March 31, 2019 and 2018, and the years ended December 31, 2018, 2017, and 2016. The Company and its Subsidiaries' consolidated financial statements as of March 31, 2019, and December 31, 2018, and for the three months ended March 31, 2019 and 2018, and the years ended December 31, 2019, and 2018, have been audited by the Public Accounting Firm Kosasih, Nurdyan, Mulyadi, Tjahjo & Rekan (member of Crowe Global), an independent auditor, based on the Auditing Standards stipulated by the Indonesian Institute of Public Accountant (Institut Akuntan Publik Indonesia, "IAPI"), which expressed an unmodified opinion in its report signed by Mulyadi (Public Accountant Registration No. AP. 0008) dated June 26, 2019. The Company and its Subsidiaries' consolidated financial statements as of December 31, 2016, have been restated in connection with the implementation of ISAK (*Interpretasi Standar Akuntansi Keuangan*, Interpretation of Accounting Standards) No. 15 and PSAK (*Pernyataan Standar Akuntansi Keuangan*, Statement of Financial Accounting Standard) No. 38. The consolidated financial statements as of December 31, 2016, and the year then ended, have been audited by the Public Accounting Firm Drs. Bambang Sudaryono & Rekan, an independent auditor, based on the Auditing Standards stipulated by the Indonesian Institute of Public Accountant (Institut Akuntan Publik Indonesia, "IAPI"), which expressed an unmodified opinion in its report signed by Dr. Bambang Sudaryono, MBA, CPA (Public Accountant Registration No. AP. 0739). The statements of profit or loss and other comprehensive income, statements of changes in equity, and statements of cash flows for the 3 (three) month period ended March 31, 2108, were not audited.

(In US\$)

Description	March 31, 2019	December 31,		
		2018	2017	2016
EQUITY				
Share capital - Rp100 per share as of March 31, 2019, and December 31, 2018, and Rp1,000,000 per share as of December 31, 2017, and 2016				
Authorized capital - 11,473,080,000 shares as of March 31, 2019 and December 31, 2018, 1,147,308 shares as of December 31, 2017, 102,855 shares as of December 31, 2016				
Issued and paid-up capital - 2,933,050,000 shares as of March 31, 2019 and December 31, 2018, 286,827 shares as of December 31, 2017, 102,855 shares as of December 31, 2016	23,408,996	23,408,996	22,959,260	9,397,004
Additional paid-in capital - net	38,009,094	38,009,094	36,638,058	(3,313,347)
Proforma equity arising from restructuring transactions of entities under common control	-	-	-	35,883,306
Retained Earnings	45,465,361	43,446,484	37,413,520	34,850,537
Difference in transactions with non-controlling party	2,447,186	-	-	-
Foreign exchange difference arising from translation of financial statements	5,691,956	5,691,956	5,691,956	5,153,939
Total equity attributable to the owners of parent entity	115,022,593	110,556,530	102,702,794	81,971,439
Non-controlling interests	19,406,296	12,248,135	13,198,953	18,251,300
TOTAL EQUITY	134,428,889	122,804,665	115,901,747	100,222,739

Presented below is the Company's proforma equity position as of March 31, 2019, after taking into account the impact of this Initial Public Offering.

Description as of March 31, 2019	Equity based on the consolidated financial statements as of March 31, 2019	Changes in equity subsequent to March 31, 2019, had an Initial Public Offering of 733,262,500 ordinary registered shares with a nominal value of Rp100 per share at an Offer Price of Rp396 per share occurred, before estimated costs of Public Offering borne by the Company	Equity based on the consolidated financial statements as of March 31, 2019, subsequent to the Share Initial Public Offering
EQUITY			
Issued and paid-up capital	23,408,996	5,151,486	28,560,582
Additional paid-in capital - net	38,009,094	15,248,398	53,257,492
Retained Earnings	45,465,361	-	41,385,523
Difference in transactions with non-controlling party	2,447,186	-	6,527,024
Foreign exchange difference arising from translation of financial statements	5,691,956	-	5,691,956
Total equity attributable to the owners of parent entity	115,022,593	-	135,422,577
Non-controlling interests	19,406,296	-	19,406,296
TOTAL EQUITY	134,428,889	20,339,884	154,828,873

*Foreign exchange translation from USD Dollar to Indonesia Rupiah based on average of bid and offer quotation from Bank Indonesia as of 14 August 2019

There are no changes to capital structure that occurs subsequent to the issuance of the last financial statements.

X. DIVIDEND POLICY

All issued and paid-up shares, including the ordinary registered shares offered in this Public Offering, shall have the same and equal rights, according to the right to receive dividend distribution.

Pursuant to the Law No. 40 of 2007 on Limited Liability Company, dividend distributions shall be made based on the resolutions of the Annual General Meeting of Shareholders (Annual GMS). Interim dividends may be distributed prior to the end of a fiscal year, provided that such distribution is allowed under the Company's Articles of Association and shall not result in the Company's assets to become lower than the Company's issued and paid-up capital and statutory reserves. Distribution of interim dividends shall be determined by the Board of Directors upon approval from the Board of Commissioners. If the Company experiences losses at the end of the fiscal year in which such interim dividends are distributed, the distributed interim dividend must be refunded by the shareholders to the Company. The Board of Directors and the Board of Commissioners shall be jointly and severally responsible in the event that such interim dividends are not refunded by the shareholders.

The Company's dividend policy plans to distribute a maximum of 40% (forty percent) of the consolidated net income for the year starting from 2020 based on the total income for the 2019 fiscal year.

Dividends that may be recommended or declared by the Board of Directors for certain fiscal year or period depend on the following factors and other factors that are deemed relevant by the Company's Board of Directors.

The Company's current dividend policy is as follows:

- In determining the Company's dividend pay-out ratio for any given fiscal year, the Company will consider its current objectives to maintain and potentially increase the dividend distribution within the Company's overall objective to optimize Shareholders' long-term profit;
- In considering the dividend distribution level recommended by the Board of Directors, if any, the Company considers a number of factors, including:
 - Cash balances, net gearing, return on equity, and retained earnings;
 - The Company's expected financial capabilities;
 - The Company's projected capital expenditures and other investment plans;
 - Dividend ratio, if any, received by the Company and its Subsidiaries;
 - Dividends from investments in companies and other companies in globally similar industries; and

There are no negative covenants that may prevent the Company from distributing dividends to Shareholders.

XI. TAXATION

Income tax on share dividends shall be imposed in accordance with the prevailing laws and regulations. Pursuant to Article 4 paragraph (3) point f of the Law No. 7 of 1983 concerning Income Tax as has been amended several times, and was last amended by Law No. 36 of 2008 concerning Amendment to Government Regulation No. 7 of 1983 (effective from January 1, 2013), dividend or distribution of profit received or earned by Limited Liability Companies as Domestic Taxpayers, Co-operatives, State Owned or Regional Government Owned Enterprises as a result of their equity investment in any business entity established and domiciled in Indonesia are not subject to Income Tax, provided that the following requirements are satisfied:

- Dividends are paid out from retained earnings; and
- In the case where the recipient of a dividend is a Limited Liability Company or a State or Regional Government-owned Enterprise, its ownership in the enterprise paying the dividend must not be less than 25% (twenty five percent) of the total fully paid-up capital.

In accordance with the Government Regulation No. 41 of 1997 concerning Income Tax on Proceeds from Sale of Shares Transaction on the Stock Exchange as amended by Government Regulation No. 14 of 1997 concerning Amendment to Government Regulation No. 41 of 1994 concerning Income Tax on Proceeds from Sale of Shares Transaction on the Stock Exchange *juncto* the Minister of Finance Decree No. 282/KMK.04/1997 dated June 20, 1997, concerning the Withholding of Income Tax on Proceeds from Sale of Shares Transaction at the Stock Exchange *juncto* the Circular Letter of the Directorate General of Taxes No. SE-06/PJ.4/1997 concerning the Withholding of Income Tax on Proceeds from Sale of Shares Transaction, the following provisions shall apply:

- On any income received or earned by any Individual Taxpayer or Corporate Taxpayer from the sale of shares on the Stock Exchange, a final income tax will be imposed at 0.1% (one per one thousand) of the gross value of the transactions. Payment of the related Income Tax payable is to be made as a deduction by the Stock Exchange through the Stockbrokers at the time of payment of the sale transaction of shares;
- Founding shareholders shall be charged with an additional final Income Tax of 0.5% (half percent) of the total value of the Company's shares at the time of the Share Initial Public Offering;
- The founding shareholders are provided with the option to meet its tax obligation based on its own calculation in accordance with the provisions referred to above. In this case, the founding shareholders are permitted to calculate the final tax based on their own assumptions that income has been earned for tax purposes. Payment of additional Income Tax payable on founding shareholder's shares shall be conducted by the Company on behalf of each founding shareholder to a tax-payment bank or a Post Office by no later than one month after such shares are traded on the Stock Exchange. However, if the founding shareholders choose not to use the facility referred to above, their Income Tax shall be calculated based on the generally applicable Income Tax rate in accordance with Article 17 of Law No. 7 of 1983 on Income Tax as lastly amended by the Law No. 36 of 2008.

Pursuant to Article 23 paragraph (1) letter a of the Law No. 7 of 1983 on Income Tax as amended several times, and was lastly amended by the Law No. 36 of 2008, dividends paid, available to be paid, or due for payment by government agencies, domestic corporate taxpayers, organizers, permanent establishment or other representatives of foreign companies shall be subject to a withholding income tax of 15% (fifteen percent) of the gross income, which shall be withheld by the party obligated to make such payments. In the event that the Taxpayer receiving or earning such dividend income does not possess a Tax Registration Number, the amount of tax withheld is 100% (one hundred percent) higher of the initial tax rate or 30% (thirty percent) of the gross income.

Pursuant to Article 17 paragraph (2c) of the Law No. 7 of 1983 concerning Income Tax as has been amended several times, and was last amended by Law No. 36 of 2008 *juncto* the Government Regulation No. 19 of 2009 concerning Income Tax on Dividends received or accrued by Domestic Individual Income Taxpayers *juncto* the Minister of Finance Regulation No. 111/PMK.03/2010 dated June 14, 2010, concerning the Procedures of Withholding, Payment and Reporting of Income Tax on Dividends Received or Accrued by Domestic Individual Income Taxpayers, income in the form of dividends received or accrued by Domestic Individual Income Taxpayers shall be subject a final income tax of 10% (ten percent) of the gross amount. The final income tax referred to above shall be imposed by way of withholding by the party paying such dividends or any other party appointed as the payor of dividends when the dividends are available for distribution.

The withholding of Income tax referred to in Article 23 paragraph (1) point 1 of the Law No. 7 of 1983 on Income Tax as amended several times, and was lastly amended by the Law No. 36 of 2008 referred to above shall be exempted for dividends referred to in Article 4 paragraph (3) letter f of the Law No. 7 of 1983 on Income Tax as amended several times, and was lastly amended by the Law No. 36 of 2008 (as referred to in the first paragraph above) and dividends received or accrued by Domestic Individual Taxpayers referred to in Article 17 paragraph (2c) of the Law No. 7 of 1983 on Income Tax as amended several times, and was lastly amended by the Law No. 36 of 2008 (as referred to in the fourth paragraph above).

In accordance with the Minister of Finance Regulation No. 234/PMK-03/2009 dated December 29, 2009, concerning Certain Investment Sectors Generating Income for Pension Funds Exempted as Object of Income Tax, dividends from shares that are listed on the stock exchange in Indonesia are not included as an Income Tax Object.

Pursuant to Article 26 paragraph (1) point a of the Law No. 7 of 1983 concerning Income Tax as has been amended several times, and was last amended by Law No. 36 of 2008, dividends paid, available to be paid, or due for payment by government agencies, domestic corporate taxpayers, organizers, permanent establishment or other representatives of foreign companies to Foreign Taxpayer other than permanent establishments in Indonesia shall be subject to a withholding income tax of 20% (twenty percent) of the gross income, which shall be withheld

by the party obligated to make such payments. In the event of dividends paid, available for payment, or due for payment, to citizens of a country that has signed the Double Tax Avoidance Agreement (*Perjanjian Penghindaran Pajak Berganda*, "P3B") with Indonesia, and in the event that such transaction satisfy the requirement set forth by the Director General of Taxes Regulation No. PER-61/PJ/2009 concerning the Implementation Procedures of Double Tax Avoidance Agreement, as amended by the Director General of Taxes Regulation No. PER-24/PJ/2010 *juncto* the Director General of Taxes Regulation No. PER-62/PJ/2009 concerning Prevention of Misuse of the Double Tax Avoidance Agreement as amended by the Directorate General of Taxes Regulation No. PER-25/PJ/2010, an income tax at a lower tariff in accordance with the P3B shall be imposed.

Fulfillment of the Company's Tax Obligations

As a Taxpayer, the Company is generally subject to the tax obligations arising from Income Tax ("WHT"), Value Added Tax ("VAT") and Land and Building Tax (*Pajak Bumi dan Bangunan*, "PBB"). The Company has fulfilled all of its tax obligations in accordance with the prevailing laws and regulations and tax regulations. As of the date of issuance of this Prospectus, the Company has no tax arrears.

Tax Aspects of the ESA Program

The costs of ESA Program (specifically for bonus shares) are part of the remuneration of the participants, and therefore, the Withholding Income Tax Article 21 on Bonus Shares shall be borne by the Company. Subsequently, upon expiry of the lock-up period, the Participants shall bear the tax expense related to the sale of shares transactions through the Stock Exchange or outside the Stock Exchange, and the following tax provisions shall apply on such sales:

1. Sales executed through the Stock Exchange shall be subject to a final tax, the amount of which shall be determined based on the transaction value.
2. Sale of shares executed outside the Stock Exchange shall be subject to tax, which shall be calculated based on the capital gain received by the Participant at a progressive tax rate in accordance with the prevailing tariff.

All expenses and taxes arising from ESA transaction (solely for Fixed Allotment Shares) shall be borne by the Participants of ESA Programs.

PROSPECTIVE BUYERS OF THE SHARES IN THIS SHARE INITIAL PUBLIC OFFERING ARE ADVISED TO CONSULT THEIR RESPECTIVE TAX CONSULTANTS REGARDING THE TAX CONSEQUENCES THAT MAY ARISE FROM THE PURCHASE, OWNERSHIP OR SALE OF SHARES ACQUIRED IN THIS SHARE INITIAL PUBLIC OFFERING.

XII. CAPITAL MARKET SUPPORTING INSTITUTIONS AND PROFESSIONALS

The Capital Market Supporting Institutions and Professionals participating in this Public Offering are as follows:

Public Accountant : **KAP Kosasih, Nurdjaman, Mulyadi, Tjahjo & Rekan**
 Cyber 2 Tower, Level 20
 Jl. H.R. Rasuna Said Block X-5
 Jakarta 12950

Tel: : (021) 2553 9299
 Fax: (021) 2553 9298

STTD Number : STTD-AP-24/PM-22/2018
 STTD Date : February 5, 2018
 Association Membership : Institute of Certified Public Accountant (Institut Akuntan Publik Indonesia)
 Professional Standards : The Public Accountant Professional Standards stipulated by IAPI (Standar Profesi Akuntan Publik yang diterapkan oleh IAPI).
 No. IAPI Membership No. 1779
 Engagement Letter : 024/Leg-KEL/IX/2018

Main duties:

The main duty of the Public Accountant is to conduct audit based on the auditing standards stipulated by IAPI. The standards require the public accountant to comply with the code of ethics and to plan and perform an audit in order to obtain a reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessments on the accounting principles used and the significant estimates prepared by the management and assessments on the overall presentation of the Financial Statements.

Legal Advisor : **Ali Budiarjo, Nugroho, Reksodiputro**
 Graha CIMB Niaga 24th Floor.
 Jl. Jend. Sudirman Kav. 58
 Jakarta 12190 Indonesia
 Phone: (021) 250 5125
 Fax: (021) 250 5121

STTD Number : STTD.N-125/PM.2/2018
 STTD Date : May 17, 2018
 Association Membership : Association of Capital Market Legal Consultants (*Himpunan Konsultan Hukum Pasar Modal*, "HKHPM")
 Framework : Kep.01/HKHPM/2005 dated February 18, 2005, as last amended by Number 01/KEP/HKHPM/II/2014 dated February 4, 2014
 Engagement Letter : 026/Leg-KEL/IX/2018

Main duties:

The main duties of the Legal Advisor pursuant to this Public Offering, in accordance with the applicable Professional Standards and the prevailing Capital Market Regulations, is to perform a review and due diligence with to the best of the Legal Advisor's ability, on the facts related to the Company and other related information as provided by the Company to the Legal Advisor. The result of the legal due diligence review has been reported in the Legal Due Diligence Report, which serves as the basis of the Legal Opinion, which is expressed objectively and independently, and to review the legal aspects of the information presented in the Prospectus, as required under the implementation of principles of transparency that are related to the Public Offering.

Notary : **Yulia, S.H.**
 Multivision Tower Level 3 Suite 05
 Jl. Kuningan Mulia Kav.9B
 Jakarta 15412

STTD Number : STTD.N-1/PM.22/2018
 STTD Date : February 7, 2018
 Association Membership : 0039719720806
 Framework : Law No. 30 of 2004 concerning the Notary Office.
 Engagement Letter : 027/Leg-KEL/IX/2018

Main duties:

The Notary's scope of work in this Public Offering shall include the organization and preparation of the notarial deeds of minutes of the Company's GMS and agreements relating to the Public Offering, with reference to the Notary Office Regulations and the Notary Code of Ethics.

Securities Administration Bureau : PT Raya Saham Registra
Gedung Plaza Sentral Level 2
Jl. Jend. Sudirman Kav. 47-48
Jakarta 12930

Association Membership : The Indonesian Securities Administration Bureau Association (*Asosiasi Biro Administrasi Efek Indonesia*, "ABI") No. ABI/IV/2011-004 dated April 6, 2011.

Framework : Decree of Bapepam Chairman No. Kep- 79/PM/1991 dated September 18, 1991, concerning the Issuance of Business License as a Securities Administration Bureau to PT Raya Saham Registra.

Engagement Letter : 025/Leg-KEL/IX/2018

Main duties:

The duties and responsibilities of the Securities Administration Bureau (SAB) in this Share Initial Public Offering in accordance with the Professional Standards and the prevailing Capital Market Regulations, include, among others, receiving share subscriptions in the form of Share Subscription Register ("SSR") and Share Subscription Forms ("SSF") that are supported with the documents required for the share subscription and approved by the Joint Lead Underwriters as subscriptions proposed for share allotment and undertake the administration of share subscriptions in accordance with the application available at the SAB. Together with the Joint Lead Underwriters, the SAB shall have the right to reject share subscriptions that fail to satisfy the applicable subscription requirements, with due considerations to the prevailing laws and regulations. In the event of oversubscription of the Offering Shares, the SAB shall conduct the allotment process in accordance with the allotment formula set by the Joint Lead Underwriters, print the Allotment Confirmation Form and prepare the allotment report. The SAB is also responsible for the issuance of Allotment Confirmation Form ("ACF") under the name of the subscribers receiving allotment and for the preparation of Share Initial Public Offering Report in accordance with the prevailing regulations.

The Capital Market Supporting Professionals and Institutions participating in this Public Offering are not affiliated to the Company, within the meaning of Affiliation defined in the Capital Market Law.

XIII. SECURITIES UNDERWRITING

1. DESCRIPTION OF SECURITIES UNDERWRITING

In accordance with the terms and conditions set forth in the Deed of Underwriting Agreement No. 167 dated May 28, 2019, as subsequently amended by the Deed No. 94 dated June 27, 2019, as subsequently amended by the Deed No. 80 dated August 14, 2019, which are entirely drawn up by and between the Company and the Joint Lead Underwriters before Yuliana, S.H., a Notary in South Jakarta, the Underwriters whose names are mentioned below, jointly and severally, fully agree to offer and sell the new shares to be issued from portfolio to the Public in accordance with their respective underwriting portion, which shall be underwritten in full commitment in the sum of 100% (100 percent) of the total Offering Shares offered in the Share Initial Public Offering, which shall consist of 733,262,500 (seven hundred thirty-three million two hundred sixty-two thousand and five hundred) new ordinary registered shares (new shares) and bind themselves to purchase the remaining Offering Shares unsubscribed on the closing date of the Offering Period.

The Securities Underwriting Agreement shall annul any similar agreement, whether written or unwritten, that may have previously existed and will exist in the future between the Company and the Underwriters.

Furthermore, Underwriters participating in the Company's Securities Underwriting have agreed to carry out their duties in accordance with Regulation No. IX.A.7.

The underwriting composition, portion and percentage of members of the underwriter syndicate participating in the Company's Share Initial Public Offering are as follows:

Description	Underwriting Portion		
	Shares	Amount (Rp)	Percentage (%)
Joint Lead Underwriters			
1. PT Bahana Sekuritas	47,321,900	18,739,472,400	6.45
2. PT Mirae Asset Sekuritas Indonesia	360,432,600	142,731,309,600	49.16
3. PT RHB Sekuritas Indonesia	304,538,000	120,597,048,000	41.53
Sub Total	712,292,500	282,067,830,000	97.14
Underwriters			
1. PT Indosurya Bersinar Sekuritas	300,000	118,800,000	0.04
2. PT MNC Sekuritas	12,500,000	4,950,000,000	1.71
3. PT NH Korindo Sekuritas	7,570,000	2,997,720,000	1.03
4. PT Phillip Sekuritas	300,000	118,800,000	0.04
5. PT Reliance Sekuritas Indonesia	300,000	118,800,000	0.04
Subtotal	20,970,000	8,304,120,000	2.86
Total	733,262,500	290,371,950,000	100.00

The Joint Lead Underwriters and Underwriters referred to above expressly represent that they are not affiliated to the Company, whether directly or indirectly, according to the definition of "Affiliate" set forth in the Capital Market Law.

2. DETERMINATION OF THE OFFER PRICE ON THE PRIMARY MARKET

The Offer Price of the Offering Shares shall be determined based on the agreement and negotiation between the shareholders, the Company and the Joint Lead Underwriters.

Pursuant to the Preliminary Offering (bookbuilding) results, the highest purchase price received by the Joint Lead Underwriters ranged from Rp250 to Rp420 per share. With due consideration to the result of such preliminary offering (bookbuilding), then, based on the agreement between the Joint Lead Underwriters and the Company, the Offer Price is set at Rp396. The price setting has also taken the following factors into consideration:

- Market condition at the time of the bookbuilding;
- The Company's financial performance;
- Data and information concerning the Company, the Company's performance, brief history, business prospects;
- Assessment on the Board of Directors and management, the Company's past and current operations or performance as of the issuance of this Prospectus, and future business prospects and revenue prospects;
- Status of the Company's latest development; and
- Share performance on the Secondary market.

XIV. KEY PROVISIONS OF THE ARTICLES OF ASSOCIATION

Please refer to the Prospectus issued in the Indonesian Language.

XV. SHARE SUBSCRIPTION PROCEDURES

1. SHARE SUBSCRIPTION

Share subscriptions shall be made in accordance with the provisions set forth in this Prospectus and the SSF. Share subscriptions shall be made using the original SSFs issued by the Joint Lead Underwriters, which may be obtained from the Underwriters whose names are listed in Chapter XVII of this Prospectus. Upon completion of the SSFs by the subscribers, the share subscriptions shall be submitted to the members of the Underwriting syndicate whose names are listed in Chapter XII of this Prospectus. Share subscriptions that are not conducted in accordance with the provisions referred to above shall not be processed.

Each subscriber must hold a Securities Account at the Securities Companies/Custodian Banks registered as Account Holders at KSEI.

2. ELIGIBLE SUBSCRIBERS

Subscribers eligible to subscribe shares shall be individuals and/or Institutions/Business Entities as stipulated in the Capital Market Law and Regulation No. IX.A.7.

3. TOTAL SUBSCRIBERS

The share subscription shall be made in the sum of no less than 1 (one) unit of trading, which shall be 100 (one hundred) shares and subsequently in the multiples of 100 (one hundred) shares

4. SECURITIES REGISTRATION IN COLLECTIVE DEPOSITORY

The Offering Shares are registered at KSEI based on the Securities Registration Agreement.

a. Pursuant to the registration of such shares in KSEI, the following provisions shall apply on such Offering Shares:

1. The Company shall not issue the Offering Shares from the Share Initial Public Offering in the form of Share Collective Certificates, however, the shares shall be distributed electronically and administered in the Collective Depository of KSEI. Shares from the Public Offering shall be credited to the Securities Accounts under the name of the account holders by no later than the share distribution date upon receipt of share registration confirmation under the name of KSEI from the Company or the SAB;
2. Before the Offering Shares offered in this Share Initial Public Offering are listed on the Stock Exchange, the subscribers shall receive share ownership evidence in the form of Share Allotment Confirmation Forms (ACF), which shall also serve as proof of registration of shares under collective custody in the Company's Shareholder Register;
3. KSEI, the Securities Companies, or the Custodian Banks shall issue a written confirmation to the account holders as a confirmation letter concerning the ownership of the Shares. The said Written Confirmation shall constitute a legitimate evidence of ownership on Shares registered in the Securities Account.
4. Transfer of Share ownership shall be made by way of book-entry settlement between Securities Accounts at KSEI;
5. The holders of shares listed in the Securities Account shall be entitled to dividends, bonuses, preemptive rights, cast votes in a GMS, and other rights inherent to the shares;
6. Payment of dividends, bonuses to, and distribution of preemptive rights to the shareholders shall be conducted by the Company, or the SAB appointed by the Company, through the Securities Account at KSEI to be further forwarded to the beneficial owners who own/open the Securities Account Holders at the Securities Companies or Custodian Banks;
7. Subsequent to the Share Initial Public Offering and listing of the Company's shares, shareholders intending to have share certificates may redeem the shares from the Collective Depository at KSEI after the shares from the Share Initial Public Offering are distributed to the Securities Accounts of the appointed Securities Companies/Custodian Banks;
8. Such redemption shall be made by submitting the share redemption request to KSEI through the Securities Companies or Custodian Banks managing such shares by completing the Securities Redemption Form;
9. For Shares redeemed from the Collective Depository, a Share Collective Certificate shall be issued by no later than 5 (five) business days subsequent to the receipt of such redemption request by KSEI, and shall be issued under the name of the shareholders in accordance with the requests of the Securities Companies or Custodian Banks managing such shares;
10. The parties intending to settle stock exchange transactions on the Company's shares shall be obligated to appoint Securities Companies or Custodian Banks that are already registered as Account Holders at KSEI to administer such Shares.

- b. Shares that are redeemed from the Collective Depository at KSEI for which Share Collective Certificate has been issued cannot be used to settle stock exchange transactions. Further information concerning the share redemption procedures are available at the Underwriters where the said SSFs are submitted.

5. SUBMISSION OF SHARE SUBSCRIPTION

During the Share Initial Public Offering Period, eligible subscribers may submit the share subscriptions during the office hours determined by the Joint Lead Underwriters or Underwriters where the SSF is obtained.

Each party shall have the right to submit only one SSF and such SSF must be submitted by the concerned subscriber by attaching photocopies of identity (Resident Card (KTP)/Passport for individuals and Articles of Association for legal entities), and by presenting the original identity (KTP)/Passport for individuals and Articles of Association for legal entities and evidence as a customer of members of the Stock Exchange and shall perform payment in accordance with the subscription amount. For foreign subscribers, in addition to attaching the photocopy of passport to the SSF, such subscribers shall state their names and addresses abroad/or the legitimate legal domicile in a complete and clear manner and shall perform payment in accordance with the subscription amount.

The Underwriters, Joint Lead Underwriters, and the Company shall have the right to reject share subscriptions which SSFs are not filled in completely or if the terms of share subscriptions, including the criteria of eligible subscribers, are not satisfied. Whereas subscribers that have submitted the share subscription and satisfied the share subscription requirements are not allowed to cancel their share subscriptions.

6. SHARE INITIAL PUBLIC OFFERING PERIOD

The Share Initial Public Offering Period shall commence from August 23, 2019, up to at 09.00 Western Indonesian Time to August 27, 2019, at 16.00 Western Indonesian Time. However, if the aggregate amount of shares subscribed exceeds the Offering Shares, then, the Joint Lead Underwriters, by first notifying the FSA, may shorten the Public Offering Period, provided that the Public Offering Period shall be no less than 1 (one) business day.

7. ALLOTMENT DATE

Allotment Date shall mean the date on which the Joint Lead Underwriters and the Company determine the share allotment for each subscription in accordance with the prevailing regulations, which shall be August 29, 2019.

8. TERMS OF PAYMENT

Payments may be made in cash, cheques, or bank drafts denominated in Rupiah and paid to the Joint Lead Underwriters at the time the SSFs are submitted. All payments shall be addressed to the Joint Lead Underwriters' accounts at:

PT Bank Sinarmas Tbk UUS	PT Bank UOB Indonesia
Cabang: Cik Ditiro, Jakarta	Cabang: UOB PLAZA
No. A/C: 99-246-958-08	No. A/C: 327-305-834-4
Atas Nama: PT Mirae Asset Sekuritas Indonesia	Atas Nama: RHBSI – IPO KENCANA

If the payments are made in checks, the checks shall be personal checks/owned by the Parties submitting (signing) the subscription forms. Checks owned by/under the name of third parties are unacceptable as payments. All payments shall be received in good funds by the Joint Lead Underwriters from syndicated, retail and institutional customers by no later than August 27, 2019 in the bank account referred to above. In the event that payments have not been accepted on such date referred to above, the SSF submitted shall be considered null and void and shall not be entitled to allotment.

All bank charges and transfer fees related to such payments shall be borne by the subscribers. All checks and bank drafts received shall be immediately endorsed upon receipt. In the event that such checks or giro bills are dishonored by the drawing bank upon endorsement, the said share subscriptions shall be automatically considered void. For payments made by transfer from other bank, Subscribers shall attach the photocopy of Clearing Credit Note from the concerned bank and state the SSF/SSR number.

9. RECEIPTS

The Joint Lead Underwriters and Underwriters accepting the submission of SSFs shall return to the subscribers, the copy of the 5th (fifth) page of the SSF as a Receipt of Share Subscription. The Share Subscription Form receipt is not a guarantee of the fulfillment of subscription and shall be safely kept to be submitted upon refund of subscription fund and/or upon receipt of the ACF for the share subscriptions.

10. SHARE ALLOTMENT

The allotment shall be conducted by PT RHB Sekuritas as the Allotment Manager, in accordance with Regulation No. IX.A.7. IX.A.7.

a. Fixed Allotment

Fixed allotment is limited to 99% (ninety nine percent) of the total Offering Shares, that shall be allocated to, but not limited to, pension funds, insurance companies, mutual Funds, foundations, other types of institutions, both domestic and international.

In the event of allotment based on the Fixed Allotment system, such allotment shall be conducted solely if the following requirements are satisfied:

- a. The Allotment Manager shall determine the percentage and the parties entitled to the fixed allotment in the Share Initial Public Offering. The determination of Fixed Allotment percentage shall consider the interests of individual subscribers;
- b. The total Fixed Allotment referred to in point (a) has included the allocation for the Company's employees submitting subscriptions in the Public Offering (if any), in a maximum sum of 10% (ten percent) of the total Offering Shares in the Share Initial Public Offering; and
- c. Fixed Allotment are prohibited to be granted to Affiliated Subscribers, namely:
 - 1) Directors, Commissioners, employees, or Parties holding 20% (twenty percent) or more of the shares in a Securities Company acting as the Underwriter with respect to the Share Initial Public Offering;
 - 2) The Company's Directors, Commissioners and/or majority shareholders; and
 - 3) Affiliates of the Parties referred to in point 1) and 2), which are not the Parties that subscribe shares on behalf of third parties.

b. Pooling Allotment

Pooling allotment is limited to 1% (one percent) of the total Offering Shares.

In the event that the total shares subscribed exceeds the number of Offering Shares in the Share Initial Public Offering, the Allotment Manager shall perform the following allotment procedures for the remaining Securities subsequent to the Fixed Allotment:

- a. If, after excluding Affiliated Subscribers, (which are subscribers who are directors, commissioners, employees or parties holding 20% (twenty percent) or more of a security company acting as an Underwriter or Selling Agent, or other affiliated parties of all parties referred to above in connection with the Public Offering), there are remaining shares in the sum equal to or higher than the amount subscribed, then, the subscribers that are not excluded shall receive all the shares subscribed.
- b. If, after excluding the Affiliated Share Subscribers referred to in point a above, there are remaining shares in the sum lower than the subscribed shares, then, the allotment for the subscribers that are not excluded shall be conducted in accordance with the following provisions:
 - (i) Priorities may be given to subscribers who are employees of the Company, up to a maximum of 10% (ten percent) of the total Public Offering. The subscribers who are not excluded shall be entitled to one unit of trading at the IDX, if there are sufficient units of trading available. In the event that there are no sufficient units available, the available unit of trading shall be distributed by way of lottery. The number of shares included in the unit of trading referred to above shall be the highest full unit of trading determined by the IDX where the shares will be listed.
 - (ii) If, there are remaining shares available, then after one unit of trading is allocated to subscribers who are not excluded, allocation shall be performed proportionally, in the unit of trading according to the amount subscribed by the subscribers.

11. POSTPONEMENT OF PUBLIC OFFERING PERIOD OR CANCELLATION OF SHARE INITIAL PUBLIC OFFERING

Within the period since the receipt of the Effective Statement on the Registration Statement up to the end of the Share Initial Public Offering Period, the Company may postpone the Share Initial Public Offering Period for a maximum period of 3 (three) months since the receipt of the Effective Statement on the Registration Statement or cancel the Share Initial Public Offering, provided that:

- i. An event beyond the Company's ability and control has occurred, which includes the followings:
 - a. The IDX composite index declines by more than 10% (ten percent) for 3 (three) consecutive Exchange Days;
 - b. Natural disasters, war, riots, fire, strikes which significantly affect the Company's going concern; and/or
 - c. Other events that have significant effect to the Company's going concern as stipulated by the FSA as defined in the Form No. IX.A.2-11 Annex 11; and
- ii. The Company shall comply with the following provisions:
 - a. announce the postponement of the Share Initial Public Offering Period or cancellation of the Share Initial Public Offering in at least one daily newspapers published in the Indonesian Language with national circulation by no later than one business day following such postponement or cancellation. In addition to the obligation to issue an announcement in the newspapers, the Company may also issue such information in other mass media;
 - b. inform the postponement of Share Initial Public Offering Period or cancellation of the Share Initial Public Offering to the Financial Services Authority on the same day as the announcement referred to in point a) above;
 - c. submit the proof of announcement referred to in point a) to the FSA by no later than one business day subsequent to the said announcement; and

- d. the Company postponing the Share Initial Public Offering Period or canceling an ongoing Share Initial Public Offering shall, in the event that Securities subscriptions have been paid, refund the Securities Subscription fund to the subscriber by no later than two Business Days following such decision to postpone or cancel the Public Offering.
- iii. The Issuer who postpones an IPO referred to in point i, and intends to recommence the Public Offering Period shall be subject to the following conditions:
 - a. in the event of postponement of the Share Initial Public Offering period as a result of conditions stipulated in point i (a), the Company shall be obligated to recommence the Public Offering period by no later than 8 (eight) Business Days after the composite index of the Stock Exchange has increased by at least 50% (fifty per cent) of the total decrease in composite index that became the basis of such postponement;
 - b. in the event that the composite index at the Stock Exchange continues to experience a decline as defined in point i (a), the Issuer may again postpone the Public Offering period.
 - c. shall be obligated to notify the FSA of any information concerning the Share Initial Public Offering schedule and other additional information, including information on any material events that occur subsequent to the postponement of the Share Initial Public Offering period (if any) and announce such information in at least one daily newspapers published in the Indonesian language with national circulation by no later than one Business Day prior to the commencement of the next Public Offering period. In addition to the obligation to issue an announcement in the newspapers, the Issuer may also issue such information in other mass media; and
 - d. submit the proof of announcement referred to in point c to the FSA by no later than 1 (one) Business Day subsequent to the said announcement.

12. REFUND

Subscribers that have completed the SSFs and made payment of the Offering Shares whose subscriptions are fully or partially rejected, or in the event of a postponement or cancellation of this Share Initial Public Offering, shall be refunded in the Rupiah currency by the Underwriters where the respective SSFs are filed. The refund shall be made by no later than 2 (two) Business Days subsequent to the Allotment Date or the announcement date of the postponement or cancellation of the share Initial Public Offering in accordance with Regulation No. IX.A.2.

With due considerations to provisions concerning allotment, in the event of oversubscription, each Underwriter to whom the subscribers filed the SSFs shall be responsible to refund the subscription fund to such subscribers. In the event of a postponement or cancellation of the share Initial Public Offering, then, in the event that the announcement of such postponement or cancellation of the share Initial Public Offering is issued prior to the Payment Date, the refund of subscription funds shall be the responsibilities of the Underwriters. However, in the event that the announcement of such postponement or cancellation of the share Initial Public Offering is issued subsequent to the Payment Date, the refund of subscription funds shall be the responsibilities of the Company.

The refund must be made by way of book-entry settlement to the account under the name of the subscriber or by other payment instruments in the form of cheque or *bilyet giro* that may be collected directly by the concerned subscribers from the Underwriters where the subscriptions are submitted by submitting the receipt of share subscription and personal identification.

Any party conducting a negligence with respect to the refund of subscription fund to the subscribers that have submitted their subscription to such party, thereby causing a delay in such refund of subscription fund, shall be obligated to pay a penalty to the concerned subscriber, which shall be calculated based on the interest rate applicable to current account of the accepting bank times the outstanding amount payable, which shall be calculated on the third day of the Allotment Date or the announcement date of the postponement or cancellation of the share Initial Public Offering, proportionally to the total days of delay, where 1 (one) year shall constitute 360 (three hundred sixty) Calendar Days and 1 (one) months shall constitute 30 (thirty) Calendar Days. Accepting bank shall be the bank where the Joint Lead Underwriters open a bank account under the name of the Joint Lead Underwriters to receive proceeds from the Offered Shares. For the avoidance of doubt, the subscription refund mechanism referred to above shall apply solely to retail subscriptions entitled to the allocation of the Offering Shares based on the pooling allotment method defined in the Regulation No. IX.A.7.

In the event that the refund is available, however the subscribers fail to collect such refund within 2 (two) Business Days subsequent to the Allotment Date or the announcement date of the postponement or cancellation of the share Initial Public Offering, such failure shall not be the responsibility of the concerned Underwriter.

13. DISTRIBUTION OF ACF WITH RESPECT TO THE SHARE SUBSCRIPTIONS

Distribution of Share Allotment Confirmation Form to each Securities Account of the share subscribers at the Underwriters where the respective SSFs are submitted shall be performed by no sooner than 1 (one) business days subsequent to the allotment date. The Share Allotment Confirmation Form for such share distribution may be obtained by submitting the Share Subscription Receipt.

14. OTHERS

In accordance with the provisions of the Regulation No. IX.A.7, in the event of oversubscription of Securities and it is proven that certain parties have submitted Securities subscriptions through more than one subscription form for each Share Initial Public Offering, whether directly or indirectly, then, for the purpose of allotment, the Allotment Manager shall include only one Securities subscription form that is first submitted by the concerned subscribers.

XVI. DISTRIBUTION OF PROSPECTUS AND SHARE SUBSCRIPTION FORM

The Prospectus and SSF are available at the offices of the Company's SAB, Joint Lead Underwriters and Underwriters appointed as stockbroker dealer registered as members of the Stock Exchange. The Joint Lead Underwriters and Underwriters referred to above are as follows:

JOINT LEAD UNDERWRITERS

PT Bahana Sekuritas

Graha Niaga Level 21
Jl. Jendral Sudirman Kav. 58
Jakarta 12190
Tel: (021) 250 5081
Fax: (021) 522 5889
Website: www.bahana.co.id

PT Mirae Asset Sekuritas Indonesia

Equity Tower 50th Floor,
Jl. Jend. Jendral Sudirman Kav 52-53
Jakarta 12190
Phone: (021) 515 1140
Fax: (021) 515 1141
Website: www.miraeasset.co.id

PT RHB Sekuritas Indonesia

Wisma Mulia, Level 20
Jl. Jend. Gatot Subroto No. 42
Jakarta 12710, Indonesia
Phone: (021) 2783 0888
Fax: (021) 2783 0777
Website: www.rhbgroup.com

UNDERWRITERS

PT Indosurya Bersinar Sekuritas

Menara Kuningan Lt. 32
Jl. HR Rasuna Said Kav 5 Blox X7
Jakarta Selatan
Telp. (021) 300 15622
Fax. (021) 300 15649
Website: www.indosuryaonline.co.id

PT MNC Sekuritas

MNC Financial Center, Lantai 14
Jl. Kebon Sirih No. 21-27
Jakarta Pusat, 10340
Telepon : (021) 29803111
Faksimili : (021) 3983 6868
Website : www.mncsekuritas.id

PT NH Korindo Sekuritas

Wisma Korindo Lantai 7
Jl. M.T. Haryono Kav. 62, Pancoran
Jakarta 12780
Telp. (021) 797 6202
Faks. (021) 797 6206
Website: www.nhsec.co.id

PT Phillip Sekuritas

ANZ. Tower Level 23B
Jl. Jend. Sudirman Kav 33A
Jakarta 10220
Telepon: (021) 57900 800
Faksimili: (021) 57900 809
Website : www.phillip.co.id

PT Reliance Sekuritas Indonesia

Menara Batavia Ground Floor.
Jl.KH.Mas Mansyur Kav 126
Jakarta 10220
Tel. (021) 57905455
Fax. (021) 57950728
Website: www.reliancesekuritas.com

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XVII. LEGAL OPINION

Presented below is the copy of Legal Opinion on all matters related to the Company with respect to the Share Initial Public Offering using this Prospectus, which has been prepared by the Law Ali Budiarjo, Nugroho, Reksodiputro.

Jakarta, August 14, 2019

No. Ref.: 002/KCA-18024/14/VIII/2019/RSN/RT-NAH

To
PT KENCANA ENERGI LESTARI Tbk
Kencana Tower Level 11,
Komp Business Park
Jalan Raya Meruya Ilir No.
88, West Jakarta, DKI Jakarta

Attn. : Board of Directors

Dear Sir/Madam

Re: **Legal Opinion on PT Kencana Energi Lestari Tbk**

We, Ali Budiardjo, Nugroho, Reksodiputro Law Office ("**ABNR**"), which in this respect is represented by Ricky S. Nazir S.H., Partner, holder of: (i) Capital Market Supporting Professional Certificate Number STTD.KH-125/PM.2/2018 dated May 17, 2018, and (ii) Membership Certificate of the Association of Capital Market Legal Consultants (*Himpunan Konsultan Hukum Pasar Modal*) under Membership Number 89018, who has been appointed by PT Kencana Energi Lestari Tbk (the "**Company**") based on the Capability Statement & Proposal dated April 10, 2018, to perform a legal due diligence (hereinafter referred to as "**Due Diligence**") and prepare the Legal Due Diligence Report (hereinafter referred to as "**LDDR**") and to express a legal opinion ("**LO**") on the Company and/or its Subsidiaries which majority of the shares are owned by the Company ("**Subsidiaries**") as described below:

- (a) PT Bangun Tirta Lestari ("**BTL**");
- (b) PT Energy Sakti Sentosa ("**ESS**");
- (c) PT Bangun Hidro Energi ("**BHE**");
- (d) PT Sumber Tirta Energi ("**STE**"); and
- (e) PT Nagata Dinamika Hidro Madong ("**NDHM**"),

In connection with the Company's plan to conduct a share initial public offering of 732,262,500 (seven hundred thirty two million two hundred sixty two thousand five hundred shares) shares or 20% (twenty percent) of the Company's issued and paid-up capital subsequent to the Company's share initial public offering, consisting of new shares issued from the Company's portfolio, with a nominal value of Rp100 (one hundred Rupiah) per share. In conjunction with the Share Initial Public Offering, the Company shall conduct an Employee Stock Allocation Program ("**ESA Program**") for 0.17% (zero point seventeen percent) of the total Offered Shares in the Share Initial Public Offering or a maximum of 1,262,600 (one million two hundred sixty two thousand six hundred) shares from the total offered shares in the Share Initial Public Offering (hereinafter referred to as the "**Initial Public Offering**"), which shall be listed on PT Bursa Efek Indonesia (Indonesia Stock Exchange, "**IDX**").

The Initial Public Offering shall be underwritten by PT RHB Sekuritas, PT Bahana Sekuritas, PT Mirae Asset Sekuritas Indonesia, PT Reliance Securities Tbk, PT Phillip Sekuritas Indonesia, PT NH Korindo Sekuritas Indonesia, PT MNC Sekuritas, and PT Indosurya Sekuritas as the Underwriters on a full commitment basis as stipulated in the Deed of Securities Underwriting Agreement No. 167 dated May 28, 2019, which has been amended pursuant to the Deed No. 94 dated June 27, 2019, which has been amended pursuant to the Deed No. 80 dated August 14, 2019, all of which are drawn up before Yulia, S.H., a Notary in Jakarta. In connection with the Initial Public Offering, the Company has signed the Share Administration Management Agreement with PT Raya Saham Registra as the Securities Administration Bureau, as stipulated in the Deed No. 168 dated May 28, 2019, which has been amended pursuant to the Deed No. 95 dated June 27, 2019, which has been amended pursuant to the Deed No. 81 dated August 14, 2019, all of which are drawn up before Yulia, S.H., a Notary in Jakarta.

For the purpose of this Initial Public Offering, the Company's Board of Directors has obtained the approval from the Company's shareholders, as stipulated in the Deed of Statement of Shareholders' Resolution No. 50 dated May 10, 2019, drawn up before Yulia, S.H., a Notary in Jakarta, which has been (i) approved by the Minister of Law and Human Rights ("**MOLHR**") of the Republic of Indonesia by virtue of the MOLHR's Decree No. AHU-0025348.AH.01.02.TAHUN 2019 dated May 13, 2019, and registered in the Company Register under No. AHU-0075686.AH.01.11.TAHUN 2019 dated May 13, 2019, (ii) notified to the MOLHR as evidenced by the Receipt of Notification of Amendment to Articles of Association No. AHU- AH.01.03-0243116 dated May 13, 2019, and registered in the Company Registry under No. AHU-0075716.AH.01.11.TAHUN 2019 dated May 13, 2019, and (ii) the Receipt of Notification of Company Data Changes No. AHU-AH.01.03-0243119 dated May 13, 2019, and registered in the Company Registry under No. AHU-0075716.AH.01.11.TAHUN 2019 dated May 13, 2019, ("**Deed No. 50/2019**"). The Company's plan to conduct the Share Initial Public Offering shall not require the approval, license from any other party and/or institution (other than the OJK and the Indonesia Stock Exchange).

As stated in Chapter II of the Initial Public Offering Prospectus, proceeds from the Initial Public Offering to be received by the Company, after issuance cost deduction, shall be used by the Company and/or its Subsidiaries as follows:

- Approximately 55% (fifty-five percent) shall be used to finance business developments in the Hydroelectric Power Plant and other renewable energy in Sumatra and Sulawesi with an estimated total production capacity of approximately 205 MW, either through investments and/or equity investments by the Company in the subsidiaries or other entities that shall be part of the Company's Subsidiaries in accordance with the requirements stipulated in the PPA;
- Approximately 25% (twenty-five percent) shall be used to finance BTL's working capital; and
- Approximately 20% (twenty percent) shall be used to finance NDHM's working capital in connection with the Madong Project.

The distribution of funds with respect to the financing of capital expenditures and working capital by the Company through its Subsidiaries shall be made in the form of additional paid-up capital and/or long-term loans, and/or the combination of both. In the event that proceeds from the Initial Public Offering are not yet utilized, the funds shall be placed in a special escrow account for the Share Initial Public Offering. In the event that the proceeds from this Public Offering is not sufficient to cover the planned use of proceeds referred to above, the Company shall utilize its internal cash flows from operation and bank loans to finance the plans referred to above.

The planned use of proceeds referred shall hereinafter be referred to as the "**Use of Proceeds.**"

This LO shall supersede our previous LO No. 001/KCA-18024/28/V/2019/RSN/RT-NAH dated May 28,



COUNSELLORS AT LAW

Legal Opinion on PT Kencana Energi Lestari Tbk

2019, and LO No. 001/KCA-18024/27/VI/2019/RSN/RT dated June 27, 2019, and LO No. 002-KCA-18024/12/VII/2019/RT/RSN-NAH dated July 12, 2019, and therefore, this LO shall be the only valid LO.

A. BASIS AND SCOPE OF LEGAL OPINION

The Due Diligence, the LDDR and LO have been made with reference to the following basis, scope, and limitations:

1. This LO is issued under the law of the Republic of Indonesia. In this LO, the term “Indonesian law” or “the prevailing laws and regulations” shall mean laws, regulations, decisions or other legislative instruments issued by the central government of the Republic of Indonesia that have been issued and are available to the public as of date of this LO.
2. This LO is expressed based on the LDDR, which reflects the condition of the Company and/or its Subsidiaries by July 12, 2019 and the Supplementary Information (“SI”) by August 14, 2019.
3. This LO has been prepared based on review of derivative documents, copies, and photocopies that we obtained from the Company and/or its Subsidiaries, and verbal and written explanations and representations provided by the Company and/or its Subsidiaries, the results of which are expressed in the LDDR and SI, which serve as the bases of, and form an integral part of this LO.
4. This LO and the LDDR are prepared with due considerations to the provisions of the prevailing laws and regulations in the Capital Market and the professional standards of Capital Market Legal Consultants referred to in the annex to the Decree of the Association of Capital Market Legal Consultants No. Kep.02/HKHPM/VIII/2018 dated August 8, 2018.
5. The scope of our Due Diligence includes the following legal aspects:
 - i) The Company and/or its Subsidiaries’ respective Articles of Associations, including the amendments thereto, capitalization structures, the current composition of members of the Board of Directors and Board of Commissioners of the Company and/or its Subsidiaries, including the duties and authorities of the Board of Directors and Board of Commissioners of the Company and/or its Subsidiaries;
 - ii) Licenses, approvals, legitimation granted or issued by the Government of the Republic of Indonesia or other government institutions, and registrations and reports filed by the Company and/or its Subsidiaries, which are deemed important and material, and directly related to the main business activities of the Company and/or its Subsidiaries;
 - iii) Ownership of the Company’s and/or its Subsidiaries’ assets that are deemed significant and material, with the exception of office furniture and fixtures;
 - iv) Insurance on the Company’s and/or its Subsidiaries’ assets that are deemed significant and material;
 - v) The manpower aspects of the Company and/or its Subsidiaries that are deemed significant and material;

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- vi) Agreements between the Company and/or its Subsidiaries that are deemed significant and material;
 - vii) Information on: (a) civil, criminal, bankruptcy, state administrative and industrial relation proceedings involving the Company and/or its Subsidiaries in any judicial bodies which jurisdiction covers the legal domicile of the Company and/or its Subsidiaries, and (b) arbitration proceedings that may involve the Company and/or its Subsidiaries at Badan Arbitrase Nasional Indonesia or any foreign arbitration forums; and
 - viii) The Company's share ownership in its Subsidiaries, on the condition that in the event that the Company controls, directly or indirectly, more than 50% ownership in a Subsidiary's issued and paid up capital, we shall perform a Due Diligence on such Subsidiary as we perform our Due Diligence on the Company. However, in the event that the Company controls less than 50% ownership in a Subsidiary's issued and paid-up capital, we shall perform a strictly limited Due Diligence on such Subsidiary.
6. In the Due Diligence process, we implement the principle of materiality as required in the Professional Standards of Capital Market Legal Consultants, Annex to the Decree of the Association of Capital Market Legal Consultants No. Kep.02/HKHPM/VIII/2018 dated August 8, 2018, provided that the amount of such materiality threshold is consulted with the Company and/or its Subsidiaries.
 7. This LO is limited to a review on legal aspects, and we do not review, or express an opinion, or analyze or express any assessment on non-legal aspects of any issue, including, but not limited to, assessments in terms of commercial, business, accounting, finance, tax and others.
 8. The responsibilities of ABNR as the Company's independent legal consultant in connection with the matters provided in the course of the Due Diligence, LDDR, SI, and LO, are limited to, and are in accordance with the provisions of Article 80 of the Law Number 8 of 1995 on Capital Market and the provisions of legal profession code of ethics applicable to us.

B. ASSUMPTIONS

The LO is issued with due considerations to, and based on the following assumptions:

1. All signatures are authentic and are signed by the authorized signatory, and that the derivative copies or photocopies of the signatures and documents provided to us are the same as the original documents, and that such original documents are authentic.
2. The government officials issuing licenses, decisions, undertaking registration or recording, receiving reports, granting assignments or approvals for the benefit of the Company and/or its Subsidiaries, possess the authority and power to do so in a valid and binding manner, and have examined the completeness of applications of such licenses, decisions, registrations, recording, reports, assignments, and approvals, including the required appendices with due compliance with the provisions of the prevailing central government and/or regional regulations.



COUNSELLORS AT LAW

Legal Opinion on PT Kencana Energi Lestari Tbk

3. Based on the approval of the amendment to articles of association of the Company and its Subsidiaries by the Ministry of Law and Human Rights with respect to changes in the Company and its Subsidiaries' capital, the capital payment obligations of the Company and/or its Subsidiaries are in fact carried out and paid.
4. All approvals, decisions, licenses, assignments, and notices obtained by the Company and/or its Subsidiaries have been legitimately issued in accordance with the provisions of the prevailing laws and regulations by the authorized government institutions.
5. All parties of any documents or agreements (other than the Company and/or its Subsidiaries), in which the Company and/or its Subsidiaries are a party thereto, have the authorities, capacities, and power to bind themselves to any of the documents or agreements or any other commitments, in which they are one of the parties, based on the Articles of Association, the law of the Republic of Indonesia and the law of other countries; and that the parties are not in bankruptcy, are not under suspension of debt payment obligations or any other similar condition at the time of the execution of such agreements, and that the execution of agreements with third parties are undertaken in good faith, under no duress, and under reasonable commercial judgments.
6. All documents, including representations, clarifications, and statements, verbal or written, and confirmation issued by government officials, judicial bodies, and any other third parties, and all information, representations and statements, verbal or written, provided by members of the Board of Directors and Board of Commissioners and employees of the Company and/or its Subsidiaries to us for the purpose of Due Diligence, whether or not expressly stated in these LDDR and LO, including but not limited to, the Company and/or its Subsidiaries' respective Statement Letters, each dated August 14, 2019, are true, accurate, complete, legitimately prepared, are not annulled or declared null and/or void by the law, are not subjected to amendments, addenda, revisions or renewals, and are consistent with the actual circumstances and conditions, and are not subject to change up to the date of this LO.
7. That for each document in which the Company is a party, which is governed by or subject to the laws applicable in any jurisdiction outside the jurisdiction of the Republic of Indonesia ("**Foreign Laws**"), such document is lawfully valid and binding to the Company based on the aforementioned Foreign Laws, that such document does not violate the provisions of the relevant Foreign Laws, and that such document remains valid until the date of this LO.
8. All documents provided or presented to us in the form of photocopies or copies are complete and correct, legitimately prepared, are not canceled or declared null and/or void by the law, and are not subjected to amendments, addenda, revisions, or renewals.
9. Representation and/or Statement Letters provided by the Board of Directors and/or Board of Commissioners of the Company and/or its Subsidiaries in connection with the status of litigations involving the Company and/or its Subsidiaries, and/or each member of the Board of Directors and/or Board of Commissioners of the Company and/or its Subsidiaries, or in connection with any other matters concerning the Company and/or its Subsidiaries, and/or each member of the Board of Directors and/or Board of Commissioners of the Company and/or its Subsidiaries are true, accurate, complete, and consistent with the actual conditions.

10. There are no material documents with respect to the content of the LDDR and SI that have not been presented, submitted or provided by the Company and/or its Subsidiaries for the purpose of Due Diligence, whether intentionally or unintentionally, which had such documents been presented, submitted, discovered, and reviewed up to the latest deadline of the Due Diligence would result in (i) the content of these LDDR, SI, and LO becoming inaccurate or incomplete, or (ii) the content of these LDDR, SI, and LO having to be modified.

C. LEGAL OPINION

Upon review and examination of documents as further detailed in the LDDR, we hereby express the following Legal Opinion:

1. The Company has been legally established on May 5, 2008, pursuant to the Deed of Establishment of Limited Liability Company PT Citra Alam Pratama Number 01 dated May 5, 2008, drawn up before Ir. Rusli, S.H., a Notary in Bekasi ("**Deed of Establishment**"). The Deed of Establishment has been approved by the MOLHR by virtue of the MOLHR's Decree Number AHU-27201.AH.01.01.Tahun 2008 dated May 23, 2008, registered in the Company Registry under Number AHU-0039782.AH.01.09.Tahun 2008 dated May 23, 2008, and announced in the State Gazette of the Republic of Indonesia No. 2 dated January 6, 2009, Supplement Number 473/2009.

The Company's Articles of Association has been amended several times, and was lastly amended pursuant to the Deed No. 50/2019, which has complied with the provisions of the laws and regulations in the Capital Market sector.

The Deed of Establishment and all the amendments thereof have been prepared in accordance with the provisions of the prevailing laws and regulations. With the exception of announcement in the State Gazette of the Republic of Indonesia ("**SGRI**") as stated in the qualification no. 7 of this LO.

As of the issuance of this LO, the Company is domiciled at Kencana Tower, Level 11, Komp Business Park, Jalan Raya Meruya Ilir No. 88, Meruya Utara, Kembangan, West Jakarta, DKI Jakarta.

2. The Subsidiaries are limited liability companies established under the provisions of the prevailing laws and regulations in the Republic of Indonesia. All of the Subsidiaries' Articles of Association and all of the amendments thereof have been prepared in accordance with the provisions stipulated in the Articles of Association of each Subsidiary, and are effective in accordance with the prevailing laws and regulations. With the exception of announcement in the SGRI as stated in the qualification no. 7 of this LO.
3. Pursuant to the Deed No. 50/2019, the Company's current capital structure is as follows:

Authorized Capital	:	Rp1,147,308,000,000
Issued Capital	:	Rp293,305,000,000
Paid-up capital	:	Rp293,305,000,000

The Company's authorized capital is divided into 11,473,080,000 shares with a nominal value of Rp100 per share. The Company's shares in portfolio amounted to 8,540,030,000 shares.

Pursuant to the Deed No. 50/2019, the Company's shareholder composition is as follows:

Name of Shareholder	Total Shares	Nominal Value (Rp)	%
PT Paramata Indah Lestari	1,110,920,000	111,092,000,000	37.88
Henry Maknawi	524,550,000	52,455,000,000	17.88
Jeanny Maknawi Joe	295,770,000	29,577,000,000	10.08
Johan Maknawi	230,300,000	23,030,000,000	7.85
Eddy Maknawi	184,030,000	18,403,000,000	6.27
Ratna Maknawi	141,870,000	14,187,000,000	4.84
Rusita	53,840,000	5,384,000,000	1.84
Bachtiar	20,190,000	2,019,000,000	0.69
Myrna Agustin Annamarie Rumengan	157,580,000	15,758,000,000	5.37
Jimmy Chandra	66,870,000	6,687,000,000	2.28
Rusmin Cahyadi	55,090,000	5,509,000,000	1.88
Ir. Djoni Arijanto Agung	27,260,000	2,726,000,000	0.93
Giat Widjaja	37,240,000	3,724,000,000	1.27
Agha Indra Arbina	13,770,000	1,377,000,000	0.47
PT Tirta Energi Sentosa	13,770,000	1,377,000,000	0.47
Total	2,933,050,000	293,305,000,000	100

The Company's capital structure for the last 3 (three) years have complied with the provisions of the Company's Articles of Association and the prevailing laws and regulations, and have been entirely paid in full. Except in connection with the acquisition set forth in the Deed of the Company's Shareholder Resolutions Number 84 dated December 14, 2017, where the Company did not issue the mandatory announcement referred to in Article 127 paragraph 2 and Article 133 paragraph 2 of the Company Law on a timely basis. The Company issued the announcement referred to above on August 31, 2018. With respect to the foregoing, the Company Law does not stipulate the sanction applicable to any breach of such provision. Nevertheless, it remains a possibility that any concerned third parties may file an objection against such acquisition if their interests are affected.

4. The Subsidiaries' current capital structures have complied with the provisions of the prevailing laws and regulations, except for the matters we presented in the qualification No. 10 of this LO.

Up to the date of this LO, the Subsidiaries' capital structures are as follows:

(i) **BTL**

Pursuant to the Deed of BTL's Meeting Resolutions No. 86 dated December 14, 2017, ("**Deed No. 86/2017**"), drawn up before Yulia, S.H., a Notary in Jakarta, which has been (i) approved by the MOLHR by virtue of MOLHR's Decree No. AHU-0026510.AH.01.02.Tahun 2017 dated December 15, 2017; and registered in the Company Registry under No. AHU-0159892.AH.01.11.Tahun 2017 dated December 15, 2017, and (ii) notified to the MOLHR as evidenced by the Receipt of Notification of Amendment to Articles of Association No. AHU-AH.01.03-0201364 dated December 15, 2017, and registered in the Company Registry under No. AHU- 0159892.AH.01.11.Tahun 2017 dated December 15, 2017, BTL's capital structure is as follows:

Authorized Capital	:	Rp740,320,000,000
Issued Capital	:	Rp185,080,000,000
Paid-up capital	:	Rp185,080,000,000

BTL's authorized capital is divided into 740,320 shares with a nominal value of Rp1,000,000 per share.

(ii) **ESS**

Pursuant to (1) the Deed of Statement of Shareholders' Resolution No. 87 dated February 25, 2019, drawn up before Yulia, S.H., a Notary in South Jakarta, which has been approved by the MOLHR by virtue of the MOLHR's Decree Number AHU- 0011148.AH.01.02.TAHUN 2019 dated February 28, 2019, registered in the Company Registry under Number AHU-0034263.AH.01.11.TAHUN 2019 dated February 28, 2019, and notified to the MOLHR by pursuant to the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0123329 dated February 28, 2019, registered in the Company Registry under Number AHU-0034263.AH.01.11.TAHUN 2019 dated February 28, 2019, and (2) the Deed of Statement of Shareholders' Resolution No. 77 dated March 27, 2019, drawn up before Yulia, S.H., a Notary in South Jakarta, which has been approved by the MOLHR by virtue of the MOLHR's Decree Number AHU- 0019149.AH.01.02.TAHUN 2019 dated April 8, 2019, registered in the Company Registry under Number AHU-0057833.AH.01.11.TAHUN 2019 dated April 8, 2019, notified to the MOLHR based on the Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0173304 dated March 27, 2019, and registered in the Company Registry under Number AHU-0051555.AH.01.11.TAHUN 2019 dated March 27, 2019, and Receipt of Notification of Amendment to Articles of Association Number AHU-AH.01.03-0173305 dated March 27, 2019, registered in the Company Registry under Number AHU-0051555.AH.01.11.TAHUN 2019 dated March 27, 2019 ("**Deed No. 77/2019**"), ESS' capital structure is as follows:

Authorized Capital	:	Rp773,728,500,000
Issued Capital	:	Rp773,728,500,000
Paid-up capital	:	Rp773,728,500,000

ESS's authorized capital is divided into 6,189,828 shares with a nominal value of Rp125,000 per share.

(iii) **BHE**

Pursuant to the Deed of Limited Liability Company BHE No. 3 dated December 28, 2018, drawn up before Rianto, S.H., a Notary in West Jakarta, which has been approved by the MOLHR by virtue of the MOLHR's Decree Number AHU- 0001139.AH.01.01.TAHUN 2019 dated January 9, 2019, and registered in the Company Registry under Number AHU-0003439.AH.01.11.TAHUN 2019 dated January 9, 2019, BHE's capital structure is as follows:

Authorized Capital	:	Rp50,000,000
Issued Capital	:	Rp50,000,000
Paid-up capital	:	Rp50,000,000

BHE's authorized capital is divided into 50 shares with a nominal value of Rp1,000,000 per share.

(iv) STE

Pursuant to the Deed of Establishment of Limited Liability Company STE Number 2 dated March 2, 2019, drawn up before Rianto, S.H., a Notary in Jakarta, the Deed of Establishment of which has been approved by the MOLHR of the Republic of Indonesia by virtue of Decree Number AHU-0013070.AH.01.01.Tahun 2019 dated March 11, 2019, registered in the Company Registry under Number AHU-0040186.AH.01.11.Tahun 2019 dated March 11, 2019, as amended pursuant to the Deed of STE's Minutes of Meeting Number 21 dated April 26, 2019, drawn up by Indra Gunawan, S.H., M.Kn., a Notary in Jakarta, the General Meeting of Shareholders that has been notified to the MOLHR pursuant to the Receipt of Notification of Amendment to Articles of Association of the Company Number AHU-AH.01.03-0239798 dated May 10, 2019, registered in the Company Registry under Number AHU-0074671.AH.01.11.Tahun 2019 dated May 10, 2019, STE's capital structure is as follows:

Authorized Capital	:	Rp10,000,000,000
Issued Capital	:	Rp4,259,000,000
Paid-up capital	:	Rp4,259,000,000

STE's authorized capital is divided into 10,000 shares with a nominal value of Rp1,000,000 per share.

(v) NDHM

Pursuant to the Deed of Statement of Shareholders' Resolution No. 31 dated April 13, 2016, drawn up before Jose Dima Satria, S.H., a Notary in South Jakarta, which has been approved by the MOLHR pursuant to Decree of MOLHR on Approval of Amendment to Articles of Association No. 0007108.AH.01.02. Tahun 2016 dated April 14, 2016, and has been notified to the MOLHR as evidenced by the Receipt of Notification of Amendment to Articles of Association No. AHU.AH.01.03-0040062 dated April 14, 2016, and has been registered in the Company Register under No. AHU- 0046770.AH.01.11.tahun 2016 dated April 14, 2016, NDHM's capital structure is as follows:

Authorized Capital	:	Rp15,985,668,000
Issued Capital	:	Rp15,985,668,000
Paid-up capital	:	Rp15,985,668,000

NDHM's authorized capital is divided into 15,985,668 shares with a nominal value of Rp1,000 per share.

5. Pursuant to the Deed No. 50/2019, the Company's business activities are to engage in the followings:

Main Business Activities:

1) Service industry, including:

- a. Other Management Consulting Activities:
Include services to provide business advice, guidance regarding business operation and other organizational and management issues, such as strategic planning and organization; financial-related decisions; marketing objectives and policies; planning; human resources policies and practices; production planning, scheduling, and control. The provision of service business may include providing advice, guidance, and assistance on the operational aspects of various management functions, management consulting by agronomists and agricultural economists for the agricultural business and other similar businesses, designs of accounting procedures and methods, cost accounting programs, budget monitoring procedures, and providing advices and assistance to business and community services on planning, organization, efficiency and monitoring, management information and others (ISIC (Indonesian Standard Industrial Classification) 70209);
- b. Activities of a Holding Company, a company that controls assets of a group of subsidiaries which main activity is the ownership of such group. A Holding Company is not involved in its Subsidiaries' business activities. Its activities include services provided by counselors and negotiators in designing corporate merger and acquisition (ISIC 64200);
- c. Professional, Scientific and other Technical Activities that cannot be otherwise classified, such as agronomist consulting, environmental consulting, other technical consulting services, and other activities of consultants other than architecture, engineering, and management consulting services. Including services to salvage treasures from shipwrecks. This classification also includes activities carried out by agency or representative on behalf of individuals that are generally involved in the production of motion pictures, production of theater or other entertainments, or sports attractions and book launches, plays (drama, musical, and others), artworks, photography, and others, with publishers, producers, and others (ISIC 74909).

2) Electricity industry, including:

- a. Electrical Building Construction, which include activities of construction, maintenance, and repair of electrical installations such as power plants, electrical power transmission, and local and long-distance electrical power networks. Also including construction of electrical main stations and installation of electrical poles used for buildings (residential/dwellings) and railway transportation facilities (ISIC 42213);
- b. Activities of Engineering and Engineering Consulting, which include engineering design and consulting activities, such as industrial machineries, factories, and processes; projects involving civil engineering, hydraulic engineering, traffic engineering; development and implementation of projects related to electrical engineering and electronic engineering, mining engineering, mechanical engineering, industrial engineering, system engineering, and security engineering; water management projects; and project management activities related to construction; development activities of projects utilizing AC, refrigerant, sanitary and pollution control engineering, acoustic engineering, and others; geophysics, geology and seismic or earthquake survey activities; geodetic survey activities, including boundary demarcation and surface surveys, hydrographic survey, geological survey, and spatial and cartographic information activities, including topography (ISIC 71102);

- c. Electrical Installation Construction, including installation activities of electrical installations in residential and non-residential buildings, such as installation of low-voltage network installations. Including installation and maintenance activities of civil building electrical installations, such as roads, railways, and airports (ISIC 43211);
- d. Installation Engineering Inspection Service, including inspection activities of an installation design and installation process, such as inspection of electrical installations and other installations (ISIC 71204);
- e. Power Plants, including power generation business and operation of power generation facilities that generate electrical power from various energy sources, such as water (hydroelectric), coal, gas (gas turbine), petroleum, diesel, and renewable energies, solar power, wind, ocean current, geothermal (thermal energy), nuclear energy, and others (ISIC 35101);
- f. Electrical Power Transmission, which include electrical transmission system operation or electrical distribution from power plants to distribution network, including high-voltage electricity transmission network (between 35 kilovolts to 245 kilovolts) and/or ultra-high voltage (higher than 245 kilovolts), including the related main stations, whether produced internally or by other parties (ISIC 35102);
- g. Undertake the application of licenses related to Power Plant Projects.

Supporting Business Activities:

1) Construction, including:

- a. Construction of residential buildings, including construction of buildings used for residential purposes, such as residential houses, apartments, and condominiums. Including construction of residential buildings carried out by real estate companies for the purpose of sale, and modifications and renovations of residential buildings (ISIC 41011);
- b. Office building construction activities, including construction of buildings used for business purposes, such as offices and SOHOs. Including construction of office buildings carried out by real estate companies for the purpose of sale, and modifications and renovations of office buildings (ISIC 41012);
- c. Industrial building construction activities, including construction of buildings used for industrial purposes, such as factories and workshops. Including modifications and renovations of industrial buildings (ISIC 41013);
- d. Office building construction activities, including construction of buildings used for business purposes, such as offices SOHOs. Including construction of shophouses carried out by real estate companies for the purpose of sale, and modifications and renovations of retail buildings (ISIC 41014);
- e. Construction of owned or leased real estates, including the purchase, sale, lease, and operation of owned and/or leased real estates, such as apartment buildings, residential buildings, and non-residential buildings (e.g. convention halls, personal storage facilities, malls, shopping centers, and others), as well as provision of houses and flats or apartments, both furnished and non-furnished, to be permanently used monthly or annually. Including land sales activities, development of buildings to be independently operated (to lease the spaces in the building), division of real estates into land plots without land development, and development of residential estates for mobile homes (ISIC 68110);
- f. Fee-based or contract-based real estates, including activities related to provision of fee-based or contract-based real estates, and real-estate related services as follows:
 - Real estate brokerage and agency activities;
 - Fee-based or contract-based brokerage of real-estate purchases, sales, and leases;

- Fee-based or contract-based real-estate management;
- Real-estate appraisal services;
- Real-estate curator agent. (ISIC 6820).

2) Trade, including:

- a. Business/activities that are directly related to electricity business, such as meter recording and billing services. Including electricity trade activities to consumers, electricity agent activities, which carry out electricity sales through electricity distribution system operated by other parties, operation of electrical power and transmission capacity exchange, and electrical token/credit trade activities, and other electricity support activities (ISIC 35140);
- b. Wholesale of industrial and office machineries, spare parts and equipment, specifically those related to the electricity industry, including electricity power plant machineries and electricity materials (ISIC 46591), including export-import, inter-island, domestic, purveyor, wholesale, supplier, distributors and agents, except travel agents, either directly or through its subsidiaries.

3) Manufacturing, including:

- a. Manufacturing of steam machines, turbines, and windmills, including manufacturing of propulsion engine other than internal combustion engine, such as steam engine, turbines and parts thereof, steam turbines, and other vapor turbines, hydraulic turbines, waterwheels and regulators thereof, wind turbines and gas/air turbines, except turbo jets or turbo propeller for aircraft propulsion; boiler-turbine sets, turbine generator sets and windmill sets (ISIC 28111);
- b. Electric wires and other electronic wires, including the manufacturing of insulated wires and cables made of steel, copper, or aluminum, such as communication or telephone wires, low/medium/high voltage electricity network wires (ISIC 27320);
- c. Wire equipment industry, including manufacturing of fittings, switches, circuit breaker, and others, such as conveyor rods, electric conductors (except switchgear), GFCI (ground fault circuit interrupter), lamp holder, lightning rods and coils, plugs for electric wire equipment (such as push, push button, snap, tumbler switchers), electric outlets and sockets (circuit breakers), box for electric wire equipment (such as junction, outlet, switch box), electric wires and equipment, transmission poles and line hardware, and plastics for non-current transmission wire equipment, including junction plastic boxes, face plates, and others, and plastic line pole equipment (ISIC 27330);
- d. Power plant machinery industry, including the manufacturing of generators and the components/parts thereof, such as alternative current generator, direct current generator, generator set, stator, rotor, commutator, and rotary converter. Including power generator (except battery charging alternator for internal combustion engine), motor generator equipment (except turbine generator equipment), and main driving generator equipment (ISIC 27112);
- e. Manufacturing of ready-to-install construction materials made of non-aluminum metal, such as steel fences, security grills, doors/windows, vents, stairs, and other light construction products. Manufacturing of ready-to-install heavy construction materials made of steels, such as for bridges, electric towers (ISIC 25111), and ready-to-install construction materials made of aluminum, such as window frames, aluminum security grills, aluminum roofs (awnings), rolling doors, aluminum blinds, and other light construction products (ISIC 25112), manufacturing of ready-to-install heavy construction materials made of steel for bridges, hangars, high-voltage electric towers, floodgates and others (ISIC 25113);

- f. Manufacturing of electric motors, generators and transformers, particularly related to the manufacturing of electric and electronic equipment and recycling of electric and electronic equipment and the related business activities (ISIC 2711);
 - g. Coal gasification in mining site (ISIC 05102);
 - h. Iron ore mining (ISIC 07102);
- Including assembly manufacturing industry, whether directly or through its subsidiaries.

4) Investment

Enter into placement of capital (investment) directly, or through its subsidiaries, in other companies or disposal of capital (divestment) in other companies that are related to the Company's business activities.

5) Transportation

Carry out ground transportation business by taking on and transport passengers and/or cargoes from one location to another using buses and trucks, including, among others:

Pipeline transportation (ISIC 49300), railway transportation for passengers (ISIC 49110), railway transportation for cargoes (ISIC 49120), including transportation business using motor vehicles (large/medium public buses) at specified schedules and Intercity-Interprovince routes (ISIC 49211), city bus transportation, including transportation from one location to another within a City or a capital city of a Regency, or in the Special Capital Region using public buses (large/medium buses) that are bound to specified routes (ISIC 49214).

Based on our review on the licensing documents, the Company has carried its business activities in accordance with the aims and objectives set forth in the Company's Articles of Association.

6. Based on our review on licensing documents, the Subsidiaries have carried their business activities in accordance with their respective aims and objectives set forth in the Articles of Association of each Subsidiary.
7. Pursuant to the Deed No. 50/2019, the Company's current Board of Directors composition is as follows:

President Director	: Henry Maknawi
Vice President Director	: Wilson Maknawi
Director	: Rusmin Cahyadi
Director	: Insinyur Karel Sampe Pajung
Director	: Giat Widjaja

Pursuant to the Deed No. 50/2019, the Company's current Board of Commissioners composition is as follows:

President Commissioner	: Albert Maknawi
Commissioner	: Jeanny Maknawi Joe
Independent Commissioner	: Sim Idrus Munandar
Independent Commissioner	: Freenyan Liwang

The compositions of the Company's current Board of Directors and Board of Commissioners have

-
- complied with the provisions of FSAR 33/POJK.04/2014 on Board of Directors and Board of Commissioners of Issuers or Public Companies.
8. Changes in the compositions of the Subsidiaries' current Board of Directors and Board of Commissioners have been made in accordance with the Articles of Association of the respective Subsidiary, and are effective in accordance with the provisions of the prevailing laws and regulations.
 9. The Company has appointed Giat Widjaja as the Company's Corporate Secretary pursuant to the Company's Board of Directors Decision Number: 01/SK-Dir/Leg-KEL/IX/2018 dated September 12, 2018. The appointment of the Company's Corporate Secretary has duly observed the provisions of FSAR No. 35/POJK.04/2014 concerning Corporate Secretary of Issuers or Public Companies.
 10. Pursuant to the Company's Board of Commissioners Decision Number 03/SK-Kom/Leg-KEL/X/2018 dated October 22, 2018, the Board of Commissioners has appointed the Members of Audit Committee with the following composition:

Chairman of Audit Committee	:	Sim Idrus Munandar
Member of Audit Committee	:	Heri Mardani
Member of Audit Committee	:	Ir. Sutiyo Siswanto

The composition of members of the Company's Audit Committee has complied with the provisions of FSAR No. 55/POJK.04/2015 concerning the Establishment and Working Guidelines of Audit Committee.

The Board of Commissioners has ratified the Audit Committee Charter on October 22, 2018, which governs, among others, the membership, duties, responsibilities, and authorities of the Audit Committee.
 11. The Company has established an Internal Audit Unit based on the Company's Board of Directors Decision Number: 02/SK-Dir/Leg-KEL/IX/2018 dated September 12, 2018, with the following composition:

Chairman of Internal Audit Unit	:	Ivy Liadi
Member	:	Yenny

The Company has established an Internal Audit Charter on October 22, 2018, which has complied with the provisions of FSAR No. 56/POJK.04/2015 concerning the Establishment and Preparation of the Internal Audit Charter.
 12. The nomination and remuneration functions are undertaken by the Company's Board of Commissioners as stipulated in the Company's Board of Commissioners Guidelines dated October 22, 2018. In this respect, the nomination and remuneration functions have duly observed the provisions of FSAR No. 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies.
 13. The Company and/or its Subsidiaries have obtained the material licenses required to carry out their business activities from the relevant institutions as required by the provisions of the prevailing laws and regulations in Indonesia, and those licenses are valid until the date of issuance of this LO.
 14. The Company and/or its Subsidiaries have complied with the reporting obligations and/or other

obligations required by the relevant institutions in order to carry out their business as stipulated by the prevailing laws and regulations in Indonesia, except for the following reports and/or obligations that are under internal application process:

a. ESS

- (i) Environmental Recovery Guarantee Deposit obligation as required by the Environmental Permit held by ESS;
- (ii) Reporting of Capital Investment Activity Report (*Laporan Kegiatan Penanaman Modal*, "LKPM");
- (iii) Occupational Health and Safety management system audit certificate; and
- (iv) Licenses related to Occupational Health and Safety (OHS)

b. NDHM

- (i) Reporting of imports to the Investment Coordinating Board;
- (ii) Reporting of the Company's Annual Financial Statements to the Directorate of Business Development; and
- (iii) Progress report under the environmental permit;

The juridical consequences of the noncompliance referred to above are described in the qualifications number 13, 16, 17, 18, and 19 in this LO.

15. As of the issuance of this LO, the Company holds share ownership in the following Subsidiaries:

- a. **BTL**, in which the Company holds 182,119 (one hundred eighty-two thousand one hundred nineteen) common shares, with a nominal value of Rp1,000,000.00 (one million Rupiah) per share, comprising 98.4% (ninety-eight point four percent) of the total issued and paid-up capital;
- b. **ESS**, in which the Company holds 4,642,371 (four million six hundred forty-two thousand three hundred seventy one) common shares, with a nominal value of Rp125,000.00 (one hundred twenty five Rupiah) per share, comprising 75% (seventy-five percent) of the total issued and paid-up capital;
- c. **BHE**, in which the Company holds 49 (forty-nine) common shares, with a nominal value of Rp1,000,000.00 (one million Rupiah) per share, comprising 98% (ninety-eight point four percent) of the total issued and paid-up capital;
- d. **STE**, in which the Company holds 4,258 (four thousand two hundred fifty-eight) common shares, with a nominal value of Rp10,000,000.00 (ten million Rupiah) per share, comprising 99.98% (ninety-nine point ninety-eight percent) of the total issued and paid-up capital;
- e. **NDHM**, in which the Company holds an indirect share ownership through BHE and STE as described below:

Shareholders	Total Shares	Nominal per share	%
BHE	8,142,691	Rp1,000,000.00	50.94
STE	3,916,489	Rp1,000,000.00	24.50

The Company's capital participations in its Subsidiaries referred to above have been legitimately made and have conformed to the provisions of the Company's Articles of Association and the prevailing laws and regulations, except for the matters described in the qualification no. 11 of this LO. In addition, NDHM has no shareholder register and special shareholder register. The juridical consequences of the noncompliance referred to above are described in the qualifications number 12 in this LO.

16. As of the issuance of this LO, the Company has no assets other than share investment in Subsidiaries. The Company's shares in ESS totaling 98,132 (ninety-eight thousand one hundred thirty-two) shares are currently pledged as collateral to PT Bank Mandiri (Persero) Tbk and the Company's shares in BTL totaling 182,119 (one hundred eighty-two one hundred nineteen) shares are currently pledged as collaterals to PT Bank Mandiri (Persero) Tbk and PT Sarana Multi Infrastruktur (Persero) Such pledge of shares has been carried out in accordance with the provisions of the prevailing laws and regulations. Any payment default resulting in the foreclosure of the shares pledged may have material effects to the Company and/or the Company's business continuity.
17. As of the issuance of this LO, based on our review, the Subsidiaries own the following assets:
 - a. **BTL**, owns assets in the form of: (i) immovable assets, in the form of land as evidenced by 32 (thirty-two) Building Use Title (*Hak Guna Bangunan*, "HGB") certificates, and (ii) movable assets, in the form of vehicles and heavy equipment;
 - b. **ESS**, owns assets in the form of: (i) immovable assets, in the form of land as evidenced by 7 (seven) HGB certificates, and (ii) movable assets, in the form of vehicles and heavy equipment;
 - c. **BHE**, owns assets in the form of 8,142,691 (eight million one hundred forty-two thousand six hundred ninety-one) shares in NDHM;
 - d. **STE**, owns assets in the form of 3,916,489 (three million nine hundred sixteen thousand four hundred eighty-nine) shares in NDHM; and
 - e. **NDHM**, owns asset in the form of immovable asset, in the form of land as evidenced by 1 (one) HGB certificate.

The supporting documents of ownership of assets of each Subsidiary have conformed to the provisions of the prevailing laws and regulations.

As of the date of this LO, the Subsidiaries' assets currently pledged as collateral to banks are as follows:

- a. **BTL**, pledged the following assets as collaterals: 2 (two) plots of land registered under HGB certificates, receivables, right of claim over insurance claim, and escrow account; and
- b. **ESS**, pledged its entire assets consisting of 7 (seven) plots of land registered under HGB certificates as collaterals.

Such pledge of assets as collateral have been carried out in accordance with the provisions of the prevailing laws and regulations. Any payment default resulting in the foreclosure of such collaterals by the banks may have indirect material effects to the Company and/or the Company's business

continuity.

18. The Company and/or its Subsidiaries neither own nor control any Intellectual Property Rights.
19. The Company and/or its Subsidiaries have complied with their obligations under the prevailing manpower regulations, with the exception of (i) reporting of mandatory manpower report (*Wajib Laporkan Tenaga Kerja*, "WLTk"), (ii) registration of participants to the Social Security Administrator for Health (*Badan Penyelenggara Jaminan Sosial Kesehatan*, "BPJS Kesehatan") and the Manpower Social Security Administrator (*Badan Penyelenggara Jaminan Sosial Ketenagakerjaan*, "BPJS Ketenagakerjaan"), which BHE and STE, have not carried out. The juridical consequences of the noncompliance referred to above are described in the qualifications number 21 in this LO.
20. Based on our review, the Company does not has any insurance policy.
21. The Subsidiaries carries, among others, the following insurance coverage:

a. BTL

- (i) motor vehicle;
- (ii) contractor all risk;

b. ESS

- (i) motor vehicle and heavy equipment;
- (ii) personal accident;
- (iii) property;
- (iv) earthquake; and
- (v) civil engineering completed risk.

Material assets have been insured with sufficient sum insured to replace the objects insured or to cover the risks insured.

22. The Company's and/or its Subsidiaries' material agreements are valid and binding to the Company and/or its Subsidiaries, and are not contrary to their respective Articles of Association and the provisions of the Indonesian Law, except for:

a. BTL

- (i) Contractor All Risk Insurance that was made only in English;
- (ii) Contract for Works No. 005-HF-BTL./1008/2012AIRPUTIH-INA dated August 10, 2012, between BTL and Huangzhou Hangfa Electrical Equipment Co., Ltd., as last amended in November 2014 that was made only in English;
- (iii) Re-Engineering & Construction Contract between the Company and Sichuan Anhe Hydraulic and Hydroelectric Engineering Co, Ltd., China that was made only in English;

The juridical consequence of the noncompliance referred to above is the risk that the parties of the agreement (other than BTL) may contest the validity of the agreements. The juridical consequences of the noncompliance referred to above are described in the qualifications number 14 and 15 in this LO.

In the event that such agreements are annulled by the competent authorities, the effects of such annulment may be material to BTL.

With respect to the agreements that the Company and its Subsidiaries have entered into up to the date of this LO, there are no issues that may prevent the Share Initial Public Offering and/or injure the interests of the Company's public shareholders.

23. Based on our review, the Company has no loan/credit agreement with banks.
24. The Company has signed agreements in connection with the Initial Public Offering, namely (i) the Securities Underwriting Agreement as set forth in the Deed of Securities Underwriting Agreement Number 167 dated May 28, 2019, as amended pursuant to the Deed No. 94 dated June 27, 2019, both of which were drawn up before Yulia, S.H., a Notary in Jakarta; and (ii) the Share Administration Management with PT Raya Saham Registra as the Securities Administration Bureau as set forth in the Deed No. 168 dated May 28, 2019, which was amended pursuant to the Deed No. 95 dated June 27, 2019, both of which were drawn up before Yulia, S.H., a Notary in Jakarta.

The agreements in connection with the Initial Public Offering referred to above have been executed and prepared in accordance with the provisions of the Company's Articles of Association and the provisions of the prevailing laws and regulations.

25. Based on the document examination of the documents provided by the Company and/or its Subsidiaries, members of the Board of Directors and Board of Commissioners of the Company and/or its Subsidiaries are neither involved in any civil, criminal proceedings and/or any disputed at any judicial bodies in Indonesia or outside the jurisdiction of Indonesia nor involved in any administrative disputes with government bodies, including disputes related to tax obligations, nor sued for bankruptcy by any third party, nor declared bankrupt, nor involved in any other disputes outside the court of law that may have material effects to the Company's and/or its Subsidiaries' business activities.
26. Based on the document examination of the documents provided by the Company and/or its Subsidiaries, there are no ongoing or concluded litigations or proceedings at any judicial bodies and/or arbitration bodies, or potential cases, whether criminal, civil, tax, industrial relation, administrative or bankruptcy before any judicial bodies in Indonesia, or potential arbitration cases, which may have material and/or significant effects to the continuity of the Company's and/or its Subsidiaries' business.
27. The Use of Proceeds with respect to BTL's working capital and NDHM's capital expenditures constitute affiliated transactions. Accordingly, the Company is required to comply with the provisions of Regulation No. IX.E.1, on Affiliated Transactions and Transactions with Conflict of Interest ("**Regulation No. IX.E.1**"), Annex to the Decree of the Chairman of Bapepam-LK (hereinafter referred to as the Financial Services Authority, "FSA", formerly the Financial Institution and Capital Market Supervisory Agency or *Badan Pengawas Pasar Modal dan Lembaga Keuangan*) No. Kep-412/BL/2009, dated November 25, 2009. In the event that the Use of Proceeds through investments and/or equity participations by the Company in its Subsidiaries or other entities that shall be a part of the Company's Subsidiaries as required by the PPA constitute an affiliated transaction, the Company is required to comply with the provisions of Regulation No. IX.E.1.

In the event that the Use of Proceeds constitutes a material transaction under the definition of



COUNSELLORS AT LAW

Legal Opinion on PT Kencana Energi Lestari Tbk

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- Regulation No. IX.E.2, on Material Transactions and Changes in Main Business Activities ("Regulation No. IX.E.2 Annex to the Decree of Chairman of Bapepam & LK No. Kep-614/BL/2011 dated November 28, 2011, the Company is required to comply with the provisions of the Regulation No. IX.E.2.
28. Based on our review, the disclosures of the Company's and/or its Subsidiaries' legal aspects disclosed in the Prospectus in the following sections:
- a. Chapter VIII.A. Brief History of the Company, Chapter VIII.B. Capital Structure and Shareholder Composition, Chapter VIII.D. Licenses, Chapter VIII.F. Management and Supervision (except for overview of the Board of Commissioners and overview of the Board of Directors), Chapter VIII.K. Overview of Controlling Shareholder (except for key financial highlights), Chapter VIII.L. Overview of Subsidiaries (except for key financial highlights), Chapter VIII.M. The Company and its Subsidiaries' Material Agreements VIII.O. The Company and its Subsidiaries' Fixed Assets, Chapter VIII.P. The Company and its Subsidiaries' Insurance Policies, Chapter VIII.Q. Litigations associated with the Company, its Subsidiaries, Commissioners and Directors of the Company and its Subsidiaries, and Chapter VIII.R. Intellectual Property Rights; and
 - b. Chapter XIV, Key Provisions of the Articles of Association;
- are consistent with the results of our review set forth in the LDDR.

D. QUALIFICATIONS

We prepared this LO based on the provisions of the laws and regulations prevailing in the Republic of Indonesia, subject to the following qualifications:

- 1. This LO only expressly include the matters included therein and in no manner whatsoever include matters that may be implicitly construed as implied therein.
- 2. There are no case application and registration system in the Indonesian courts available to public, which use uniform database to obtain the correct, complete, and accurate information with respect to any existing, ongoing, or pending cases, litigations, or disputes.
- 3. We do not express any opinion with respect to the compliance of the Company and/or its Subsidiaries to submit any reports or information disclosures to any government bodies whatsoever, other than those expressly stated in this Legal Opinion.
- 4. Under the Law No. 3/1982, companies are required to register in the Company Registry, among others, establishment of a limited liability company, amendment to the provisions of Articles of Association and/or changes in the composition of the Board of Directors, Board of Commissioners, and Shareholders of the company. In the event of failure to perform such registration obligations, the Company may be subject to a maximum criminal imprisonment of 3 months or a maximum criminal penalty of Rp3,000,000.00. In addition, the Company's Board of Directors shall be jointly and severally liable for all legal acts undertaken by the Company within the period in which such registration is not performed. However, following the issuance of Law No. 40 of 2007 concerning Limited Liability Companies (**Law No. 40/2007**), registration in the Company Registry is held by the MOLHR. Furthermore, there are no provisions requiring the registration of amendments to Articles of Association and/or changes in the composition of the Board of Directors, Board of Commissioners, and shareholders to the Company Registry Office as a prerequisite for the effectiveness of such amendments to Articles of Association and/or changes in the composition of the Board of Directors,

Board of Commissioners, and shareholders. Nevertheless, considering that the Law No. 32/1982 has not been revoked, theoretically, the registration obligation to the Company Registry Office remains applicable to the Company and/or its Subsidiaries.

Based on verbal explanation from the Company Registry Office at the Ministry of Trade, we obtained information that following the enactment of Law No. 40/2007, the institution no longer carries out company registration as the provisions of Law No. 40/2007 stipulates that company registration shall be carried out by the MOLHR.

5. On June 21, 2018, the government issued the Government Regulation No. 24 of 2018 on Electronic Integrated Business Licensing Service ("**GR 24/2018**"), resulting in a transfer of authority over the issuance of investment license from BKPM to the OSS system, with the exception of certain licenses that fall outside the scope of the regulation. In general, there are 3 types of licenses issued by the OSS system, namely:

- a. Business Registration Number (*Nomor Induk Berusaha*, "NIB"), which serves as the identity of a business player (including Certificate of Company Registration, Importer Identification Number (*Angka Pengenal Impor*, "API"), and Custom Identity Number (*Nomor Identitas Kepabeanan*, "NIK");
- b. Business License, which represents the license to conduct operational business activities before the commencement of commercial activities; and
- c. Commercial License, which represents the license to conduct commercial activities.

Nevertheless, GR 24/2018 does not stipulate any sanctions to business entities that have not carried out the registration process in OSS.

6. Principle License No. 232/1/IP/PMDN/2016 of the Company's Subsidiary, i.e. BTL, has not been amended to reflect BTL's latest shareholder composition. Under the Chairman of BKPM Regulation No. 14 of 2015 on Guidelines and Procedures of Capital Investment Principle License ("**Perka BKPM 14/2015**") (which was the prevailing regulation as of the issuance of BTL's principle license, but at present the Perka BKPM 14/2015 has been revoked and declared invalid) stated that Foreign Investment Companies or Domestic Companies making any changes to such company's capital structure, including changes to: (i) the amount and percentage of share ownership, (ii) name of shareholders; and/or (iii) country of origin of the shareholders; are required to file an application for Revised Principle License. Perka BKPM 14/2015 does not stipulate any sanction on any negligence to comply with the requirements; however, Law No. 25 of 2007 on Capital Investments states that every investor who fails to comply with the provisions of laws and regulations are subject to administrative sanction in the form of: (i) written warning; (ii) limitation of business activities; (iii) suspension of business activities and/or capital investment facilities; or (iv) annulment of business activities and/or capital investment facilities. In light of the foregoing, the Company has obtained a confirmation from BKPM with respect to the establishment of OSS system, the Company is not required to apply for a revised principle license in connection with the changes in shareholder composition made by the Company. However, subsequent changes in shareholder composition will have to conform to the provisions of the OSS system.

7. Upon enactment of the provisions of the Law No. 40/2007, announcement of amendment to Articles of Association in the SGRI is presently carried out by the MOLHR. However, any failure to meet the obligation to issue announcement in the SGRI does not affect the legal entity status of a limited liability company. Pursuant to the Statement Letter issued by Notary Yulia No. 210/CN/N/VI/2019 dated June 25, 2019, the SGRI in connection with the Company's Deed No. 50 dated May 10, 2019,

- is in process. Pursuant to the Statement Letter issued by Notary Yulia No. 211/CN/N/VI/2019 dated June 25, 2019, the SGRI in connection with the Company's Deed No. 29 dated March 11, 2019, is in process. Pursuant to the Statement Letter issued by Notary Yulia No. 182/CN/N/VI/2019 dated May 21, 2019, the SGRI in connection with the ESS' Deed No. 77 dated March 27, 2019, is in process. Pursuant to the Statement Letter issued by Notary Indra Gunawan No. 027/NOT-IG/VI/2019 dated June 26, 2019, the SGRI in connection with the NDHM's Deed No. 22 dated April 26, 2019, is in process. Pursuant to the Statement Letter issued by Notary Abdul Haris No. 002/SKT-NOT/VII/2019 dated July 4, 2019, the SGRI in connection with the ESS' Deed No. 5/2019 in the SGRI is being processed. Pursuant to the Statement Letter issued by Notary Abdul Haris No. 003/SKT-NOT/VII/2019 dated July 4, 2019, the announcement of STE's Deed of Establishment in the SGRI is in process. Pursuant to the Statement Letter issued by Notary Abdul Haris No. 001/SKT-NOT/VII/2019 dated July 4, 2019, the announcement of BHE's Deed of Establishment in the SGRI is in process.
8. Pursuant to the provisions of Law No. 40/2007, certain amendments to the Articles of Association require the approval from the MOLHR, namely (i) changes in the name and/or place of domicile of a company; (ii) aims, objectives, and business activities of a company; (iii) period of establishment of a company; (iv) the amount of authorized capital; (v) decrease in issued and paid-up capital; and/or (vi) the change of a company's status from a private company to a public company or vice versa. Amendment to Articles of Association regarding the specified changes other than the above shall only be notified to the MOLHR. In connection with the amendment of Article 4 of the Company's Articles of Association concerning capital (particularly the amount of authorized capital), conservatively, all amendments to the Company's authorized capital, which are followed by changes in issued and paid-up capital resulting in a change in shareholders' share ownership composition must also be notified to the MOLHR, in addition to being approved by the MOLHR.
 9. With respect to the absence of Minutes of the Company and its Subsidiaries' Board of Directors and Board of Commissioners Meetings, both the Law No. 40/2007 and the Company and its Subsidiaries' Articles of Association do not stipulate any sanction in the event that the Board of Directors does not fulfill its obligation to prepare and maintain minutes of Board of Directors meetings. However, under Article 97 of Law No. 40/2007, the Board of Directors is required to carry out the management of the Company in good faith and with full responsibility, and all members of the Board of Directors shall be jointly and severally liable if any member of the Board of Directors is guilty or is negligent in carrying out their duties.
 10. Under the Government Regulation No. 15 of 1999 on Permitted Debt to Equity Swap ("**GR No. 15/1999**"), additional paid-up capital arising from compensation of debts must be announced in 2 (two) daily newspapers. There are no provisions concerning any sanctions that may be imposed in the event of negligence to fulfill this obligation under GR No. 15/1999. However, failure to fulfill the requirement creates room for third parties to file a claim or lawsuit concerning the validity of the transaction. NDHM has not carried out its obligation to issue announcements in 2 (two) daily newspapers in connection with the conversion of debt to equity pursuant to the Deed of Statement of Shareholders' Resolution No. 31 dated April 13, 2016.
 11. Article 133 paragraph 2 of the Company Law requires the Company's Board of Directors whose shares are acquired to announce the result of such acquisition in 1 (one) Newspaper or more, by no later than 30 (thirty) days following the effective date of the Merger or Consolidation.

However, the Company Law does not stipulate any sanction with respect to any delay or any failure to issue such announcement. However, the foregoing creates room for any interested third parties

to file an objection or claim on the effectiveness of such acquisition due to the noncompliance with the announcement obligation.

NDHM, BHT, and STE has not carried out the provisions of Article 133 paragraph 22 of the Company Law for the following deeds:

- a. Deed of NDHM's Shareholder Meeting Resolutions No. 12 dated March 22, 2019.
- b. Deed of BHE's Shareholder Meeting Resolutions No. 22 dated March 29, 2019; and
- c. Deed of STE's Shareholder Meeting Resolutions No. 18 dated April 26, 2019.

12. Under the provisions of Article 87 of the Manpower Law in conjunction with Article 5 of the Government Regulation No. 50 of 2012 on the Implementation of OHS Management System, every company that (a) employs a minimum of 100 (one hundred) workers/laborers, or (b) has high level of potential hazards, is required to implement the OHS management system in the company. The OHS management system referred to above include: (i) establishment of OHS policies; (ii) OHS planning; (iii) implementation of OHS plan; (iv) monitoring and evaluation of OHS performance; and (iv) review and improvement of OHS management system's performance.

Under the provisions of Article 190 of the Manpower Law, noncompliance with the provisions of Article 87 may be subject to administrative sanctions in the form of: (i) warning; (ii) written warning; (iii) limitation of business activities; (iv) suspension of business activities; (v) annulment of approvals; (vi) annulment of registrations; (vii) temporary suspension of all or part of production equipment; (viii) revocation of license.

13. Under the Law No. 40/2007, the Company's Board of Directors is required to establish and maintain a shareholder register, which shall, at the minimum, includes:
 - a. The name and address of the shareholder;
 - b. The amount, serial number and acquisition date of the shares owned by the shareholders, and the share classes in the event that there are more than one class of share issued;
 - c. The amount paid for each share;
 - d. The names and addresses of the natural persons or legal person having any right of pledge over shares or those registered as the beneficiaries of fiduciary liens on shares and the acquisition date of such right of pledge or the registration date of such fiduciary liens;
 - e. The description of payment of shares in any forms other than cash.

In addition, the Company's Board of Directors is also required to establish and maintain a special register containing information on shares held by members of the Board of Directors and Board of Commissioners and their respective families in the Company, and/or in any other companies, and the dates of acquisition of such shares.

Although there are no sanctions stipulated under the Law No. 40/2007 for failure to comply with the requirement to establish a shareholder register and a special shareholder register referred to above, the Company's Board of Directors may be deemed negligent in carrying out the obligations of the Board of Directors under the laws and regulations.

14. Under the provisions of the Law No. 24 of 2009 on the National Flag, Language, Emblem and Anthem (hereinafter referred to as the "**Law No. 24/2009**"), every memorandum of understanding or agreement involving, among others, Indonesian private companies, must be prepared in the Indonesian Language. Law No. 24/2009 does not expressly stipulate whether noncompliance with such provision would result in the agreement being null or void. Furthermore, Law No. 24/2009,

-
- states that the implementation of Law No. 24/2009 shall be stipulated in implementing regulations that shall be issued within a period of 2 (two) years subsequent to the issuance of Law No. 24/2009. However, the implementing regulations have not been issued up to this date. However, in June 2013, the West Jakarta District Court annulled the relevant credit agreements and collateral agreements due to the absence of Indonesian version of those agreements. The District Court's ruling was further confirmed by the Jakarta High Court on May 7, 2014, and the Supreme Court on August 31, 2015.
15. Article 50 of the Law No. 2 of 2017 concerning Construction Service ("**Law No. 2/2017**") requires all construction work agreements to be prepared in the Indonesian language. In the event that such agreement is made with a foreign party, such agreement shall be prepared in the Indonesian and English language. Law No. 2/2017 does not stipulate the imposition of sanctions for any negligence in complying with such requirement. Furthermore, Law No. 2/2017 states that the implementing regulations on construction contract works shall be stipulated in the implementing regulations that shall be issued by no later than 2 (two) years following the issuance of Law No. 2/2017. However, the implementing regulations have not been issued up to this date.
 16. Under the Environmental License No. 542/Ilingk/DPMP2TSP/2017 dated November 20, 2017, ESS is required to provide an Environmental Recovery Guarantee Deposit in accordance with the provisions of the laws and regulations. ESS is in the process of complying with the requirements. Based on the Law No. 32 of 2009 on Environmental Protection and Management and the Government Regulation No. 27 of 2012 on Environmental License, noncompliance with the requirements referred to above may be subject to sanctions in the form of: (i) written warning, (ii) government enforcement, (iii) suspension of environmental license, or (iv) revocation of environmental license.
 17. Government Regulation No. 64 of 1999 concerning Amendment to Government Regulation No. 24 of 1998 on Corporate Annual Financial Information requires companies that meet certain qualifications to submit annual financial statements to the Ministry of Trade. This obligation is further regulated under the Decree of the Minister of Industry and Trade Number 121/MPP/Kep/2/2002 on Corporate Annual Financial Statements Reporting Requirements, where every company with the status of a head office that is domiciling in, and carry out its business activities within the jurisdiction of the Republic of Indonesia is required to submit the Corporate Annual Financial Statements (*Laporan Keuangan Tahunan Perusahaan*, "LKTP") to the Directorate of Business Development and Company Registration. Such obligation applies to companies that meet the certain criteria, including, among others, having a minimum total assets of Rp25,000,000,000.

Any company failing to meet the requirements pursuant to the obligation to submit LKTP to the Directorate of Business Development and Company Registration is threatened with a maximum criminal imprisonment of 2 (two) months or a maximum criminal penalty of Rp1,000,000.- (one million Rupiah).
 18. Under the Government Regulation of the Republic of Indonesia Number 27 of 2012 on Environmental License, any holder of Environmental License that fails to prepare and submit the implementation report on the requirements and obligations under the Environmental License to the minister, governor, or regent/mayor, shall be subject to administrative sanctions, which include:
 - a. written warning;
 - b. government enforcement;
 - c. suspension of Environmental License' or
 - d. revocation of Environmental License.



COUNSELLORS AT LAW

Legal Opinion on PT Kencana Energi Lestari Tbk

19. Failure to submit the Capital Investment Activity Report (*Laporan Kegiatan Penanaman Modal*, "LKPM") as required under Article 31 and Article 32 of the Investment Coordinating Board Regulation Number 7 of 2018 on Guidelines and Procedures on Capital Investment Control may be subject to administrative sanctions in the form of:
 - a. written or online warning;
 - b. limitation of business activities;
 - c. suspension of business activities and/or Capital Investment Facility; or
 - d. Revocation of license on business activities or Capital Investment and/or Capital Investment Facilities.
20. Based on the Law No. 24 of 2011 on Social Security Administrator, employers other than state administrators, who do not register as participants of Social Security Administrator may be subject to administrative sanctions in the form of:
 - a. written warning;
 - b. penalty; and/or
 - c. being refused from certain public services.
21. The Company shall be obligated to report the realization of Use of Proceeds on a regular basis to the Financial Services Authority ("FSA") and PT Bursa Efek Indonesia (Indonesia Stock Exchange, "IDX") and shall be accountable to the Annual General Meeting of Shareholders in accordance with FSA Regulation Number: 30/POJK.04/2015 on Report of Realization of Use of Proceeds from the Share Initial Public Offering dated December 16, 2015, which was enacted on December 22, 2015, and Regulation No. I-E. on Information Disclosure Obligation, Annex to the Decree of the Board of Directors of PT Bursa Efek Jakarta Number 306/BEJ/07-2004 dated July 19, 2004. If the Company intends to change the planned Use of Proceeds stated in the Share Initial Public Offering Prospectus, the Company shall first report such plan concerning the Use of Proceeds to the FSA and the IDX by stating the reasons and considerations thereof, and such change of Use of Proceeds shall first obtain the approval of the GMS.
22. Judges in Indonesia are authorized to take interrogative actions for fact finding purposes; have broad authorities to find facts and broad authorities to determine the policies in connection with the implementation of such authorities. Therefore, judges in Indonesia may be affected by factors, matters, and evidence that may not be clearly discernible on the documents filed before the court.
23. We are not authorized to express an opinion with respect to tax proceedings as we do not have the qualifications as a tax law consultant.
24. The LO is prepared on today's date and is strictly limited to the matters stated herein and does not include matters that are not stated herein.

In witness hereof, we have prepared this LO in our capacity as a free and independent legal consultant, with due compliance with the Decision of Capital Market Legal Consultants No. Kep.02/HKHPM/VIII/2018 dated August 8, 2018, and we are responsible for the content of this LO.



COUNSELLORS AT LAW

Legal Opinion on PT Kencana Energi Lestari Tbk

Yours sincerely,

ALI BUDIARDJO, NUGROHO, REKSODIPUTRO

Ricky S. Nazir, S.H.

Partner

STTD.KH-125/PM.2/2018 dated May 17, 2018

Copy:

Chairman of the Board of Commissioners of Financial Services Authority

Executive Chairman of the Capital Market Supervisory Board of the Financial Services Authority

XVIII. THE COMPANY AND ITS SUBSIDIARIES CONSOLIDATED FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARIES***

**LAPORAN KEUANGAN KONSOLIDASIAN
BESERTA LAPORAN AUDITOR INDEPENDEN
PERIODE TIGA BULAN YANG BERAKHIR
PADA TANGGAL 31 MARET 2019 DAN
TAHUN YANG BERAKHIR PADA TANGGAL
31 DESEMBER 2018 DAN 2017
(DENGAN ANGKA PERBANDINGAN UNTUK
PERIODE TIGA BULAN YANG BERAKHIR
PADA TANGGAL 31 MARET 2018 (TIDAK DIAUDIT) DAN
TAHUN YANG BERAKHIR PADA TANGGAL
31 DESEMBER 2016)/**

***CONSOLIDATED FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT
THREE-MONTH PERIOD ENDED MARCH 31, 2019 AND
YEARS ENDED DECEMBER 31, 2018 AND 2017
(WITH COMPARATIVE FIGURES FOR
THE THREE-MONTH PERIOD ENDED
MARCH 31, 2018 (UNAUDITED) AND THE
YEAR ENDED DECEMBER 31, 2016)***

(MATA UANG DOLAR AS/*US DOLLAR CURRENCY*)

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
LAPORAN KEUANGAN KONSOLIDASIAN
BESERTA LAPORAN AUDITOR INDEPENDEN
PERIODE TIGA BULAN YANG BERAKHIR
PADA TANGGAL 31 MARET 2019 DAN
TAHUN YANG BERAKHIR PADA TANGGAL
31 DESEMBER 2018 DAN 2017
(DENGAN ANGKA PERBANDINGAN UNTUK
PERIODE TIGA BULAN YANG BERAKHIR
PADA TANGGAL 31 MARET 2018
(TIDAK DIAUDIT) DAN
TAHUN YANG BERAKHIR PADA TANGGAL
31 DESEMBER 2016)**

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT
THREE-MONTH PERIOD ENDED
MARCH 31, 2019 AND
YEARS ENDED DECEMBER 31, 2018 AND 2017
(WITH COMPARATIVE FIGURES FOR
THE THREE-MONTH PERIOD ENDED
MARCH 31, 2018 (UNAUDITED) AND THE
YEAR ENDED DECEMBER 31, 2016)**

**Halaman/
Page**

Daftar Isi

Surat Pernyataan Direksi	
Laporan Auditor Independen	
Laporan Posisi Keuangan Konsolidasian.....	1-3
Laporan Laba Rugi dan Penghasilan Komprehensif Lain Konsolidasian.....	4-6
Laporan Perubahan Ekuitas Konsolidasian.....	7-12
Laporan Arus Kas Konsolidasian.....	13-14
Catatan atas Laporan Keuangan Konsolidasian.....	15-150
Lampiran I-VI	151-156

Table of Contents

<i>Directors' Statement Letter</i>
<i>Independent Auditors' Report</i>
<i>....Consolidated Statements of Financial Position</i>
<i>Consolidated Statements of Profit or Loss and Other Comprehensive Income</i>
<i>...Consolidated Statements of Changes in Equity</i>
<i>..... Consolidated Statements of Cash Flows</i>
<i>..Notes to the Consolidated Financial Statements</i>
<i>..... Attachment I-VI</i>



**KENCANA
ENERGY**

**SURAT PERNYATAAN DIREKSI
TENTANG TANGGUNG JAWAB ATAS
LAPORAN KEUANGAN KONSOLIDASIAN
PERIODE TIGA BULAN YANG BERAKHIR
PADA TANGGAL 31 MARET 2019 DAN
TAHUN YANG BERAKHIR PADA TANGGAL
31 DESEMBER 2018 DAN 2017
(DENGAN ANGKA PERBANDINGAN UNTUK PERIODE
TIGA BULAN YANG BERAKHIR PADA TANGGAL
31 MARET 2018 (TIDAK DIAUDIT) DAN TAHUN YANG
BERAKHIR PADA TANGGAL
31 DESEMBER 2016
PT KENCANA ENERGI LESTARI TBK
("PERUSAHAAN") DAN ENTITAS ANAK**

**DIRECTORS' STATEMENT
REGARDING THE RESPONSIBILITY FOR
THE CONSOLIDATED FINANCIAL STATEMENTS
THREE-MONTH PERIOD ENDED MARCH 31, 2019
AND YEARS ENDED DECEMBER 31, 2018 AND 2017
(WITH COMPARATIVE FIGURES FOR THE
THREE-MONTH PERIOD ENDED
MARCH 31, 2018 (UNAUDITED) AND THE
YEAR ENDED DECEMBER 31, 2016
PT KENCANA ENERGI LESTARI TBK
(THE "COMPANY") AND SUBSIDIARIES**

Kami yang bertandatangan di bawah ini/ We, the undersigned:

1	Nama/Name	: Henry Maknawi
	Alamat Kantor/Office Address	: Kencana Business Center Lt. 2 Unit 281 Komp. Business Park, Jl. Meruya Ilir No.88 Jakarta Barat
	Nomor Telepon/Telephone Number	: 021 58900791
	Alamat Domisili/Domicile Address	: Bukit Golf Blok K No.3, Sektor VII BSD, RT/RW: 002/008, Kelurahan Lengkong Gudang, Kecamatan Serpong, Kota Tangerang Selatan
	Jabatan/Title	: Presiden Direktori/President Director
2	Nama/Name	: Giat Widjaja
	Alamat Kantor/Office Address	: Kencana Business Center Lt. 2 Unit 281 Komp. Business Park, Jl. Meruya Ilir No.88 Jakarta Barat
	Nomor Telepon/Telephone Number	: 021 58900791
	Alamat Domisili/Domicile Address	: Jl. Cendana Golf Raya No. 11 BGM PIK, RT/RW: 006/005, Kelurahan Kamal Muara, Kecamatan Penjaringan, Jakarta Utara
	Jabatan/Title	: Direktur/Director

Menyatakan bahwa:

Declare that:

1.	Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian PT Kencana Energi Lestari Tbk dan Entitas Anak;	1.	We are responsible for the preparation and presentation of the consolidated financial statements of PT Kencana Energi Lestari Tbk and Subsidiaries;
2.	Laporan keuangan konsolidasian PT Kencana Energi Lestari Tbk dan Entitas Anak disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia;	2.	The consolidated financial statements of PT Kencana Energi Lestari Tbk and Subsidiaries have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
3.	a. Semua informasi dalam laporan keuangan konsolidasian PT Kencana Energi Lestari Tbk dan Entitas Anak telah dimuat secara lengkap dan benar; b. Laporan keuangan konsolidasian PT Kencana Energi Lestari Tbk dan Entitas Anak tidak mengandung material informasi atau fakta yang tidak benar, dan tidak menghilangkan material informasi atau fakta; dan	3.	a. All information in the consolidated financial statements of PT Kencana Energi Lestari Tbk and Subsidiaries have been disclosed in a complete and truthful manner; b. The consolidated financial statements of PT Kencana Energi Lestari Tbk and Subsidiaries do not contain material incorrect information or facts; nor do they omit material information or facts; and
4.	Kami bertanggung jawab atas sistem pengendalian internal dalam PT Kencana Energi Lestari Tbk dan Entitas Anak.	4.	We are responsible for the internal control system of PT Kencana Energi Lestari Tbk and Subsidiaries

Demikian pernyataan ini dibuat dengan sebenarnya.

Thus, this statement is made truthfully.

Jakarta, 26 Juni 2019/June 26, 2019
Atas nama dan mewakili Direksi/For and on behalf of the Board of Directors


Henry Maknawi
Direktur Utama/President Director




Giat Widjaja
Direktur/Director

PT KENCANA ENERGI LESTARI

Kencana Tower, 17th Floor, Business Park Kebon Jeruk, Jl. Meruya Ilir No. 88, Jakarta Barat 11620, Indonesia
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www.kencanenergy.com

The original report included herein is in Indonesian language.

Laporan Auditor Independen**Independent Auditors' Report**

Laporan No. 00795/2.1051/AU.1/10/0008-3/1/VI/2019

Report No. 00795/2.1051/AU.1/10/0008-3/1/VI/2019

Pemegang Saham dan Dewan Komisaris dan Direksi
PT KENCANA ENERGI LESTARI Tbk

*The Shareholders and Boards of Commissioners and
Directors*
PT KENCANA ENERGI LESTARI Tbk

Kami telah mengaudit laporan keuangan konsolidasian PT Kencana Energi Lestari Tbk ("Perusahaan") dan entitas anaknya terlampir, yang terdiri dari laporan posisi keuangan konsolidasian tanggal 31 Maret 2019, 31 Desember 2018 dan 2017, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas konsolidasian untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2019 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2018 dan 2017, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

We have audited the accompanying consolidated financial statements of PT Kencana Energi Lestari Tbk (the "Company") and its subsidiaries, which comprise the consolidated statements of financial position as of March 31, 2019, December 31, 2018 and 2017, and the consolidated statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the three-month period ended March 31, 2019 and years ended December 31, 2018 and 2017, and a summary of significant accounting policies and other explanatory information.

Tanggung jawab manajemen atas laporan keuangan**Management's responsibility for the financial statements**

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan konsolidasian tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan konsolidasian yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Management is responsible for the preparation and fair presentation of such consolidated financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Tanggung jawab auditor**Auditors' responsibility**

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan konsolidasian tersebut berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan konsolidasian tersebut bebas dari kesalahan penyajian material.

Our responsibility is to express an opinion on such consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such consolidated financial statements are free from material misstatement.

The original report included herein is in Indonesian language.

Halaman 2

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, 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 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 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 Kencana Energi Lestari Tbk dan entitas anaknya tanggal 31 Maret 2019, 31 Desember 2018 dan 2017, serta kinerja keuangan dan arus kas konsolidasiannya untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2019 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2018 dan 2017, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Penekanan suatu hal

Seperti dijelaskan dan diungkapkan pada Catatan 4 dan 30 atas laporan keuangan konsolidasian, Perusahaan memperoleh kepemilikan mayoritas pada PT Bangun Tirta Lestari, entitas sepengendali, pada bulan Desember 2017. Perusahaan mencatat transaksi akuisisi tersebut menggunakan metode penyatuan kepemilikan sesuai dengan Pernyataan Standar Akuntansi Keuangan (PSAK) No. 38 (Revisi 2012), "Kombinasi Bisnis Entitas Sepengendali". Oleh karena itu, laporan posisi keuangan Perusahaan tanggal 31 Desember 2016 dan 1 Januari 2016/31 Desember 2015 serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal 31 Desember 2016, disajikan sedemikian rupa seolah-olah penggabungan tersebut telah terjadi sejak awal periode entitas yang bergabung berada dalam sepengendalian.

Page 2

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 Kencana Energi Lestari Tbk and its subsidiaries as of March 31, 2019, December 31, 2018 and 2017, and their consolidated financial performance and cash flows for the three-month period ended March 31, 2019 and for the years ended December 31, 2018 and 2017, in accordance with Indonesian Financial Accounting Standards.

Emphasis of matters

As explained and disclosed in Notes 4 and 30 to the consolidated financial statements, the Company acquired majority ownerships in PT Bangun Tirta Lestari, an under common control entity, in December 2017. The Company recorded this acquisition transaction under the pooling of interest method in accordance with Statement of Financial Accounting Standards (PSAK) No. 38 (Revised 2012), "Business Combinations of Entities Under Common Control". Therefore, the Company's statements of financial position as of December 31, 2016 and January 1, 2016/December 31, 2015 and the related statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year ended December 31, 2016, have been presented as if they had been combined since the beginning of the period when the combining entities are under common control.

The original report included herein is in Indonesian language.

Halaman 3

Sebagaimana dijelaskan dan diungkapkan dalam Catatan 30 atas laporan keuangan konsolidasian, laporan posisi keuangan Perusahaan dan entitas anaknya tanggal 31 Desember 2016 dan 1 Januari 2016/31 Desember 2015 serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal 31 Desember 2016 telah disajikan kembali sehubungan dengan penerapan ISAK No. 16, "Perjanjian Konsesi Jasa" dan ISAK No. 22, "Perjanjian Konsesi Jasa: Pengungkapan" sesuai dengan ketentuan Standar Akuntansi Keuangan di Indonesia.

Kami telah mengaudit penyesuaian atas penyajian kembali laporan posisi keuangan Perusahaan dan entitas anaknya tanggal 31 Desember 2016 dan 1 Januari 2016/31 Desember 2015 serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal 31 Desember 2016, dan menurut pendapat kami, penyesuaian penyajian kembali tersebut telah sesuai dan diterapkan sebagaimana mestinya.

Sebagaimana dijelaskan dan diungkapkan dalam Catatan 2n atas laporan keuangan konsolidasian, efektif 1 Januari 2018, Perusahaan dan entitas anaknya merubah mata uang fungsional dari Rupiah Indonesia menjadi Dolar Amerika Serikat sesuai dengan ketentuan PSAK No. 10 (Revisi 2010), "Pengaruh Perubahan Kurs Valuta Asing" yang diterapkan secara prospektif. Sehubungan dengan perubahan ini, Perusahaan dan entitas anaknya juga mengubah penyajian mata uang dari Rupiah menjadi Dolar AS. Sebagai akibatnya, laporan posisi keuangan konsolidasian pada tanggal 31 Desember 2017, 2016 dan 1 Januari 2016/31 Desember 2015 dan laporan laba rugi dan penghasilan komprehensif lain, perubahan ekuitas dan arus kas konsolidasian untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2017 dan 2016, yang sebelumnya telah disajikan dalam Rupiah, telah ditranslasikan ke dalam Dolar AS.

Opini kami tidak dimodifikasi sehubungan dengan hal-hal tersebut.

Hal-hal lain

Laporan keuangan konsolidasian PT Kencana Energi Lestari Tbk dan entitas anaknya tanggal 31 Desember 2016 dan untuk tahun yang berakhir pada tanggal tersebut, sebelum penyajian kembali, diaudit oleh auditor independen lain yang menyatakan opini tanpa modifikasi atas laporan keuangan tersebut pada tanggal 28 Maret 2018.

Laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas dan laporan arus kas konsolidasian PT Kencana Energi Lestari Tbk dan entitas anaknya untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2018 tidak diaudit. Laporan tersebut disajikan semata-mata untuk tujuan perbandingan.

Page 3

As explained and disclosed in Note 30 to the consolidated financial statements, the Company and its subsidiaries' statements of financial position as of December 31, 2016 and January 1, 2016/December 31, 2015 and the related statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year ended December 31, 2016 had been restated due to application of the provisions of ISAK No. 16, "Service Concession Arrangements" and ISAK No. 22, "Service Concession Arrangements: Disclosure" to comply with Indonesian Financial Accounting Standards.

We have audited the restatement adjustments of the Company and its subsidiaries' statements of financial position as of December 31, 2016 and January 1, 2016/December 31, 2015 and the related statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year ended December 31, 2016, and in our opinion, those restatement adjustments are appropriate and properly recorded.

As explained and disclosed in Note 2n to the consolidated financial statements, effective January 1, 2018, the Company and its subsidiaries have changed their functional currencies from Indonesian Rupiah to United States Dollar in accordance with the provision of PSAK No. 10 (Revised 2010), "Effects of Changes in Foreign Exchange Rates" which were applied prospectively. In relation to this change, the Company and its subsidiaries also changed its presentation currency from Rupiah to US Dollar. As a result, the consolidated statements of financial position as of December 31, 2017, 2016 and January 1, 2016/December 31, 2015 and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the years ended December 31, 2017 and 2016, which had been previously presented in Rupiah, have been translated to US Dollar.

Our opinion is not modified in respect of these matters.

Other matters

The consolidated financial statements of PT Kencana Energi Lestari Tbk and its subsidiaries as of December 31, 2016 and for the year then ended, were audited by other independent auditors, who expressed unmodified opinion, prior to restatement adjustments, on such financial statements on March 28, 2018.

The consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows of PT Kencana Energi Lestari Tbk and its subsidiaries for the three-month period ended March 31, 2018 were not audited. Such reports are presented for comparative purposes only.

The original report included herein is in Indonesian language.

Halaman 4

Audit kami atas laporan keuangan konsolidasian PT Kencana Energi Lestari Tbk dan entitas anaknya tanggal 31 Maret 2019 dan 31 Desember 2018 dan 2017 serta untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2019 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2018 dan 2017 terlampaui dilaksanakan dengan tujuan untuk merumuskan suatu opini atas laporan keuangan konsolidasian tersebut secara keseluruhan. Informasi keuangan PT Kencana Energi Lestari Tbk (Entitas Induk) terlampaui, yang terdiri dari laporan posisi keuangan tanggal 31 Maret 2019 dan 31 Desember 2018 dan 2017 serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2019 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2018 dan 2017 (secara kolektif disebut sebagai "Informasi Keuangan Entitas Induk"), yang disajikan sebagai informasi tambahan terhadap laporan keuangan konsolidasian terlampaui, disajikan untuk tujuan analisis tambahan dan bukan merupakan bagian dari laporan keuangan konsolidasian terlampaui 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 terlampaui. Informasi Keuangan Entitas Induk telah menjadi objek prosedur audit yang diterapkan dalam audit atas laporan keuangan konsolidasian terlampaui 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 terlampaui secara keseluruhan.

Kami telah menerbitkan laporan auditor independen No. KNMT&R-00689/2.1051/AU.1/10/0008-3/1/V/2019 tanggal 23 Mei 2019 atas laporan keuangan konsolidasian PT Kencana Energi Lestari Tbk dan entitas anaknya untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2019 dan untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2018 dan 2017. Sehubungan dengan rencana Perusahaan untuk melakukan Penawaran Umum Perdana Saham Perusahaan, sebagaimana dijelaskan pada Catatan 31 atas laporan keuangan konsolidasian, Perusahaan menerbitkan kembali laporan keuangan konsolidasian untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2019 dan untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2018 dan 2017, yang disertai perubahan maupun tambahan pengungkapan pada catatan atas laporan keuangan konsolidasian, sebagaimana dijelaskan pada Catatan 33 atas laporan keuangan konsolidasian.

Page 4

Our audit of the accompanying consolidated financial statements of PT Kencana Energi Lestari Tbk and its subsidiaries as of March 31, 2019 and December 31, 2018 and 2017 and for the three-month period ended March 31, 2019 and for the years ended December 31, 2018 and 2017 were performed for the purpose of forming an opinion on such consolidated financial statements taken as a whole. The accompanying financial information of PT Kencana Energi Lestari Tbk Pratama (Parent Entity), which comprises the statement of financial position as of March 31, 2019 and December 31, 2018 and 2017 and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the three-month period ended March 31, 2019 and for the years ended December 31, 2018 and 2017 (collectively referred to as "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 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 have issued the independent auditors' report No. KNMT&R-00689/2.1051/AU.1/10/0008-3/1/V/2019 dated May 23, 2019 on the consolidated financial statements of PT Kencana Energi Lestari Tbk and its subsidiaries for the three-month period ended March 31, 2019 and the years ended December 31, 2018 and 2017. In relation with the Company's plan to conduct Initial Public Offering, as described in Note 31 to the consolidated financial statements, the Company reissued its consolidated financial statements for the three-month period ended March 31, 2019 and the years ended December 31, 2018 and 2017, with changes and additional disclosures in the notes to the consolidated financial statements, as described in Note 33 to the consolidated financial statements.

The original report included herein is in Indonesian language.

Halaman 5**Page 5**

Laporan ini diterbitkan dengan tujuan untuk dicantumkan dalam prospektus sehubungan dengan rencana penawaran umum saham perdana PT Kencana Energi Lestari Tbk di Indonesia, seperti yang dijelaskan dalam Catatan 31 atas laporan keuangan konsolidasian terlampir, serta tidak ditujukan dan tidak diperkenankan untuk digunakan untuk tujuan lain.

This report has been prepared solely for inclusion in the prospectus in connection with the proposed initial public offering of the equity securities of PT Kencana Energi Lestari Tbk in Indonesia, as discussed in Note 31 to the accompanying consolidated financial statements, and is not intended to be and should not be used for any other purposes.

KOSASIH, NURDIYAMAN, MULYADI, TJAHJO & REKAN



Mulyadi

Izin Akuntan Publik No./Public Accountant License No. AP. 0008

26 Juni 2019/June 26, 2019

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN
KONSOLIDASIAN
31 Maret 2019 dan 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan pada Tanggal
31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)**

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS
OF FINANCIAL POSITION
March 31, 2019 and December 31, 2018 and 2017
(With Comparative Figures as of
December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)**

						1 Januari/ January 1, 2016 31 Desember/ December 31, 2015 (Disajikan Kembali/ As restated Catatan/ Note 30)		
			31 Desember/December 31					
	Catatan/ Notes	31 Maret/ March 31, 2019	2018	2017	2016			
ASET								ASSETS
ASET LANCAR								CURRENT ASSETS
Kas dan setara kas	2d,2e,2n,3 5,24,25	12.234.069	150.755	1.307.854	925.847	750.520	Cash and cash equivalents	
Aset keuangan dari konsepsi jasa yang belum ditagihkan	2e,2l,3 6,24,25	3.138.665	2.648.700	1.397.420	-	-	Unbilled financial asset from service concession project	
Piutang usaha	2e,2n,3,7, 24,25	2.058.772	2.278.245	2.185.174	989.692	-	Trade receivables	
Piutang lain-lain	2e,2n,3,8,24,25 2g,23	-	-	207.041	27.760	9.218	Third party Other receivables	
Pihak berelasi		57.452	102.295	83.277	593.830	933.578	Related parties	
Pihak ketiga	2f	66.459	26.026	35.028	41.151	13.534	Third parties	
Beban dibayar dimuka							Prepaid expenses	
Aset lancar lain-lain	2e,3,10,24,25	495.480	524.210	139.370	-	-	Other current assets	
TOTAL ASET LANCAR			18.050.897	5.730.231	2.578.280	1.706.850	TOTAL CURRENT ASSETS	
ASET TIDAK LANCAR								NON-CURRENT ASSETS
Piutang lain-lain	2e,2n,3,8,24,25 2g,23	94.434	126.223	37.285	-	-	Other receivables	
Pihak berelasi							Related parties	
Aset keuangan dari konsepsi jasa yang belum ditagihkan - tidak lancar	2e,2l,3 6,24,25	229.387.703	227.324.870	213.089.021	188.537.888	168.239.886	Unbilled financial asset from service concession project - non-current	
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar AS\$232.116 pada tanggal 31 Maret 2019, AS\$211.304 pada tanggal 31 Desember 2018, AS\$140.333 pada tanggal 31 Desember 2017 dan AS\$110.980 pada tanggal 31 Desember 2016		626.183	139.140	205.309	53.012	66.425	Fixed assets - net of accumulated depreciation of US\$232,116 as of March 31, 2019, US\$211,304 as of December 31, 2018, US\$140,333 as of December 31, 2017 and US\$110,980 as of December 31, 2016	
Aset pajak tangguhan	2i,2j,3,9 2o,3,15	109.560	78.574	37.910	30.676	22.023	Deferred tax asset	
Kas di bank yang dibatasi penggunaannya	2d,2e, 11,24,25	1.462.170	538.003	80.350	-	-	Restricted cash in bank	
Goodwill	2s,4	138.585	-	-	-	-	Goodwill	
Aset tidak lancar lain-lain	2e,3,10,24,25	111.058	1.101	639.290	1.207	632.153	Other non-current assets	
TOTAL ASET TIDAK LANCAR			231.929.693	228.207.911	188.622.783	168.960.487	TOTAL NON-CURRENT ASSETS	
TOTAL ASET			249.980.590	233.938.142	219.444.329	170.667.337	TOTAL ASSETS	

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN
KONSOLIDASIAN (lanjutan)
31 Maret 2019 dan 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan pada Tanggal
31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)**

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS
OF FINANCIAL POSITION (continued)
March 31, 2019 and December 31, 2018 and 2017
(With Comparative Figures as of
December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)**

			31 Desember/December 31			1 Januari/ January 1, 2016 31 Desember/ December 31, 2015 (Disajikan Kembali/ As restated Catatan/ Note 30)	
	Catatan/ Notes	31 Maret/ March 31, 2019	2018	2017	2016		
LIABILITAS DAN EKUITAS							LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK							CURRENT LIABILITIES
Utang usaha	2e,2n, 3,12, 24,25	4.161.750	4.784.525	6.957.923	6.458.236	5.468.435	Trade payables
Pihak ketiga							Third parties
Utang lain-lain	2e,2n,3,24,25	4.803.427	-	-	-	-	Other payables
Pihak ketiga	2e,2n,3,4,24,25	-	-	-	-	-	Third party
Pihak berelasi	2g,23	-	-	-	6.582.010	3.518.226	Related parties
Liabilitas yang masih harus dibayar	2e,2n,3,13,24,25	453.173	288.868	614.452	68.581	53.102	Accrued liabilities
Utang pajak	2o,2p,3,15	583.552	23.285	89.235	61.306	5.854	Taxes payable
Utang bank							
jangka pendek	2e,3,14,24,25	-	-	-	372.134	-	Short-term bank loan
Bagian pinjaman jangka panjang yang jatuh tempo dalam satu tahun:	2e,3,14,24,25						Current maturities of long-term borrowings:
Utang bank		5.281.929	4.833.119	3.199.592	3.534.759	2.742.185	Bank loans
Utang lembaga keuangan		861.158	883.592	-	-	264.589	Financial institution loan
Utang pembiayaan konsumen	2n	147.545	196.766	259.695	200.889	12.622	Consumer financing payables
TOTAL LIABILITAS JANGKA PENDEK		16.292.534	11.010.155	11.120.897	17.277.915	12.065.013	TOTAL CURRENT LIABILITIES
LIABILITAS JANGKA PANJANG							NON-CURRENT LIABILITIES
Utang lain-lain	2e,2n,3,24,25						Other payables
Pihak berelasi	2g,23	6.581.254	7.248.453	6.843.799	-	-	Related parties
Pinjaman jangka panjang setelah dikurangi bagian yang jatuh tempo dalam satu tahun:	2e,3,14,24,25						Long-term borrowings - net of current maturities:
Utang bank		37.977.296	38.871.894	37.822.715	32.948.809	31.888.024	Bank loans
Utang lembaga keuangan		18.800.193	18.488.361	15.951.857	12.930.370	12.216.923	Financial institution loan
Utang pembiayaan konsumen	2n	21.130	29.681	252.801	408.794	15.111	Consumer financing payables
Liabilitas pajak tangguhan - neto	2o,3,15	35.122.821	34.897.547	31.201.202	27.153.432	24.190.425	Deferred tax liabilities - net
Liabilitas imbalan kerja	2k,3,16	756.473	587.386	349.311	259.004	162.932	Employee benefits liability
TOTAL LIABILITAS JANGKA PANJANG		99.259.167	100.123.322	92.421.685	73.700.409	68.473.415	TOTAL NON-CURRENT LIABILITIES
TOTAL LIABILITAS		115.551.701	111.133.477	103.542.582	90.978.324	80.538.428	TOTAL LIABILITIES

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN
KONSOLIDASIAN (lanjutan)
31 Maret 2019 dan 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan pada Tanggal
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**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS
OF FINANCIAL POSITION (continued)
March 31, 2019 and December 31, 2018 and 2017
(With Comparative Figures as of
December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)**

						1 Januari/ January 1, 2016 31 Desember/ December 31, 2015 (Disajikan Kembali/ As restated Catatan/ Note 30)
	Catatan/ Notes	31 Maret/ March 31, 2019	31 Desember/December 31			
			2018	2017	2016	
EKUITAS						
Modal saham - Rp100 per saham pada tanggal 31 Maret 2019 dan 31 Desember 2018 dan Rp1.000.000 per saham pada tanggal 31 Desember 2017 dan 2016						EQUITY Share capital - Rp100 per share as of March 31, 2019 and December 31, 2018 and Rp1,000,000 as of December 31, 2017 and 2016
Modal dasar - 11.473.080.000 saham pada tanggal 31 Maret 2019 dan 31 Desember 2018, 1.147.308 saham pada tanggal 31 Desember 2017 dan 102.855 saham pada tanggal 31 Desember 2016						Authorized - 11,473,080,000 shares as of March 31, 2019 and December 31, 2018, 1,147,308 shares as of December 31, 2017 and 102,855 shares as of December 31, 2016
Modal ditempatkan dan disetor penuh - 2.933.050.000 saham pada tanggal 31 Maret 2019 dan 31 Desember 2018, 286.827 saham pada tanggal 31 Desember 2017 dan 102.855 saham pada tanggal 31 Desember 2016						Issued and fully paid - 2,933,050,000 shares as of March 31, 2019 and December 31, 2018, 286,827 shares as of December 31, 2017 and 102,855 shares as of December 31, 2016
Tambahan modal disetor neto	17 2c,2p, 4,17	23.408.996	23.408.996	22.959.260	9.397.004	5.780.283
Uang muka atas penerbitan saham		-	-	-	-	3.616.791
Proforma ekuitas dari transaksi restrukturisasi entitas sepengendali	4	-	-	-	35.883.306	31.971.026
Saldo laba		45.465.361	43.446.484	37.413.520	34.850.537	29.577.198
Selisih transaksi dengan pihak nonpengendali	4	2.447.186	-	-	-	-
Selisih kurs karena penjabaran laporan keuangan		5.691.956	5.691.956	5.691.956	5.153.939	6.013.316
Total ekuitas yang dapat diatribusikan kepada pemilik entitas induk		115.022.593	110.556.530	102.702.794	81.971.439	73.637.620
Kepentingan non-pengendali	2b,18	19.406.296	12.248.135	13.198.953	18.251.300	16.491.289
TOTAL EKUITAS		134.428.889	122.804.665	115.901.747	100.222.739	90.128.909
TOTAL LIABILITAS DAN EKUITAS		249.980.590	233.938.142	219.444.329	191.201.063	170.667.337
EQUITY Additional paid-in capital - net Advances for share capital subscription Proforma equity arising from restructuring transactions of entities under common control Retained earnings Difference in transaction with non-controlling party translation of financial statements Total equity attributable to the owners of the parent entity Non-controlling interests TOTAL EQUITY TOTAL LIABILITIES AND EQUITY						

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN KONSOLIDASIAN
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)**

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS
OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)**

		31 Maret/March 31,		31 Desember/December 31,			
	Catatan/ Notes	2019	2018 (Tidak Diaudit)	2018	2017	2016	
PENDAPATAN	2m,20	5.687.167	5.501.776	26.448.486	34.969.836	26.410.537	REVENUE
BEBAN LANGSUNG	2m,21	1.756.891	1.615.953	9.725.790	8.937.133	6.005.200	DIRECT COSTS
LABA BRUTO		3.930.276	3.885.823	16.722.696	26.032.703	20.405.337	GROSS PROFIT
BEBAN USAHA	2h,2m,22	453.178	409.888	2.173.648	1.155.771	896.143	OPERATING EXPENSES
LABA USAHA		3.477.098	3.475.935	14.549.048	24.876.932	19.509.194	INCOME FROM OPERATIONS
PENGHASILAN (BEBAN) LAIN-LAIN	2m						OTHER INCOME (EXPENSES)
Keuntungan dari akuisisi entitas anak	2s,4	251.981	-	-	-	-	Gain from acquisition of subsidiary
Beban bunga		(1.044.459)	(990.515)	(4.016.707)	(9.058.004)	(6.075.143)	Interest expense
Laba (rugi) selisih kurs - neto	2n	(284.298)	592.033	2.567.043	(21.344)	329.043	Foreign exchange gain (loss) - net
Biaya amortisasi		(15.058)	(51.998)	(264.429)	(14.886)	-	Amortization expense
Klaim asuransi		-	-	-	-	737.728	Insurance claims
Penghapusan piutang lain-lain	23	-	-	(197.022)	-	-	Write-off other receivables
Penghasilan (beban) lain-lain - neto		(69.011)	(37.414)	32.436	(44.347)	(32.628)	Other income (expenses) - net
BEBAN LAIN-LAIN - NETO		(1.160.845)	(487.894)	(1.878.679)	(9.138.581)	(5.041.000)	OTHER EXPENSES - NET
LABA SEBELUM BEBAN (MANFAAT) PAJAK PENGHASILAN		2.316.253	2.988.041	12.670.369	15.738.351	14.468.194	INCOME BEFORE INCOME TAX EXPENSE (BENEFIT)
BEBAN (MANFAAT) PAJAK PENGHASILAN	2o,3,15						INCOME TAX EXPENSE (BENEFIT)
Kini		292.925	-	-	-	-	Current
Tangguhan		(358.203)	1.300.349	5.760.379	4.323.891	2.340.175	Deferred
TOTAL BEBAN (MANFAAT) PAJAK PENGHASILAN		(65.278)	1.300.349	5.760.379	4.323.891	2.340.175	TOTAL INCOME TAX EXPENSE (BENEFIT)
LABA SEBELUM PENYESUAIAN LABA PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI		2.381.531	1.687.692	6.909.990	11.414.460	12.128.019	INCOME BEFORE PROFORMA INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
PENYESUAIAN LABA PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI		-	-	-	(7.814.981)	(4.733.104)	PROFORMA INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
TOTAL LABA PERIODE/TAHUN BERJALAN		2.381.531	1.687.692	6.909.990	3.599.479	7.394.915	TOTAL INCOME FOR THE PERIOD/YEAR

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN KONSOLIDASIAN (lanjutan)
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)**

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS
OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME (continued)
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)**

	Catatan/ Notes	31 Maret/March 31,		31 Desember/December 31,			
		2019	2018 (Tidak Diaudit)	2018	2017	2016	
PENGHASILAN (RUGI) KOMPREHENSIF LAIN:							OTHER COMPREHENSIVE INCOME (LOSS):
Item yang tidak akan direklasifikasikan ke laba rugi:							Item that will not be reclassified to profit or loss:
Pengukuran kembali liabilitas imbalan kerja	2k,16	(119.170)	203	773	(27.686)	(37.077)	- Remeasurement of employee benefits liability
Beban pajak penghasilan terkait	2o,15	29.792	(51)	(192)	6.921	9.269	- Related income tax expense
Sub-total		(89.378)	152	581	(20.765)	(27.808)	Sub-total
Item yang akan direklasifikasikan ke laba rugi:							Item that will be reclassified to profit or loss:
Keuntungan (kerugian) dari penjabaran laporan keuangan	2n	-	-	-	3.731.568	(2.024.173)	- Gain (loss) on translation of financial statements
PENGHASILAN (RUGI) KOMPREHENSIF LAIN SEBELUM PENYESUAIAN PENGHASILAN KOMPREHENSIF LAIN PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI		(89.378)	152	581	3.710.803	(2.051.981)	OTHER COMPREHENSIVE INCOME (LOSS) BEFORE PROFORMA OTHER COMPREHENSIVE INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
PENYESUAIAN PENGHASILAN (RUGI) KOMPREHENSIF LAIN PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI		-	-	-	(2.954.656)	830.976	PROFORMA OTHER COMPREHENSIVE INCOME (LOSS) ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
PENGHASILAN (RUGI) KOMPREHENSIF LAIN PERIODE/TAHUN BERJALAN, SETELAH PAJAK		(89.378)	152	581	756.147	(1.221.005)	OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD/YEAR, NET OF TAX
TOTAL LABA KOMPREHENSIF TAHUN BERJALAN		2.292.153	1.687.844	6.910.571	4.355.626	6.173.910	TOTAL COMPREHENSIVE INCOME FOR THE YEAR

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN KONSOLIDASIAN (lanjutan)
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)**

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS
OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME (continued)
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)**

	Catatan/ Notes	31 Maret/March 31,		31 Desember/December 31,			
		2019	2018 (Tidak Diaudit)	2018	2017	2016	
TOTAL LABA PERIODE/TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:							TOTAL INCOME FOR THE PERIOD/YEAR
Pemilik entitas induk	19	2.106.546	1.534.760	6.033.442	2.570.605	5.289.633	Owners of the parent entity
Kepentingan non pengendali		274.985	152.932	876.548	1.028.874	2.105.282	Non-controlling interests
TOTAL		2.381.531	1.687.692	6.909.990	3.599.479	7.394.915	TOTAL
TOTAL LABA KOMPREHENSIF TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:							TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:
Pemilik entitas induk		2.018.877	1.535.106	6.032.964	3.101.000	4.413.962	Owners of the parent entity
Kepentingan non pengendali	18	273.276	152.738	877.607	1.254.626	1.759.948	Non-controlling interests
TOTAL		2.292.153	1.687.844	6.910.571	4.355.626	6.173.910	TOTAL
LABA PER SAHAM DASAR YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK	2r,19	0,0007	0,0005	0,0021	0,0022	0,0091	BASIC EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT ENTITY

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT KENCANA ENERGI LESTARI Tbk DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada
Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal
31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

PT KENCANA ENERGI LESTARI Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended
December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk/Equity Attributable to Owners of the Parent Entity									
Catatan/ Notes	Modal Saham Ditempatkan dan Disetor Penuh/Share Capital - Issued and Fully Paid	Tambahan Modal Disetor - Neto/Additional Paid-in Capital - Net	Uang Muka atas Penerbitan Saham/ Advances for Share Capital Subscription	Proforma Ekuitas/ Proforma Equity	Saldo Laba/ Retained Earnings	Selisih Kurs karena Penjabaran Laporan Keuangan/ Exchange Differences due to Translation of Financial Statements	Kepentingan Non-pengendali/ Non-controlling Interests	Total Ekuitas/ Total Equity	Balance as of January 1, 2016 Increase in share capital Total income for the year Other comprehensive loss for the year, net of tax: Remeasurement of employee benefits liability, net of tax Loss on translation of financial statements Proforma adjustment arising from restructuring transactions of entities under control Tax amnesty Balance as of December 31, 2016
Saldo 1 Januari 2016	5.780.283	(3.320.994)	3.616.791	31.971.026	29.577.198	6.013.316	16.491.289	90.128.909	
Peningkatan modal disetor	3.616.721	-	(3.616.791)	-	-	-	63	(7)	
Total laba tahun berjalan	-	-	-	-	5.289.633	-	2.105.282	7.394.915	
Rugi komprehensif lain tahun berjalan, setelah pajak:									
Pengukuran kembali liabilitas imbalan kerja, setelah pajak	-	-	-	-	(16.294)	-	(3.024)	(19.318)	
Kerugian penjabaran laporan keuangan	-	-	-	-	-	(859.377)	(342.310)	(1.201.687)	
Penyesuaian proforma dari transaksi restrukturisasi entitas sepengendali	-	-	-	3.912.280	-	-	-	3.912.280	
Pengampunan pajak	-	7.647	-	-	-	-	-	7.647	
Saldo 31 Desember 2016	9.397.004	(3.313.347)	-	35.883.306	34.850.537	5.153.939	18.251.300	100.222.739	

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan
dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of
these consolidated financial statements.

The original consolidated financial statements included herein are in Indonesian language.

PT KENCANA ENERGI LESTARI Tbk DAN ENTITAS ANAK

LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN (lanjutan)

Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017

(Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada
Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal
31 Desember 2016)

(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

PT KENCANA ENERGI LESTARI Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)

Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017

(With Comparative Figures for the
Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended
December 31, 2016)

(Expressed in US Dollar, unless otherwise stated)

Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk/ Equity Attributable to Owners of the Parent Entity									
	Model Saham Ditempatkan dan Disetor Penun/Share Capital - Issued and Fully Paid	Tambahan Modal Disetor - Neto/Additional Paid-in Capital - Net	Proforma Ekuitas/ Proforma Equity	Saldo Laba/ Retained Earnings	Selisih Kurs Karena Penjabaran Laporan Keuangan/ Exchange Differences due to Translation of Financial Statements	Total/ Total	Kepentingan Non-pengendali/ Non-controlling Interests	Total Ekuitas/ Total Equity	
Saldo 1 Januari 2017	9.397.004	(3.313.347)	35.883.306	34.850.537	5.153.939	81.971.439	18.251.300	100.222.739	Balance as of January 1, 2017
Peningkatan modal disetor	17	13.562.256	-	-	-	13.562.256	-	13.562.256	Increase in share capital
Total laba tahun berjalan	19	-	-	2.570.605	-	2.570.605	1.028.874	3.599.479	Total income for the year
Laba (rugi) komprehensif lain tahun berjalan, setelah pajak									Other comprehensive income (loss) for the year, net of tax:
Pengukuran kembali liabilitas imbalan kerja, setelah pajak		-	-	(7.622)	-	(7.622)	(924)	(8.546)	Reassessment of employee benefits liability, net of tax
Keuntungan penjabaran laporan keuangan		-	-	-	538.017	538.017	226.676	764.693	Gain on translation of financial statements
Penyesuaian proforma dari transaksi restrukturisasi entitas sepengendali	2c	-	-	12.314.281	-	12.314.281	-	12.314.281	Proforma adjustment arising from restructuring transactions of entities under common control
Selisih nilai transaksi restrukturisasi entitas sepengendali	4.18	-	39.951.405	(48.197.587)	-	(8.246.182)	(6.306.973)	(14.553.155)	Difference in value from restructuring transactions of entities under common control
Saldo 31 Desember 2017		22.959.260	36.638.058	-	37.413.520	5.691.956	13.198.953	115.901.747	Balance as of December 31, 2017

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT KENCANA ENERGI LESTARI Tbk DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN (lanjutan)
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada
Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal
31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

PT KENCANA ENERGI LESTARI Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended
December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

		Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk/ Equity Attributable to Owners of the Parent Entity					Selisih Kurs Karena Penjabaran Laporan Keuangan/ Exchange Differences due to Translation of Financial Statements			Total/ Total		Kepentingan Non-pengendali/ Non-controlling Interests		Total Ekuitas/ Total Equity		
Catatan/ Notes		Modal Saham Ditempatkan dan Disetor Penuh/Share Capital - Issued and Fully Paid	Tambahan Modal Disetor - Neto/Additional Paid-in Capital - Net	Saldo Laba/ Retained Earnings												Balance as of January 1, 2018
Saldo 1 Januari 2018		22.959.260	36.638.058	37.413.520		5.691.956			102.702.794			13.198.953		115.901.747		
Peningkatan modal disetor	17	449.736	-	-		-			449.736			-		449.736		Increase in share capital
Total laba periode berjalan	19	-	-	6.033.442		-			6.033.442			876.548		6.909.990		Total income for the period
Rugi komprehensif lain periode berjalan, setelah pajak: Pengukuran kembali liabilitas imbalan kerja, setelah pajak		-	-	(478)		-			(478)			1.059		581		Other comprehensive loss for the period, net of tax: Remeasurement of employee benefits liability, net of tax
Selisih nilai transaksi restrukturisasi entitas sepengendali	4,18	-	1.350.872	-		-			1.350.872			(1.828.425)		(477.553)		Difference in value from restructuring transactions of entities under common control
Selisih kurs dari penyetoran modal	4	-	20.164	-		-			20.164			-		20.164		Exchange rate difference from paid-in capital
Saldo 31 Desember 2018		23.408.996	38.009.094	43.446.484		5.691.956			110.556.530			12.248.135		122.804.665		Balance as of December 31, 2018

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT KENCANA ENERGI LESTARI Tbk
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN (lanjutan)
 Periode Tiga Bulan yang Berakhir pada Tanggal
 31 Maret 2019 dan Tahun yang Berakhir
 pada Tanggal-tanggal 31 Desember 2018 dan 2017
 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir
 pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada
 Tanggal 31 Desember 2016)
 (Disajikan dalam Dolar AS, kecuali dinyatakan lain)

PT KENCANA ENERGI LESTARI Tbk
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)
 Three-Month Period Ended March 31, 2019 and
 Years Ended December 31, 2018 and 2017
 (With Comparative Figures for the
 Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended
 December 31, 2016)
 (Expressed in US Dollar, unless otherwise stated)

Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk/ Equity Attributable to Owners of the Parent Entity							
	Modal Saham Ditempatkan dan Disetor Penunji/Share Capital - Issued and Fully Paid	Tambahan Modal Disetor - Neto/Additional Paid-in Capital - Net	Saldo Laba/ Retained Earnings	Selisih Kurs Karena Penjabaran Laporan Keuangan/ Exchange Differences due to Translation of Financial Statements	Total/ Total	Kepentingan Non-pengendali/ Non-controlling Interests	Total Ekuitas/ Total Equity
Saldo 1 Januari 2018	22.959.260	36.638.058	37.413.520	5.691.956	102.702.794	13.198.953	115.901.747
Total laba periode berjalan	19	-	1.534.760	-	1.534.760	152.932	1.687.692
Laba (rugi) komprehensif lain periode berjalan, setelah pajak: Pengukuran kembali liabilitas imbalan kerja, setelah pajak	-	-	346	-	346	(194)	152
Saldo 31 Maret 2018 (Tidak Diaudit)	22.959.260	36.638.058	38.948.626	5.691.956	104.237.900	13.351.691	117.589.591
							Balance as of January 1, 2018
							Total income for the period
							Other comprehensive income (loss) for the period, net of tax: Remeasurement of employee benefits liability, net of tax
							Balance as of March 31, 2018 (Unaudited)

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT KENCANA ENERGI LESTARI Tbk
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN (lanjutan)
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir
pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

PT KENCANA ENERGI LESTARI Tbk
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended
December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk/
Equity Attributable to Owners of the Parent Entity

	Catatan/ Notes	Modal Saham Ditempatkan dan Disetor Penuh/Share Capital - Issued and Fully Paid	Tambah Modal Disetor - Neto/Additional Paid-in Capital - Net	Selisih Transaksi dengan Pihak Nonpengendali/ Difference in Transaction with Non-controlling Party	Saldo Laba/ Retained Earnings	Selisih Kurs Karena Penjabaran Laporan Keuangan/ Exchange Differences due to Translation of Financial Statements	Kepentingan Non-pengendali/ Non-controlling Interests	Total/ Total	Total Ekuitas/ Total Equity	
Saldo 1 Januari 2019		23.408.996	38.009.094	-	43.446.484	5.691.956	12.248.135	110.556.530	122.804.665	Balance as of January 1, 2019
Total laba periode berjalan	19				2.106.546	-	274.985	2.106.546	2.381.531	Total income for the period
Rugi komprehensif lain periode berjalan, setelah pajak: Pengukuran kembali liabilitas imbalan kerja, setelah pajak		-	-	-	(87.669)	-	(1.709)	(87.669)	(89.378)	Other comprehensive loss for the period, net of tax: Remeasurement of employee benefits liability, net of tax
Pelepasan sebagian kepentingan pada entitas anak tanpa kehilangan pengendalian	2b, 4	-	-	(4.079.838)	-	-	18.579.838	(4.079.838)	14.500.000	Disposal of partial interest in a subsidiary without loss of control
Pembelian modal saham kepentingan nonpengendali	4	-	-	6.527.024	-	-	(11.383.562)	6.527.024	(4.856.538)	Purchase of shares of non-controlling interest
Pembagian dividen kas pada entitas anak		-	-	-	-	-	(325.887)	-	(325.887)	Distribution of cash dividends by subsidiary

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan
dari laporan keuangan konsolidasian secara keseluruhan.

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these consolidated financial statements.

PT KENCANA ENERGI LESTARI Tbk
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN (lanjutan)
 Periode Tiga Bulan yang Berakhir pada Tanggal
 31 Maret 2019 dan Tahun yang Berakhir
 pada Tanggal-tanggal 31 Desember 2018 dan 2017
 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir
 pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada
 Tanggal 31 Desember 2016)
 (Disajikan dalam Dolar AS, kecuali dinyatakan lain)

PT KENCANA ENERGI LESTARI Tbk
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)
 Three-Month Period Ended March 31, 2019 and
 Years Ended December 31, 2018 and 2017
 (With Comparative Figures for the
 Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended
 December 31, 2016)
 (Expressed in US Dollar, unless otherwise stated)

	Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk/ Equity Attributable to Owners of the Parent Entity							
	Modal Saham Ditempatkan dan Disetor Penunji/Share Capital - Issued Capital and Fully Paid	Tambahan Modal Disetor - Neto/Additional Paid-in Capital - Net	Selisih Transaksi dengan Pihak Nonpengendali/ Difference In Transaction with Non-controlling Party	Saldo Laba/ Retained Earnings	Selisih Kurs Karena Penjabaran Laporan Keuangan/ Exchange Differences due to Translation of Financial Statements	Total/ Total	Keuntungan Non-pengendali/ Non-controlling Interests	Total Ekuitas/ Total Equity
Peningkatan modal saham saham dari kepentingan nonpengendali	-	-	-	-	-	-	9.285	9.285
Keuntungan nonpengendali yang diperoleh dari kombinasi bisnis	-	-	-	-	-	-	5.211	5.211
Saldo 31 Maret 2019	23.408.996	38.009.094	2.447.186	45.465.361	5.691.956	115.022.593	19.406.296	134.428.889
								<i>Balance as of March 31, 2019</i>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)**

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF
CASH FLOWS
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)**

		31 Maret/March 31,		31 Desember/December 31,			
	Catatan/ Notes	2019	2018 (Tidak Diaudit)	2018	2017	2016	
ARUS KAS DARI AKTIVITAS OPERASI							CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan kas dari pelanggan		3.353.062	2.668.217	10.868.286	7.825.801	5.122.843	Cash receipts from customer
Penerimaan pendapatan bunga		2.416	2.331	4.461	13.408	6.053	Cash receipts from interest income
Pembayaran kas kepada kontraktor, pemasok dan lainnya		(2.760.044)	(2.872.945)	(13.770.389)	(5.684.856)	(4.132.891)	Cash payments to contractors, suppliers and others
Pembayaran kas kepada karyawan		(168.569)	(141.802)	(447.634)	(538.049)	(438.592)	Cash payments to employees
Penerimaan (pembayaran) jaminan uang tunai		-	-	119.893	(529.178)	-	Receipt (payment) of cash collateral
Penerimaan dari klaim asuransi		-	-	-	-	737.728	Cash receipts from insurance claims
Penerimaan kas dari pengampunan pajak		-	-	-	-	17.799	Cash receipts from tax amnesty
Kas Neto Diperoleh dari (Digunakan untuk) Aktivitas Operasi		426.865	(344.199)	(3.225.383)	1.087.126	1.312.940	Net Cash Provided by (Used in) Operating Activities
ARUS KAS DARI AKTIVITAS INVESTASI							CASH FLOWS FROM INVESTING ACTIVITIES
Hasil penjualan dari sebagian kepentingan pengendali pada entitas anak	4	14.500.000	-	-	-	-	Proceed from sale of partial interest in a subsidiary
Perolehan aset tetap	9,28	(47.836)	(1.187)	(4.802)	(70.851)	(10.475)	Acquisitions of fixed assets
Penambahan investasi pada entitas anak	4	-	-	(457.389)	(13.001.279)	-	Additional investment in subsidiary
Hasil penjualan aset tetap	9	-	-	-	1.124	-	Proceed from disposal of fixed assets
Kas Neto Diperoleh dari (Digunakan untuk) Aktivitas Investasi		14.452.164	(1.187)	(462.191)	(13.071.006)	(10.475)	Net Cash Provided by (Used in) Investing Activities
ARUS KAS DARI AKTIVITAS PENDANAAN							CASH FLOWS FROM FINANCING ACTIVITIES
Penerimaan dari pinjaman jangka panjang		858.552	1.016.182	9.238.372	47.559.394	5.212.824	Proceeds from long-term borrowings
Hasil setoran modal saham	17	-	-	449.736	13.562.256	-	Proceeds from issuance of additional share capital
Pembayaran pinjaman jangka panjang		(1.090.210)	(402.325)	(3.653.000)	(39.368.300)	(3.588.189)	Payment of long-term borrowings
Pembayaran beban bunga		(1.033.191)	(951.604)	(3.731.983)	(7.796.418)	(6.075.143)	Payments of interest expense
Penurunan (penambahan) kas di bank yang dibatasi penggunaannya		(924.167)	157	(457.653)	(80.350)	-	Decrease (increase) in restricted cash in bank
Penerimaan (pembayaran) uang muka dari pihak berelasi - neto		(708.496)	(203.258)	685.003	232.176	2.951.236	Receipts (payments) of advances from related parties - net
Penurunan modal saham entitas anak neto diatribusikan kepada kepentingan non pengendali		-	-	-	(214.273)	-	Net decrease in share capital of subsidiaries attributable to non-controlling interests
Pembayaran biaya transaksi pinjaman jangka panjang		-	-	-	(1.156.464)	-	Payment of long-term borrowings transaction costs
Kas Neto Diperoleh dari (Digunakan untuk) Aktivitas Pendanaan		(2.897.512)	(540.848)	2.530.475	12.738.021	(1.499.272)	Net Cash Provided by (Used in) Financing Activities

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN (lanjutan)
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)**

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF
CASH FLOWS (continued)
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)**

	Catatan/ Notes	31 Maret/March 31,		31 Desember/December 31,			
		2019	2018 (Tidak Diaudit)	2018	2017	2016	
KENAIKAN (PENURUNAN) DARI KAS DAN SETARA KAS		11.981.517	(886.234)	(1.157.099)	754.141	(196.807)	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
KAS DAN SETARA KAS DARI KOMBINASI BISNIS		101.797	-	-	-	-	CASH AND CASH EQUIVALENTS FROM BUSINESS COMBINATION
KAS DAN SETARA KAS AWAL PERIODE/TAHUN		150.755	1.307.854	1.307.854	553.713	750.520	CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR
KAS DAN SETARA KAS PADA AKHIR PERIODE/TAHUN		12.234.069	421.620	150.755	1.307.854	553.713	CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR
Kas dan setara kas terdiri dari:							Cash and cash equivalents consist of:
Kas dan setara kas	5	12.234.069	421.620	150.755	1.307.854	925.847	Cash and cash equivalents
Kredit Rekening Koran	14	-	-	-	-	(372.134)	Bank Overdraft
Neto		12.234.069	421.620	150.755	1.307.854	553.713	Net

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

1. INFORMASI UMUM

a. Pendirian dan Informasi Umum

PT Kencana Energi Lestari Tbk ("Perusahaan") didirikan di Republik Indonesia dengan nama awal "PT Citra Alam Pratama" pada tanggal 5 Mei 2008 berdasarkan akta Notaris Ir. Rusli, S.H. No. 1. Akta Pendirian ini disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-27201.AH.01.01.Tahun 2008 tanggal 23 Mei 2008 dan diumumkan dalam Berita Negara No. 2 Tambahan No. 473 tanggal 6 Januari 2009. Para Pemegang saham menyetujui perubahan nama Perusahaan menjadi "PT Kencana Energi Lestari" pada tanggal 10 September 2018 berdasarkan akta Notaris Yulia, S.H. No. 25. Anggaran Dasar Perusahaan telah mengalami beberapa kali perubahan, terakhir dengan akta Notaris Yulia, S.H. No. 50, tanggal 10 Mei 2019 mengenai rencana Perusahaan untuk melakukan penawaran umum melalui pasar modal. Perubahan ini telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-0025348.AH.01.02, AHU-AH.01.03-0243119 dan AHU-AH.01.03-0243116 tanggal 13 Mei 2019.

Berdasarkan Pasal 3 Anggaran Dasar Perusahaan, ruang lingkup kegiatan Perusahaan adalah dalam bidang jasa, ketenagalistrikan, pembangunan, perdagangan, perindustrian, investasi dan pengangkutan.

Perusahaan didirikan dan berdomisili di Indonesia dengan kantor berkedudukan di Komplek Perkantoran Business Park Kebun Jeruk Kencana Tower, Jalan Raya Meruya Ilir No. 88 Jakarta Barat.

Perusahaan memulai usaha komersial pada tahun 2008. Pihak pengendali utama Perusahaan adalah Henry Maknawi dan keluarga.

b. Dewan Komisaris dan Direksi dan Karyawan

Manajemen kunci Perusahaan terdiri dari anggota Dewan Komisaris dan Direksi.

Pada tanggal 31 Maret 2019 dan 31 Desember 2018, susunan anggota Dewan Komisaris dan Direksi Perusahaan adalah sebagai berikut:

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

1. GENERAL INFORMATION

a. Establishment and General Information

PT Kencana Energi Lestari Tbk (the "Company") was established in the Republic of Indonesia originally under the name of "PT Citra Alam Pratama" on May 5, 2008 based on Notarial Deed No. 1 of Ir. Rusli, S.H. The Deed of Establishment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-27201.AH.01.01.Tahun 2008 dated May 23, 2008 and was published in State Gazette No. 2, Supplement No. 473 dated January 6, 2009. The shareholders approved the change in the name of the Company to "PT Kencana Energi Lestari" on September 10, 2018 based on Notarial Deed No. 25 of Yulia, S.H. The Company's Articles of Association have been amended several times, most recently by Notarial Deed No. 50 of Yulia, S.H., dated May 10, 2019, concerning the Company's plans to conduct public offers through the capital market. This amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decision Letter Nos. AHU-0025348.AH.01.02, AHU-AH.01.03-0243119 and AHU-AH.01.03-0243116 dated May 13, 2019.

In accordance with Article 3 of the Company's Articles of Association, the Company's scope of activities comprises of service, electricity, construction, trade, industrial, investment and transportation.

The Company is incorporated and domiciled in Indonesia with its registered office located at Kencana Tower, Business Park Kebun Jeruk, Jalan Raya Meruya Ilir No. 88, West Jakarta.

The Company commenced its commercial activity in 2008. The Company's ultimate controlling party is Henry Maknawi and family.

b. Boards of Commissioners and Directors and Employees

The Company's management comprises of Boards of Commissioners and Directors.

As of March 31, 2019 and December 31, 2018, the composition of the Company's Boards of Commissioners and Directors was as follows:

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

1. INFORMASI UMUM (lanjutan)

b. Dewan Komisaris dan Direksi dan Karyawan (lanjutan)

Dewan Komisaris

Komisaris Utama	:	Albert Maknawi	:
Komisaris	:	Jeanny Maknawi Joe	:
Komisaris Independen	:	Sim Idrus Munandar	:

Direksi

Direktur Utama	:	Henry Maknawi	:
Wakil Direktur Utama	:	Wilson Maknawi	:
Direktur	:	Rusmin Cahyadi	:
Direktur	:	Insinyur Karel Sampe Pajung	:
Direktur	:	Giat Widjaja	:
Direktur (Independen)	:	Freenyan Liwang	:

Pada tanggal 31 Desember 2017 dan 2016, susunan anggota Komisaris dan Dewan Direksi Perusahaan adalah sebagai berikut:

Komisaris	:	Wilson Maknawi	:

Direksi

Direktur Utama	:	Lili Suryani	:
Direktur	:	Imiyati	:

Pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016, Perusahaan dan Entitas Anak ("Grup") memiliki masing-masing sebanyak 56, 46, 13 dan 13 orang karyawan tetap (tidak diaudit).

Imbalan kompensasi jangka pendek yang dibayar pada manajemen kunci Perusahaan untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2019 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2018, 2017 dan 2016 masing-masing sebesar AS\$25.460, AS\$43.205, nihil dan nihil.

c. Struktur Grup

Pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016, struktur Grup adalah sebagai berikut:

Entitas Anak/ Subsidiaries	Ruang Lingkup Usaha/Scope of Activities	Kedudukan, Tanggal Pendirian/ Domicile, Date of Establishment	Tahun Usaha Komersial Dimulai/ Commencement of Commercial Operations	Persentase Kepemilikan/ Percentage of Ownership				Total Aset Sebelum Jurnal Eliminasi/ Total Assets Before Elimination Entries			
				31 Maret/ March 31, 2019	31 Desember/December 31,			31 Maret/ March 31, 2019	31 Desember/December 31,		
					2018	2017	2016		2018	2017	2016
Kepemilikan langsung/ Direct ownership											
PT Energi Sakti Sentosa ("ESS")	Pemasokan kelistrikan/ Supply of electricity	Indonesia, 7 Januari/ January 7, 2008	2008	75.00%	84.29%	84.29%	71.63%	125.228.282	122.300.656	119.639.812	114.056.530

1. GENERAL INFORMATION (continued)

c. Boards of Commissioners and Directors and Employees (continued)

Board of Commissioners

President Commissioner
Commissioner
Independent Commissioner

Board of Directors

President Director
Vice President Director
Director
Director
Director
Director (Independent)

As of December 31, 2017 and 2016, the composition of the Company's Commissioner and Board of Directors was as follows:

Commissioner

Board of Directors

President Director
Director

As of March 31, 2019, December 31, 2018, 2017 and 2016, the Company and Subsidiaries (the "Group") had 56, 46, 13 and 13 permanent employees, respectively (unaudited).

The short-term compensation benefits paid to the Company's key management for the three-month period ended March 31, 2019 and years ended December 31, 2018, 2017 and 2016 amounted to US\$25,460, US\$43,205, nil and nil, respectively.

c. The Group Structure

As of March 31, 2019, December 31, 2018, 2017 and 2016, the structure of the Group was as follows:

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

1. INFORMASI UMUM (lanjutan)

c. Struktur Grup (lanjutan)

Entitas Anak/ Subsidiaries	Ruang Lingkup Usaha/Scope of Activities	Kedudukan, Tanggal Pendirian/ Domicile, Date of Establishment	Tahun Usaha Komersial Dimulai/ Commencement of Commercial Operations	Persentase Kepemilikan/ Percentage of Ownership				Total Aset Sebelum Jurnal Eliminasi/ Total Assets Before Elimination Entries			
				31 Maret/ March 31, 2019	31 Desember/December 31,			31 Maret/ March 31, 2019	31 Desember/December 31,		
					2018	2017	2016		2018	2017	2016
Kepemilikan langsung/ Direct ownership											
PT Bangun Tirta Lestari ("BTL")	Pemasokan kelistrikan/ Supply of electricity	Indonesia, 26 Maret/ March 26, 2010	2011	98,40%	98,40%	94,90%	-	124.142.675	121.302.306	105.071.602	-
PT Bangun Hidro Energi ("BHE")	Entitas induk/ Holding company	Indonesia, 28 Desember/ December 28, 2018	2019	98,00%	-	-	-	939.312	-	-	-
Kepemilikan secara Tidak langsung/ Indirect ownership Melalui/Through BHE											
PT Nagata Dinamika Hidro Madong ("NDHM")	Pemasokan kelistrikan/ Supply of electricity	Indonesia, 29 April/ April 29, 2013	2013	50,94%	-	-	-	1.051.810	-	-	-

**d. Penyelesaian Laporan Keuangan
Konsolidasian**

Manajemen Grup bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian yang telah diselesaikan dan disetujui untuk diterbitkan pada tanggal 26 Juni 2019.

1. GENERAL INFORMATION (continued)

c. The Group Structure (continued)

d. Completion of the Consolidated Financial Statements

The management of the Group is responsible for the preparation and presentation of these consolidated financial statements that were completed and authorized for issue on June 26, 2019.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN

a. Dasar Penyusunan Laporan Keuangan Konsolidasian

Laporan keuangan konsolidasian disusun berdasarkan Standar Akuntansi Keuangan di Indonesia ("SAK"), yang mencakup Pernyataan Standar Akuntansi Keuangan ("PSAK") dan Interpretasi Standar Akuntansi Keuangan ("ISAK") yang diterbitkan oleh Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia ("DSAK") dan Peraturan No. VIII.G.7 tentang Penyajian dan Pengungkapan Laporan Keuangan Emiten atau Perusahaan Publik.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation of the Consolidated Financial Statements

The consolidated financial statements have been prepared in accordance with Indonesian Financial Accounting Standards ("SAK"), which comprise the Statement of Financial Accounting Standards ("PSAK") and Interpretations of Statement of Financial Accounting Standard ("ISAK") issued by the Financial Accounting Standards Board of the Indonesian Institute of Accountants ("DSAK") and Regulation No. VIII.G.7 regarding Presentation and Disclosure of Financial Statements of Listed or Public Companies.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

a. Dasar Penyusunan Laporan Keuangan Konsolidasian (lanjutan)

Laporan keuangan konsolidasian disusun berdasarkan PSAK No. 1 (2015), "Penyajian Laporan Keuangan".

Grup memilih menyajikan laporan laba rugi dan penghasilan komprehensif lain konsolidasian dalam satu laporan dan menyajikan tambahan pengungkapan sumber estimasi ketidakpastian pada Catatan 3 serta pengelolaan modal pada Catatan 24.

Kebijakan akuntansi yang diterapkan dalam penyusunan laporan keuangan konsolidasian adalah selaras dengan kebijakan akuntansi yang diterapkan dalam penyusunan laporan keuangan konsolidasian Grup untuk tahun yang berakhir pada tanggal 31 Desember 2018, kecuali bagi penerapan beberapa SAK yang telah direvisi. Seperti diungkapkan dalam catatan-catatan terkait atas laporan keuangan, beberapa standar akuntansi yang telah direvisi dan diterbitkan, diterapkan efektif tanggal 1 Januari 2019.

Laporan keuangan konsolidasian, kecuali untuk laporan arus kas konsolidasian, disusun berdasarkan dasar akrual dengan menggunakan konsep harga perolehan, kecuali beberapa akun tertentu disusun berdasarkan pengukuran lain sebagaimana diuraikan dalam kebijakan akuntansi masing-masing akun tersebut.

Grup menerapkan PSAK No. 2 (Revisi 2016), "Laporan Arus Kas".

Pengungkapan yang di syaratkan Amandemen PSAK No. 2 (Revisi 2016) diungkapkan pada Catatan 32 atas laporan keuangan konsolidasian.

Laporan arus kas konsolidasian disusun dengan menggunakan metode langsung dengan mengelompokkan arus kas dalam aktivitas operasi, investasi dan pendanaan.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Basis of Preparation of Consolidated Financial Statements (continued)

The consolidated financial statements have been prepared in accordance with PSAK No. 1 (2015), "Presentation of Financial Statements".

The Group elected to present one single consolidated statement of profit or loss and other comprehensive income and disclosed source of estimation uncertainty in Note 3 and capital management in Note 24.

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those made in the preparation of the Group's consolidated financial statements for the year ended December 31, 2018, except for the adoption of several amended SAKs. As disclosed further in the relevant succeeding notes, several amended and published accounting standards were adopted effective January 1, 2019.

The consolidated financial statements, except for the consolidated statements of cash flows, have been prepared on the accrual basis using the historical cost basis of accounting, except for certain accounts which are measured on the bases described in the related accounting policies for those accounts.

The Group applied PSAK No. 2 (Revised 2016), "Statement of Cash Flows".

The disclosure required by Amendments to PSAK No. 2 (Revised 2016) has been disclosed in Note 32 of the consolidated financial statements.

The consolidated statements of cash flows is prepared based on the direct method by classifying cash flows on the basis of operating, investing, and financing activities.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**a. Dasar Penyusunan Laporan Keuangan
Konsolidasian (lanjutan)**

Sebagaimana dijelaskan dalam Catatan 2n, mata uang fungsional Grup berubah dari Rupiah ("Rp") ke Dolar Amerika Serikat ("Dolar AS"/"AS\$") efektif sejak tanggal 1 Januari 2018. Mata uang penyajian yang digunakan untuk penyusunan laporan keuangan konsolidasian adalah Dolar AS.

b. Prinsip-prinsip Konsolidasi

Laporan keuangan konsolidasian meliputi laporan keuangan konsolidasian Perusahaan dan entitas-entitas (termasuk entitas yang terstruktur) yang dikendalikan secara langsung ataupun tidak langsung oleh Perusahaan.

Laporan keuangan Entitas Anak disusun dengan periode pelaporan yang sama dengan Perusahaan Induk. Kebijakan akuntansi yang digunakan dalam penyajian laporan keuangan konsolidasian telah diterapkan secara konsisten oleh Grup, kecuali dinyatakan lain.

Entitas anak dikonsolidasi secara penuh sejak tanggal akuisisi, yaitu tanggal Perusahaan memperoleh pengendalian, sampai dengan tanggal Perusahaan kehilangan pengendalian. Pengendalian dianggap ada ketika Perusahaan memiliki secara langsung atau tidak langsung melalui entitas anak, lebih dari setengah kekuasaan suara entitas.

Transaksi antar perusahaan, saldo dan keuntungan antar entitas Grup yang belum direalisasi dieliminasi. Kerugian yang belum direalisasi juga dieliminasi. Kebijakan akuntansi Entitas Anak diubah jika diperlukan untuk memastikan konsistensi dengan kebijakan akuntansi yang diadopsi Grup.

Secara spesifik, Grup mengendalikan *investee* jika dan hanya jika Grup memiliki seluruh hal berikut ini:

- a. Kekuasaan atas *investee* (misal, hak yang ada memberikan kemampuan kini untuk mengarahkan aktivitas relevan *investee*);

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**a. Basis of Preparation of Consolidated
Financial Statements (continued)**

As discussed in Note 2n, the Group's functional currency changed from Indonesian Rupiah ("Rupiah"/"Rp") to United States Dollar ("US Dollar"/"US\$") effective January 1, 2018. The presentation currency used in the preparation of the consolidated financial statements is US Dollar.

b. Principles of Consolidation

The consolidated financial statements incorporate the consolidated financial statements of the Company and entities (including structured entities) in which the Company has the ability to directly or indirectly exercise control.

The financial statements of the Subsidiaries are prepared for the same reporting period as the Parent Company. The accounting policies adopted in preparing the consolidated financial statements have been consistently applied by the Group, unless otherwise stated.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases. Control is presumed to exist if the Company owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated. Accounting policies of Subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Specifically, the Group controls an investee if and only if the Group has:

- a. *Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);*

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

b. Prinsip-prinsip Konsolidasi (lanjutan)

- b. Eksposur atau hak atas imbal hasil variabel dari keterlibatannya dengan *investee*; dan
- c. Kemampuan untuk menggunakan kekuasaannya atas *investee* untuk mempengaruhi jumlah imbal hasil *investor*.

Ketika Grup memiliki kurang dari hak suara mayoritas, Grup dapat mempertimbangkan semua fakta dan keadaan yang relevan dalam menilai apakah memiliki kekuasaan atas *investee* tersebut:

- a. Pengaturan kontraktual dengan pemilik hak suara yang lain;
- b. Hak yang timbul dari pengaturan kontraktual lain; dan
- c. Hak suara dan hak suara potensial Grup.

Grup menilai kembali apakah *investor* mengendalikan *investee* jika fakta dan keadaan mengindikasikan adanya perubahan terhadap satu atau lebih dari tiga elemen pengendalian. Konsolidasi atas entitas anak dimulai ketika Grup memiliki pengendalian atas anak perusahaan dan berhenti ketika Grup kehilangan pengendalian atas entitas anak. Aset, liabilitas, penghasilan dan beban atas entitas anak yang diakuisisi atau dilepas selama periode termasuk dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian dari tanggal Grup memperoleh pengendalian sampai dengan tanggal Grup menghentikan pengendalian atas entitas anak.

Laba atau rugi dan setiap komponen atas penghasilan komprehensif lain diatribusikan pada pemegang saham entitas induk Grup dan pada kepentingan non pengendali ("KNP"), bahkan jika hal ini mengakibatkan KNP mempunyai saldo defisit.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017
(With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Principles of Consolidation (continued)

- b. Exposure, or rights, to variable returns from its involvement with the *investee*; and
- c. The ability to use its power over the *investee* to affect its returns.

When the Group has less than a majority of the voting or similar right of an *investee*, the Group considers all relevant facts and circumstances in assessing whether it has power over an *investee*, including:

- a. The contractual arrangement with the other vote holders of the *investee*;
- b. Rights arising from other contractual arrangements; and
- c. The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an *investee* if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interest ("NCI"), even if this results in the NCI having a deficit balance.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016) (Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017 (With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016) (Expressed in US Dollar, unless otherwise stated)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

b. Prinsip-prinsip Konsolidasi (lanjutan)

Bila diperlukan, penyesuaian dilakukan pada laporan keuangan entitas anak agar kebijakan akuntansinya sesuai dengan kebijakan akuntansi Grup. Semua aset dan liabilitas, ekuitas, penghasilan, beban dan arus kas berkaitan dengan transaksi antar anggota Grup akan dieliminasi secara penuh dalam proses konsolidasi.

Transaksi dengan KNP yang tidak mengakibatkan hilangnya pengendalian merupakan transaksi ekuitas. Selisih antara nilai wajar imbalan yang dibayar dan bagian yang diakuisisi atas nilai tercatat aset neto entitas anak dicatat pada ekuitas. Keuntungan atau kerugian pelepasan KNP juga dicatat pada ekuitas.

Perubahan kepemilikan di entitas anak, tanpa kehilangan pengendalian, dihitung sebagai transaksi ekuitas. Jika Grup kehilangan pengendalian atas entitas anak, maka Grup:

- menghentikan pengakuan aset (termasuk goodwill) dan liabilitas entitas anak;
- menghentikan pengakuan jumlah tercatat setiap KNP;
- menghentikan pengakuan akumulasi selisih penjabaran, yang dicatat di ekuitas, jika ada;
- mengakui nilai wajar pembayaran yang diterima;
- mengakui setiap sisa investasi pada nilai wajarnya;
- mengakui setiap perbedaan yang dihasilkan sebagai keuntungan atau kerugian sebagai laba rugi; dan
- mereklasifikasi bagian induk atas komponen yang sebelumnya diakui sebagai penghasilan komprehensif lain atau saldo laba, begitu pula menjadi persyaratan jika Grup akan melepas secara langsung aset atau liabilitas yang terkait.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Principles of Consolidation (continued)

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Transactions with NCI that do not result in loss of control are accounted for as equity transactions. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to NCI are also recorded in equity.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- derecognizes the carrying amount of any NCI;
- derecognizes the cumulative translation differences, recorded in equity, if any;
- recognizes the fair value of the consideration received;
- recognizes the fair value of any investment retained;
- recognizes any surplus or deficit in profit or loss; and
- reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

b. Prinsip-prinsip Konsolidasi (lanjutan)

KNP mencerminkan bagian atas laba atau rugi dan aset bersih dari entitas anak yang tidak dapat diatribusikan, secara langsung maupun tidak langsung, pada Perusahaan, yang masing-masing disajikan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian dan dalam ekuitas pada laporan posisi keuangan konsolidasian, terpisah dari bagian yang dapat diatribusikan kepada pemilik entitas induk.

c. Kombinasi Bisnis Entitas Sepengendali

Akuisisi entitas anak yang memenuhi kriteria sebagai transaksi restrukturisasi entitas sepengendali dicatat berdasarkan PSAK No. 38 (Revisi 2012), "Akuntansi Restrukturisasi Entitas Sepengendali". Berdasarkan standar ini, akuisisi entitas anak dicatat berdasarkan penyatuan kepemilikan (*pooling of interest*) dimana aset dan liabilitas entitas anak dicatat sesuai dengan nilai bukunya. Selisih antara harga penyerahan dan bagian Grup atas nilai buku entitas anak, jika ada, dan disajikan sebagai bagian dari ekuitas sebagai tambahan modal disetor.

d. Kas dan Setara Kas

Kas dan setara kas terdiri dari kas dan setara kas yang meliputi deposito berjangka dengan jangka waktu tiga bulan atau kurang dan tidak digunakan sebagai jaminan atau dibatasi penggunaannya dan dapat segera dijadikan kas tanpa terjadi perubahan nilai yang signifikan.

Untuk tujuan laporan arus kas konsolidasian, kas dan setara kas terdiri dari kas dan setara kas dan kredit rekening koran (disajikan sebagai "Utang bank jangka pendek").

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

*Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017
(With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Principles of Consolidation (continued)

NCI represents the portion of the profit or loss and net assets of the subsidiary not attributable directly or indirectly to the Company, which are presented in the consolidated statements of profit or loss and other comprehensive income and under the equity section of the consolidated statements of financial position, respectively, separately from the corresponding portion attributable to the owner of the parent entity.

c. Business Combination for Under Common Control Entities

Acquisition of a subsidiary that represent a restructuring transaction of entities under common control are accounted for in accordance with PSAK No. 38 (Revised 2012), "Accounting for Restructuring of Entities Under Common Control". Based on this standard, acquisition of a subsidiary is accounted for based on the pooling of interest, wherein assets and liabilities of a subsidiary are recorded at their book values. The difference between the transfer price and the Group's interest in a subsidiary's book values, if any, is presented as part of equity as additional paid-in capital.

d. Cash and Cash Equivalents

Cash and cash equivalents consist of cash and cash equivalents, and cash equivalents which are time deposits with maturities within three months or less and are not pledged as collateral or restricted in use and readily convertible to cash without significant changes in value.

For purposes of consolidated statements of cash flows, cash and cash equivalents consist of cash and cash equivalents and bank overdraft (presented as "Short-term bank loan").

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Kas dan Setara Kas (lanjutan)

Kas dan setara kas yang dibatasi penggunaannya yang akan digunakan untuk membayar kewajiban yang akan jatuh tempo dalam waktu satu tahun disajikan sebagai "Kas di Bank yang Dibatasi Penggunaannya" sebagai bagian dari aset lancar pada laporan posisi keuangan konsolidasian. Kas dan setara kas yang akan digunakan membayar kewajiban yang akan jatuh tempo lebih dari satu tahun dari akhir periode pelaporan disajikan sebagai "Kas di Bank yang Dibatasi Penggunaannya" sebagai bagian dari aset tidak lancar pada laporan posisi keuangan konsolidasian.

e. Instrumen Keuangan

Grup menerapkan PSAK No. 50 (Revisi 2014) "Instrumen Keuangan: Penyajian", PSAK No. 55 (Revisi 2014) "Instrumen Keuangan: Pengakuan dan Pengukuran" dan PSAK No. 60 (Revisi 2014) "Instrumen Keuangan: Pengungkapan".

Klasifikasi

i. Aset keuangan

Aset keuangan dalam lingkup PSAK No. 55 (Revisi 2014) diklasifikasikan sebagai (i) aset keuangan yang diukur pada nilai wajar melalui laba rugi, (ii) pinjaman yang diberikan dan piutang, (iii) investasi dimiliki hingga jatuh tempo, atau (iv) aset keuangan tersedia untuk dijual, mana yang sesuai. Grup menentukan klasifikasi aset keuangan tersebut pada saat pengakuan awal dan, jika diperbolehkan dan sesuai, mengevaluasi kembali pengklasifikasian aset tersebut pada setiap akhir tahun keuangan.

Aset keuangan Grup terdiri dari kas dan setara kas, aset keuangan dari konsesi jasa yang belum ditagihkan, piutang usaha, piutang lain-lain, kas di bank yang dibatasi penggunaannya dan jaminan uang tunai (disajikan sebagai "Aset lancar lain-lain dan aset tidak lancar lain-lain") diklasifikasikan sebagai pinjaman yang diberikan dan piutang.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

*Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017
(With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Cash and Cash Equivalents (continued)

Restricted cash and cash equivalents which will be used to pay currently maturing obligations are presented as "Restricted Cash in Bank" under the current assets section of the consolidated statements of financial position. Cash and cash equivalents which will be used to pay obligations maturing after one year from the end of the reporting period are presented as part of "Restricted Cash in Bank" under the non-current asset section of the consolidated statements of financial position.

e. Financial Instruments

The Group applied PSAK No. 50 (Revised 2014) "Financial Instruments: Presentation", PSAK No. 55 (Revised 2014) "Financial Instruments: Recognition and Measurement" and PSAK No. 60 (Revised 2014) "Financial Instruments: Disclosures".

Classification

i. Financial assets

Financial assets within the scope of PSAK No. 55 (Revised 2014) are classified as (i) financial assets at fair value through profit or loss, (ii) loans and receivables, (iii) held-to-maturity investments, or (iv) available for sale financial assets, as appropriate. The Group determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates the designation of such assets at each financial year end.

The Group's financial assets consist of cash and cash equivalents, unbilled financial asset from service concession project, trade receivables, other receivables, restricted cash in bank and cash collateral (presented as "Other current and non-current assets") classified as loans and receivables.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

e. Instrumen Keuangan (lanjutan)

Klasifikasi (lanjutan)

ii. Liabilitas keuangan

Liabilitas keuangan dalam lingkup PSAK No. 55 (Revisi 2014) dapat dikategorikan sebagai (i) liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi, (ii) liabilitas keuangan yang diukur pada biaya perolehan diamortisasi, atau (iii) derivatif yang ditetapkan sebagai instrumen lindung nilai dalam lindung nilai yang efektif, mana yang sesuai. Grup menentukan klasifikasi liabilitas keuangan pada saat pengakuan awal.

Liabilitas keuangan grup terdiri dari utang usaha, utang lain-lain, liabilitas yang masih harus dibayar, utang bank jangka pendek, dan pinjaman jangka panjang diklasifikasikan sebagai liabilitas keuangan yang dicatat berdasarkan biaya perolehan diamortisasi.

Pengakuan dan Pengukuran

i. Aset keuangan

Aset keuangan pada awalnya diakui sebesar nilai wajarnya ditambah, dalam hal investasi yang tidak diukur pada nilai wajar melalui laba rugi, biaya transaksi yang dapat diatribusikan secara langsung. Pengukuran aset keuangan setelah pengakuan awal tergantung pada klasifikasinya.

Pinjaman yang diberikan dan piutang adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan, yang tidak mempunyai kuotasi di pasar aktif. Aset keuangan tersebut dicatat sebesar biaya perolehan yang diamortisasi dengan menggunakan metode suku bunga efektif.

Keuntungan dan kerugian diakui sebagai laba rugi pada saat pinjaman yang diberikan dan piutang dihentikan pengakuannya atau mengalami penurunan nilai, serta melalui proses amortisasi.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

e. Financial Instruments (continued)

Classification (continued)

ii. Financial liabilities

Financial liabilities within the scope of PSAK No. 55 (Revised 2014) are classified as (i) financial liabilities at fair value through profit or loss, (ii) financial liabilities measured at amortized cost, or (iii) as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

The Group's financial liabilities consist of trade payables, other payables, accrued liabilities, short-term bank loans and long-term borrowings classified as financial liabilities measured at amortized cost.

Recognition and Measurement

i. Financial assets

Financial assets are recognized initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The subsequent measurement of financial assets depends on their classification.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such financial assets are carried at amortized cost using the effective interest rate method.

Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016) (Disajikan dalam Dolar AS, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

e. Instrumen Keuangan (lanjutan)

Pengakuan dan Pengukuran (lanjutan)

ii. Liabilitas keuangan

Liabilitas keuangan diakui pada awalnya sebesar nilai wajar dan, dalam hal liabilitas keuangan yang diukur pada biaya perolehan diamortisasi, termasuk biaya transaksi yang dapat diatribusikan secara langsung.

Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi, selanjutnya setelah pengakuan awal diukur pada biaya perolehan diamortisasi, menggunakan suku bunga efektif kecuali jika dampak diskonto tidak material, maka dinyatakan pada biaya perolehan. Beban bunga diakui dalam laporan laba rugi. Keuntungan atau kerugian diakui pada laporan laba rugi ketika liabilitas keuangan tersebut dihentikan pengakuannya dan melalui proses amortisasi.

Saling Hapus dari Instrumen Keuangan

Aset keuangan dan liabilitas keuangan saling dihapuskan dan nilai bersihnya dilaporkan dalam laporan posisi keuangan konsolidasian jika, dan hanya jika, terdapat hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui dari aset keuangan dan liabilitas keuangan tersebut dan terdapat intensi untuk menyelesaikan dengan menggunakan dasar neto, atau untuk merealisasikan aset dan menyelesaikan liabilitasnya secara bersamaan.

Nilai Wajar dari Instrumen Keuangan

Nilai wajar instrumen keuangan yang diperdagangkan secara aktif di pasar aktif, jika ada, ditentukan dengan mengacu pada kuotasi harga penawaran atau permintaan (*bid or ask prices*) pada penutupan perdagangan pada akhir periode pelaporan.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017 (With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016) (Expressed in US Dollar, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Financial Instruments (continued)

Recognition and Measurement (continued)

ii. Financial liabilities

Financial liabilities are recognized initially at fair value and, in the case of financial liabilities measured at amortized cost, inclusive of directly attributable transaction costs.

Financial liabilities measured at amortized cost are measured, subsequent to initial recognition, at amortized cost using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognized in profit or loss. Gains and losses are recognized in profit or loss when the financial liabilities are derecognized as well as through the amortization process.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair Value of Financial Instruments

The fair values of financial instruments that are actively traded in active markets, if any, are determined by reference to quoted market bid or ask prices at the close of business at the end of the reporting period.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

e. Instrumen Keuangan (lanjutan)

**Nilai Wajar dari Instrumen Keuangan
(lanjutan)**

Untuk instrumen keuangan yang tidak memiliki pasar aktif, nilai wajar ditentukan dengan menggunakan teknik penilaian. Teknik penilaian mencakup penggunaan transaksi pasar terkini yang dilakukan secara wajar oleh pihak-pihak yang berkeinginan dan memahami (*recent arm's length market transactions*), mengacu kepada nilai wajar terkini instrumen lain yang secara substansial sama, analisa arus kas yang didiskonto, atau model penilaian lain.

Bila nilai wajar instrumen keuangan yang tidak diperdagangkan di pasar aktif tidak dapat ditentukan secara handal, aset keuangan tersebut diakui dan diukur pada nilai tercatatnya.

**Biaya Perolehan Diamortisasi dari
Instrumen Keuangan**

Biaya perolehan diamortisasi dihitung dengan menggunakan metode suku bunga efektif dikurangi dengan penyisihan atas penurunan nilai dan pembayaran pokok atau nilai yang tidak dapat ditagih. Perhitungan tersebut mempertimbangkan premium atau diskonto pada saat perolehan dan termasuk biaya transaksi dan biaya yang merupakan bagian yang tak terpisahkan dari suku bunga efektif.

Penurunan Nilai Aset Keuangan

Setiap akhir periode pelaporan, Grup mengevaluasi apakah terdapat bukti yang obyektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai. Aset keuangan atau kelompok aset keuangan diturunkan nilainya dan kerugian penurunan nilai telah terjadi jika, dan hanya jika, terdapat bukti yang obyektif mengenai penurunan nilai tersebut sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset tersebut (peristiwa yang merugikan), dan peristiwa yang merugikan tersebut berdampak pada estimasi arus kas masa depan atas aset keuangan atau kelompok aset keuangan yang dapat diestimasi secara handal.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

e. Financial Instruments (continued)

**Fair Value of Financial Instruments
(continued)**

For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis, or other valuation models.

When the fair value of the financial instruments not traded in an active market cannot be reliably determined, such financial assets are recognized and measured at their carrying amounts.

Amortized Cost of Financial Instruments

Amortized cost is computed using the effective interest rate method less any allowance for impairment and principal repayment or reduction. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

Impairment of Financial Assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016) (Disajikan dalam Dolar AS, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

e. Instrumen Keuangan (lanjutan)

Penurunan Nilai Aset Keuangan (lanjutan)

Bukti penurunan nilai dapat meliputi indikasi pihak peminjam atau kelompok pihak peminjam mengalami kesulitan keuangan signifikan, wanprestasi atau tunggakan pembayaran bunga atau pokok, terdapat kemungkinan bahwa pihak peminjam akan dinyatakan pailit atau melakukan reorganisasi keuangan lainnya dan pada saat data yang dapat diobservasi mengindikasikan adanya penurunan yang dapat diukur atas estimasi arus kas masa datang, seperti meningkatnya tunggakan atau kondisi ekonomi yang berkorelasi dengan wanprestasi.

Aset keuangan yang dicatat pada biaya perolehan diamortisasi

Untuk aset keuangan yang dicatat pada biaya perolehan diamortisasi, Grup pertama kali menentukan apakah terdapat bukti obyektif mengenai adanya penurunan nilai secara individual atas aset keuangan yang signifikan secara individual atau secara kolektif untuk aset keuangan yang tidak signifikan secara individual.

Jika Grup menentukan tidak terdapat bukti obyektif mengenai adanya penurunan nilai atas aset keuangan yang dinilai secara individual, terlepas aset keuangan tersebut signifikan atau tidak, maka Grup memasukkan aset tersebut ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang sejenis dan menilai penurunan nilai kelompok tersebut secara kolektif. Aset yang penurunan nilainya dinilai secara individual, dan untuk itu kerugian penurunan nilai diakui atau tetap diakui, tidak termasuk dalam penilaian penurunan nilai secara kolektif.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017 (With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016) (Expressed in US Dollar, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Financial Instruments (continued)

Impairment of Financial Assets (continued)

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortized cost

For financial assets carried at amortized cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant.

If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

e. Instrumen Keuangan (lanjutan)

Penurunan Nilai Aset Keuangan (lanjutan)

Aset keuangan yang dicatat pada biaya
perolehan diamortisasi (lanjutan)

Jika terdapat bukti obyektif bahwa kerugian penurunan nilai telah terjadi, jumlah kerugian tersebut diukur sebagai selisih antara nilai tercatat aset dengan nilai kini estimasi arus kas masa datang (tidak termasuk ekspektasi kerugian kredit masa datang yang belum terjadi). Nilai kini estimasi arus kas masa datang didiskonto menggunakan suku bunga efektif awal dari aset keuangan tersebut. Jika pinjaman yang diberikan dan piutang memiliki suku bunga variabel, tingkat diskonto untuk mengukur kerugian penurunan nilai adalah suku bunga efektif terkini. Nilai tercatat aset tersebut berkurang melalui penggunaan akun penyisihan dan jumlah kerugian diakui dalam laba rugi.

Ketika aset tidak tertagih, nilai tercatat atas aset keuangan yang telah diturunkan nilainya dikurangi secara langsung atau jika ada suatu jumlah telah dibebankan ke akun cadangan penurunan nilai jumlah tersebut dihapuskan terhadap nilai tercatat aset keuangan tersebut.

Jika, pada tahun berikutnya, jumlah kerugian penurunan nilai berkurang dan penurunan nilai tersebut diakui, maka kerugian penurunan nilai yang sebelumnya diakui dipulihkan, sepanjang nilai tercatat aset tidak melebihi biaya perolehan diamortisasi pada tanggal pemulihan dengan menyesuaikan akun cadangan. Jumlah pemulihan aset keuangan diakui pada laporan laba rugi.

Penerimaan kemudian atas piutang yang telah dihapuskan sebelumnya, jika pada tahun berjalan dikreditkan dengan menyesuaikan pada akun cadangan penurunan nilai, sedangkan jika setelah akhir periode pelaporan dikreditkan sebagai pendapatan operasional lainnya.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

**Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

e. Financial Instruments (continued)

Impairment of Financial Assets (continued)

Financial assets carried at amortized cost
(continued)

If there is objective evidence that an impairment loss has occurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial assets original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in profit or loss.

When the asset becomes uncollectible, the carrying amount of the financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

If, in a subsequent year, the amount of the impairment loss decreases and the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortized cost at the reversal date by adjusting the allowance account. The amount of the reversal is recognized in profit or loss.

Subsequent recoveries of previously written off receivables, if in the current year, are credited to the allowance accounts, but if after the reporting period, are credited to other operating income.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

e. Instrumen Keuangan (lanjutan)

Penghentian Pengakuan

i. Aset keuangan

Suatu aset keuangan, atau mana yang berlaku, bagian dari aset keuangan atau bagian dari kelompok aset keuangan sejenis, dihentikan pengakuannya pada saat:

- (a) hak kontraktual untuk menerima arus kas yang berasal dari aset keuangan tersebut berakhir; atau
- (b) Grup mentransfer hak kontraktual untuk menerima arus kas yang berasal dari aset keuangan atau menanggung kewajiban untuk membayar arus kas yang diterima tanpa penundaan yang signifikan kepada pihak ketiga melalui suatu kesepakatan penyerahan dan (i) secara substansial mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan tersebut, atau (ii) secara substansial tidak mentransfer dan tidak memiliki seluruh risiko dan manfaat atas kepemilikan aset keuangan tersebut, namun telah mentransfer pengendalian atas aset keuangan tersebut.

Apabila Grup mentransfer hak untuk menerima arus kas yang berasal dari aset keuangan atau mengadakan kesepakatan penyerahan atau tidak mentransfer maupun tidak memiliki secara substansial seluruh risiko dan manfaat atas aset keuangan tersebut dan juga tidak mentransfer pengendalian atas aset keuangan tersebut, maka suatu aset baru diakui oleh Grup sebesar keterlibatan berkelanjutan dengan aset tersebut.

Keterlibatan berkelanjutan berbentuk pemberian jaminan atas aset yang ditransfer, diukur sebesar jumlah terendah antara nilai aset yang ditransfer dan nilai maksimal dari pembayaran yang diterima yang mungkin harus dibayar kembali oleh Grup.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

e. Financial Instruments (continued)

Derecognition

i. Financial asset

A financial asset, or where applicable a part of a financial asset or part of a group of similar financial assets, is derecognized when:

- (a) the contractual rights to receive cash flows from the financial asset have expired; or*
- (b) the Group has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement and either (i) has transferred substantially all the risks and rewards of the financial asset, or (ii) has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset.*

When the Group has transferred its rights to receive cash flows from the financial asset or has entered into a pass-through arrangement or has neither transferred nor retained substantially all the risks and rewards of the financial asset nor transferred control of the financial asset, the asset is recognized to the extent of the Group's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset, is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Group could be required to repay.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016) (Disajikan dalam Dolar AS, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

e. Instrumen Keuangan (lanjutan)

Penghentian Pengakuan (lanjutan)

i. Aset keuangan (lanjutan)

Dalam hal ini, Grup juga mengakui liabilitas terkait. Aset yang ditransfer dan liabilitas terkait diukur dengan dasar yang mencerminkan hak dan liabilitas yang masih dimiliki Grup.

Pada saat penghentian pengakuan atas aset keuangan secara keseluruhan, maka selisih antara nilai tercatat dan jumlah dari (i) pembayaran yang diterima, termasuk setiap aset baru yang diperoleh dikurangi setiap liabilitas baru yang harus ditanggung; dan (ii) setiap keuntungan atau kerugian kumulatif yang telah diakui secara langsung dalam ekuitas harus diakui pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

ii. Liabilitas keuangan

Liabilitas keuangan dihentikan pengakuannya ketika liabilitas yang ditetapkan dalam kontrak dihentikan atau dibatalkan atau kadaluarsa.

Ketika liabilitas keuangan saat ini digantikan dengan liabilitas keuangan lain dari pemberi pinjaman yang sama dengan persyaratan yang berbeda secara substansial, atau modifikasi secara substansial atas ketentuan liabilitas keuangan yang saat ini ada, maka pertukaran atau modifikasi tersebut dicatat sebagai penghapusan liabilitas keuangan awal dan pengakuan liabilitas keuangan baru, dan selisih antara nilai tercatat liabilitas keuangan tersebut diakui sebagai laba rugi.

f. Beban dibayar dimuka

Beban dibayar dimuka diamortisasi selama manfaat masing-masing biaya dengan menggunakan metode garis lurus.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017 (With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016) (Expressed in US Dollar, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Financial Instruments (continued)

Derecognition (continued)

i. Financial asset (continued)

In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (i) the consideration received, including any new asset obtained less any new liability assumed; and (ii) any cumulative gain or loss that has been recognized directly in equity is recognized in the consolidated statements of profit or loss and other comprehensive income.

ii. Financial liabilities

A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

f. Prepaid expenses

Prepaid expenses are amortized and charged to operations over the periods benefited using the straight-line method.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

g. Transaksi dengan Pihak-pihak Berelasi

Suatu pihak dianggap berelasi dengan Grup jika:

- a. Orang atau anggota keluarga dekatnya yang mempunyai relasi dengan Grup jika orang tersebut:
 - (i) memiliki pengendalian atau pengendalian bersama atas Grup;
 - (ii) memiliki pengaruh signifikan atas Grup; atau
 - (iii) personil manajemen kunci Grup atau entitas induk Grup.

- b. Suatu entitas berelasi dengan Grup jika memenuhi salah satu hal berikut:

- (i) Entitas dan Grup adalah anggota dari kelompok usaha yang sama (artinya entitas induk, entitas anak, dan entitas anak berikutnya saling berelasi dengan entitas lainnya).
- (ii) 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).
- (iii) Kedua entitas tersebut adalah ventura bersama dari pihak ketiga yang sama.
- (iv) Satu entitas adalah ventura bersama dari entitas ketiga dan entitas yang lain adalah entitas asosiasi dari entitas ketiga.
- (v) Entitas tersebut adalah suatu program imbalan pasca kerja untuk imbalan kerja dari salah satu Grup atau entitas yang terkait dengan Grup.
- (vi) Entitas yang dikendalikan atau dikendalikan bersama oleh orang yang diidentifikasi dalam huruf (a).
- (vii) Orang yang diidentifikasi dalam huruf (a) (i) memiliki pengaruh signifikan atas entitas atau merupakan personil manajemen kunci Perusahaan (atau entitas induk dari Perusahaan).
- (viii) Entitas, atau anggota dari kelompok yang mana entitas merupakan bagian dari kelompok tersebut, menyediakan jasa personil manajemen kunci kepada entitas atau kepada entitas induk dari entitas.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

g. Transactions with Related Parties

A party is considered to be related to the Group if:

- a. A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or,
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.

- b. An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the other).
- (ii) 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).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment defined benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the Company (or of a parent of the Company).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

g. Transaksi dengan Pihak-pihak Berelasi (lanjutan)

Seluruh transaksi dan saldo yang signifikan dengan pihak-pihak berelasi diungkapkan dalam catatan atas laporan keuangan konsolidasian.

h. Sewa

Grup mengklasifikasikan sewa berdasarkan sejauh mana risiko dan manfaat yang terkait dengan kepemilikan aset sewaan berada pada *lessor* atau *lessee*, dan pada substansi transaksi daripada bentuk kontraknya, pada tanggal pengakuan awal.

Sewa Operasi - sebagai Lessee

Suatu sewa diklasifikasikan sebagai sewa operasi jika sewa tidak mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset. Dengan demikian, pembayaran sewa diakui sebagai beban pada operasi dengan dasar garis lurus (*straight-line basis*) selama masa sewa.

i. Aset Tetap

Grup memilih model biaya sebagai kebijakan akuntansi pengukuran aset tetap.

Aset tetap dinyatakan sebesar biaya perolehan dikurangi akumulasi penyusutan dan rugi penurunan nilai. Biaya perolehan termasuk biaya penggantian bagian aset tetap saat biaya tersebut terjadi, jika memenuhi kriteria pengakuan. Selanjutnya, pada saat inspeksi yang signifikan dilakukan, biaya inspeksi itu diakui ke dalam jumlah tercatat aset tetap sebagai suatu penggantian jika memenuhi kriteria pengakuan. Semua biaya perbaikan dan pemeliharaan yang tidak memenuhi kriteria pengakuan diakui dalam laporan laba rugi pada saat terjadinya.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

*Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017
(With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g. Transactions with Related Parties (continued)

All significant transactions and balances with related parties are disclosed in the notes to the consolidated financial statements.

h. Leases

The Group classifies leases based on the extent to which risks and rewards incidental to the ownership of a leased asset are vested upon the lessor or the lessee, and the substance of the transaction rather than the form of the contract, at inception date.

Operating Lease - as Lessee

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of the leased asset. Accordingly, the related lease payments are recognized in profit or loss on a straight-line basis over the lease term.

i. Fixed Assets

The Group chooses the cost model as a measurement of its fixed assets accounting policy.

Fixed assets are stated at cost less accumulated depreciation and any impairment loss. Such cost includes the cost of replacing part of the fixed assets when the cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the assets as a replacement if the recognition criteria are met. All other repairs and maintenance costs that do not meet the recognition criteria are recognized in profit or loss as incurred.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

i. Aset Tetap (lanjutan)

Penyusutan dihitung dengan menggunakan metode garis lurus berdasarkan taksiran masa manfaat ekonomis aset tetap, sebagai berikut:

	Tahun/Years
Bangunan	8
Peralatan kantor	4
Kendaraan	4

Jumlah tercatat aset tetap dihentikan pengakuannya pada saat dilepaskan atau saat tidak ada manfaat ekonomis masa depan yang diharapkan dari penggunaannya. Laba atau rugi yang timbul dari penghentian pengakuan aset diakui dalam laporan laba rugi pada tahun aset tersebut dihentikan pengakuannya.

Nilai residu, estimasi masa manfaat dan metode penyusutan diriviu dan disesuaikan, setiap akhir tahun, bila diperlukan.

j. Penurunan Nilai Aset Non-keuangan

Grup menerapkan PSAK No. 48 (Revisi 2014) "Penurunan Nilai Aset".

Pada setiap akhir periode pelaporan, Grup menilai apakah terdapat indikasi suatu aset mengalami penurunan nilai. Jika terdapat indikasi tersebut atau pada saat pengujian penurunan nilai aset diperlukan, maka Grup membuat estimasi jumlah terpulihkan aset tersebut.

Rugi penurunan nilai diakui sebagai rugi tahun berjalan, kecuali untuk aset non-keuangan yang dicatat dengan nilai penilaian kembali.

Rugi penurunan nilai akan dipulihkan jika terdapat perubahan dalam taksiran yang digunakan untuk menentukan nilai aset non-keuangan yang dapat dipulihkan (*recoverable amount*). Rugi penurunan nilai hanya akan dipulihkan sampai sebatas nilai tercatat aset non-keuangan tidak boleh melebihi nilai terpulihkannya maupun nilai tercatat yang seharusnya diakui, setelah dikurangi depresiasi atau amortisasi, jika tidak ada pengakuan rugi penurunan nilai aset non-keuangan. Pembalikan rugi penurunan nilai diakui dalam laba rugi.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

i. Fixed Assets (continued)

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

	Tahun/Years
Bangunan	8
Peralatan kantor	4
Kendaraan	4

The carrying value of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the assets is charged to profit or loss in the year the assets is derecognized.

The residual values, estimated useful lives, and depreciation method are reviewed and adjusted, at year end, if necessary.

j. Impairment of Non-financial Assets

The Group adopted PSAK No. 48 (Revised 2014) "Impairment of Assets".

The Group assesses at each reporting period whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

Impairment losses are recognized in the current year's profit or loss, unless non-financial assets are carried at revalued amounts.

An impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount of a non-financial asset. An impairment loss is only reversed to the extent that the non-financial asset's carrying amount does not exceed the recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss of non-financial assets has been recognized. Reversal of an impairment loss is recognized in the profit or loss.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

k. Imbalan Kerja

Grup mengakui liabilitas imbalan kerja yang tidak didanai sesuai dengan Undang-undang No. 13/2003 tanggal 25 Maret 2003 ("Undang-undang").

Berdasarkan PSAK No. 24 (Revisi 2013), perhitungan estimasi beban dan liabilitas imbalan kerja berdasarkan Undang-undang ditentukan dengan metode penilaian aktuarial "Projected Unit Credit".

Pengukuran kembali atas liabilitas (aset) imbalan pasti neto, yang diakui sebagai penghasilan komprehensif lain, terdiri dari:

- i. Keuntungan dan kerugian aktuarial;
- ii. Imbal hasil atas aset program, tidak termasuk jumlah yang dimasukkan dalam bunga neto liabilitas (aset); dan
- iii. Setiap perubahan dampak batas aset, tidak termasuk jumlah yang dimasukkan dalam bunga neto atas liabilitas (aset).

Pengukuran kembali atas liabilitas (aset) imbalan pasti neto, yang diakui sebagai penghasilan komprehensif lain tidak direklasifikasi ke laba rugi periode berikutnya.

Keuntungan dan kerugian aktuarial yang timbul dari penyesuaian pengalaman dan perubahan asumsi aktuarial dibebankan atau dikreditkan ke ekuitas pada penghasilan komprehensif lainnya pada tahun di mana terjadinya perubahan tersebut.

Keuntungan atau kerugian atas kurtailmen atau penyelesaian suatu program imbalan pasti diakui ketika kurtailmen atau penyelesaian terjadi.

l. Aset Keuangan dari Konsesi Jasa yang belum Ditagihkan

Grup menerapkan ISAK No. 16 "Perjanjian Konsesi Jasa" dan ISAK No. 22 "Perjanjian Konsesi Jasa: Pengungkapan" atas *Power Purchase Agreement* ("PPA") dengan PT Perusahaan Listrik Negara Persero ("PLN").

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

k. Employee Benefits

The Group recognized unfunded employee benefits liabilities in accordance with Labor Law No. 13/2003 dated March 25, 2003 (the "Law").

Under PSAK No. 24 (Revised 2013), the calculation of estimated employee benefits expense and liabilities under the Law is determined using the "Projected Unit Credit" valuation method.

Remeasurement on net defined benefit liability (asset), which is recognized as other comprehensive income, consists of:

- i. Actuarial gains and losses;
- ii. Return on program asset, excluding the amount included in liabilities (asset) net interest; and
- iii. Every changes in asset ceiling, excluding the amount included in liabilities (asset) net interest.

Remeasurement on net defined benefit liabilities (asset), which is recognized as other comprehensive income, will not be reclassified subsequently to profit or loss in the next period.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the year in which they arise.

Gains or losses on the curtailment or settlement of a defined benefit plan are recognized when the curtailment or settlement occurs.

l. Unbilled Financial Asset from Service Concession Project

The Group applies ISAK No. 16 "Service Concession Arrangements" and ISAK No. 22 "Service Concession Arrangements: Disclosure" on its *Power Purchase Agreements* ("PPA") with PT Perusahaan Listrik Negara Persero ("PLN").

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**1. Aset Keuangan dari Konsesi Jasa yang
belum Ditagihkan (lanjutan)**

Perjanjian konsesi jasa adalah perjanjian dimana pemerintah atau badan lain ("pemberi konsesi") memberikan kontrak untuk menyediakan jasa publik kepada entitas sektor swasta ("operator"). Perjanjian tersebut sering disebut perjanjian konsesi jasa 'bangun-operasi-serah', rehabilitasi-operasi-serah atau 'publik-ke-swasta'. Dalam perjanjian itu, operator membangun infrastruktur yang digunakan untuk menyediakan jasa publik serta mengoperasikan dan memelihara infrastruktur tersebut untuk jangka waktu tertentu. Operator dibayar atas jasa yang diberikan selama periode perjanjian. Perjanjian diatur oleh suatu kontrak yang menetapkan standar kinerja, mekanisme penyesuaian harga, dan pengaturan untuk menengahi perselisihan. Dalam beberapa hal, operator mungkin dapat mengembangkan infrastruktur yang telah tersedia.

Ciri umum perjanjian konsesi jasa adalah:

- Pemberi konsesi merupakan entitas sektor publik, termasuk badan Pemerintah, atau entitas sektor swasta yang telah diberikan tanggung jawab atas jasa tersebut.
- Operator bertanggung jawab setidaknya untuk sebagian pengelolaan infrastruktur dan jasa terkait dan tidak hanya bertindak sebagai agen untuk kepentingan pemberi konsesi
- Kontrak menetapkan harga awal yang akan dikenakan oleh operator dan mengatur perubahan harga selama periode perjanjian jasa.
- Operator diwajibkan untuk menyerahkan infrastruktur kepada pemberi konsesi pada akhir periode perjanjian dalam kondisi yang telah ditentukan, dengan sedikit atau tanpa imbalan tambahan, terlepas dari pihak yang awalnya membiayai infrastruktur.

Perjanjian PPA antara PLN dan Grup memenuhi definisi perjanjian konsesi jasa dimana PLN bertindak sebagai pemberi konsesi dan Grup sebagai operator.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**1. Unbilled Financial Asset from Service
Concession Project (continued)**

Service concession arrangements are arrangements whereby a government or other body (the "grantor") grants contracts for the supply of public services to a private sector entity (the "operator"). Such an arrangement is often described as a 'build-operate-transfer', a 'rehabilitate-operate-transfer' or a 'public-to-private' service concession arrangement. In this type of arrangement an operator constructs the infrastructure that will be used to provide the public service and operates and maintains that infrastructure for a specified period of time. The operator is paid for the services over the period of the arrangement. A contract sets out performance standards, pricing mechanisms, and arrangements for arbitrating disputes. In some cases, the operator may upgrade the existing infrastructure.

Some common features of service concession arrangements include:

- The grantor is a public sector entity, including a governmental body, or private sector entity to which the responsibility for the service has been devolved.
- The operator is responsible for at least part of the management of the infrastructure and related services and does not merely act as an agent on behalf of the grantor.
- The contract sets the initial prices to be levied by the operator and regulates price revisions over the period of the service arrangement.
- The operator is obliged to hand over the infrastructure to the grantor in a specified condition at the end of the period of the arrangement for little or no incremental consideration irrespective of which party initially financed it.

The PPA arrangement between PLN and the Group meets the definition of a service concession arrangement where PLN acts as a grantor and the Group acts as the operator.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**l. Aset Keuangan dari Konsesi Jasa yang
belum Ditagihkan (lanjutan)**

Dalam perjanjian konsesi jasa, Grup tidak mengakui aset tetap yang digunakan untuk memberikan jasa yang disepakati. Aset tetap tersebut dianggap sebagai milik PLN dan Grup mengakui aset keuangan selama Grup memiliki hak kontraktual tanpa syarat untuk menerima kas dari PLN, atas jasa konstruksi dan pemeliharaan aset konsesi (*the capacity payment*). Aset keuangan dicatat sebagai "Pinjaman dan Piutang" sesuai dengan PSAK 55, "Instrumen Keuangan: Pengakuan dan Pengukuran".

Pada saat akhir masa konsesi, seluruh akun yang berhubungan dengan hak konsesi dihentikan pengakuannya.

Keuntungan atau kerugian yang timbul dari penghentian atau pelepasan aset konsesi diakui dalam laba rugi.

m. Pengakuan Pendapatan dan Beban

Pendapatan diakui bila besar kemungkinan manfaat ekonomi akan diperoleh Grup dan jumlahnya dapat diukur secara handal. Pendapatan diukur pada nilai wajar pembayaran yang diterima, tidak termasuk diskon, rabat dan Pajak Pertambahan Nilai ("PPN"). Pendapatan dari penjualan barang diakui pada saat risiko dan manfaat kepemilikan secara signifikan telah dialihkan kepada pelanggan. Pendapatan jasa diakui pada saat jasa diberikan.

Pendapatan penjualan tenaga listrik diakui berdasarkan energi listrik (kWh) yang dipasok kepada PT Perusahaan Listrik Negara (Persero) ("PLN") dengan menggunakan formula tarif yang ditetapkan dalam Perjanjian Jual Beli Tenaga Listrik ("PPA"). Formula tarif terdiri dari komponen A-E yang mencakup Pengembalian Biaya Modal (Komponen A), Biaya Tetap Operasi dan Pemeliharaan (Komponen B), Biaya Air dan Lainnya (Komponen C), Biaya Variabel Operasi dan Pemeliharaan (Komponen D) dan Biaya Transmisi (Komponen E).

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**l. Unbilled Financial Asset from Service
Concession Project (continued)**

Under service concession arrangement, the Group does not recognize the property, plant and equipment that it uses to provide the agreed services. The property, plant and equipment are deemed belonging to PLN and the Group recognizes a financial asset as the Group has an unconditional right to receive cash from PLN, for the construction and maintenance of concession assets (the capacity payment). The financial asset is accounted for as a "Loans and Receivables" in accordance with PSAK 55, "Financial Instruments: Recognition and Measurement".

At the end of service concession arrangement, all accounts relating to the service concession arrangement are derecognized.

Gain or loss resulting from derecognition or disposal of concession asset is recognized in profit or loss.

m. Revenue and Expense Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and Value Added Taxes ("VAT"). Revenue from sale of goods is recognized when the risks and rewards of ownership have been significantly transferred to customer. Revenue from services is recognized when service is rendered.

Sale of electricity is recognized based on the supply of electricity energy (kWh) to PT Perusahaan Listrik Negara (Persero) ("PLN") using the tariff formula stipulated in the Power Purchase Agreements ("PPA"). The tariff formula comprises components A-E which includes Capital Cost Recovery (Component A), Fixed Operation and Maintenance Cost (Component B), Water and Other Charges (Component C), Variable Operation and Maintenance Cost (Component D) and Transmission Cost (Component E).

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**m. Pengakuan Pendapatan dan Beban
(lanjutan)**

Pendapatan/beban bunga

Untuk semua instrumen keuangan yang diukur pada biaya perolehan diamortisasi, pendapatan atau beban bunga dicatat dengan menggunakan metode suku bunga efektif (SBE), yaitu suku bunga yang secara tepat mendiskontokan estimasi pembayaran atau penerimaan kas di masa datang selama perkiraan umur dari instrumen keuangan, atau jika lebih tepat, digunakan periode yang lebih singkat, sebesar nilai tercatat bersih dari aset keuangan atau liabilitas keuangan.

Beban

Beban diakui pada saat terjadinya (dasar akrual).

n. Transaksi dan Saldo dalam Mata Uang Asing dan Saldo Translasi

Efektif tanggal 1 Januari 2018, mata uang fungsional Grup berubah dari Rupiah ke Dolar AS. Manajemen menelaah bahwa telah terjadi perubahan-perubahan yang mendasari transaksi, kejadian dan kondisi yang ada di tahun 2018, di mana faktor utama dipicu oleh perubahan tarif listrik dari Rupiah ke Dolar AS mulai tahun 2018. Manajemen juga menelaah faktor-faktor pendukung lainnya yang memberikan bukti perubahan di tahun 2018, yaitu, pembiayaan bank yang dikonversi dari Rupiah ke Dolar AS dan pengeluaran modal yang sebagian besar dalam mata uang Dolar AS.

Sesuai dengan ketentuan PSAK No. 10 (Revisi 2010), "Pengaruh Perubahan Kurs Valuta Asing", untuk perubahan mata uang fungsional, Grup menerapkan prosedur penjabaran untuk mata uang fungsional yang baru secara prospektif sejak tanggal perubahan tersebut. Grup menjabarkan semua akun, kecuali akun ekuitas, ke dalam mata uang fungsional yang baru (yaitu Dolar AS) dengan kurs pada tanggal perubahan tersebut (Rp13.548 untuk AS\$1). Akun ekuitas dijabarkan dengan menggunakan kurs historis. Hasil dari jumlah yang dijabarkan untuk akun-akun non-moneter dianggap sebagai biaya historis pada tanggal tersebut.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**m. Revenue and Expense Recognition
(continued)**

Interest income/expense

For all financial instruments measured at amortized cost, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Expenses

Expenses are recognized when incurred (accrual basis).

**n. Foreign Currency Transactions and
Balances Translation**

Effective on January 1, 2018, the Group's functional currency changed from Indonesian Rupiah to US Dollar. The management assessed that there have been changes to the underlying transactions, events and conditions in 2018, the main factor of which were triggered by the change in the electricity tariff from Rupiah to US Dollar beginning 2018. The management also assessed other supporting factors that prove the change in 2018, among others, bank financing which were converted from Rupiah to US Dollar and spending for capital expenditures which are largely denominated in US Dollar.

In accordance with the provision of PSAK No. 10 (Revised 2010), "Effects of Changes in Foreign Exchange Rates" for change in functional currency, the Group applied the translation procedures applicable to the new functional currency prospectively from the date of the change. The Group translated all items, except for equity accounts, into the new functional currency (i.e. US Dollar) using the exchange rate at the date of the change (Rp13,548 to US\$1). Equity accounts were translated using historical exchange rate. The resulting translated amounts for non-monetary items are treated as their historical costs at such date.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017 (With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

n. Transaksi dan Saldo dalam Mata Uang Asing dan Saldo Translasi (lanjutan)

Akun-akun sebelum tanggal 1 Januari 2018 kemudian dijabarkan ke dalam Dolar AS yang merupakan mata uang penyajian, dengan menggunakan prosedur sebagai berikut:

- (a) aset dan liabilitas untuk setiap laporan posisi keuangan yang disajikan (termasuk komparatif) dijabarkan menggunakan kurs penutup pada tanggal laporan posisi keuangan tersebut;
- (b) penghasilan dan beban untuk setiap laporan laba rugi dan komprehensif lain (termasuk komparatif) yang dijabarkan diterjemahkan menggunakan rata-rata kurs tengah Bank Indonesia dimana kurs tersebut, untuk tujuan praktis, mendekati nilai tukar pada tanggal transaksi; dan
- (c) semua selisih kurs yang dihasilkan diakui dalam Penghasilan Komprehensif Lain pada akun "Selisih Kurs karena Penjabaran Laporan Keuangan".

Transaksi dalam mata uang asing dijabarkan ke dalam Dolar AS dengan kurs yang berlaku pada tanggal transaksi. Pada akhir periode pelaporan, aset dan liabilitas moneter dalam mata uang asing dijabarkan ke dalam Dolar AS dengan menggunakan kurs tengah yang ditetapkan oleh Bank Indonesia pada tanggal tersebut. Laba atau rugi dari selisih kurs mata uang asing dan penjabaran aset dan liabilitas moneter dalam mata uang Dolar AS diakui dalam laba rugi periode berjalan.

Kurs yang digunakan untuk menjabarkan ke mata uang Dolar AS, pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016, adalah sebagai berikut:

Kurs	31 Maret/ March 31, 2019	31 Desember/December 31,			Currency
		2018	2017	2016	
1 AS\$/Rupiah Indonesia (Rp) 1	14.244,00	14.481,00	13.548,00	13.436,00	US\$1/Indonesian Rupiah (Rp) 1
1 AS\$/Euro 1	0,89	0,87	0,84	0,95	US\$1/Euro 1

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n. Foreign Currency Transactions and Balances Translation (continued)

Accounts prior to January 1, 2018 were then translated into US Dollar, being the presentation currency, using the following procedures:

- (a) assets and liabilities for each statement of financial position presented (i.e. including comparatives) are translated at the closing rate at the date of such statement of financial position;
- (b) income and expenses for each statement of profit or loss and other comprehensive income presented (i.e. including comparatives) are translated using the average Bank Indonesia middle rate, a rate that, for practical purposes, approximated the exchange rate at the date of the transactions; and
- (c) all resulting exchange differences are recognized in Other Comprehensive Income under "Exchange Differences due to Translation of Financial Statements" account.

Transactions denominated in foreign currencies are translated into US Dollar at the exchange rates prevailing at the dates of the transactions. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are translated into US Dollar using the middle rates of exchange quoted by Bank Indonesia at such dates. Exchange gains and losses arising on foreign currency transactions and on the translation of foreign currency monetary assets and liabilities into US Dollar are recognized in the current period profit or loss.

The exchange rates used for translation into US Dollar, the Group's presentation currency, as of March 31, 2019, December 31, 2018, 2017 and 2016 are as follows:

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

o. Pajak Penghasilan

Beban pajak terdiri dari pajak kini dan tangguhan. Beban pajak diakui dalam laporan laba rugi kecuali untuk transaksi yang berhubungan dengan transaksi diakui langsung ke ekuitas, dalam hal ini diakui sebagai pendapatan komprehensif lainnya.

Pajak kini

Beban pajak kini dihitung dengan menggunakan tarif pajak yang berlaku pada tanggal pelaporan keuangan, dan ditetapkan berdasarkan taksiran laba kena pajak tahun berjalan. Manajemen secara periodik mengevaluasi posisi yang dilaporkan di Surat Pemberitahuan Tahunan (SPT) sehubungan dengan situasi di mana aturan pajak yang berlaku membutuhkan interpretasi. Jika perlu, manajemen menentukan provisi berdasarkan jumlah yang diharapkan akan dibayar kepada otoritas pajak.

Bunga dan denda untuk kekurangan atau kelebihan pembayaran pajak penghasilan, jika ada, dicatat sebagai bagian dari "Beban Pajak Penghasilan" dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Jumlah tambahan pokok dan denda pajak yang ditetapkan Surat Ketetapan Pajak ("SKP") diakui sebagai pendapatan atau beban dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian tahun berjalan, kecuali jika diajukan upaya penyelesaian selanjutnya. Jumlah tambahan pokok pajak dan denda yang ditetapkan dengan SKP ditangguhkan pembebanannya sepanjang memenuhi kriteria pengakuan aset.

Pajak tangguhan

Pajak tangguhan diukur dengan metode liabilitas atas beda waktu pada tanggal pelaporan antara dasar pengenaan pajak untuk aset dan liabilitas dengan nilai tercatatnya untuk tujuan pelaporan keuangan. Liabilitas pajak tangguhan diakui untuk semua perbedaan temporer kena pajak dengan

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

o. Income Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current tax

Current tax expense is calculated using tax rates that have been enacted or substantively enacted at end of the reporting period, and is provided based on the estimated taxable income for the year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Interest and penalties for the underpayment or overpayment of income tax, if any, are to be presented as part of "Income Tax Expense" in the consolidated statements of profit or loss and other comprehensive income.

The amounts of additional tax principal and penalty imposed through a Tax Assessment Letter ("SKP") are recognized as income or expense in the current year in the consolidated statement of profit or loss and other comprehensive income, unless further settlement is submitted. The amounts of tax principal and penalty imposed through an SKP are deferred as long as they meet the asset recognition criteria.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences with certain exceptions.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016) (Disajikan dalam Dolar AS, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

o. Pajak Penghasilan (lanjutan)

Pajak tangguhan (lanjutan)

beberapa pengecualian. Aset pajak tangguhan diakui untuk perbedaan temporer yang boleh dikurangkan dan rugi fiskal apabila terdapat kemungkinan besar bahwa jumlah laba kena pajak pada masa mendatang akan memadai untuk mengkompensasi perbedaan temporer dan rugi fiskal.

Jumlah tercatat aset pajak tangguhan dikaji ulang pada akhir periode pelaporan, dan mengurangi jumlah tercatat jika kemungkinan besar laba kena pajak tidak lagi tersedia dalam jumlah yang memadai untuk mengkompensasi sebagian atau seluruh aset pajak tangguhan. Aset pajak tangguhan yang belum diakui dinilai kembali pada setiap akhir periode pelaporan dan diakui sepanjang kemungkinan besar laba kena pajak mendatang akan memungkinkan aset pajak tangguhan tersedia untuk dipulihkan.

Aset dan liabilitas pajak tangguhan dihitung berdasarkan tarif yang akan dikenakan pada periode saat aset direalisasikan atau liabilitas tersebut diselesaikan, berdasarkan undang-undang pajak yang berlaku atau berlaku secara substantif pada akhir periode laporan keuangan. Pengaruh pajak terkait dengan penyesuaian dan/atau pemulihan semua perbedaan temporer selama tahun berjalan, termasuk pengaruh perubahan tarif pajak, dikreditkan atau dibebankan pada periode operasi berjalan, untuk transaksi-transaksi yang sebelumnya telah langsung dibebankan atau dikreditkan ke ekuitas.

Aset dan liabilitas pajak tangguhan disajikan secara saling hapus saat hak yang dapat dipaksakan secara hukum ada untuk saling hapus aset pajak kini dan liabilitas pajak kini, atau aset pajak tangguhan dan liabilitas pajak tangguhan berkaitan dengan entitas kena pajak yang sama, atau Grup bermaksud untuk menyelesaikan aset dan liabilitas pajak kini dengan dasar neto.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017 (With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016) (Expressed in US Dollar, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o. Income Taxes (continued)

Deferred tax (continued)

Deferred tax assets are recognized for deductible temporary differences and tax losses carry-forward to the extent that it is probable that taxable income will be available in future years against which the deductible temporary differences and tax losses carry-forward can be utilized.

The carrying amount of a deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the benefit of that deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

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 laws that have been enacted or substantively enacted at the end of reporting period. The related tax effects of the provisions for and/or reversals of all temporary differences during the year, including the effect of change in tax rates, are credited or charged to current period operations, except to the extent that they relate to items previously charged or credited to equity.

Deferred tax assets and liabilities are offset when a legally enforceable right exists to offset current tax assets against current tax liabilities, or the deferred tax assets and the deferred tax liabilities relate to the same taxable entity, or the Group intends to settle its current assets and liabilities on a net basis.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**p. Akuntansi Aset dan Liabilitas
Pengampunan Pajak**

Grup menerapkan PSAK No. 70 (2016), "Akuntansi Aset dan Liabilitas Pengampunan Pajak".

PSAK ini mengatur perlakuan akuntansi atas aset dan liabilitas pengampunan pajak sesuai dengan Undang-Undang No. 11 tahun 2016 tentang Pengampunan Pajak ("UU Pengampunan Pajak") yang berlaku efektif tanggal 1 Juli 2016.

PSAK No. 70 memberikan pilihan kebijakan dalam pengakuan awal aset atau liabilitas yang timbul dari pelaksanaan undang-undang pengampunan pajak, yaitu dengan mengikuti SAK yang relevan menurut sifat aset atau liabilitas yang diakui (Pendekatan Umum) atau mengikuti ketentuan yang diatur dalam paragraf 10 hingga 23 PSAK No. 70 (Pendekatan Opsional). Keputusan yang dibuat oleh entitas harus konsisten untuk semua aset dan liabilitas pengampunan pajak yang diakui.

Grup mengakui aset dan liabilitas pengampunan pajak dalam laporan keuangannya sesuai dengan SAK yang relevan untuk masing-masing aset atau liabilitas.

Tidak dilakukan penyajian kembali dikarenakan efek terhadap laporan keuangan tidak material.

q. Provisi

Grup menerapkan PSAK No. 57 (Revisi 2009) "Provisi, Liabilitas Kontijensi Dan Aset Kontijensi".

Provisi diakui jika Grup memiliki liabilitas kini (baik bersifat hukum maupun bersifat konstruktif), sebagai akibat peristiwa masa lalu, besar kemungkinan penyelesaian liabilitas tersebut mengakibatkan arus keluar sumber daya yang mengandung manfaat ekonomi dan

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**p. Accounting for Tax Amnesty Assets and
Liabilities**

The Group applies PSAK No. 70 (2016), "Accounting for Tax Amnesty Assets and Liabilities".

This PSAK provides accounting treatment for assets and liabilities from tax amnesty in accordance with Law No. 11 year 2016 about Tax Amnesty ("Tax Amnesty Law") which became effective on July 1, 2016.

PSAK No. 70 provides options in the initial recognition of the assets or liabilities arising from the implementation of the Tax Amnesty Law, whether to follow the relevant existing SAK according to the nature of the assets or liabilities recognized (General Approach) or to follow the provisions stated in PSAK No. 70 paragraphs 10 to 23 (Optional Approach). The decision made by the entity must be consistent for all recognized tax amnesty assets and/or liabilities.

The Group recognized its tax amnesty assets and liabilities in its financial statements in accordance with the relevant SAK for each asset or liability.

No restatement has been made since the effect to the financial statements is not material.

q. Provision

The Group applied PSAK No. 57 (Revised 2009) "Provisions, Contingent Liabilities and Contingent Assets".

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016) (Disajikan dalam Dolar AS, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

q. Provisi (lanjutan)

estimasi yang andal mengenai jumlah liabilitas tersebut dapat dibuat. Ketika Group mengharapkan sebagian atau seluruh provisi diganti, maka penggantian tersebut diakui sebagai aset yang terpisah tetapi hanya pada saat timbul keyakinan penggantian pasti diterima. Beban yang terkait dengan provisi disajikan secara neto setelah dikurangi jumlah yang diakui sebagai pengantiannya.

Provisi ditelaah pada setiap tanggal pelaporan dan disesuaikan untuk mencerminkan estimasi terbaik yang paling kini. Jika kemungkinan besar tidak terjadi arus keluar sumber daya yang mengandung manfaat ekonomi untuk menyelesaikan liabilitas tersebut, maka provisi dibatalkan.

r. Laba per Saham

Grup menerapkan PSAK No. 56 (Revisi 2011) "Laba Per Saham".

Jumlah laba bersih per saham dasar dihitung dengan membagi laba periode/tahun berjalan yang dapat diatribusikan kepada pemilik entitas induk dengan rata-rata tertimbang jumlah saham biasa yang beredar pada periode yang bersangkutan.

Laba per saham dilusi dihitung dengan membagi laba periode berjalan yang dapat diatribusikan kepada pemilik entitas induk (setelah disesuaikan dengan bunga atas saham preferen yang dapat dikonversi) dengan jumlah rata-rata tertimbang saham yang beredar selama periode ditambah jumlah saham rata-rata tertimbang yang akan diterbitkan pada saat pengkonversian semua instrumen berpotensi saham biasa yang bersifat *dilutive* menjadi saham biasa.

s. Kombinasi Bisnis

Kombinasi bisnis dicatat menggunakan metode akuisisi. Biaya suatu akuisisi diakui sebagai penjumlahan atas imbalan yang dialihkan, yang diukur pada nilai wajar pada tanggal akuisisi, dan jumlah atas kepentingan non-pengendali di entitas yang diakuisisi. Biaya akuisisi yang terjadi dibiayakan dan dicatat sebagai beban pada periode berjalan.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017 (With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016) (Expressed in US Dollar, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q. Provision (continued)

amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

r. Earnings per Share

The Group applied PSAK No. 56 (Revised 2011) "Earning Per Share".

Basic earnings per share are calculated by dividing net profit for the period/year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

s. Business Combination

Business combinations are accounted for using acquisition method. The cost of an acquisition is measured as aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. The acquisition costs incurred are expensed in the current period.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

s. Kombinasi Bisnis (lanjutan)

Selisih lebih antara penjumlahan imbalan yang dialihkan dan jumlah yang diakui untuk kepentingan non-pengendali dengan aset teridentifikasi dan liabilitas yang diambil-alih (aset neto) dicatat sebagai goodwill. Dalam kondisi sebaliknya, Perusahaan mengakui selisih kurang tersebut sebagai keuntungan dalam laba rugi pada tanggal akuisisi.

Setelah pengakuan awal, goodwill diukur sebesar biaya perolehan dikurangi dengan akumulasi penurunan nilai. Untuk tujuan penurunan nilai, goodwill yang diperoleh dari kombinasi bisnis, sejak tanggal akuisisi dialokasikan ke setiap unit penghasil kas yang diharapkan mendapatkan manfaat dari kombinasi bisnis tersebut terlepas apakah aset dan liabilitas lainnya dari entitas yang diakuisisi ditetapkan ke unit tersebut.

Goodwill merupakan selisih lebih antara harga perolehan investasi entitas anak, entitas asosiasi atau bisnis dan nilai wajar bagian Grup atas aset neto entitas anak /entitas asosiasi atau bisnis yang dapat diidentifikasi pada tanggal akuisisi.

Goodwill dihentikan pengakuannya pada saat dilepaskan atau ketika tidak ada lagi manfaat masa depan yang diharapkan dari penggunaan atau pelepasannya.

t. Informasi Segmen

Segmen adalah komponen yang dapat dibedakan dari Grup yang terlibat baik dalam menyediakan produk-produk tertentu (segmen usaha), atau dalam menyediakan produk dalam lingkungan ekonomi tertentu (segmen geografis), yang memiliki risiko dan imbalan yang berbeda dari segmen lainnya.

Jumlah setiap unsur segmen dilaporkan merupakan ukuran yang dilaporkan kepada pengambil keputusan operasional untuk tujuan pengambilan keputusan untuk mengalokasikan sumber daya kepada segmen dan menilai kinerjanya.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

s. Business Combination (continued)

The excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net indentified assets and liabilities assumed is recorded as goodwill. In contrary, the Company recognizes the lower amount as gain in profit or loss on the date of acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in the business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Goodwill represents the excess of the cost of an acquisition of a subsidiary, associate or business over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary, associate or business at the acquisition date.

Goodwill is derecognized upon disposal or when no future benefits are expected from its use or disposal.

t. Segment Information

A segment is a distinguishable component of the Group that is engaged either in providing certain products (business segment), or in providing products within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The amount of each segment item reported shall be the measure reported to the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing its performance.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

t. Informasi Segmen (lanjutan)

Pendapatan, beban, hasil, aset dan liabilitas segmen termasuk hal-hal yang dapat diatribusikan secara langsung kepada suatu segmen serta hal-hal yang dapat dialokasikan dengan dasar yang memadai untuk segmen tersebut. Segmen ditentukan sebelum saldo dan transaksi antar perusahaan dieliminasi sebagai bagian dari proses konsolidasi.

u. Peristiwa Setelah Tanggal Pelaporan

Peristiwa setelah akhir tahun yang memerlukan penyesuaian dan menyediakan informasi tambahan tentang posisi Grup pada tanggal pelaporan (*adjusting event*) tercermin dalam laporan keuangan konsolidasian.

Peristiwa setelah akhir tahun yang tidak memerlukan penyesuaian diungkapkan dalam laporan keuangan konsolidasian apabila material.

v. Amandemen atas Pernyataan Standar Akuntansi Keuangan ("PSAK")

Penerapan dari perubahan standar interpretasi akuntansi atas standar akuntansi berikut, yang berlaku efektif sejak tanggal 1 Januari 2019, dan relevan bagi Grup namun tidak menyebabkan perubahan signifikan atas kebijakan akuntansi Grup dan tidak memberikan dampak yang material terhadap jumlah yang dilaporkan di laporan keuangan konsolidasian periode berjalan:

- PSAK 24 - "Imbalan Kerja: Amandemen, Kurtailmen, atau Penyelesaian Program"
- PSAK 22 (Penyesuaian Tahunan 2018) - "Kombinasi Bisnis"
- PSAK 26 (Penyesuaian Tahunan 2018) - "Biaya Pinjaman"
- PSAK 46 (Penyesuaian Tahunan 2018) - "Pajak Penghasilan"
- PSAK 66 (Penyesuaian Tahunan 2018) - "Pengaturan Bersama"
- ISAK No. 33 - "Transaksi Valuta Asing dan Imbalan di Muka".
- ISAK 34 - "Ketidakpastian dalam Perlakuan Pajak Penghasilan".

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

t. Segment Information (continued)

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. They are determined before intra-group balances and intragroup transactions are eliminated.

u. Events After Reporting Date

Post year-end events that need adjustments and provide additional information about the Group's position at the reporting date (*adjusting event*) are reflected in the consolidated financial statements.

Any post year-end event that is not an adjusting event is disclosed in the notes to the consolidated financial statements when material.

v. Amendments to the Statements of Financial Accounting Standards ("PSAK")

The adoption of the following revised accounting standards and interpretation of the accounting standards, which are effective from January 1, 2019 and relevant for the Group, but did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current period consolidated financial statements:

- PSAK 24 - "Employee Benefits: Amendment, Curtailment, or Program Settlement";
- PSAK 22 (Annual Improvement 2018) "Business Combination";
- PSAK 26 (Annual Improvement 2018) - "Borrowing Cost";
- PSAK 46 (Annual Improvement 2018) - "Income Tax";
- PSAK 66 (Annual Improvement 2018) - "Joint Operations";
- ISAK No. 33 - "Foreign Currency Transactions and Advance Consideration".
- ISAK 34 - "Uncertainty over Income Tax Treatments".

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

3. SUMBER ESTIMASI KETIDAKPASTIAN

Penyusunan laporan keuangan mengharuskan manajemen untuk membuat pertimbangan, estimasi dan asumsi yang mempengaruhi jumlah yang dilaporkan dari pendapatan, beban, aset dan liabilitas, dan pengungkapan atas liabilitas kontijensi, pada akhir periode pelaporan. Ketidakpastian mengenai asumsi dan estimasi tersebut dapat mengakibatkan penyesuaian material terhadap nilai tercatat pada aset dan liabilitas dalam periode pelaporan berikutnya.

Pertimbangan

Pertimbangan berikut ini dibuat oleh manajemen dalam proses penerapan kebijakan akuntansi Grup, manajemen telah membuat keputusan berikut, yang memiliki pengaruh paling signifikan terhadap jumlah yang diakui dalam laporan keuangan konsolidasian:

Perjanjian Konsesi Jasa

ISAK No. 16 menjelaskan pendekatan untuk membukukan perjanjian konsesi jasa akibat dari penyediaan jasa kepada publik. ISAK 16 mengatur bahwa operator (pihak penerima konsesi jasa) tidak membukukan infrastruktur sebagai aset tetap, namun diakui sebagai aset keuangan dan/atau aset takberwujud.

PLN memberikan hak, kewajiban dan keistimewaan kepada ESS dan BTL, entitas anak, termasuk kewenangan dalam pendanaan, desain, konstruksi, operasi dan pemeliharaan pembangkit listrik air (Catatan 27). Pada akhir masa konsesi jasa, ESS dan BTL harus menyerahkan pembangkit listrik kepada PLN dengan biaya yang tidak signifikan, dalam keadaan operasional dan kondisi yang baik, termasuk setiap dan semua tanah yang diperlukan, fasilitas pembangkit listrik dan peralatan yang secara langsung berkaitan dan berhubungan dengan pengoperasian pembangkit listrik.

3. SOURCE OF ESTIMATION UNCERTAINTY

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting dates. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset and liability affected in future periods.

Judgments

The following judgments are made by management in the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Service Concession Arrangement

ISAK No. 16 outline an approach to account for service concession arrangement arising from entities providing public services. It provides that the operator (concession right beneficiary) should not account for the infrastructure as fixed assets, but should recognize a financial asset and/or an intangible asset.

PLN granted ESS and BTL, subsidiaries, the rights, obligation and privileges including the authority to finance, design, construct, operate and maintain the hydroelectric power plants (Note 27). Upon expiry of the service concession period, ESS and BTL shall handover the hydroelectric power plants to PLN for an insignificant cost, fully operational and in good working condition, including any and all existing land, power plant facilities and equipment found therein directly related to, and in connection with the operation of the hydro power plants.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**3. SUMBER ESTIMASI KETIDAKPASTIAN
(lanjutan)**

Pertimbangan (lanjutan)

ESS dan BTL berpendapat bahwa PPA dengan PLN memenuhi kriteria sebagai model aset keuangan, dimana aset konsesi diakui sebagai aset keuangan sesuai dengan PSAK No. 55: "Instrumen Keuangan: Pengakuan dan Pengukuran". Manajemen berkeyakinan bahwa PPA dengan PLN akan berlaku efektif sampai dengan akhir masa kontrak.

Klasifikasi Aset dan Liabilitas Keuangan

Grup menetapkan klasifikasi atas aset dan liabilitas tertentu sebagai aset keuangan dan liabilitas keuangan dengan mempertimbangan bila definisi yang ditetapkan PSAK No. 55 (Revisi 2014) dipenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Grup seperti diungkapkan pada Catatan 2.

Penentuan Mata Uang Fungsional

Mata uang fungsional Grup adalah mata uang dari lingkungan ekonomi primer dimana entitas beroperasi. Mata uang tersebut adalah mata uang yang mempengaruhi pendapatan dan beban dari jasa yang diberikan. Berdasarkan penilaian manajemen Grup, mata uang fungsional Grup adalah Dolar AS mulai 1 Januari 2018. Sedangkan, sebelum tanggal tersebut mata uang fungsional Grup adalah Rupiah.

Estimasi dan Asumsi

Asumsi utama masa depan dan ketidakpastian sumber estimasi utama yang lain pada tanggal pelaporan yang memiliki risiko signifikan bagi penyesuaian yang material terhadap nilai tercatat aset dan liabilitas untuk tahun berikutnya diungkapkan di bawah ini. Grup mendasarkan asumsi dan estimasi pada parameter yang tersedia pada saat laporan keuangan konsolidasian disusun. Asumsi dan situasi mengenai perkembangan masa depan mungkin berubah akibat perubahan pasar atau situasi di luar kendali Grup. Perubahan tersebut dicerminkan dalam asumsi terkait pada saat terjadinya.

**3. SOURCE OF ESTIMATION UNCERTAINTY
(continued)**

Judgments (continued)

ESS and BTL have made judgement that the PPA with PLN qualifies under the financial asset model, wherein the concession asset is recognized as a financial asset in accordance with PSAK No. 55: "Financial Instruments: Recognition and Measurement". Management believes that the PPA with PLN will be effective until the end of the contract term.

Classification of Financial Assets and Liabilities

The 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 No. 55 (Revised 2014). Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Group's accounting policies disclosed in Note 2.

Determination of Functional Currency

The functional currency of the Group is the currency of the primary economic environment in which each entity operates. It is the currency that mainly influences the revenue and cost of rendering services. Based on the Group's management assessment, the Group's functional currency is US Dollar beginning January 1, 2018. Whereas, prior to that date the Group's functional currency is Rupiah.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**3. SUMBER ESTIMASI KETIDAKPASTIAN
(lanjutan)**

Estimasi dan Asumsi (lanjutan)

Penilaian Instrumen Keuangan

Grup mencatat aset dan liabilitas keuangan tertentu pada nilai wajar, yang mengharuskan penggunaan estimasi akuntansi. Sementara komponen signifikan atas pengukuran nilai wajar ditentukan menggunakan bukti obyektif yang dapat diverifikasi, jumlah perubahan nilai wajar dapat berbeda bila Grup menggunakan metodologi penilaian yang berbeda. Perubahan nilai wajar aset dan liabilitas keuangan tersebut dapat mempengaruhi secara langsung laba atau rugi Grup. Penjelasan lebih rinci diungkapkan dalam Catatan 2e dan 25.

Penyusutan Aset Tetap

Biaya perolehan aset tetap disusutkan dengan menggunakan metode garis lurus berdasarkan taksiran masa manfaat ekonomisnya. Manajemen mengestimasi masa manfaat ekonomis aset tetap antara 4 sampai dengan 8 tahun. Ini merupakan masa manfaat ekonomis yang secara umum diharapkan dalam industri dimana Grup menjalankan bisnisnya. Perubahan tingkat pemakaian dan perkembangan teknologi dapat mempengaruhi masa manfaat ekonomis dan nilai sisa aset, dan karenanya biaya penyusutan masa depan mungkin direvisi. Penjelasan lebih rinci diungkapkan dalam Catatan 2i dan 9.

Imbalan Pasca Kerja

Penentuan utang dan biaya liabilitas imbalan kerja 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. Hasil aktual yang berbeda dari asumsi yang ditetapkan Grup diakui segera pada laporan posisi keuangan konsolidasian dengan debit atau kredit ke saldo laba melalui penghasilan komprehensif lainnya dalam periode terjadinya. Sementara Grup

**3. SOURCE OF ESTIMATION UNCERTAINTY
(continued)**

Estimates and Assumptions (continued)

Valuation of Financial Instruments

The Group carries certain financial assets and liabilities at fair values, which requires the use of accounting estimates. While significant components of fair value measurement were determined using verifiable objective evidences, the amount of changes in fair values would differ if the Group utilized different valuation methodology. Any changes in fair values of these financial assets and liabilities would affect directly the Group's profit or loss. Further details are disclosed in Notes 2e and 25.

Depreciation of Fixed Assets

The costs of fixed assets are depreciated using the straight-line method over their estimated useful lives. Management estimates the useful lives of these fixed assets to be within 4 to 8 years. These are common life expectancies applied in the industries where the Group conducts its businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised. Further details are disclosed in Notes 2i and 9.

Employee Benefits

The determination of the Group's obligations and cost for employee benefits liability is dependent on its selection of certain assumptions used by the independent actuaries in calculating such amounts. Those assumptions include among others, discount rates, future annual salary increase, annual employee turn-over rate, disability rate, retirement age and mortality rate. Actual results that differ from the Group's assumptions are recognized immediately in the consolidated statements of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period which they

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**3. SUMBER ESTIMASI KETIDAKPASTIAN
(lanjutan)**

Estimasi dan Asumsi (lanjutan)

Imbalan Pasca Kerja (lanjutan)

berkeyakinan bahwa asumsi tersebut adalah wajar dan sesuai, perbedaan signifikan pada hasil aktual atau perubahan signifikan dalam asumsi yang ditetapkan Grup dapat mempengaruhi secara material liabilitas diestimasi atas imbalan kerja dan beban imbalan kerja neto. Penjelasan lebih rinci diungkapkan dalam Catatan 2k dan 16.

Aset Pajak Tangguhan

Aset pajak tangguhan diakui atas seluruh rugi fiskal yang belum digunakan sepanjang besar kemungkinannya bahwa penghasilan kena pajak akan tersedia sehingga rugi fiskal tersebut dapat digunakan. Estimasi signifikan oleh manajemen diharuskan dalam menentukan jumlah aset pajak tangguhan yang dapat diakui, berdasarkan saat penggunaan dan tingkat penghasilan kena pajak serta strategi perencanaan pajak masa depan. Penjelasan lebih rinci diungkapkan dalam Catatan 2o dan 15.

4. PENDIRIAN DAN AKUISISI ENTITAS ANAK

Pada tahun 2017, Perusahaan mengakuisisi PT Bangun Tirta Lestari dan melakukan restrukturisasi kepemilikan saham di PT Energy Sakti Sentosa, yang juga dikendalikan oleh Henry Maknawi, sebagai bagian dari restrukturisasi dalam rangka Penawaran Umum Perdana Saham.

PT Energy Sakti Sentosa ("ESS")

Berdasarkan Akta Notaris Ir. Rusli, S.H., No. 7 tanggal 2 Maret 2010, Perusahaan memiliki 487 lembar saham, dengan nilai nominal Rp243.500.000 (AS\$25.756) dalam ESS (setara dengan 81,99% kepemilikan di ESS).

**3. SOURCE OF ESTIMATION UNCERTAINTY
(continued)**

Estimates and Assumptions (continued)

Employee Benefits (continued)

occur. While the Group believes that its assumptions are reasonable and appropriate, significant differences in the Group's actual experiences or significant changes in the Group's assumptions may materially affect its estimated liability for employee benefits and net employee benefits expense. Further details are disclosed in Notes 2k and 16.

Deferred Tax Assets

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management estimates are required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details are disclosed in Notes 2o and 15.

4. ESTABLISHMENT AND ACQUISITION OF SUBSIDIARIES

In 2017, the Company acquired PT Bangun Tirta Lestari and restructured shareholdings in PT Energy Sakti Sentosa, which are also controlled by Henry Maknawi, as part of restructuring for Initial Public Offering.

PT Energy Sakti Sentosa ("ESS")

Based on Notarial Deed No. 7 of Ir. Rusli, S.H., dated March 2, 2010, the Company subscribed 487 shares, with nominal value of Rp243,500,000 (US\$25,756) in ESS (equivalent to 81.99% ownership interest in ESS).

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK
(lanjutan)**

PT Energy Sakti Sentosa ("ESS") (lanjutan)

Berdasarkan Akta Notaris Ir. Rusli, S.H., No. 2 tanggal 12 Maret 2012, Perusahaan telah meningkatkan investasi pada ESS menjadi 63.140 lembar saham (setara dengan 82,00% kepemilikan di ESS), dengan nilai nominal Rp31.570.000.000 (AS\$3.446.507), dibayar melalui kas, ketika ESS meningkatkan modal yang ditempatkan dan disetor dari Rp297.000.000 (AS\$31.415) menjadi Rp38.500.000.000 (AS\$4.203.057).

Berdasarkan Akta Notaris Ir. Rusli, S.H., No. 13 tanggal 16 Desember 2014, Perusahaan telah meningkatkan investasi pada ESS menjadi 98.132 lembar saham, dengan nilai nominal Rp49.066.000.000 (AS\$4.699.633), dibayar melalui kas, ketika ESS telah meningkatkan modal yang ditempatkan dan disetor dari Rp38.500.000.000 (AS\$4.203.057) menjadi Rp68.500.000.000 (AS\$6.616.184). Sehingga, kepemilikan Perusahaan di ESS menurun menjadi 71,63%.

Efek dari perubahan kepemilikan ESS menghasilkan selisih sebesar Rp42.744.888.510 (AS\$3.320.994) yang mengakibatkan penurunan ekuitas dan diakui sebagai "Tambahan Modal Disetor" pada laporan posisi keuangan konsolidasian tahun 2014.

Berdasarkan Akta Notaris No. 85 dan 112 dari Yulia, S.H., tanggal 14 dan 18 Desember 2017, masing-masing, ESS telah meningkatkan modal dasarnya dari Rp68.500.000.000 menjadi Rp527.630.000.000 dan modal yang ditempatkan dan disetor dari Rp68.500.000.000 (AS\$6.616.184) menjadi Rp131.907.500.000 (AS\$11.290.530). Perusahaan telah meningkatkan bagiannya dalam ESS menjadi 222.371 lembar saham, dengan nilai nominal sebesar Rp111.185.500.000 (AS\$9.493.261) yang dibayar melalui kas. Sehingga, kepemilikan Perusahaan di ESS meningkat menjadi 84,29%.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**4. ESTABLISHMENT AND ACQUISITION OF
SUBSIDIARIES (continued)**

PT Energy Sakti Sentosa ("ESS") (continued)

Based on Notarial Deed No. 2 of Ir. Rusli, S.H., dated March 12, 2012, the Company has increased its investment in ESS to 63,140 shares (equivalent to 82.00% ownership interest in ESS), with nominal value of Rp31,570,000,000 (US\$3,446,507), which was paid through cash, when ESS has increased its issued and paid-in capital from Rp297,000,000 (US\$31,415) to Rp38,500,000,000 (US\$4,203,057).

Based on Notarial Deed No. 13 of Ir. Rusli, S.H., dated December 16, 2014, the Company has increased its investment in ESS to 98,132 shares, with nominal value of Rp49,066,000,000 (US\$4,699,633), which was paid through cash, when ESS has increased its issued and paid-in capital from Rp38,500,000,000 (US\$4,203,057) to Rp68,500,000,000 (US\$6,616,184). As a result, the Company's ownership in ESS has decreased to 71.63%.

The effect of change in ownership interest in ESS resulted to a difference of Rp42,744,888,510 (US\$3,320,994) which decreased equity and was recognized as "Additional Paid-in Capital" in the 2014 consolidated statement of financial position.

Based on Notarial Deed Nos. 85 and 112 of Yulia, S.H., dated December 14 and 18, 2017, respectively, ESS has increased its authorized capital from Rp68,500,000,000 to Rp527,630,000,000 and its issued and paid-in capital from Rp68,500,000,000 (US\$6,616,184) to Rp131,907,500,000 (US\$11,290,530). The Company has increased its subscribed shares in ESS to 222,371 shares, with nominal value of Rp111,185,500,000 (US\$9,493,261) which was paid through cash. As a result, the Company's ownership in ESS has increased to 84.29%.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK
(lanjutan)**

PT Energy Sakti Sentosa ("ESS") (lanjutan)

Efek dari perubahan kepemilikan ESS menghasilkan selisih sebesar Rp100.353.084.542 (AS\$7.210.441) yang mengakibatkan peningkatan ekuitas dan diakui sebagai "Tambahan Modal Disetor" pada laporan posisi keuangan konsolidasian tahun 2017.

Akuisisi saham tambahan pada ESS

Pada tanggal 13 dan 25 Februari 2019, Perusahaan mengakuisisi masing-masing 15,26% dan 0,45%, saham ESS yang diterbitkan kepada kepentingan nonpengendali dengan imbalan pembelian sebesar Rp63.483.000.000 (AS\$4.856.538). Setelah akuisisi, Perusahaan memiliki 100% modal saham ESS. Jumlah tercatat dari kepentingan nonpengendali ESS pada tanggal akuisisi adalah Rp219.869.258.996 (AS\$11.383.562). Grup menghentikan pengakuan kepentingan nonpengendali sebesar AS\$11.383.562 dan mencatat kenaikan ekuitas yang dapat diatribusikan kepada pemilik entitas induk sebesar AS\$6.527.024. Pengaruh perubahan dalam kepemilikan saham di ESS pada ekuitas yang dapat diatribusikan kepada pemilik Perusahaan selama tahun ini diikhtisarkan sebagai berikut:

	2019
Jumlah tercatat kepentingan nonpengendali yang diakuisisi	11.383.562
Imbalan yang dibayarkan kepada kepentingan nonpengendali	4.856.538
Selisih transaksi dengan pihak nonpengendali	6.527.024

Imbalan sehubungan dengan transaksi tersebut dicatat sebagai "Utang lain-lain - pihak ketiga" sebesar AS\$4.403.258 (setara dengan Rp62.720.000.000 yang dinilai kembali menggunakan kurs tengah BI pada tanggal laporan posisi keuangan konsolidasian) pada tanggal 31 Maret 2019.

**4. ESTABLISHMENT AND ACQUISITION OF
SUBSIDIARIES (continued)**

PT Energy Sakti Sentosa ("ESS") (continued)

The effect of change in ownership interest in ESS resulted to difference of Rp100,353,084,542 (US\$7,210,441) which increased equity and was recognized as "Additional paid-in capital" in the 2017 consolidated statement of financial position.

Acquisition of additional interest in ESS

On February 13 and 25, 2019, the Company acquired 15.26% and 0.45%, respectively, of the issued shares of ESS to the non-controlling interests for a purchase consideration of Rp63,483,000,000 (US\$4,856,538). Subsequent to the acquisition, the Company holds 100% of the equity share capital of ESS. The carrying amount of the non-controlling interests in ESS on the date of acquisition was Rp219,869,258,996 (US\$11,383,562). The Group derecognized non-controlling interest of US\$11,383,562 and recorded an increase in equity attributable to owners of the parent of US\$6,527,024. The effect of changes in the ownership interest in ESS on the equity attributable to owners of the Company during the year is summarized as follows:

Carrying amount of non-controlling interest acquired
Consideration payable to non-controlling interest
Difference in transaction with non-controlling party

The consideration relating to the above transaction was recorded as part of "Other payables - third parties" which amounted to US\$4,403,258 (equivalent to Rp62,720,000,000 revalued using BI middle rate as of statement of consolidated financial position date) as of March 31, 2019.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK
(lanjutan)**

PT Energy Sakti Sentosa ("ESS") (lanjutan)

Dividen

1. Berdasarkan Akta Notaris Yulia, S.H., No. 5 tanggal 11 Februari 2019, pemegang saham ESS menyetujui, antara lain:
 - a. Menyetujui pembagian dividen saham sebesar Rp261.298.000.000 (setara dengan AS\$18.670.810) terbagi atas 522.596 lembar saham dan pembagian dividen tunai sebesar Rp29.033.000.000 (setara dengan AS\$2.074.527);
 - b. Meningkatkan modal ESS yang ditempatkan dan disetor dari Rp131.907.500.000 (setara dengan AS\$11.290.530) terbagi atas 263.815 lembar saham menjadi sebesar Rp393.205.500.000 (setara dengan AS\$29.961.340). Peningkatan modal yang ditempatkan dan disetor telah dilakukan melalui pembagian dividen saham.
2. Berdasarkan Akta Notaris Yulia, S.H., No. 76 tanggal 20 Februari 2019, pemegang saham ESS menyetujui untuk meningkatkan modal yang ditempatkan dan disetor dari Rp393.205.500.000 terbagi atas 786.411 lembar saham menjadi sebesar Rp422.239.000.000. Hasil dari penerbitan saham kepada Perusahaan sejumlah Rp28.903.000.000 (setara dengan AS\$2.056.421) dan Insinyur Karel Sampe Pajung sejumlah Rp130.500.000 (setara dengan AS\$9.285) dalam modal saham telah dibayar lunas.
3. Berdasarkan Akta Notaris Yulia, S.H., No. 87 tanggal 25 Februari 2019, pemegang saham ESS menyetujui, antara lain:
 - a. Menyetujui pembagian dividen saham sebesar Rp351.489.500.000 (setara dengan AS\$25.972.955);

**4. ESTABLISHMENT AND ACQUISITION OF
SUBSIDIARIES (continued)**

PT Energy Sakti Sentosa ("ESS") (continued)

Dividends

1. Based on Notarial Deed No. 5 of Yulia, S.H., dated February 11, 2019, ESS's shareholders agreed, among others:
 - a. Approved the distribution of share dividends of Rp261,298,000,000 (equivalent to US\$18,670,810) divided into 522,596 shares and cash dividend distribution amounting to Rp29,033,000,000 (equivalent to US\$2,074,527);
 - b. Increase ESS's issued and paid-in capital from Rp131,907,500,000 (equivalent to US\$11,290,530) divided into 263,815 shares to Rp393,205,500,000 (equivalent to US\$29,961,340). The increase in issued and paid-in capital was made through share dividends.
2. Based on Notarial Deed No. 76 of Yulia, S.H., dated February 20, 2019, ESS's shareholders agreed to increase ESS's issued and paid-in capital from Rp393,205,500,000 divided into 786,411 shares to Rp422,239,000,000. The cash proceeds from the shares issued to the Company amounted to Rp28,903,000,000 (equivalent to US\$2,056,421) and Insinyur Karel Sampe Pajung amounted to Rp130,500,000 (equivalent to US\$9,285).
3. Based on Notarial Deed No. 87 of Yulia, S.H., dated February 25, 2019, ESS's shareholders agreed, among others:
 - a. Approved the distribution of share dividends of Rp351,489,500,000 (equivalent to US\$25,972,955);

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK
(lanjutan)**

PT Energy Sakti Sentosa ("ESS") (lanjutan)

Dividen (lanjutan)

- b. Meningkatkan modal dasar ESS dari semula Rp527.630.000.000 terbagi atas 1.055.260 lembar saham menjadi sebesar Rp773.728.500.000 terbagi atas 1.547.457 lembar saham. Modal ditempatkan dan disetor ESS juga meningkat dari Rp422.239.000.000 yang terbagi atas 844.478 lembar saham menjadi Rp773.728.500.000 terbagi atas 1.547.457 lembar saham. Peningkatan modal saham sebesar Rp351.489.500.000 telah dilakukan melalui pembagian dividen saham.

Pelepasan kepentingan pada ESS tanpa kehilangan pengendalian

Pada tanggal 27 Maret 2019, Perusahaan melepaskan 25% dari 100% saham ESS dengan harga AS\$14.500.000 (dengan nilai nominal Rp193.432.125.000) kepada Chugoku Electric Power Singapore Pte. Ltd. Hal ini menyebabkan peningkatan pada kepentingan nonpengendali sebesar AS\$18.579.838 dan penurunan ekuitas yang dapat diatribusikan kepada pemilik entitas induk sebesar AS\$4.079.838. Pengaruh perubahan dalam kepemilikan ESS terhadap ekuitas yang dapat diatribusikan kepada pemilik Perusahaan selama tahun berjalan diikhtisarkan sebagai berikut:

	2019
Jumlah tercatat kepentingan yang dilepaskan	(18.579.838)
Imbalan yang diterima	14.500.000
Kerugian dari pelepasan yang tercatat dalam ekuitas entitas induk	(4.079.838)

**4. ESTABLISHMENT AND ACQUISITION OF
SUBSIDIARIES (continued)**

PT Energy Sakti Sentosa ("ESS") (continued)

Dividends (continued)

- b. Increase the authorized capital of ESS from Rp527,630,000,000 divided into 1,055,260 shares to Rp773,728,500,000 divided into 1,547,457 shares. ESS's issued and paid-in capital also increased from Rp422,239,000,000 divided into 844,478 shares to Rp773,728,500,000 divided into 1,547,457 shares. The increase of Rp351,489,500,000 in share capital was made through share dividends.

Disposal of interest in ESS without loss of control

On March 27, 2019, the Company disposed of 25% interest out of the 100% interest held in ESS at a consideration of US\$14,500,000 (with a nominal value of Rp193,432,125,000) to Chugoku Electric Power Singapore Pte. Ltd. This resulted in an increase in non-controlling interests of US\$18,579,838 and a decrease in equity attributable to owners of the parent of US\$4,079,838. The effect of changes in the ownership interest of ESS on the equity attributable to owners of the Company during the year is summarized as follows:

Carrying amount of interest disposed of
Consideration received

**Loss on disposal recorded within
parent's equity**

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK
(lanjutan)**

PT Bangun Tirta Lestari ("BTL")

Berdasarkan Akta Notaris Yulia, S.H., No. 86, 114 dan 115 tanggal 14 dan 18 Desember 2017, BTL telah meningkatkan modal dasar dari Rp1.500.000.000 menjadi Rp740.320.000.000 dan modal ditempatkan dan disetor dari Rp1.500.000.000 (AS\$163.756) menjadi Rp185.080.000.000 (AS\$13.697.114). Perusahaan telah memiliki saham di BTL sebanyak 175.641 lembar saham, yang dibayar melalui kas, dengan nilai nominal sebesar Rp175.641.000.000 (AS\$13.001.279) atau setara dengan 94,90% kepemilikan saham.

Transaksi akuisisi ini dicatat sebagai transaksi restrukturisasi entitas sepengendali. Dengan demikian, sesuai dengan PSAK No. 38 (Revisi 2012), "Kombinasi Bisnis Entitas Sepengendali", akuisisi ini diperlakukan dengan metode penyatuan kepemilikan. Oleh karena itu, laporan posisi keuangan konsolidasian Grup tanggal 31 Desember 2016, dan 1 Januari 2016/ 31 Desember 2015 serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal 31 Desember 2016, disajikan sedemikian rupa seolah-olah penggabungan tersebut telah terjadi sejak awal periode entitas yang bergabung berada dalam sepengendalian.

Selisih antara harga beli dan nilai aset bersih yang diakuisisi sebesar Rp445.977.535.575 (AS\$32.740.964) dicatat sebagai bagian dari "Tambahan modal disetor" pada laporan posisi keuangan konsolidasian tahun 2017.

Perhitungan dari selisih akuisisi untuk entitas sepengendali adalah sebagai berikut:

	2017
Nilai perolehan	13.001.279
Nilai aset bersih yang diakuisisi	(45.742.243)
Selisih nilai transaksi restrukturisasi entitas sepengendali	(32.740.964)

**4. ESTABLISHMENT AND ACQUISITION OF
SUBSIDIARIES (continued)**

PT Bangun Tirta Lestari ("BTL")

Based on the Notarial Deed Nos. 86, 114 and 115 of Yulia, S.H., dated December 14 and 18, 2017, respectively, BTL has increased its authorized capital from Rp1,500,000,000 to Rp740,320,000,000 and its issued and paid-in capital from Rp1,500,000,000 (US\$163,756) to Rp185,080,000,000 (US\$13,697,114). The Company has subscribed shares in BTL totaling 175,641 shares, which was paid through cash, with nominal value of Rp175,641,000,000 (US\$13,001,279) or equivalent to 94.90% share ownership.

The acquisition above is considered as restructuring transaction between entities under common control. In accordance with PSAK No. 38 (Revised 2012), "Business Combinations of Entities Under Common Control", the restructuring was treated under the pooling of interest method. Therefore, the Group's consolidated statements of financial position as of December 31, 2016 and January 1, 2016/December 31, 2015 and the related statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year ended December 31, 2016, have been presented as if they had been combined since the beginning of the period when the combining entities are under common control.

The difference between the purchase price and the net asset value acquired amounting to Rp445,977,535,575 (US\$32,740,964) was recorded as part of "Additional paid-in capital" account in the 2017 consolidated statement of financial position.

The computation of the difference in the acquisition of business for entities under common control is as follows:

Purchase price
Carrying value of net assets acquired
Difference in value arising from restructuring transactions of entities under common control

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK
(lanjutan)**

PT Bangun Tirta Lestari ("BTL") (lanjutan)

Berdasarkan Akta Notaris Abdul Haris, S.H., M.K.n., No. 7 tanggal 26 Juni 2018, Perusahaan telah membeli 6.478 lembar saham BTL yang dimiliki oleh PT Subur Bina Makmur melalui kas dengan nilai nominal Rp6.478.000.000 (AS\$477.553). Oleh karena itu, kepemilikan Perusahaan di BTL meningkat sebesar 98,40%.

Dampak dari perubahan kepemilikan saham BTL menimbulkan selisih sebesar Rp19.866.797.775 (AS\$1.350.872) yang mengakibatkan kenaikan ekuitas dan diakui sebagai "Tambahan Modal Disetor" pada laporan posisi keuangan konsolidasian periode 2018. Selain itu, tambahan investasi Perusahaan pada BTL juga menimbulkan selisih kurs sebesar AS\$20.164 pada tanggal 31 Desember 2018.

PT Bangun Hidro Energi ("BHE")

PT Bangun Hidro Energi (BHE) didirikan di Republik Indonesia pada tanggal 28 Desember 2018 berdasarkan Akta Notaris Rianto S.H., No. 3. Akta Pendirian ini disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-0001139.AH.01.01.Tahun 2019 tanggal 9 Januari 2019. Modal saham diterbitkan oleh BHE kepada PT Nagata Dinamika dan Perusahaan yang masing-masing sejumlah 46 saham (Rp46.000.000) dan 4 saham (Rp4.000.000).

Berdasarkan Akta Notaris Indra Gunawan S.H., M.Kn No. 22 pada tanggal 29 Maret 2019, pemegang saham BHE menyetujui untuk menjual 50 lembar saham kepada Perusahaan dan PT Paramata Indah Lestari (PIL) masing-masing sebanyak 46 dan 1 lembar saham dengan harga jual masing-masing sebesar Rp46.000.000 (setara dengan AS\$3.370) dan Rp1.000.000 (setara dengan AS\$69). Saham tersebut setara dengan 100% kepemilikan saham BHE.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**4. ESTABLISHMENT AND ACQUISITION OF
SUBSIDIARIES (continued)**

PT Bangun Tirta Lestari ("BTL") (continued)

Based on Notarial Deed No. 7 of Abdul Haris, S.H., M.K.n., dated June 26, 2018, the Company has purchased, through cash, 6,478 shares held by PT Subur Bina Makmur in BTL with nominal value of Rp6,478,000,000 (US\$477,553). As a result, the Company's ownership in BTL has increased to 98.40%.

The effect of change in ownership interest in BTL resulted to difference of Rp19,866,797,775 (US\$1,350,872) which increased equity and was recognized as "Additional paid-in capital" in the 2018 consolidated statement of financial position. Additionally, the additional investment by the Company in BTL also resulted to exchange rate difference of US\$20,164 as of December 31, 2018.

PT Bangun Hidro Energi ("BHE")

PT Bangun Hidro Energi (BHE) was established in the Republic of Indonesia on December 28, 2018 based on Notarial Deed No. 3 of Rianto, S.H. The Deed of Establishment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-0001139.AH.01.01.Tahun 2019 dated January 9, 2019. Share capital was issued by BHE to PT Nagata Dinamika and the Company which totaled to 46 shares (Rp46,000,000) and 4 shares (Rp4,000,000), respectively.

Based on Notarial Deed No. 22 of Indra Gunawan, S.H., M.Kn, dated March 29, 2019, BHE shareholders agreed to sell 50 of shares to the Company and PT Paramata Indah Lestari (PIL) totaling to 46 and 1 of shares, respectively, at a price of Rp46,000,000 (equivalent to AS\$3,370) and Rp1,000,000 (equivalent to AS\$69), respectively. These shares are equivalent to 100% ownership in BHE.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK
(lanjutan)**

PT Bangun Hidro Energi ("BHE") (lanjutan)

Susunan pemegang saham BHE pada tanggal
31 Maret 2019 adalah sebagai berikut:

Pemegang Saham/ Shareholders	Jabatan/ Position	Jumlah Saham/ Total Shares	Persentase Kepemilikan/ Percentage of Ownership	Nilai Nominal dalam Rupiah/ Nominal Value in Rupiah	Nilai Nominal dalam AS Dolar/ Nominal Value in US Dollar
PT Kencana Energi Lestari Tbk	Entitas induk/ Parent entity	49	98%	49.000.000	3.370
PT Paramita Indah Lestari	Pemegang saham/ Shareholder	1	2%	1.000.000	69
Total		50	100%	50.000.000	3.439

Perhitungan dari selisih akuisisi bisnis adalah
sebagai berikut:

	2019	
Nilai perolehan	3.370	Purchase price
Dikurangi: Nilai aset bersih yang diakuisisi	255.351	Less: Carrying value of net assets acquired
Keuntungan dari akuisisi entitas anak	251.981	Gain from acquisition of subsidiary

PT Nagata Dinamika Hidro Madong ("NDHM")

Pada tanggal 22 Maret 2019, BHE mengakuisisi
50,94% kepemilikan saham dan hak suara di
PT Nagata Dinamika Hidro Madong (NDHM).
Jumlah yang dibayarkan untuk pembelian tersebut
adalah Rp5.700.000.000 untuk kepemilikan saham
sebanyak 8.142.681 lembar saham. Pengalihan
saham ini telah diaktakan dengan Akta Notaris
Audra Melanie Nicole Manembu S.H., M.H., M.Kn
No. 1 tanggal 22 Maret 2019.

Sebagai hasil dari akuisisi, Grup memperkirakan
akan membangun dan mengembangkan Proyek
PLTM Madong (proyek pembangkit listrik minihydro
2x5 MW di Desa Madong, Toraja Utara, Sulawesi
Selatan).

**4. ESTABLISHMENT AND ACQUISITION OF
SUBSIDIARIES (continued)**

PT Bangun Hidro Energi ("BHE") (continued)

*BHE's shareholding structure as of March 31, 2019
is as follows:*

*The computation of the difference in the business
acquisition is as follows:*

PT Nagata Dinamika Hidro Madong ("NDHM")

*On March 22, 2019, BHE acquired 50.94% shares
and voting rights of PT Nagata Dinamika Hidro
Madong ("NDHM"), an entity which engages in the
power generation business, which currently
develops PLTM Madong Project. The total
purchase price consideration paid for this
acquisition was Rp5,700,000,000 equivalent to
8,142,681 shares. The share transfer has been
notarized by Notarial Deed of Audra Melanie Nicole
Manembu S.H., M.H., M.Kn No. 1 dated March 22,
2019.*

*As a result of the acquisition, the Group is
expected to build and develop PLTM Madong
Project (2x5 MW minihydro power plant project at
Madong Village, North Toraja, South Sulawesi).*

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK
(lanjutan)**

**PT Nagata Dinamika Hidro Madong ("NDHM")
(lanjutan)**

Goodwill sebesar AS\$138.585 (setara dengan Rp1.937.244.100) yang timbul dari akuisisi tersebut diatribusikan kepada Proyek Madong yang diakuisisi dari menggabungkan operasi Grup dan NDHM. Tidak ada goodwill yang diakui dan diharapkan dapat menjadi pengurang pajak penghasilan.

Jumlah yang diakui atas aset teridentifikasi yang diperoleh dan liabilitas yang diambil alih:

	Nilai wajar/Fair value
Kas dan setara kas	101.797
Aset tetap (Catatan 9)	306.157
Aset tidak lancar - lain-lain	110.682
Piutang lain-lain	533.174
Pinjaman	(533.174)
Total aset teridentifikasi neto	518.636
Dikurangi: Kepentingan nonpengendali	(254.593)
Total aset teridentifikasi neto 50,94%	264.043
Goodwill	138.585
Harga Perolehan	402.628

Nilai wajar piutang lain-lain sebesar AS\$533.174 yang belum jatuh tempo pada tanggal 31 Maret 2019. Diperkirakan piutang lain-lain dapat ditagih.

Nilai wajar dari kepentingan nonpengendali pada NDHM, perusahaan yang tidak terdaftar di bursa, diukur pada bagian proporsional dari kepentingan BHE terhadap aset bersih NDHM yang dapat diidentifikasi.

Penilaian pada nilai wajar tanah yang dimiliki NDHM pada tanggal akuisisi berdasarkan penilaian yang dilakukan oleh KJPP Nana & Rekan berdasarkan laporannya tertanggal 23 Maret 2019. Metode penilaian yang digunakan adalah Pendekatan Pasar.

Pendapatan dan laba NDHM yang termasuk di dalam laporan laba rugi sejak 22 Maret 2019 sebesar nihil.

**4. ESTABLISHMENT AND ACQUISITION OF
SUBSIDIARIES (continued)**

**PT Nagata Dinamika Hidro Madong ("NDHM")
(continued)**

The goodwill of US\$138,585 (equivalent to Rp1,937,244,100) arising from the acquisition is attributable to the acquired Madong Project from combining the operations of the Group and NDHM. None of the goodwill recognized is expected to be deductible for income tax purposes.

Recognized amounts of identifiable assets acquired and liabilities assumed:

	Nilai wajar/Fair value	
Cash and cash equivalents	101.797	Cash and cash equivalents
Fixed assets (Note 9)	306.157	Fixed assets (Note 9)
Other non-current assets	110.682	Other non-current assets
Other receivables	533.174	Other receivables
Borrowings	(533.174)	Borrowings
Total identifiable net assets	518.636	Total identifiable net assets
Less: Non-controlling interest	(254.593)	Less: Non-controlling interest
Total identifiable net assets at 50.94%	264.043	Total identifiable net assets at 50.94%
Goodwill	138.585	Goodwill
Consideration	402.628	Consideration

The fair value of other receivables is US\$533,174 which are not yet due as of March 31, 2019. It is expected that other receivables is fully collectible.

The fair value of the non-controlling interest in NDHM, an unlisted company, was measured at the proportionate share of BHE's interest in NDHM's identifiable net assets.

Valuation to determine the fair value of NDHM's land on the acquisition date was based on valuation performed by KJPP Nana & Rekan based on its report dated March 23, 2019. The valuation was determined by using Market Approach.

The revenue and net profit included in the profit or loss since March 22, 2019 contributed by NDHM was nil.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK
(lanjutan)**

**PT Nagata Dinamika Hidro Madong ("NDHM")
(lanjutan)**

Jika NDHM dikonsolidasi sejak 1 Januari 2019, maka laba rugi akan menunjukkan pendapatan proforma sebesar Rp5.687.167 dan laba proforma sebesar Rp1.676.151.

Hasil akuisisi bisnis NDHM dicatat sebagai "Utang lain-lain - pihak ketiga" sebesar AS\$400.169 (setara dengan Rp5.700.000.000 yang dinilai kembali menggunakan kurs tengah BI pada tanggal laporan posisi keuangan konsolidasian) pada tanggal 31 Maret 2019 dan kemudian dibayarkan pada tanggal 4 April 2019.

**4. ESTABLISHMENT AND ACQUISITION OF
SUBSIDIARIES (continued)**

**PT Nagata Dinamika Hidro Madong ("NDHM")
(continued)**

Had NDHM been consolidated from January 1, 2019, the profit or loss would show proforma revenue of Rp5,687,167 and a proforma profit of Rp1,676,151.

The consideration for the acquisition of interests in NDHM was recorded as "Other payables - third parties" which amounted to US\$400,169 (equivalent to Rp5,700,000,000 revalued using BI middle rate as of consolidated statement of financial position date) as of March 31, 2019 and was subsequently paid on April 4, 2019.

5. KAS DAN SETARA KAS

Akun ini terdiri dari:

5. CASH AND CASH EQUIVALENTS

This account consists of:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Kas					Cash on hand
Rupiah	19.003	6.624	2.746	11.179	Rupiah
Dolar AS	297	292	294	10.542	US Dollar
Sub-total	19.300	6.916	3.040	21.721	Sub-total
Kas di bank					Cash in banks
Rupiah					Rupiah
Pihak Ketiga					Third Parties
PT Bank UOB Indonesia	6.505.079	3.834	60.727	841.382	PT Bank UOB Indonesia
PT Bank Mandiri (Persero) Tbk	1.220.217	11.950	414.346	-	PT Bank Mandiri (Persero) Tbk
PT Bank Central Asia Tbk	125.108	92.047	717.755	29.486	PT Bank Central Asia Tbk
PT Bank Rakyat Indonesia (Persero) Tbk	12.801	12.577	13.353	13.359	PT Bank Rakyat Indonesia (Persero) Tbk
PT Bank Negara Indonesia (Persero) Tbk	3.890	3.840	4.181	4.264	PT Bank Negara Indonesia (Persero) Tbk
PT Bank QNB Indonesia Tbk	-	-	610	669	PT Bank QNB Indonesia Tbk
PT Bank Danamon Indonesia Tbk	-	-	6	5.489	PT Bank Danamon Indonesia Tbk
Sub-total	7.867.095	124.248	1.210.978	894.649	Sub-total
Kas di bank					Cash in banks
Dolar AS					US Dollar
Pihak Ketiga					Third Parties
PT Bank Mandiri (Persero) Tbk	19.437	5.297	78.272	-	PT Bank Mandiri (Persero) Tbk
PT Bank Danamon Indonesia Tbk	4.909	4.925	5.736	-	PT Bank Danamon Indonesia Tbk
PT Bank Central Asia Tbk	4.029	4.074	4.253	4.431	PT Bank Central Asia Tbk
PT Bank UOB Indonesia	2.019	2.040	2.119	1.945	PT Bank UOB Indonesia
Sub-total	30.394	16.336	90.380	6.376	Sub-total

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

5. KAS DAN SETARA KAS (lanjutan)

5. CASH AND CASH EQUIVALENTS (continued)

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
<u>Euro</u> Pihak Ketiga PT Bank Central Asia Tbk	3.183	3.255	3.456	3.101	<u>Euro</u> Third Party PT Bank Central Asia Tbk
Sub-total	7.900.672	143.839	1.304.814	904.126	Sub-total
Setara kas - Deposito jangka pendek <u>Rupiah</u> Pihak Ketiga PT Bank Mandiri (Persero) Tbk	4.314.097	-	-	-	Cash equivalents - Time deposit <u>Rupiah</u> Third Party PT Bank Mandiri (Persero) Tbk
Total	12.234.069	150.755	1.307.854	925.847	Total

Tingkat suku bunga kontraktual deposito jangka pendek adalah 5%-6% pada tanggal 31 Maret 2019.

Contractual interest rates on short-term time deposit is 5%-6% as of March 31, 2019.

Pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016, tidak terdapat kas di bank yang dibatasi penggunaannya oleh Grup kecuali kas di bank yang disajikan pada Catatan 11.

As of March 31, 2019, December 31, 2018, 2017 and 2016, the Group has no cash in banks restricted for use except for cash in bank disclosed in Note 11.

6. ASET KEUANGAN DARI KONSESI JASA YANG BELUM DITAGIHKAN

6. UNBILLED FINANCIAL ASSET FROM SERVICE CONCESSION PROJECT

Akun ini terdiri dari:

This account consists of:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
<u>Dolar AS</u> Penerimaan kapasitas minimum masa depan: Kurang dari 1 tahun Lebih dari 1 tahun tapi tidak lebih dari 5 tahun Lebih dari 5 tahun	13.909.327 64.248.490 390.614.720	11.756.531 64.248.490 394.630.250	7.202.968 64.248.489 406.386.781	4.475.279 55.389.335 422.448.904	<u>US Dollar</u> Future minimum capacity receipts: Not later than 1 year Later than 1 year but not later than 5 years Later than 5 years
Total penerimaan kapasitas minimum masa depan	468.772.537	470.635.271	477.838.238	482.313.518	Total future minimum capacity receipts
Dikurangi pendapatan keuangan yang belum diterima	230.971.805	232.409.826	237.632.735	243.427.763	Less unearned financial income
Dikurangi biaya konstruksi	5.274.364	8.251.875	25.719.062	50.347.867	Less amount due for construction
Nilai sekarang penerimaan kapasitas masa depan Dikurangi bagian yang akan jatuh tempo dalam satu tahun	232.526.368 3.138.665	229.973.570 2.648.700	214.486.441 1.397.420	188.537.888 -	Present value of future capacity receipts Less current portion
Bagian yang akan jatuh tempo lebih dari satu tahun	229.387.703	227.324.870	213.089.021	188.537.888	Non-current portion

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**6. ASET KEUANGAN DARI KONSESI JASA YANG
BELUM DITAGIHKAN (lanjutan)**

Hak atas tanah diperoleh berdasarkan Sertifikat Hak Guna Bangunan ("HGB") yang dapat diperbaharui dengan masa yang akan berakhir antara tahun 2031 sampai 2034. Grup memiliki keyakinan dapat memperpanjang HGB tersebut pada akhir masa berlaku HGB.

Di tahun 2017, BTL membeli beberapa bidang tanah dari Wilson Maknawi, pihak berelasi, beberapa bidang tanah di Bengkulu yang memiliki luas lahan 5.065 m². BTL menjual kembali tanah ini ke Wilson Maknawi pada tahun 2018.

Konstruksi yang sedang berjalan pada tanggal 31 Maret 2019 terutama terdiri dari proyek pembangkit listrik tenaga air 3x7 megawatt ("MW") oleh BTL di Bengkulu. Konstruksi tersebut diperkirakan akan selesai pada bulan Juni 2019, dengan persentase penyelesaian saat ini sekitar 95,90%.

Pada tanggal 31 Maret 2019, aset pembangkit listrik terkait *Power Purchase Agreement* ("PPA") dengan PT Perusahaan Listrik Negara (Persero) ("PLN") (Catatan 27) diasuransikan terhadap semua risiko kerusakan kepada PT Asuransi Asei Indonesia, PT Asuransi Asoka Mas, PT Asuransi Adira Dinamika, PT Kresna Insurance, PT Asuransi Jasa Raharja Putra, PT Asuransi Jasa Tania Tbk, PT Asuransi Purna Arthanugraha, PT Asuransi Ramayana, PT Pan Pacific Insurance, PT Asuransi Bosowa Periskop, PT Asuransi Mega Pratama, PT Asuransi Tri Pakarta, PT Asuransi Umum Videi, PT China Taiping Insurance Indonesia dan PT Meritz Korindo Insurance, pihak ketiga, dengan nilai pertanggungan sebesar Rp868.378.150.925 dan AS\$284.200. Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutup kemungkinan kerugian atas aset yang dipertanggungkan.

Pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016, tanah, bangunan, mesin dan peralatan yang berkaitan dengan pembangkit listrik tenaga air yang dibangun oleh ESS dan sedang dibangun oleh BTL digunakan sebagai jaminan atas fasilitas yang diperoleh Grup (Catatan 14).

Pada saat pengakuan awal, nilai wajar dari aset keuangan proyek konsesi jasa yang belum ditagihkan ditentukan berdasarkan nilai kini arus kas masuk neto dari pendapatan yang diharapkan dari Komponen A dan E berdasarkan energi eksklusif yang diharapkan akan dapat disediakan oleh Entitas Anak. Tingkat diskonto yang digunakan untuk menentukan nilai kini dari arus kas masuk neto didasarkan pada suku bunga pasar obligasi yang diterbitkan oleh PLN dengan ketentuan yang hampir sama.

**6. UNBILLED FINANCIAL ASSET FROM SERVICE
CONCESSION PROJECT (continued)**

Land rights are held under renewable Building Right Titles ("HGB") which will expire between 2031 and 2034. The Group believes that they can renew those HGBs upon expiry.

In 2017, BTL acquired from Wilson Maknawi, a related party, parcels of land in Bengkulu which has an estimated total land area of 5,065 m². BTL sold back this land to Wilson Maknawi in 2018.

Construction in progress as of March 31, 2019 mainly comprised of the 3x7 megawatt ("MW") hydroelectric power plant project by BTL in Bengkulu. The construction is estimated to be completed in June 2019, with current percentage of completion of 95.90%.

As of March 31, 2019, hydro power plant assets related to the Power Purchase Agreement ("PPA") with PT Perusahaan Listrik Negara (Persero) ("PLN") (Note 27) were insured against all risks of damage with PT Asuransi Asei Indonesia, PT Asuransi Asoka Mas, PT Asuransi Adira Dinamika, PT Kresna Insurance, PT Asuransi Jasa Raharja Putra, PT Asuransi Jasa Tania Tbk, PT Asuransi Purna Arthanugraha, PT Asuransi Ramayana, PT Pan Pacific Insurance, PT Asuransi Bosowa Periskop, PT Asuransi Mega Pratama, PT Asuransi Tri Pakarta, PT Asuransi Umum Videi, PT China Taiping Insurance Indonesia and PT Meritz Korindo Insurance, third parties, with insurance coverage amounting to Rp868,378,150,925 and US\$284,200. Management believes that the insurance coverage is adequate to cover possible losses from the assets insured.

As of March 31, 2019, December 31, 2018, 2017 and 2016, land, buildings, machineries and equipment pertaining to hydroelectric power plants constructed by ESS and being constructed by BTL are pledged as collateral on credit facilities obtained by the Group (Note 14).

At initial recognition, the fair value of the unbilled financial asset from service concession project is determined based on the present value of net cash inflows from expected revenue on Components A and E based on expected exclusive energy the Subsidiary will be able to provide. The discount rate used to determine the present value of the net cash inflows was based on a market interest rate of bonds issued by PLN with approximately similar terms.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**6. ASET KEUANGAN DARI KONSESI JASA YANG
BELUM DITAGIHKAN (lanjutan)**

Berdasarkan hasil evaluasi manajemen Grup, tidak terdapat peristiwa atau perubahan keadaan yang mengindikasikan adanya penurunan nilai aset keuangan dari konsesi jasa yang belum ditagihkan pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016.

**6. UNBILLED FINANCIAL ASSET FROM SERVICE
CONCESSION PROJECT (continued)**

Based on the evaluation of the Group's management, there are no events or changes in circumstances which may indicate impairment in the value of unbilled financial asset from service concession project as of March 31, 2019, December 31, 2018, 2017 and 2016.

7. PIUTANG USAHA

Akun ini terdiri dari piutang dari PLN, pihak ketiga, masing-masing sebesar AS\$2.058.772, AS\$2.278.245, AS\$2.185.174, dan AS\$989.692 pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016.

7. TRADE RECEIVABLES

This account consists of receivables from PLN, a third party, which amounted to US\$2,058,772, US\$2,278,245, US\$2,185,174, and US\$989,692 as of March 31, 2019, December 31, 2018, 2017 and 2016, respectively.

Analisa umur piutang usaha adalah sebagai berikut:

The aging analysis of trade receivables are as follows:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Belum jatuh tempo	2.058.772	2.278.245	545.802	989.692	Not yet due
Jatuh tempo: 60-120 hari	-	-	1.639.372	-	Due: 60-120 days
Total	2.058.772	2.278.245	2.185.174	989.692	Total

Rincian piutang usaha berdasarkan mata uang adalah sebagai berikut:

The details of trade receivables based on currencies are as follows:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Pihak ketiga					Third parties
Dolar AS	1.963.650	2.176.945	-	-	US Dollar
Rupiah	95.122	101.300	2.185.174	989.692	Rupiah
Total	2.058.772	2.278.245	2.185.174	989.692	Total

Pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016, piutang usaha digunakan sebagai jaminan atas fasilitas yang diperoleh Grup (Catatan 14).

As of March 31, 2019, December 31, 2018, 2017 and 2016, trade receivables are pledged as collateral on credit facilities obtained by the Group (Note 14).

Manajemen berpendapat bahwa seluruh piutang usaha pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016 dapat ditagih sehingga tidak diperlukan cadangan penurunan nilai piutang usaha.

Management is of the opinion that all trade receivables as of March 31, 2019, December 31, 2018, 2017 and 2016 is fully collectible therefore, no allowance for impairment of trade receivables is required.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

8. PIUTANG LAIN-LAIN

Akun ini terdiri dari:

	31 Maret/ March 31, 2019	31 Desember/December 31,		
		2018	2017	2016
Rupiah				
Pihak berelasi (Catatan 23)				
Lancar	-	-	207.041	27.760
Tidak lancar	94.434	126.223	37.285	-
Sub-total	94.434	126.223	244.326	27.760
Rupiah				
Pihak ketiga				
Sichuan Anhe Hydraulic and Hydroelectric Engineering Co., Ltd.	12.613	9.908	40.346	573.175
Lain-lain (masing-masing di bawah AS\$40.000)	44.839	92.387	42.931	20.655
Sub-total	57.452	102.295	83.277	593.830
Total	151.886	228.518	327.603	621.590

Manajemen berpendapat bahwa seluruh piutang lain-lain pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016 dapat ditagih sehingga tidak diperlukan cadangan penurunan nilai piutang lain-lain.

8. OTHER RECEIVABLES

This account consists of:

	31 Maret/ March 31, 2019	31 Desember/December 31,		
		2018	2017	2016
Rupiah				
Related parties (Note 23)				
Current	-	-	207.041	27.760
Non-current	94.434	126.223	37.285	-
Sub-total	94.434	126.223	244.326	27.760
Rupiah				
Third parties				
Sichuan Anhe Hydraulic and Hydroelectric Engineering Co., Ltd.	12.613	9.908	40.346	573.175
Others (each below US\$40,000)	44.839	92.387	42.931	20.655
Sub-total	57.452	102.295	83.277	593.830
Total	151.886	228.518	327.603	621.590

Management is of the opinion that all other receivables as of March 31, 2019, December 31, 2018, 2017 and 2016 is fully collectible therefore, no allowance for impairment of other receivables is required.

9. ASET TETAP

Akun ini terdiri dari:

	31 Maret/March 31, 2019				
	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Disposals	Aset dari Kombinasi Bisnis/Assets from Business Combination	Saldo Akhir/ Ending Balance
Pemilikan langsung					
Biaya perolehan					
Tanah	-	-	-	306.026	306.026
Bangunan	6.695	198.022	-	-	204.717
Peralatan kantor	56.631	1.715	-	-	58.346
Kendaraan	287.118	-	-	2.092	289.210
Total	350.444	199.737	-	308.118	858.299
Pemilikan langsung					
Akumulasi					
penyusutan					
Bangunan	3.243	2.722	-	-	5.965
Peralatan kantor	49.370	1.162	-	-	50.532
Kendaraan	158.691	14.967	-	1.961	175.619
Total	211.304	18.851	-	1.961	232.116
Nilai buku neto	139.140				626.183

Direct ownership	
Cost	
Land	306.026
Building	204.717
Office equipment	58.346
Vehicles	289.210
Total	858.299
Direct ownership	
Accumulated depreciation	
Building	5.965
Office equipment	50.532
Vehicles	175.619
Total	232.116
Net book value	626.183

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

9. ASET TETAP (lanjutan)

9. FIXED ASSETS (continued)

31 Desember/December 31, 2018				
	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Disposals	Saldo Akhir/ Ending Balance
Pemilikan langsung				
Biaya perolehan				
Bangunan	6.695	-	-	6.695
Peralatan kantor	52.003	4.628	-	56.631
Kendaraan	286.944	174	-	287.118
Total	345.642	4.802	-	350.444
Pemilikan langsung				
Akumulasi				
penyusutan				
Bangunan	2.409	835	-	3.244
Peralatan kantor	43.207	6.162	-	49.369
Kendaraan	94.717	63.974	-	158.691
Total	140.333	70.971	-	211.304
Nilai buku neto	205.309			139.140

Direct ownership
Cost
Building
Office equipment
Vehicles

Total

Direct ownership
Accumulated
depreciation
Building
Office equipment
Vehicles

Total

Net book value

31 Desember/December 31, 2017					
	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Disposals	Selisih Kurs Karena Penjabaran Laporan Keuangan/ Exchange Differences due to Translation of Financial Statements	Saldo Akhir/ Ending Balance
Pemilikan langsung					
Biaya perolehan					
Bangunan	6.751	-	-	(56)	6.695
Peralatan kantor	48.461	3.942	-	(400)	52.003
Kendaraan	108.780	186.444	(7.381)	(899)	286.944
Total	163.992	190.386	(7.381)	(1.355)	345.642
Pemilikan langsung					
Akumulasi					
penyusutan					
Bangunan	1.585	849	-	(25)	2.409
Peralatan kantor	36.754	6.895	-	(442)	43.207
Kendaraan	72.641	30.475	(7.381)	(1.018)	94.717
Total	110.980	38.219	(7.381)	(1.485)	140.333
Nilai buku neto	53.012				205.309

Direct ownership
Cost
Building
Office equipment
Vehicles

Total

Direct ownership
Accumulated
depreciation
Building
Office equipment
Vehicles

Total

Net book value

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

9. ASET TETAP (lanjutan)

9. FIXED ASSETS (continued)

31 Desember/December 31, 2016						
	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Disposals	Selisih Kurs Karena Penjabaran Laporan Keuangan/ Exchange Differences due to Translation of Financial Statements	Saldo Akhir/ Ending Balance	
Pemilikan langsung						Direct ownership
Biaya perolehan						Cost
Bangunan	6.575	-	-	176	6.751	Building
Peralatan kantor	46.100	1.130	-	1.231	48.461	Office equipment
Kendaraan	96.846	9.345	-	2.589	108.780	Vehicles
Total	149.521	10.475	-	3.996	163.992	Total
Pemilikan langsung						Direct ownership
Akumulasi						Accumulated
penyusutan						depreciation
Bangunan	722	850	-	13	1.585	Building
Peralatan kantor	27.862	8.212	-	680	36.754	Office equipment
Kendaraan	54.512	16.821	-	1.308	72.641	Vehicles
Total	83.096	25.883	-	2.001	110.980	Total
Nilai buku neto	66.425				53.012	Net book value

Beban penyusutan masing-masing sebesar AS\$18.851, AS\$16.660, AS\$70.971, AS\$38.219 dan AS\$25.883 untuk periode tiga bulan yang berakhir pada tanggal-tanggal 31 Maret 2019 dan 2018 dan untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2018, 2017 dan 2016 dibebankan pada beban usaha (Catatan 22).

Depreciation expense amounting to US\$18,851, US\$16,660, US\$70,971, US\$38,219 and US\$25,883 for the three-month periods ended March 31, 2019 and 2018 and for the years ended December 31, 2018, 2017 and 2016, respectively, was charged to operating expenses (Note 22).

Pelepasan aset tetap adalah sebagai berikut:

Disposals of fixed assets are as follows:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Hasil pelepasan	-	-	1.124	-	Proceeds
Dikurangi: Nilai tercatat	-	-	-	-	Less: Carrying value
Laba Pelepasan Aset Tetap	-	-	1.124	-	Gain on Disposal of Fixed Assets

Seluruh aset tetap yang ada pada tanggal pelaporan digunakan untuk menunjang aktivitas operasi Grup. Aset-aset tersebut belum disusutkan penuh.

All of the fixed assets as of the reporting date are fully used to support the Group's operation activities. Those assets are not yet fully depreciated.

Tidak terdapat aset yang sudah didepresiasi penuh namun masih digunakan dalam operasi Grup.

There's no fully depreciated assets that are still used by the Group in its operation.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

9. ASET TETAP (lanjutan)

Pada tanggal 31 Maret 2019, kendaraan Grup telah diasuransikan terhadap semua risiko kerusakan dengan PT Asuransi Raksa Pratikara, PT KSK Insurance dan PT Asuransi Umum BCA, pihak ketiga, dengan jumlah pertanggungan sebesar Rp2.928.700.000. Manajemen Grup berpendapat bahwa aset tetap pada tanggal 31 Maret 2019 telah diasuransikan secara memadai.

Berdasarkan hasil evaluasi manajemen Grup, tidak terdapat peristiwa atau perubahan keadaan yang mengindikasikan adanya penurunan nilai aset tetap pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016.

9. FIXED ASSETS (continued)

As of March 31, 2019, the Group's vehicles were insured against all risks of damage with PT Asuransi Raksa Pratikara, PT KSK Insurance and PT Asuransi Umum BCA, third parties, with total coverage of approximately Rp2,928,700,000. The Group's management believes that the fixed assets as of March 31, 2019 were adequately insured.

Based on the evaluation of the Group's management, there are no events or changes in circumstances which may indicate impairment in the value of fixed assets as of March 31, 2019, December 31, 2018, 2017 and 2016.

10. ASET LANCAR LAIN-LAIN DAN ASET TIDAK LANCAR LAIN-LAIN

Aset lancar lain-lain terdiri dari:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Jaminan uang tunai	409.285	409.285	119.893	-	Cash collateral
Asuransi dibayar dimuka	48.567	64.756	11.815	-	Prepaid insurance
Provisi	37.628	50.169	7.662	-	Provision
Total	495.480	524.210	139.370	-	Total

Other current assets consist of:

Aset tidak lancar lain-lain terdiri dari:

Other non-current assets consist of:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Beban konstruksi ditangguhkan	110.682	-	-	-	Deferred construction costs
Uang muka pembelian aset tetap	376	1.101	155	1.207	Advances for purchases of fixed assets
Jaminan uang tunai	-	-	409.285	-	Cash collateral
Asuransi dibayar dimuka	-	-	129.513	-	Prepaid insurance
Provisi	-	-	100.337	-	Provision
Total	111.058	1.101	639.290	1.207	Total

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**10. ASET LANCAR LAIN-LAIN DAN ASET TIDAK
LANCAR LAIN-LAIN (lanjutan)**

Jaminan uang tunai berkenaan dengan setoran tunai kepada PT Asuransi Jasa Indonesia yang dijadikan jaminan untuk *Performance Bond* (Garansi Bank) yang diterbitkan oleh PT Bank Mandiri (Persero) Tbk ("Mandiri") kepada PLN atas nama ESS dan BTL (Catatan 27). Jaminan tunai setara dengan 10% dari *Performance Bond* (Garansi Bank) dan memiliki jangka waktu antara 10 sampai 28 bulan, berlaku 30 Agustus 2017. Pada tanggal 26 Oktober 2018, ESS telah menerima kembali jaminan uang tunai yang telah disetor. Pada tanggal 31 Maret 2019, 31 Desember 2018 dan 2017, seluruh nilai tercatat jaminan uang tunai berdenominasi Dolar AS.

Performance Bond (Garansi Bank) yang diterbitkan oleh Mandiri dijamin penuh oleh PT Asuransi Jasa Indonesia dengan jumlah premi asuransi yang belum diamortisasi masing-masing sebesar AS\$48.567, AS\$64.756 dan AS\$141.328 pada tanggal 31 Maret 2019, 31 Desember 2018 dan 2017, diklasifikasikan sebagai aset lancar dan tidak lancar sesuai dengan periodenya.

Biaya provisi dengan saldo terhutang masing-masing sebesar AS\$37.628, AS\$50.169 dan AS\$107.999 pada tanggal 31 Maret 2019 dan 31 Desember 2018 dan 2017, yang juga timbul sehubungan dengan *Performance Bond* (Garansi Bank) diterbitkan oleh Mandiri berlaku 30 Agustus 2017. Jumlah provisi diklasifikasikan sebagai aset lancar dan tidak lancar sesuai dengan periodenya.

Beban konstruksi ditanggguhkan merupakan biaya-biaya NDHM (studi hidrologi dan kelayakan) yang terjadi untuk memperoleh Perjanjian Jual Beli Listrik (PJBL) dengan PLN.

**11. KAS DI BANK YANG DIBATASI
PENGUNAANNYA**

Akun ini terdiri dari:

	31 Maret/ March 31, 2019
Pihak ketiga	
Dolar AS	
PT Bank Mandiri (Persero) Tbk	1.462.170

Kas di bank yang dibatasi penggunaannya terkait kas di bank yang merupakan jaminan untuk pinjaman jangka panjang dari PT Bank Mandiri (Persero) Tbk (Catatan 14).

**10. OTHER CURRENT AND NON-CURRENT
ASSETS (continued)**

Cash collateral pertains to cash deposit to PT Asuransi Jasa Indonesia pledged as collateral for the *Performance Bond* (Bank Guarantee) issued by PT Bank Mandiri (Persero) Tbk ("Mandiri") to PLN on behalf of ESS and BTL (Note 27). Cash collateral is equivalent to 10% of the *Performance Bond* (Bank Guarantee) and has a term ranging between 10 to 28 months, effective August 30, 2017. On October 26, 2018, ESS refunded its cash collateral. As of March 31, 2019, December 31, 2018 and 2017, all the carrying amount of the Group's cash collateral were denominated in US Dollar.

The *Performance Bond* (Bank Guarantee) issued by Mandiri was fully insured by PT Asuransi Jasa Indonesia which has a total outstanding insurance premium amount of US\$48,567, US\$64,756 and US\$141,328 as of March 31, 2019, December 31, 2018 and 2017, respectively, classified as current and non-current assets in accordance with its terms.

Provision charges with total outstanding amount of US\$37,628, US\$50,169 and US\$107,999 as of March 31, 2019, December 31, 2018 and 2017, respectively, was also incurred in relation to the *Performance Bond* (Bank Guarantee) issued by Mandiri effective August 30, 2017. The amount of provision was classified as current and non-current asset in accordance with its terms.

Deferred construction costs pertain to NDHM's cost (hydrology and feasibility study) incurred in obtaining the Power Purchase Agreement (PPA) with PLN.

11. RESTRICTED CASH IN BANK

This account consists of:

	31 Desember/December 31,		
	2018	2017	2016
Third party			
US Dollar			
- PT Bank Mandiri (Persero) Tbk	538.003	80.350	

Restricted cash in bank pertains to cash in bank which was pledged as collateral for the long-term bank loan obtained from PT Bank Mandiri (Persero) Tbk (Note 14).

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

12. UTANG USAHA

Akun ini terdiri dari:

	31 Maret/ March 31, 2019	31 Desember/December 31,		
		2018	2017	2016
Pihak ketiga				
Sinohydro Corporation Limited	1.647.233	1.786.732	2.548.020	4.220.371
Jiangxi Water and Hydropower Construction Co., Ltd.	1.143.301	1.468.565	1.519.718	1.616.442
Sichuan Anhe Hydraulic and Hydroelectric Engineering Co., Ltd.	646.447	705.034	1.380.842	328.604
Hangzhou Hangfa Electrical Equipment Co. Ltd.	689.666	789.666	1.217.900	-
PT Pancakarsa Bangun Reksa	35.103	34.528	291.443	290.363
Lain-lain	-	-	-	2.456
Total	4.161.750	4.784.525	6.957.923	6.458.236

Third parties
Sinohydro Corporation Limited
Jiangxi Water and Hydropower Construction Co., Ltd.
Sichuan Anhe Hydraulic and Hydroelectric Engineering Co., Ltd.
Hangzhou Hangfa Electrical Equipment Co. Ltd.
PT Pancakarsa Bangun Reksa
Others
Total

Rincian utang usaha berdasarkan mata uang adalah sebagai berikut:

The details of trade payables based on currencies are as follows:

	31 Maret/ March 31, 2019	31 Desember/December 31,		
		2018	2017	2016
Pihak ketiga				
Dolar AS	4.126.647	4.749.997	6.666.480	6.165.417
Rupiah	35.103	34.528	291.443	292.819
Total	4.161.750	4.784.525	6.957.923	6.458.236

Third parties
US Dollar
Rupiah
Total

13. LIABILITAS YANG MASIH HARUS DIBAYAR

Akun ini terdiri dari:

13. ACCRUED LIABILITIES

This account consists of:

	31 Maret/ March 31, 2019	31 Desember/December 31,		
		2018	2017	2016
Kontraktor dan pemasok	237.208	140.370	502.577	58.251
Beban bunga dan provisi	89.193	88.472	57.221	-
Biaya profesional	71.653	51.679	49.627	3.721
Asuransi	20.515	-	-	-
Retribusi air	6.492	6.775	4.585	6.135
Lain-lain	28.112	1.572	442	474
Total	453.173	288.868	614.452	68.581

Contractor and suppliers
Interest expenses and provision
Professional fee
Insurance
Water retribution
Others
Total

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**13. LIABILITAS YANG MASIH HARUS DIBAYAR
(lanjutan)**

Rincian liabilitas yang masih harus dibayar berdasarkan mata uang adalah sebagai berikut:

	31 Maret/ March 31, 2019	31 Desember/December 31,		
		2018	2017	2016
Pihak ketiga				
Rupiah	363.980	200.396	459.370	68.581
Dolar AS	89.193	88.472	155.082	-
Total	453.173	288.868	614.452	68.581

13. ACCRUED LIABILITIES (continued)

The details of accrued liabilities based on currencies are as follows:

*Third parties
Rupiah
US Dollar*

Total

14. PINJAMAN

Akun ini terdiri dari:

14. BORROWINGS

This account consists of:

	31 Maret/ March 31, 2019	31 Desember/December 31,		
		2018	2017	2016
Utang bank jangka pendek				
Entitas Anak				
Pihak ketiga				
PT Bank Danamon Indonesia Tbk	-	-	-	372.134
Pinjaman jangka panjang				
Entitas Anak				
Pihak ketiga				
Utang bank				
PT Bank Mandiri (Persero) Tbk	43.946.666	44.436.476	42.064.396	-
PT Bank UOB Indonesia	-	-	-	30.594.538
PT Bank Danamon Indonesia Tbk	-	-	-	5.889.030
Nilai tercatat	43.946.666	44.436.476	42.064.396	36.483.568
Dikurangi biaya transaksi pinjaman yang belum diamortisasi	(687.441)	(731.463)	(1.042.089)	-
Utang bank jangka panjang - neto	43.259.225	43.705.013	41.022.307	36.483.568
Dikurangi bagian utang bank yang jatuh tempo dalam waktu satu tahun:				
PT Bank Mandiri (Persero) Tbk	5.470.000	5.020.000	3.400.000	-
PT Bank UOB Indonesia	-	-	-	2.792.816
PT Bank Danamon Indonesia Tbk	-	-	-	741.943
Dikurangi biaya transaksi pinjaman yang belum diamortisasi	(188.071)	(186.881)	(200.408)	-
Bagian utang bank yang jatuh tempo dalam waktu setahun	5.281.929	4.833.119	3.199.592	3.534.759

*Short-term bank loan
Subsidiaries
Third party
PT Bank Danamon
Indonesia Tbk*

*Long-term borrowings
Subsidiaries
Third parties
Bank loans
PT Bank Mandiri
(Persero) Tbk
PT Bank UOB Indonesia
PT Bank Danamon
Indonesia Tbk*

*Carrying amount
Less unamortized loan
transaction costs*

Long-term bank loans - net

*Less current maturities of
long-term bank loans:
PT Bank Mandiri
(Persero) Tbk
PT Bank UOB Indonesia
PT Bank Danamon
Indonesia Tbk
Less unamortized loan
transaction costs*

*Current maturities of
long-term bank loans*

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

14. BORROWINGS (continued)

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Bagian jangka panjang					Long-term portion
PT Bank Mandiri (Persero) Tbk	38.476.666	39.416.476	38.664.396	-	PT Bank Mandiri (Persero) Tbk
PT Bank UOB Indonesia	-	-	-	27.801.722	PT Bank UOB Indonesia
PT Bank Danamon Indonesia Tbk	-	-	-	5.147.087	PT Bank Danamon Indonesia Tbk
Dikurangi biaya transaksi pinjaman yang belum diamortisasi	(499.370)	(544.582)	(841.681)	-	Less unamortized loan transaction costs
Bagian jangka panjang utang bank	37.977.296	38.871.894	37.822.715	32.948.809	Long-term portion of bank loans
Utang lembaga keuangan					Financial institution loan
PT Sarana Multi Infrastruktur (Persero)	19.836.710	19.517.818	16.051.526	12.930.370	PT Sarana Multi Infrastruktur (Persero)
Dikurangi biaya transaksi pinjaman yang belum diamortisasi	(175.359)	(145.865)	(99.669)	-	Less unamortized loan transaction costs
Utang lembaga keuangan jangka panjang - neto	19.661.351	19.371.953	15.951.857	12.930.370	Long-term financial institution loan - net
Dikurangi bagian utang lembaga keuangan yang jatuh tempo dalam waktu satu tahun:					Less current maturities of long-term financial institution loan:
PT Sarana Multi Infrastruktur (Persero)	900.000	900.000	-	-	PT Sarana Multi Infrastruktur (Persero)
Dikurangi biaya transaksi pinjaman yang belum diamortisasi	(38.842)	(16.408)	-	-	Less unamortized loan transaction costs
Bagian jangka pendek utang lembaga keuangan	861.158	883.592	-	-	Current portion of financial institution loan
Bagian jangka panjang					Long-term portion
PT Sarana Multi Infrastruktur (Persero)	18.936.710	18.617.818	16.051.526	12.930.370	PT Sarana Multi Infrastruktur (Persero)
Dikurangi biaya transaksi pinjaman yang belum diamortisasi	(136.517)	(129.457)	(99.669)	-	Less unamortized loan transaction costs
Bagian jangka panjang utang lembaga keuangan	18.800.193	18.488.361	15.951.857	12.930.370	Long-term portion of financial institution loan
Utang pembiayaan konsumen					Consumer financing payables
PT Chandra Sakti Utama Leasing	111.540	161.459	402.324	594.169	PT Chandra Sakti Utama Leasing
PT BCA Finance	49.855	56.174	89.822	-	PT BCA Finance
PT Mandiri Tunas Finance	7.280	8.814	16.487	-	PT Mandiri Tunas Finance
PT BII Finance Center	-	-	3.863	12.464	PT BII Finance Center
PT Toyota Astra Financial Services	-	-	-	3.050	PT Toyota Astra Financial Services
Total utang pembiayaan konsumen	168.675	226.447	512.496	609.683	Total consumer financing payables

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

14. BORROWINGS (continued)

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Dikurangi bagian utang pembiayaan konsumen yang jatuh tempo dalam waktu satu tahun:					Less current maturities of long-term consumer financing payables:
PT Chandra Sakti Utama Leasing	111.540	161.459	216.985	188.491	PT Chandra Sakti Utama Leasing
PT BCA Finance	29.285	28.697	31.781	-	PT BCA Finance
PT Mandiri Tunas Finance	6.720	6.610	7.066	-	PT Mandiri Tunas Finance
PT BII Finance Center	-	-	3.863	9.348	PT BII Finance Center
PT Toyota Astra Financial Services	-	-	-	3.050	PT Toyota Astra Financial Services
Bagian yang jatuh tempo dalam waktu setahun	147.545	196.766	259.695	200.889	Current maturities of consumer financing payables
Bagian jangka panjang					Long-term portion
PT BCA Finance	20.570	27.477	58.041	-	PT BCA Finance
PT Mandiri Tunas Finance	560	2.204	9.421	-	PT Mandiri Tunas Finance
PT Chandra Sakti Utama Leasing	-	-	185.339	405.678	PT Chandra Sakti Utama Leasing
PT BII Finance Center	-	-	-	3.116	PT BII Finance Center
Bagian jangka panjang utang pembiayaan konsumen	21.130	29.681	252.801	408.794	Long-term portion of consumer financing payables

Rincian utang bank jangka pendek dan pinjaman jangka panjang berdasarkan mata uang adalah sebagai berikut:

The details of short-term bank loan and long-term borrowings based on currencies are as follows:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Utang bank jangka pendek					Short-term bank loan
Rupiah	-	-	-	372.134	Rupiah
Pinjaman jangka panjang					Long-term borrowings
Rupiah	168.675	226.447	512.496	50.023.621	Rupiah
Dolar AS	62.920.576	63.076.966	56.974.164	-	US Dollar
Total	63.089.251	63.303.413	57.486.660	50.023.621	Total

1. Utang Bank

1. Bank Loans

**a. PT Bank Mandiri (Persero) Tbk
("Mandiri")**

**a. PT Bank Mandiri (Persero) Tbk
("Mandiri")**

PT Energy Sakti Sentosa ("ESS")

PT Energy Sakti Sentosa ("ESS")

Pada tanggal 15 Desember 2017, ESS mengadakan perjanjian pinjaman dengan Mandiri untuk memperoleh fasilitas kredit investasi *non-revolving* yang memiliki batas kredit sebesar AS\$31.000.000. Pinjaman ini digunakan untuk pembiayaan aset

On December 15, 2017, ESS entered into a loan agreement with Mandiri to obtain a non-revolving credit investment facility which has a credit limit amounting to US\$31,000,000. This loan is used to finance existing assets in the 3x6 MW

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**a. PT Bank Mandiri (Persero) Tbk
("Mandiri") (lanjutan)**

**PT Energy Sakti Sentosa ("ESS")
(lanjutan)**

eksisting di Pembangkit Listrik Tenaga Air ("PLTA") Pakkat kapasitas 3x6 MW di Sumatera Utara. Fasilitas ini memiliki jangka waktu 87 bulan, terhitung sejak tanggal penandatanganan perjanjian, termasuk periode ketersediaan 3 bulan. Fasilitas ini dikenakan tingkat bunga 5,75% per tahun dan dapat berubah sewaktu-waktu sesuai dengan ketentuan yang berlaku oleh Mandiri. ESS dikenakan biaya provisi, biaya *structuring*, dan biaya administrasi sebesar AS\$842.784 pada saat penandatanganan perjanjian.

Saldo pinjaman untuk fasilitas ini pada tanggal 31 Maret 2019, 31 Desember 2018 and 2017 adalah masing-masing sebesar AS\$26.570.000 sebelum dikurangi biaya transaksi pinjaman yang belum diamortisasi sebesar AS\$518.008, AS\$27.600.000 sebelum dikurangi biaya transaksi pinjaman yang belum diamortisasi sebesar AS\$556.526 dan AS\$31.000.000 sebelum dikurangi biaya transaksi pinjaman yang belum diamortisasi sebesar AS\$830.571.

Fasilitas pinjaman di atas dari Mandiri dijamin dengan:

- Proyek yang dibiayai berupa tanah, bangunan, dan mesin-mesin PLTA Pakkat dengan bukti kepemilikan Sertifikat Hak Guna Bangunan ("SHGB") No. 3,4,5,6,7,8,9 atas nama ESS dan dua sertifikat tanah yang sedang dalam proses penerbitan, dengan total luas lahan 66.408 m². Tanah di atas akan diikat dengan hak tanggungan sebesar Rp515.151.280.000;
- Tanah seluas 13.140 m² Sertifikat Hak Milik ("SHM") No. 15041 di Benoa, Kuta Selatan, akan diikat dengan hak tanggungan sebesar Rp152.000.000.000;

14. BORROWINGS (continued)

1. Bank Loans (continued)

**a. PT Bank Mandiri (Persero) Tbk
("Mandiri") (continued)**

**PT Energy Sakti Sentosa ("ESS")
(continued)**

Hydroelectric Power Plant ("PLTA") Pakkat located in North Sumatra. This facility has a term of 87 months, effective from the date of signing the agreement, including availability period of 3 months. This facility bears interest rate of 5.75% per annum and may change from time to time in accordance with applicable provisions by Mandiri. ESS incurs provision fee, structuring fee, and administration fee which amounted to US\$842,784 at the time of signing the agreement.

The outstanding loan balance for this facility as of March 31, 2019, December 31, 2018 and 2017 amounted to US\$26,570,000 before deducting unamortized loan transaction costs of US\$518,008, US\$27,600,000 before deducting unamortized loan transaction costs of US\$556,526 and US\$31,000,000 before deducting unamortized loan transaction costs of US\$830,571, respectively.

The above loan facility from Mandiri is secured by the following:

- Land, buildings, and machineries in PLTA Pakkat with legal ownership of Certificate of Right to Build ("SHGB") No. 3,4,5,6,7,8,9 under the name of ESS and the two land certificates that are in the process of issuance, with total land area of 66,408 m². The minimum total amount of the above land collaterals was Rp515,151,280,000;
- Land area of 13,140 m² with Certificate of Ownership ("SHM") No. 15041 and located in Benoa, South Kuta with collateral amount of Rp152,000,000,000;

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**a. PT Bank Mandiri (Persero) Tbk
("Mandiri") (lanjutan)**

**PT Energy Sakti Sentosa ("ESS")
(lanjutan)**

- Tanah dan bangunan masing-masing seluas 66 m² dan 255 m² dengan kepemilikan SHM No. 155 di Petojo Selatan akan diikat sebesar Rp5.000.000.000;
- SHM No. 15041 dan 155 merupakan agunan pengganti, mengingat 2 sertifikat di areal Pakkat masih dalam proses penerbitan dan PLTA Air Putih milik PT Bangun Tirta Lestari masih dalam pembangunan;
- Piutang dari PLN akan diikat dengan jaminan sebesar Rp18.000.000.000;
- *Personal Guarantee* dan *Cash Deficit Guarantee* atas nama Henry Maknawi;
- Hak tagih klaim asuransi akan diikat dengan jumlah jaminan sebesar Rp412.300.000.000;
- Kas pada rekening escrow/giro Dolar AS sebesar 3x angsuran dan 3x bunga bulan selanjutnya;
- Gadai saham ESS; dan
- Pengalihan Hak Pengusahaan (*step in right*) yang mencakup kuasa yang tidak dapat ditarik kembali kepada Bank untuk dapat menunjuk pihak ketiga sebagai operator PLTA Pakkat.

Selama perjanjian kredit, ESS harus menjaga rasio keuangan, antara lain *Debt Service Coverage Ratio* (DSCR) minimal 1, *Current Ratio* (CR) minimal 100% yang tercermin di laporan keuangan, dan *Debt Equity Ratio* maksimal 300% sampai dengan fasilitas kredit lunas.

Pada tanggal 10 Agustus 2018, ESS memberitahukan kepada Mandiri terkait perubahan komposisi pemegang saham dan perubahan modal dasar yang ditempatkan dan disetor penuh di tahun 2017 yang diakui Mandiri pada tanggal 18 September 2018.

14. BORROWINGS (continued)

1. Bank Loans (continued)

**a. PT Bank Mandiri (Persero) Tbk
("Mandiri") (continued)**

**PT Energy Sakti Sentosa ("ESS")
(continued)**

- *Land and building with area of 66 m² and 255 m², respectively, with SHM No. 155 in South Petojo with collateral amount of Rp5,000,000,000;*
- *SHM No. 15041 and 155 are replacement collaterals, considering that 2 certificates in the Pakkat area are still in the process of issuance and PLTA Air Putih owned by PT Bangun Tirta Lestari is still under construction;*
- *Receivables from PLN with collateral amount of Rp18,000,000,000;*
- *Personal Guarantee and Cash Deficit Guarantee under the name of Henry Maknawi;*
- *Right to claim from insurance claims with collateral amount of Rp412,300,000,000;*
- *Cash in escrow/US Dollar current account equivalent to three principal and interest installment next three months;*
- *Pledge ESS shares; and*
- *Transfer of Concession Rights (step in right) which includes the power that cannot be withdrawn to the Bank to be able to appoint a third party as PLTA Pakkat operator.*

During the period of loan, ESS must maintain financial ratios, such as Debt Service Coverage Ratio (DSCR) minimum of 1 (one), Current Ratio (CR) minimum of 100% reflected in the financial statements, and Debt Equity Ratio of maximum 300% until credit facility is fully paid.

On August 10, 2018, ESS notified Mandiri relating to the change in the composition of shareholders and change in authorized and issued and paid-in share capital in 2017 which Mandiri acknowledged on September 18, 2018.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**a. PT Bank Mandiri (Persero) Tbk
("Mandiri") (lanjutan)**

**PT Energy Sakti Sentosa ("ESS")
(lanjutan)**

Pada tanggal 10 Desember 2018, Mandiri memberikan persetujuan kepada ESS melalui Surat Penawaran Perubahan Ketentuan sehubungan dengan penghapusan negative covenants, yang termasuk tetapi tidak terbatas pada hal berikut: melakukan pembagian dividen kepada pemegang saham. ESS harus memberi tahu Mandiri dalam atau selambat-lambatnya 14 hari jika ESS membagikan dividen kepada pemegang saham.

Perubahan ini berlaku setelah ESS mengembalikan penandatanganan Surat Penawaran Perubahan Ketentuan, memberikan Surat Pernyataan yang menyatakan ESS harus mempertahankan bagian saham Keluarga Maknawi sebagai pemegang saham mayoritas pada saat melaksanakan proses Penawaran Umum Perdana (IPO) Perusahaan, memberikan perubahan Anggaran Dasar ESS jika ada perubahan terkait dengan perubahan modal saham, harga saham, perubahan nama dan komposisi pemegang saham, dan harus memberitahukan hasil IPO ke Mandiri. Jika IPO tidak dapat dilakukan, ESS harus merujuk ke perjanjian awal.

Pada tanggal 14 Februari 2019, Mandiri memberikan persetujuan kepada ESS sehubungan dengan penghapusan *negative covenants*, yang termasuk tetapi tidak terbatas pada hal-hal berikut: perubahan peningkatan modal dasar dan disetor dan komposisi pemegang saham pada tahun 2019 masing-masing berdasarkan Akta Notaris No. 5 dan 77 Yulia S.H. yang tanggal 11 Februari 2019 dan 27 Maret 2019.

14. BORROWINGS (continued)

1. Bank Loans (continued)

**a. PT Bank Mandiri (Persero) Tbk
("Mandiri") (continued)**

**PT Energy Sakti Sentosa ("ESS")
(continued)**

On December 10, 2018, Mandiri, through the Amended Offering Letter, gave approval to ESS regarding the waiver of negative covenants, which included but were not limited to the following: distribute dividends to the shareholders. ESS must notify Mandiri within or at the latest 14 days if ESS distribute dividends to the shareholders.

The amendment is effective after ESS returned the signed Amended Offering Letter, issuance of Statement Letter stating that ESS must maintain share portion of Maknawi family as the majority shareholder at the time of executing Initial Public Offering (IPO) process of the Company and providing the amended Articles of Association of ESS regarding any changes in share capital, share price, change of name and shareholder composition, and must notify the result of IPO to Mandiri. If the IPO cannot be done, ESS must refer to the original agreement.

On February 14, 2019, Mandiri gave approval to ESS relating to the waiver of negative covenants, which include but not limited to the following: change in the increase in authorized and paid-in capital and composition of shareholders in 2019 which is based on Notarial Deed No. 5 and 77 of Yulia S.H., dated February 11, 2019 and March 27, 2019, respectively.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**b. PT Bank Mandiri (Persero) Tbk
("Mandiri") (lanjutan)**

PT Bangun Tirta Lestari ("BTL")

- i. Pada tanggal 19 Desember 2017, BTL mengadakan perjanjian pinjaman dengan Mandiri untuk memperoleh fasilitas kredit investasi *non-revolving* yang memiliki batas kredit sebesar AS\$21.000.000. Pinjaman ini digunakan untuk pembiayaan aset berupa 3x7 MW PLTA Air Putih yang terletak di Bengkulu. Fasilitas ini memiliki jangka waktu 99 bulan, terhitung sejak tanggal penandatanganan perjanjian, termasuk *availability period* 20 bulan. Fasilitas ini dikenakan tingkat bunga 5,75% per tahun dan dapat berubah sewaktu-waktu sesuai dengan ketentuan yang berlaku oleh Mandiri. BTL dikenakan biaya provisi, biaya *structuring*, dan biaya administrasi sebesar AS\$213.680 pada saat penandatanganan perjanjian.

Saldo pinjaman untuk fasilitas ini pada tanggal 31 Maret 2019, 31 Desember 2018 dan 2017 adalah masing-masing sebesar AS\$17.376.666 sebelum dikurangi biaya transaksi pinjaman yang belum diamortisasi sebesar AS\$169.433, AS\$16.836.476 sebelum dikurangi biaya transaksi pinjaman yang belum diamortisasi sebesar AS\$174.937 dan AS\$11.064.396 sebelum dikurangi biaya transaksi pinjaman yang belum diamortisasi sebesar AS\$211.518.

Fasilitas pinjaman di atas dari Mandiri dijamin dengan:

- Tanah, bangunan, mesin dari sarana pelengkap lainnya yang terletak di Bengkulu dengan bukti kepemilikan:
 - a. SHGB No. 00001/2013 dengan luas 59.509 m² atas nama BTL.
 - b. SHGB No. 00002/2014 dengan luas 140.580 m² atas nama BTL.
 - c. faktur/kuitansi/bukti pembelian mesin atas nama BTL.

14. BORROWINGS (continued)

1. Bank Loans (continued)

**b. PT Bank Mandiri (Persero) Tbk
("Mandiri") (continued)**

PT Bangun Tirta Lestari ("BTL")

- i. On December 19, 2017, BTL entered into a loan agreement with Mandiri to obtain a *non-revolving credit investment facility* which has a credit limit amounting to US\$21,000,000. This loan is used to finance assets in the 3x7 MW PLTA Air Putih located in Bengkulu. This facility has a term of 99 months, effective from the date of signing the agreement, including *availability period* of 20 months. This facility bears interest rate of 5.75% per annum and may change from time to time in accordance with applicable provisions by Mandiri. BTL incurs provision fee, *structuring fee*, and administration fee which amounted to US\$213,680 at the time of signing the agreement.

The outstanding loan balance for this facility as of March 31, 2019 and December 31, 2018 and 2017 amounted to US\$17,376,666 before deducting unamortized loan transaction costs of US\$169,433, US\$16,836,476 before deducting unamortized loan transaction costs of US\$174,937 and US\$11,064,396 before deducting unamortized loan transaction costs of US\$211,518, respectively.

The above loan facility from Mandiri is secured by the following:

- Land, building, machineries from other complementary facilities located in Bengkulu with proof of ownership:
 - a. SHGB No. 00001/2013 with area of 59,509 m² under the name of BTL.
 - b. SHGB No. 00002/2014 with area of 140,580 m² under the name of BTL.
 - c. Invoices, receipts, evidence of purchase of machineries under the name of BTL.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**a. PT Bank Mandiri Tbk ("Mandiri")
(lanjutan)**

**PT Bangun Tirta Lestari ("BTL")
(lanjutan)**

Akan diikat dengan Hak Tanggungan senilai minimal Rp700.000.000.000.

- Sampai dengan proyek PLTA Air Putih selesai, BTL menyerahkan agunan pendamping berupa :
 - a. Tanah seluas 13.140 m² SHM No. 15041/Benoa, terletak di Bali.
 - b. Tanah dan bangunan seluas masing-masing 66 m² dan 255 m² dengan kepemilikan SHM No. 155 di Petojo Selatan, Jakarta Pusat.

Akan diikat dengan hak tanggungan untuk fasilitas grup usaha atas nama ESS.

- Piutang penjualan listrik PLTA Air Putih kepada PLN berdasarkan Perjanjian Jual Beli Tenaga Listrik antara BTL dengan PLN. Atas agunan yang dimaksud, akan diikat fidusia dengan nilai pengikatan minimal senilai Rp691.875.000.000;
- Hak tagih klaim asuransi akan diikat fidusia senilai Rp665.675.000.000;
- Dana pada rekening pengumpulan, pembayaran hutang, rekening cadangan pembayaran hutang, dan rekening dana lebih yang diikat dengan gadai senilai Rp50.000.000.000;
- Gadai saham atas nama BTL; dan
- Pengalihan Hak Pengusahaan (*step in right*) yang mencakup kuasa yang tidak dapat ditarik kembali kepada Bank untuk dapat menunjuk pihak ketiga sebagai operator PLTA Pakkat.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. BORROWINGS (continued)

1. Bank Loans (continued)

**a. PT Bank Mandiri Tbk ("Mandiri")
(continued)**

**PT Bangun Tirta Lestari ("BTL")
(continued)**

The above has minimum collateral value of Rp700,000,000,000.

- Until PLTA Air Putih project is completed, BTL submits accompanying collateral in the form of:
 - a. Land with area of 13,140 m² with SHM No. 15041 located in Benoa, Bali.
 - b. Land and building with area of 66 m² and 255 m², respectively with SHM No. 155 located in South Petojo, Central Jakarta.

The above are bound by fiduciary for business group facilities under the name of ESS.

- Receivable from sale of electricity PLTA Air Putih to PLN based on Power Purchase Agreement by BTL with PLN. For the intended collateral, will be bound by fiduciary with minimum bonding value worth Rp691,875,000,000;
- Right to claim from insurance claims will be bound by fiduciary amounting to Rp665,675,000,000;
- Fund in collection account, debt service account, debt service reserve account, and excess cash accounting with pledge amounting to Rp50,000,000,000;
- Pledge BTL shares; and
- Transfer of Concession Rights (*step in right*) which includes the power that cannot be withdrawn to the Bank to be able to appoint a third party as PLTA Pakkat operator.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**a. PT Bank Mandiri Tbk ("Mandiri")
(lanjutan)**

**PT Bangun Tirta Lestari ("BTL")
(lanjutan)**

- ii. BTL juga memperoleh *sublimit* fasilitas Kredit Investasi yang merupakan *Letter of Credit (Sight, Usance)*, *advised* dan *non-revolving* dengan batas kredit sebesar AS\$3.000.000. Fasilitas ini digunakan untuk membiayai proyek termasuk pembelian mesin. Fasilitas ini memiliki jangka waktu 12 bulan sejak tanggal penandatanganan perjanjian dan mewajibkan 5% jaminan deposito berdasarkan jumlah setiap surat kredit yang diterbitkan. Pada tanggal 31 Maret 2019, 31 Desember 2018 dan 2017, fasilitas ini belum digunakan.

Selama perjanjian kredit, Perusahaan harus menjaga rasio keuangan, antara lain *Debt Service Coverage Ratio (DSCR)* minimal 1, *Current Ratio (CR)* minimal 100% yang tercermin di laporan keuangan sejak proyek beroperasi, dan *Debt Equity Ratio* maksimal 300% yang tercermin di laporan keuangan sejak tahun 2019 sampai dengan fasilitas kredit lunas.

Pada tanggal 10 Agustus 2018, BTL memberitahukan kepada Mandiri terkait perubahan komposisi pemegang saham tahun 2017 dan 2018 dan perubahan modal dasar yang ditempatkan dan disetor penuh di tahun 2017 yang diakui Mandiri pada tanggal 18 September 2018.

Pada tanggal 10 Desember 2018, Mandiri memberikan persetujuan kepada BTL melalui Surat Penawaran Perubahan Ketentuan sehubungan dengan penghapusan *negative covenants*, yang termasuk tetapi tidak terbatas pada hal berikut: melakukan pembagian dividen kepada pemegang saham. BTL harus memberi tahu Mandiri dalam atau selambat-lambatnya 14 hari jika BTL membagikan dividen kepada pemegang saham.

14. BORROWINGS (continued)

1. Bank Loans (continued)

**a. PT Bank Mandiri Tbk ("Mandiri")
(continued)**

**PT Bangun Tirta Lestari ("BTL")
(continued)**

- ii. BTL also obtained a *sublimit* of *Investment Credit* facility which is an *uncommitted*, *advised* and *non-revolving* *Letter of Credit (Sight, Usance)* facility with credit limit of US\$3,000,000. This facility is used to finance the project including purchases of machinery. This facility has a term of 12 months from the date of signing the agreement and required 5% guarantee deposit based on the amount of each letter of credit issued. As of March 31, 2019, December 31, 2018 and 2017, this facility has not been used.

During the period of loan, BTL must maintain financial ratios, such as *Debt Service Coverage Ratio (DSCR)* minimum of 1 (one), *Current Ratio (CR)* minimum of 100% reflected in the financial statements since the project operates, and *Debt Equity Ratio* maximum of 300% reflected in the 2019 financial statements until the credit facilities are fully paid.

On August 10, 2018, BTL notified Mandiri relating to the change in the composition of shareholders in 2017 and 2018 and change in authorized and issued and paid-in share capital in 2017 which Mandiri acknowledged on September 18, 2018.

On December 10, 2018, Mandiri, through the Amended Offering Letter, gave approval to BTL regarding the waiver of negative covenants, which included but were not limited to the following: distribute dividends to the shareholders. BTL must notify Mandiri within or at the latest 14 days if BTL distribute dividends to the shareholders.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**a. PT Bank Mandiri Tbk ("Mandiri")
(lanjutan)**

**PT Bangun Tirta Lestari ("BTL")
(lanjutan)**

Perubahan ini berlaku setelah BTL mengembalikan penandatanganan Surat Penawaran Perubahan Ketentuan, memberikan Surat Pernyataan yang menyatakan BTL harus mempertahankan bagian saham keluarga Maknawi sebagai pemegang saham mayoritas pada saat melaksanakan proses Penawaran Umum Perdana (IPO) Perusahaan, memberikan perubahan Anggaran Dasar BTL jika ada perubahan terkait dengan perubahan modal saham, harga saham, perubahan nama dan komposisi pemegang saham, dan harus memberitahukan hasil IPO ke Mandiri. Jika IPO tidak dapat dilakukan, BTL harus merujuk ke perjanjian awal.

Selama periode perjanjian kredit, ESS dan BTL tanpa pemberitahuan tertulis kepada Mandiri tidak boleh melakukan aktivitas tertentu antara lain membuat perjanjian hutang, hak tanggungan, atau menjaminkan dalam apapun aset ESS dan BTL termasuk hak atas tagihan dengan pihak lain, melakukan merger, pengambilalihan, menjual aset maksimal Rp2.000.000.000, mengadakan perubahan modal, pemegang saham, serta kepemilikan saham, kecuali a) pengurus baru tidak termasuk dalam daftar hitam Bank Indonesia, b) perubahan kepemilikan dimana keluarga Maknawi tetap sebagai *ultimate majority shareholder*, c) Bank Mandiri diberitahu secara tertulis terkait dengan peningkatan modal dasar atau modal disetor, memperoleh fasilitas kredit dengan tujuan penggunaan yang sama dengan Mandiri, membuat suatu perikatan, perjanjian, atau dokumen lain yang bertentangan dengan Perjanjian Kredit, pembagian dividen, memindahtangankan barang jaminan, melunasi hutang ESS dan BTL kepada pemegang saham dan mengambil bagian modal/ekuitas untuk kepentingan di luar usaha dan kepentingan pribadi.

14. BORROWINGS (continued)

1. Bank Loans (continued)

**a. PT Bank Mandiri Tbk ("Mandiri")
(continued)**

**PT Bangun Tirta Lestari ("BTL")
(continued)**

The amendment is effective after BTL returned the signed Amended Offering Letter, issuance of Statement Letter stating that BTL must maintain share portion of Maknawi family as the majority shareholder at the time of executing Initial Public Offering (IPO) process of the Company and providing the amended Articles of Association of BTL regarding any changes in share capital, share price, change of name and shareholder composition, and must notify the result of IPO to Mandiri. If the IPO cannot be done, BTL must refer to the original agreement.

During the period of the loan, ESS and BTL without written notification to Mandiri is not allowed to carry out the activities, among others, such as enter into debt agreement, mortgage, or pledge any assets of ESS and BTL, including the right to invoices with other parties, enter into merger, acquisition, sell assets exceeding Rp2,000,000,000, change share capital, shareholders, and ownership of shares, unless, a) new management is not black listed by Bank Indonesia, b) the ownership change still results to Maknawi family being the ultimate majority shareholder, c) Bank Mandiri is notified in writing relating to the increase in authorized and paid-up capital, obtains credit facilities for the same purposes of use as Mandiri, enter in engagement, agreement, or other document that is contrary to the Credit Agreement, distribute dividends, transfer of collateral assets, settle ESS' and BTL's debt to its shareholders and taking part capital/equity for interests outside business and personal interests.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

b. PT Bank UOB Indonesia ("UOB")

PT Energy Sakti Sentosa ("ESS")

- i. Pada tanggal 13 Juni 2013, ESS dan UOB menandatangani perjanjian pinjaman dan memperoleh fasilitas pinjaman Kredit Investasi Konstruksi ("KISI") dengan *plafond* sebesar Rp206.397.000.000. Fasilitas ini diambil alih oleh PT Sarana Multi Infrastruktur dan digunakan untuk membiayai Proyek PLTA dengan kapasitas 3x6,3 MW. Jangka waktu pinjaman adalah 90 bulan, termasuk masa tenggang 18 bulan dan dikenakan bunga 10,5% per tahun.

Pada tanggal 18 November 2014, ESS dan UOB setuju untuk meningkatkan fasilitas kredit sebesar Rp80.000.000.000 atau sejumlah Rp286.397.000.000. Jangka waktu pinjaman juga diperpanjang hingga 102 bulan termasuk tenggang waktu 30 bulan dan dikenakan tingkat bunga 12% per tahun.

Pada tanggal 12 Desember 2017, ESS membayar penuh seluruh saldo dari UOB, termasuk bunga yang masih harus dibayar dan denda untuk pelunasan lebih awal.

Pada tanggal 31 Desember 2016 saldo pinjaman untuk fasilitas ini sebesar AS\$19.184.080 (setara dengan Rp257.757.299.996).

Fasilitas pinjaman ini dijamin dengan berikut:

- Tanah dan bangunan dengan luas 43.019 m² berlokasi di Sumatera Utara atas nama ESS;
- 2 set mesin (turbin dan generator termasuk transmisi dan sebagainya (kapasitas 6,3 MW)) berlokasi di PLTA Pakkat, Sumatera Utara;
- Piutang dagang berdasarkan PPA antara ESS dan PLN;

14. BORROWINGS (continued)

1. Bank Loans (continued)

b. PT Bank UOB Indonesia ("UOB")

PT Energy Sakti Sentosa ("ESS")

- i. On June 13, 2013, ESS and UOB entered in a loan agreement and obtained Construction Investment Credit ("KISI") with credit facility of Rp206,397,000,000. This facility was a take over from PT Sarana Multi Infrastruktur and is used to finance PLTA Project with capacity of 3x6,3 MW. The term of the loan is 90 months, including grace period of 18 months and bears interest of 10.5% per annum.

On November 18, 2014, ESS and UOB agreed to increase the credit facility by Rp80,000,000,000 or a total of Rp286,397,000,000. The term of the loan was also extended to 102 months including grace period of 30 months and bears interest rate of 12% per annum.

On December 12, 2017, ESS repaid in full all the outstanding balances from UOB, including accrued interests and penalty for early repayment.

As of December 31, 2016, the outstanding loan balance for this facility amounted to US\$19,184,080 (equivalent to Rp257,757,299,996).

This facility is secured by the following:

- Land and building with area of 43,019 m² located in North Sumatra under the name of ESS;
- 2 set of machinery (turbine and generator including transmission and others (with capacity of 6.3 MW)) located at PLTA Pakkat, North Sumatra;
- Accounts receivable based on PPA between ESS and PLN;

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**b. PT Bank UOB Indonesia ("UOB")
(lanjutan)**

**PT Energy Sakti Sentosa ("ESS")
(lanjutan)**

- *Personal guarantee* atas nama Henry Maknawi sebesar tidak kurang dari Rp226.397.000.000; dan
 - *Sinking fund* pada rekening escrow atau deposito di bank sebesar satu (1) kali angsuran bunga selama masa tenggang dan satu (1) kali angsuran pokok dan bunga setelah berakhirnya masa tenggang.
- ii. Pada tanggal 13 Juni 2013, UOB juga memberikan fasilitas *Letter of Credit (L/C)* kepada ESS dengan *plafond* sebesar Rp20.000.000.000. Fasilitas ini digunakan untuk mengimpor mesin. Pada tanggal 26 Oktober 2016, fasilitas ini telah diperpanjang sampai dengan 30 Desember 2016 dan tidak diperbolehkan menerbitkan L/C baru. Fasilitas ini tidak pernah digunakan.
- iii. Pada tanggal 13 Juni 2013, UOB juga memberikan fasilitas pinjaman Kredit Investasi Mesin dan Alat-alat Berat ("KIMA") kepada ESS dengan *plafond* sebesar Rp18.600.000.000. Fasilitas ini merupakan fasilitas *sublimit* dari L/C dan digunakan untuk membiayai pembelian mesin untuk Proyek PLTA Pakkat atau untuk melunasi fasilitas L/C.

Pada tanggal 26 Oktober 2016, fasilitas ini telah diperpanjang hingga 19 Januari 2022. Pinjaman ini dikenakan bunga sebesar 11% per tahun.

Pada tanggal 12 Desember 2017, ESS membayar penuh seluruh saldo dari UOB, termasuk bunga yang masih harus dibayar dan denda untuk pelunasan lebih awal.

14. BORROWINGS (continued)

1. Bank Loans (continued)

**b. PT Bank UOB Indonesia ("UOB")
(continued)**

**PT Energy Sakti Sentosa ("ESS")
(continued)**

- *Personal guarantee under the name of Henry Maknawi not less than Rp226,397,000,000.; and*
 - *Sinking fund or escrow account or bank deposit equivalent to one (1) interest installment during the grace period and one (1) principal installment and interest after the grace period ends.*
- ii. On June 13, 2013, UOB also granted ESS a *Letter of Credit (L/C)* facility with credit limit amounting to Rp20,000,000,000. This facility is used to import machineries. On October 26, 2016, this facility has been extended until December 30, 2016 and was not allowed to issue new L/C. This facility was not used.
- iii. On June 13, 2013, UOB also granted ESS a *Machineries and Equipment Credit Investment ("KIMA")* facility with credit facility amounting to Rp18,600,000,000. This facility is a *sublimit* facility from L/C facility and was used to finance the purchase of machineries for the PLTA Pakkat project or for settlement of L/C facility.

On October 26, 2016, this facility has been extended until January 19, 2022. This loan bears interest rate of 11% per annum.

On December 12, 2017, ESS repaid in full all the outstanding balances from UOB, including accrued interests and penalty for early repayment.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**b. PT Bank UOB Indonesia ("UOB")
(lanjutan)**

**PT Energy Sakti Sentosa ("ESS")
(lanjutan)**

Pada tanggal 31 Desember 2016, saldo pinjaman fasilitas ini sebesar AS\$831.963 (setara dengan Rp11.178.241.440).

- iv. Pada tanggal 16 Oktober 2013, UOB memberikan kepada ESS fasilitas Bank Garansi ("BG") dengan plafond sebesar Rp2.242.000.000. Fasilitas ini merupakan fasilitas *sublimit* dari L/C dan digunakan sebagai jaminan perpanjangan kontrak konstruksi periode Proyek PLTA Pakkat sampai dengan penyaluran *Commercial Operation Date* ("COD") listrik ke PLN. Pinjaman ini dikenakan *opening fee* sebesar 1% per tahun.

Fasilitas L/C, KIMA dan BG dijamin dengan berikut:

- 2 set mesin (turbin dan generator termasuk transmisi dan sebagainya (kapasitas 6,3 MW)) berlokasi di PLTA Pakkat, Sumatera Utara;
- *Personal guarantee* atas nama Henry Maknawi sebesar tidak kurang dari Rp226.397.000.000; dan
- *Sinking fund* pada rekening escrow atau deposito di bank sebesar 1 (satu) kali angsuran bunga selama masa tenggang dan 1 (satu) kali angsuran pokok dan bunga setelah berakhirnya masa tenggang.

14. BORROWINGS (continued)

1. Bank Loans (continued)

**b. PT Bank UOB Indonesia ("UOB")
(continued)**

**PT Energy Sakti Sentosa ("ESS")
(continued)**

As of December 31, 2016, the outstanding loan balance for this facility amounted to US\$831,963 (equivalent to Rp11,178,241,440).

- iv. On October 16, 2013, UOB granted ESS a Bank Guarantee ("BG") facility with credit amount of Rp2,242,000,000. This facility is a *sublimit* facility of the L/C facility and is used as guarantee for the PLTA Pakkat project during its construction period until electricity distribution *Commercial Operation Date* ("COD") to PLN. This facility bears opening fee of 1% per annum.

L/C, KIMA and BG facilities are secured by the following:

- 2 set of machinery (turbine and generator including transmission and others (with capacity of 6.3 MW)) located at PLTA Pakkat, North Sumatra;
- *Personal guarantee* under the name of Henry Maknawi not less than Rp226,397,000,000; and
- *Sinking fund* or escrow account or bank deposit equivalent to one (1) interest installment during the grace period and one (1) principal installment and interest after the grace period ends.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**b. PT Bank UOB Indonesia ("UOB")
(lanjutan)**

**PT Energy Sakti Sentosa ("ESS")
(lanjutan)**

Selama periode perjanjian kredit, ESS tanpa pemberitahuan tertulis kepada UOB tidak boleh melakukan hal-hal antara lain melakukan perubahan modal dasar, Anggaran Dasar, susunan Direksi dan Dewan Komisaris serta para pemegang saham, melakukan kegiatan usaha selain yang disebutkan dalam Anggaran Dasar perseroan, melakukan konsolidasi, penggabungan, pengambilalihan, pemisahan atau pembubaran, mengadakan perjanjian yang dapat menimbulkan kewajiban untuk membayar kepada pihak ketiga, memperoleh fasilitas kredit atau pinjaman dari pihak/bank lain, dan membagikan dividen.

PT Bangun Tirta Lestari ("BTL")

Pada tanggal 5 September 2012, BTL menandatangani perjanjian pinjaman dengan UOB untuk memperoleh fasilitas Kredit Investasi Konstruksi ("KISI") dan Sublimit L/C dengan plafond sebesar Rp150.000.000.000. Pinjaman ini digunakan untuk pembangunan proyek PLTA Air Putih di Bengkulu. Fasilitas KISI akan jatuh tempo pada tanggal 14 Desember 2021. Fasilitas KISI dikenakan bunga sebesar 12,5% per tahun.

Pada tanggal 3 Februari 2016, fasilitas Sublimit LC ditutup.

Pada tanggal 12 Desember 2017, BTL telah melunasi fasilitas KISI secara penuh.

Pada tanggal 31 Desember 2016, saldo pinjaman terkait dengan fasilitas KISI sebesar AS\$10.578.495 (setara dengan Rp142.132.663.958).

14. BORROWINGS (continued)

1. Bank Loans (continued)

**b. PT Bank UOB Indonesia ("UOB")
(continued)**

**PT Energy Sakti Sentosa ("ESS")
(continued)**

During the period of the loan, ESS without written notification to UOB is not allowed to carry out the activities, among others, such as amend the authorized capital, Articles of Association, boards of commissioners and directors structure and shareholders structure, conducting other business activities other than those mentioned in the Articles of Association, enter into consolidation, merger, acquisition, separation or liquidation, enter into an agreement which may give rise to an obligation to pay to third parties, obtain credit facility or loan from other parties/banks, and distribute dividends.

PT Bangun Tirta Lestari ("BTL")

On September 5, 2012, BTL entered into a loan agreement with UOB to obtain a Construction Investment Credit ("KISI") and Sublimit L/C facilities which has a credit limit of Rp150,000,000,000. These facilities are used for the construction of PLTA Air Putih project in Bengkulu. KISI facility will mature on December 14, 2021. KISI facility bears interest rate at 12.5% per annum.

On February 3, 2016, the Sublimit LC facility was closed.

On December 12, 2017, BTL has repaid KISI facility in full.

As of December 31, 2016, the outstanding loan related to KISI facility amounted to US\$10,578,495 (equivalent to Rp142,132,663,958).

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**b. PT Bank UOB Indonesia ("UOB")
(lanjutan)**

**PT Bangun Tirta Lestari ("BTL")
(lanjutan)**

Fasilitas KISI dijamin dengan berikut:

- Tanah dan bangunan dengan luas 180.000 m² berlokasi di Bengkulu atas nama BTL;
- Turbin dan generator termasuk transmisi dan sebagainya berlokasi di Bengkulu;
- Piutang dagang berdasarkan PPA antara BTL dan PLN;
- *Personal guarantee* atas nama Henry Maknawi sebesar Rp150.000.000.000 sampai dengan berakhirnya masa konstruksi;
- Gadai saham BTL dengan total 1.500 lembar saham dengan nominal Rp1.000.000 per lembar saham;
- Dana pada rekening *collection account*, *operating account*, *debt service reserve account*, dan *excess cash account*; dan
- Hak tagih atas klaim asuransi.

Selama periode perjanjian kredit, BTL tanpa pemberitahuan tertulis kepada UOB tidak boleh melakukan aktivitas tertentu antara lain, merubah Anggaran Dasar, perubahan modal, susunan pengurus, dan pemegang saham, melakukan penggabungan, konsolidasi, dan akuisisi, menjaminkan aset proyek yang dibiayai, menjual/mengalihkan harta yang dijaminkan, mengadakan perjanjian yang dapat menimbulkan kewajiban untuk membayar kepada pihak ketiga, menyerahkan hak/kewajiban yang timbul berdasarkan perjanjian kredit, mengadakan perubahan nama, bentuk dan status hukum, sifat dan kegiatan usaha, melakukan penarikan/pemindahbukan dana pada rekening *collection account*, *debt service reserve account*, *excess cash account*, membubarkan perusahaan, mengikatkan diri sebagai penjamin kepada pihak lain, melakukan pembayaran atau pembayaran kembali kepada para pemegang saham dan melakukan pembagian dividen.

14. BORROWINGS (continued)

1. Bank Loans (continued)

**b. PT Bank UOB Indonesia ("UOB")
(continued)**

**PT Bangun Tirta Lestari ("BTL")
(continued)**

KISI facility is secured by the following:

- *Land and building with area of 180,000 m² located in Bengkulu under the name of BTL;*
- *Turbine and generator including transmission and others located at Bengkulu;*
- *Accounts receivable based on PPA between BTL and PLN;*
- *Personal guarantee under the name of Henry Maknawi amounting to Rp150,000,000,000 up to the end of the construction period;*
- *Pledge 1,500 of BTL shares with nominal value of Rp1,000,000 per share;*
- *Funds in collection account, operating account, debt service reserve account, and excess cash account under the name of BTL; and*
- *Right to claim from insurance claims.*

During the period of loan, BTL without written notification to UOB is not allowed to carry out activities, among others, such as amend the authorized capital, Articles of Association, structure of the Boards of Commissioners and Directors and shareholders structure, do merger, consolidation, aquisition, pledge project assets financed, sell/transfer pledged assets, enter into an agreement which may give rise to an obligation to pay to third parties, transfer right/obligation arising from credit agreement, amend name, form, legal status, nature and business activities, withdraw fund from collection account, debt service reserve account, excess cash account, do liquidate, act as underwriter/guarantor in any form and by any name to guarantee debt, do payment or repayment to shareholders and distribute dividends.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**c. PT Bank Danamon Indonesia Tbk
("Danamon")**

PT Energy Sakti Sentosa ("ESS")

Pada tanggal 10 Desember 2015, ESS menandatangani perjanjian pinjaman dengan Danamon dan memperoleh fasilitas sebagai berikut:

- i. Fasilitas pinjaman Kredit Rekening Koran ("KRK") bersifat *Revolving (Uncommitted)* dengan jumlah maksimum Rp5.000.000.000. Fasilitas ini digunakan untuk membiayai modal kerja. Fasilitas ini telah diperpanjang sampai dengan tanggal 17 Desember 2017. Pada tanggal 12 Desember 2017, ESS telah melunasi seluruh saldo dari fasilitas pinjaman ini sebesar Rp4.949.910.314. Pada tanggal 31 Desember 2016, saldo terutang terkait dengan fasilitas ini sebesar AS\$372.134 (setara dengan Rp5.000.000.000) yang diklasifikasikan sebagai "Utang Bank Jangka Pendek" dalam laporan posisi keuangan konsolidasian.
- ii. Kredit Angsuran Berjangka 1 ("KAB-1") bersifat *Non-Revolving (Uncommitted)* dengan jumlah maksimum sebesar Rp50.000.000.000. Pinjaman ini digunakan untuk membiayai proyek PLTA Pakkat. Fasilitas ini akan berakhir pada tanggal 17 Desember 2021. Pinjaman ini dikenakan bunga sebesar 11,25%. Fasilitas ini dibayar penuh pada tanggal 12 Desember 2017. Saldo pinjaman pada tanggal 31 Desember 2016 sebesar AS\$3.349.212 (setara dengan Rp45.000.000.000).

Pada tanggal 3 Agustus 2016, ESS menandatangani perjanjian pinjaman dengan Danamon dan memperoleh fasilitas sebagai berikut:

14. BORROWINGS (continued)

1. Bank Loans (continued)

**c. PT Bank Danamon Indonesia Tbk
("Danamon")**

PT Energy Sakti Sentosa ("ESS")

On December 10, 2015, ESS entered into a loan agreement with Danamon and obtained the following facilities:

- i. *Revolving (Uncommitted) Bank Overdraft ("KRK") facility with credit limit amounting to Rp5,000,000,000. This facility is used for working capital. This facility has been extended until December 17, 2017. On December 12, 2017, ESS has repaid in full the outstanding balance from this facility which amounted to Rp4,949,910,314. As of December 31, 2016, the outstanding balance related to this facility amounted to US\$372,134 (equivalent to Rp5,000,000,000) which is classified as "Short-term Bank Loan" in the consolidated statements of financial position.*
- ii. *Non-Revolving (Uncommitted) "Kredit Angsuran Berjangka 1" ("KAB-1") which has a maximum credit limit of Rp50,000,000,000. This loan is used to finance PLTA Pakkat project. This facility will mature on December 17, 2021. This facility bears interest rate of 11.25%. This facility was paid in full on December 12, 2017. The outstanding loan as of December 31, 2016 amounted to US\$3,349,212 (equivalent to Rp45,000,000,000).*

On August 3, 2016, ESS entered into a loan agreement with Danamon and obtained the following facility:

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**c. PT Bank Danamon Indonesia Tbk
("Danamon") (lanjutan)**

**PT Energy Sakti Sentosa ("ESS")
(lanjutan)**

- i. Kredit Angsuran Berjangka 2 ("KAB-2") bersifat *Non-Revolving (Uncommitted)* dengan jumlah maksimum limit kredit pinjaman sebesar Rp75.000.000.000. Pinjaman ini digunakan untuk membiayai proyek Pembangkit Listrik Tenaga Mini Hidro ("PLTMH") Pakkat. Fasilitas ini akan berakhir pada tanggal 17 Desember 2021. Pinjaman ini dikenakan bunga sebesar 11,25%. Saldo pinjaman pada tanggal 31 Desember 2016 sebesar AS\$2.539.818 (setara dengan Rp34.125.000.000).

Pada tanggal 30 September 2017, fasilitas KAB 1 dan KAB 2 diubah menjadi satu fasilitas ("KAB") dan dalam mata uang Dolar AS setara dengan AS\$8.127.677.

Pada tanggal 12 Desember 2017, Perusahaan membayar lunas fasilitas KAB sebesar Rp109.600.931.176 (setara dengan AS\$8.073.733), termasuk biaya bunga.

Seluruh fasilitas pinjaman dari Danamon tersebut dijamin dengan:

- Tanah seluas 13.140 m² berlokasi di Nusa Dua, Benoa, Kuta Selatan; dan
- Tanah dan bangunan dengan luas masing-masing 66 m² dan 255 m² berlokasi di Jakarta Pusat.

Selama periode perjanjian kredit, ESS tanpa pemberitahuan tertulis kepada Danamon tidak boleh melakukan aktivitas tertentu antara lain melakukan *merger*, konsolidasi, atau pembubaran, menjual/mengalihkan aset kecuali untuk transaksi usaha, menimbulkan hutang baru, menjaminkan aset yang telah/akan ada, menerbitkan penjaminan atas hutang pihak lain, melakukan perubahan Anggaran Dasar, susunan Direksi dan Dewan Komisaris serta para pemegang saham.

14. BORROWINGS (continued)

1. Bank Loans (continued)

**c. PT Bank Danamon Indonesia Tbk
("Danamon") (continued)**

**PT Energy Sakti Sentosa ("ESS")
(continued)**

- i. *Non-Revolving (Uncommitted)* "Kredit Angsuran Berjangka 2" ("KAB-2") which has a maximum credit limit of Rp75,000,000,000. This loan is used to finance Pembangkit Listrik Tenaga Mini Hydro ("PLTMH") Pakkat project. This facility will mature on December 17, 2021. This facility bears interest rate of 11.25%. The outstanding loan as of December 31, 2016 amounted to US\$2,539,818 (equivalent to Rp34,125,000,000).

On September 30, 2017, KAB 1 and KAB 2 facilities were converted into one facility ("KAB") and in US Dollar currency equivalent to US\$8,127,677.

On December 12, 2017, ESS repaid the KAB facility in full which amounted to Rp109,600,931,176 (equivalent to US\$8,073,733), including interests.

All loan facilities from Danamon are secured by the following:

- Land with total area of 13,140 m² located in Nusa Dua, Benoa, Kuta Selatan; and
- Land and building with area of 66 m² and 255 m², respectively, located in Central Jakarta.

During the period of the loan, ESS without written notification to Danamon is not allowed to carry out the activities, among others, such as enter into merger, consolidation, or liquidation, sell/transfer assets except for normal business transaction, obtain new loan, pledge assets that already/will exist, issue guarantees on the debt of others, amend the authorized capital, Articles of Association, Boards of Commissioners and Directors and shareholders structure.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

1. Utang Bank (lanjutan)

**c. PT Bank Danamon Indonesia Tbk
("Danamon") (lanjutan)**

**PT Energy Sakti Sentosa ("ESS")
(lanjutan)**

ESS harus menjaga rasio keuangan antara lain *Interest Service Coverage Ratio* dan *Debt Service Coverage Ratio*, minimal 1 (satu) dan total utang terhadap modal, maksimum 3,5 (tiga koma lima).

2. Utang Lembaga Keuangan

**a. PT Sarana Multi Infrastruktur (Persero)
("SMI")**

PT Bangun Tirta Lestari ("BTL")

- i. Pada tanggal 8 Agustus 2012, BTL menandatangani fasilitas Pembiayaan Investasi dengan SMI dengan jumlah pinjaman sebesar Rp140.000.000.000 dan terdiri dari fasilitas berikut :
- Fasilitas pembiayaan investasi sebesar Rp127.000.000.000; dan
 - Fasilitas Pembiayaan *Interest During Construction* ("IDC") sebesar Rp13.000.000.000.

Fasilitas ini digunakan untuk membiayai pembangunan proyek PLTMH Air Putih di Bengkulu dengan kapasitas 3x3,3 MW. Fasilitas ini akan jatuh tempo pada tanggal Oktober 2021. Pinjaman ini dikenakan bunga sebesar 11% per tahun. Pada tanggal 20 Juli 2016, BTL dan SMI setuju untuk memperpanjang masa tenggang, dari 30 September 2015 menjadi 31 Desember 2017.

Fasilitas ini telah diubah pada tanggal 19 Desember 2017.

Pada tanggal 31 Desember 2016, saldo terhutang terkait dengan fasilitas di atas masing-masing sebesar AS\$10.012.280 (setara dengan Rp134.525.000.000).

14. BORROWINGS (continued)

1. Bank Loans (continued)

**c. PT Bank Danamon Indonesia Tbk
("Danamon") (continued)**

**PT Energy Sakti Sentosa ("ESS")
(continued)**

ESS must maintain the financial ratios, such as *Interest Service Coverage Ratio* and *Debt Service Coverage Ratio*, minimum of 1 (one) and *Debt to Equity ratio*, maximum of three point five (3.5).

2. Financial Institution Loan

**a. PT Sarana Multi Infrastruktur (Persero)
("SMI")**

PT Bangun Tirta Lestari ("BTL")

- i. On August 8, 2012, BTL entered into an *Investment Financing* facility agreement with SMI which has a credit amount of Rp140,000,000,000 and consists of the following:
- *Investment Financing* facility amounting to Rp127,000,000,000; and
 - *Interest During Construction ("IDC") Financing* facility amounting to Rp13,000,000,000.

These facilities are used to finance the construction of PLTMH Air Putih project in Bengkulu with capacity of 3x3,3 MW. These facilities will mature in October 2021. This loan bears interest rate of 11%. On July 20, 2016, BTL and SMI agreed to extend the grace period, from September 30, 2015 to December 31, 2017.

This facility was amended on December 19, 2017.

As of December 31, 2016, the outstanding balance related to the above facilities amounted to US\$10,012,280 (equivalent to Rp134,525,000,000).

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

2. Utang Lembaga Keuangan (lanjutan)

**a. PT Sarana Multi Infrastruktur (Persero)
("SMI") (lanjutan)**

**PT Bangun Tirta Lestari ("BTL")
(lanjutan)**

- ii. Pada tanggal 9 Juni 2015, BTL juga memperoleh fasilitas Pembiayaan Subordinasi ("Junior Loan") sebesar Rp100.000.000.000. Pinjaman ini digunakan untuk tambahan pembiayaan investasi untuk pembangunan proyek PLTMH Air Putih di Bengkulu dengan perubahan kapasitas 3x7 MW (PLTA). Pinjaman ini jatuh tempo pada Oktober 2021 dan dikenakan bunga sebesar 15% (3% per tahun wajib dibayarkan pada triwulan berjalan, dan 12% per tahun ditangguhkan dan dapat dibayarkan sewaktu-waktu atau setelah fasilitas pembiayaan investasi berakhir/lunas). Pada tanggal 20 Juli 2016, BTL dan SMI setuju untuk memperpanjang masa tenggang, dari 19 April 2016 menjadi 31 Desember 2017.

Fasilitas ini telah diubah pada tanggal 19 Desember 2017.

Pada tanggal 31 Desember 2016, saldo terhutang terkait dengan fasilitas di atas masing-masing sebesar AS\$2.918.090 (setara dengan Rp39.207.447.052).

- iii. Pada tanggal 19 Desember 2017, SMI setuju untuk mengubah fasilitas Pembiayaan Investasi yang eksisting dan memberikan fasilitas pembiayaan dalam denominasi Dolar AS dengan kredit maksimum sebesar AS\$20.000.000 secara *club deal*. Fasilitas ini digunakan untuk pembangunan proyek PLTA Air Putih 3x7 MW di Bengkulu dan untuk *refinancing* semua fasilitas pembiayaan yang eksisting dalam mata uang Rupiah.

14. BORROWINGS (continued)

2. Financial Institution Loan (continued)

**a. PT Sarana Multi Infrastruktur (Persero)
("SMI") (continued)**

**PT Bangun Tirta Lestari ("BTL")
(continued)**

- ii. On June 9, 2015, BTL also obtained Subordinate Investing Financing facility ("Junior Loan") amounting to Rp100,000,000,000. The loan is used for additional investment financing for the construction of the PLTMH Air Putih project in Bengkulu with revised capacity of 3x7 MW (PLTA). This facility will mature in October 2021, and bears interest rate of 15% (3% per annum payable in the current quarter, and 12% per annum is deferred and paid anytime or after the investment financing facility ends). On July 20, 2016, BTL and SMI agreed to extend the grace period, from April 19, 2016 to December 31, 2017.

This facility was amended on December 19, 2017.

As of December 31, 2016, the outstanding balance related to the above facility amounted to US\$2,918,090 (equivalent to Rp39,207,447,052).

- iii. On December 19, 2017, SMI agreed to amend the existing Investment Financing facility and granted a US Dollar denominated financing facility with maximum credit limit of US\$20,000,000 on a *club deal*. This facility is used for the construction of the 3x7 MW PLTA Air Putih project in Bengkulu and to refinance all outstanding existing financing facilities in Rupiah currency.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

2. Utang Lembaga Keuangan (lanjutan)

**a. PT Sarana Multi Infrastruktur (Persero)
("SMI") (lanjutan)**

**PT Bangun Tirta Lestari ("BTL")
(lanjutan)**

Fasilitas ini memiliki jangka waktu 99 bulan, termasuk masa tenggang dan *availability period* 20 bulan. Pinjaman ini dikenakan bunga sebesar 5,75% per tahun. Pinjaman dalam mata uang Rupiah dikonversi ke mata uang Dolar AS. BTL membayar *upfront fee* sebesar AS\$100.000 pada saat penandatanganan perjanjian.

Saldo pinjaman untuk fasilitas ini pada tanggal 31 Maret 2019, 31 Desember 2018 dan 2017 adalah masing-masing sebesar AS\$19.836.710 sebelum dikurangi biaya transaksi pinjaman yang belum diamortisasi sebesar AS\$175.359, AS\$19.517.818 sebelum dikurangi biaya transaksi pinjaman yang belum diamortisasi sebesar AS\$145.865 dan AS\$16.051.526 sebelum dikurangi biaya transaksi pinjaman yang belum diamortisasi sebesar AS\$99.669.

Seluruh fasilitas pinjaman dari SMI dijamin dengan:

- Dua bidang tanah atas nama BTL dengan luas total sebesar 200.089 m², beserta bangunan, mesin-mesin dan peralatan pendukung PLTA Air Putih yang berdiri di atasnya;
- Seluruh tagihan dan pendapatan usaha yang dimiliki oleh BTL dari PLN berdasarkan PPA dan amandemennya;
- Seluruh saham BTL yang dimiliki oleh pemegang saham, baik yang telah ada pada saat ini maupun yang akan dikeluarkan di kemudian hari;
- Dana pada rekening *Collection Account*, *Debt Service Account*, *Debt Service Reserve Account*, dan *Excess Cash Account* atas nama BTL;
- Pengalihan hak atas PPA beserta perubahannya yang akan diikat secara notarial berupa Akta Pengalihan Hak (*step in right*);

14. BORROWINGS (continued)

2. Financial Institution Loan (continued)

**a. PT Sarana Multi Infrastruktur (Persero)
("SMI") (continued)**

**PT Bangun Tirta Lestari ("BTL")
(continued)**

This facility has a term of 99 months, including grace period and availability period of 20 months. This facility bears interest rate of 5.75% annually. Outstanding loans in Rupiah were converted to US Dollar currency. BTL incurs upfront fee which amounted to US\$100,000 at the time of signing the agreement.

The outstanding loan balance for this facility as of March 31, 2019, December 31, 2018 and 2017 amounted to US\$19,836,710 before deducting unamortized loan transaction costs of US\$175,359, US\$19,517,818 before deducting unamortized loan transaction costs of US\$145,865 and US\$16,051,526 before deducting unamortized loan transaction costs of US\$99,669, respectively.

All loan facilities from SMI are secured by the following:

- *Two parcels of land, under the name of BTL, with a total area of 200,089 m², together with buildings, machineries and equipment supporting and situated in PLTA Air Putih;*
- *All invoices and revenue claimed by BTL to PLN based on PPA and its amendment;*
- *All shares of BTL owned by shareholders, either existing or future;*
- *Funds in Collection Account, Debt Service Account, Debt Service Reserve Account, and Excess Cash Account under the name of BTL;*
- *The transfer of rights to PPA and its amendments (step in right);*

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

2. Utang Lembaga Keuangan (lanjutan)

**a. PT Sarana Multi Infrastruktur (Persero)
("SMI") (lanjutan)**

**PT Bangun Tirta Lestari ("BTL")
(lanjutan)**

- Akta Pernyataan dan Kesanggupan dalam bentuk notarial atau *Letter of Undertaking* dari Henry Maknawi; dan
- *Personal guarantee* dari Henry Maknawi.

Selama periode perjanjian kredit, BTL tanpa pemberitahuan tertulis kepada SMI tidak boleh melakukan aktivitas tertentu antara lain, mengadakan/memperoleh pinjaman/fasilitas kredit baru, melakukan perubahan struktur kepemilikan saham atau jual beli kepemilikan saham, melakukan divestasi, merger, konsolidasi dan/atau akuisisi saham perusahaan lain, menjual atau memindahtangankan seluruh atau sebagian kekayaan atas proyek yang dibiayai kepada pihak lain, menjual atau mengalihkan seluruh atau sebagian harta yang telah dijaminkan, menyerahkan sebagian atau seluruh hak atau kewajiban yang timbul berdasarkan Perjanjian pembiayaan kepada pihak lain, mengadakan perubahan bentuk, status hukum dan lingkup usaha, melakukan investasi atau penyertaan baru dalam perusahaan lain, mengikat diri sebagai penjamin kepada pihak lain, mengajukan pembubaran perusahaan, menjaminkan hutang yang menyebabkan beralihnya piutang Perusahaan yang telah dilakukan pengikatan secara fidusia, menggunakan fasilitas pembiayaan diluar tujuan penggunaan fasilitas pembiayaan, pembagian dividen, melakukan pembayaran atau pembayaran kembali kepada pemegang saham, mengalihkan atau menjual saham Perusahaan yang

14. BORROWINGS (continued)

2. Financial Institution Loan (continued)

**a. PT Sarana Multi Infrastruktur (Persero)
("SMI") (continued)**

**PT Bangun Tirta Lestari ("BTL")
(continued)**

- *Deed of Statement and Capability in the form of a notarial or Letter of Undertaking by Henry Maknawi; and*
- *Personal guarantee from Henry Maknawi.*

During the period of loan, BTL without written notification to SMI is not allowed to carry out the activities, among others, such holding/obtaining a new loan/credit facility, changes the structure of share ownership or buying and selling shares, do the divestment, merger, consolidate, and/or acquisition shares of other companies, sell and transfer all or part of assets of project financed by to another parties, sell or transfer all or part of pledged assets, submit part or all of the rights or obligations arising based on the financing agreement, changes in form, legal status and scope of business, investing or new investments in other companies, binding themselves as guarantor to other parties, submitting dissolution of the company, guaranteeing debt which causes the Company's receivables to be transferred which have been fiduciary binding, using the facility fees outside the purpose of using financing facilities, dividend distribution, making payments or repayments to shareholders, transferring or selling Company shares which results in Mr. Henry Maknawi not being a majority or less than 41.4% shareholder, withdrawing and/or transferring funds from the account collection accounts, debt service accounts, debt account reserve services, operational accounts, and excess cash accounts,

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

2. Utang Lembaga Keuangan (lanjutan)

**a. PT Sarana Multi Infrastruktur (Persero)
("SMI") (lanjutan)**

**PT Bangun Tirta Lestari ("BTL")
(lanjutan)**

mengakibatkan Tuan Henry Maknawi tidak menjadi pemegang saham mayoritas atau kurang dari 41,4%, melakukan penarikan dan/atau pemindahbukuan dana dari rekening *collection account, debt service account, debt service reserve account, operational account, dan excess cash account*, mengadakan/membuat perjanjian jual beli tenaga listrik lain dengan PT PLN, selain perjanjian jual beli tenaga listrik untuk proyek yang dibiayai.

BTL harus menjaga rasio keuangan, antara lain *Debt Service Coverage Ratio* minimal 1, *Current Ratio* minimal 100% dan *Debt Equity Ratio* maksimal 300% yang tercermin di laporan keuangan BTL sejak tahun 2019 sampai dengan fasilitas kredit lunas.

Pada tanggal 28 September 2018, SMI memberikan persetujuan kepada BTL terkait pengesampingan atas *negative covenants* yang termasuk tetapi tidak terbatas dalam hal sebagai berikut: perubahan komposisi pemegang saham pada tahun 2018 dan 2017, kenaikan modal dasar yang ditempatkan dan disetor penuh pada tahun 2017 dan mengabaikan batasan *current ratio*.

Pada tanggal 11 Maret 2019, SMI memberikan persetujuan kepada BTL sehubungan dengan penghapusan *negative covenants*, yang termasuk tetapi tidak terbatas pada hal berikut: melakukan pembagian dividen kepada pemegang saham. BTL wajib memberitahukan kepada SMI selambat-lambatnya 14 hari apabila BTL melakukan pembagian saham kepada pemegang saham. Perubahan perjanjian ini berlaku efektif sejak Perusahaan menyelesaikan proses initial public offering dan terdaftar di Bursa Efek Indonesia.

14. BORROWINGS (continued)

2. Financial Institution Loan (continued)

**a. PT Sarana Multi Infrastruktur (Persero)
("SMI") (continued)**

**PT Bangun Tirta Lestari ("BTL")
(continued)**

entered into/made another power purchase agreement with PT PLN, in addition to the power purchase agreement for the funded project.

BTL must maintain financial ratios, such as Debt Service Coverage Ratio minimum of 1 (one), Current Ratio minimum of 100% and Debt Equity Ratio maximum of 300% which are reflected in the 2019 financial statements until the credit facilities are fully paid.

On September 28, 2018, SMI gave approval to BTL relating to the waiver of negative covenants, which include but not limited to the following: change in the composition of shareholders in 2018 and 2017, increase in authorized and paid-in capital in 2017 and waiver of current ratio covenant.

On March 11, 2019, SMI gave approval to BTL regarding the waiver of negative covenants, which included but were not limited to the following: distribute dividends to the shareholders. BTL must notify SMI within or at the latest 14 days if BTL distribute dividends to the shareholders. This amended agreement is effective upon the Company completing the initial public offering process and have been listed in Indonesia Stock Exchange.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

3. Utang Pembiayaan Konsumen

**a. PT Chandra Sakti Utama Leasing
("CSUL")**

PT Bangun Tirta Lestari ("BTL")

Pada tanggal 14 Oktober 2016, BTL mengadakan perjanjian pembiayaan dengan CSUL untuk pembelian berbagai mesin dan peralatan. Perjanjian ini memiliki jangka waktu 36 bulan dan dikenakan bunga sebesar 15% per tahun. Pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016, saldo pinjaman ini masing-masing sebesar AS\$111.540 (setara dengan Rp1.588.782.200), AS\$161.459 (setara dengan Rp2.338.078.123), AS\$402.324 (setara dengan Rp5.450.687.150) dan AS\$594.169 (setara dengan Rp7.983.268.503).

b. PT BCA Finance

PT Energy Sakti Sentosa ("ESS")

Pada tanggal 5 September 2017, ESS mengadakan perjanjian pembiayaan konsumen dengan PT BCA Finance untuk pembelian kendaraan. Fasilitas ini memiliki jangka waktu 48 bulan. Perjanjian ini dikenakan bunga sebesar 8% per tahun dan dijamin dengan kendaraan yang dibiayai. Pada tanggal 31 Maret 2019, 31 Desember 2018 dan 2017, saldo pinjaman fasilitas ini adalah sebesar AS\$14.314 (setara dengan Rp203.888.348), AS\$15.387 (setara dengan Rp222.824.947), dan AS\$21.315 (setara dengan Rp288.782.100).

PT Bangun Tirta Lestari ("BTL")

Pada tanggal 20 Oktober 2017, BTL mengadakan perjanjian pembiayaan konsumen dengan PT BCA Finance untuk pembelian kendaraan. Fasilitas ini memiliki jangka waktu 3 tahun, dimulai dari 20 Oktober 2017 sampai dengan 30 September 2020. Perjanjian ini

14. BORROWINGS (continued)

3. Consumer Financing Payables

**a. PT Chandra Sakti Utama Leasing
("CSUL")**

PT Bangun Tirta Lestari ("BTL")

On October 14, 2016, BTL agreed to enter into financing agreements with CSUL for purchases of various machineries and equipment. These agreements have a term of 36 months and bears interest rate of 15% per annum. As of March 31, 2019, December 31, 2018, 2017 and 2016, the outstanding loan balance of this facility amounted to US\$111,540 (equivalent to Rp1,588,782,200), US\$161,459 (equivalent to Rp2,338,078,123), US\$402,324 (equivalent to Rp5,450,687,150) and US\$594,169 (equivalent to Rp7,983,268,503), respectively.

b. PT BCA Finance

PT Energy Sakti Sentosa ("ESS")

On September 5, 2017, ESS entered into a consumer financing agreement with PT BCA Finance for purchase of vehicle. This facility has a term of 48 months. This facility bears interest rate at 8% per annum and is collateralized by the vehicle financed. As of March 31, 2019, December 31, 2018 and 2017, the outstanding loan balance of this facility amounted to US\$14,314 (equivalent to Rp203,888,348), US\$15,387 (equivalent to Rp222,824,947) and US\$21,315 (equivalent to Rp288,782,100).

PT Bangun Tirta Lestari ("BTL")

On October 20, 2017, BTL entered into a consumer financing agreement with PT BCA Finance for purchase of vehicle. This facility has a term of 3 years, from October 20, 2017 until September 30, 2020. This facility bears interest rate at 8% per annum and is collateralized by the vehicle

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

3. Utang Pembiayaan Konsumen (lanjutan)

b. PT BCA Finance (lanjutan)

PT Bangun Tirta Lestari ("BTL")

dikenakan bunga sebesar 8% per tahun dan dijamin dengan kendaraan yang dibiayai. Pada tanggal 31 Maret 2019, 31 Desember 2018 dan 2017, saldo pinjaman fasilitas ini adalah sebesar AS\$35.541 (setara dengan Rp506.250.000), AS\$40.787 (setara dengan Rp590.625.000) dan AS\$68.507 (setara dengan Rp928.125.000).

c. PT Mandiri Tunas Finance

PT Energy Sakti Sentosa ("ESS")

Pada tahun 2017, ESS mengadakan perjanjian pembiayaan konsumen dengan PT Mandiri Tunas Finance untuk pembelian kendaraan. Fasilitas ini memiliki jangka waktu 36 bulan. Perjanjian ini dikenakan bunga sebesar 6,22% per tahun dan dijamin dengan jaminan pribadi. Saldo pinjaman pada tanggal 31 Maret 2019, 31 Desember 2018 and 2017 sebesar AS\$7.280 (setara dengan Rp124.254.283), AS\$8.814 (setara dengan Rp127.633.333) dan AS\$16.487 (setara dengan Rp223.358.333).

d. PT BII Finance Center

PT Energy Sakti Sentosa ("ESS")

Pada tanggal 1 Juni 2015, ESS mengadakan perjanjian pembiayaan konsumen dengan PT BII Finance Center untuk pembelian kendaraan. Fasilitas ini memiliki jangka waktu 36 bulan dan dijamin dengan kendaraan yang dibiayai. Pada tanggal 31 Desember 2017 dan 2016, saldo pinjaman masing-masing sebesar AS\$3.863 (setara dengan Rp52.335.000), dan AS\$12.464 (setara dengan Rp167.467.685).

14. BORROWINGS (continued)

3. Consumer Financing Payables (continued)

b. PT BCA Finance (continued)

PT Banqun Tirta Lestari ("BTL")

financed. As of March 31, 2019, December 31, 2018 and 2017, the outstanding loan balance of this facility amounted to US\$35,541 (equivalent to Rp506,250,000), US\$40,787 (equivalent to Rp590,625,000) and US\$68,507 (equivalent to Rp928,125,000).

c. PT Mandiri Tunas Finance

PT Energy Sakti Sentosa ("ESS")

In 2017, ESS entered into a consumer financing agreement with PT Mandiri Tunas Finance for purchase of vehicle. This facility has a term of 36 months. This facility bears interest rate at 6.22% per annum and is secured by personal guarantee. The outstanding loan balance of this facility amounted to US\$7,280 (equivalent to Rp124,254,283), US\$8,814 (equivalent to Rp127,633,333) and US\$16,487 (equivalent to Rp223,358,333) as of March 31, 2019, December 31, 2018 and 2017.

d. PT BII Finance Center

PT Energy Sakti Sentosa ("ESS")

On June 1, 2015, ESS entered into a consumer financing agreement with PT BII Finance Center for purchase of vehicle. This facility has a term of 36 months and is collateralized by the vehicle financed. As of December 31, 2017 and 2016, the outstanding loan balance of this facility amounted to US\$3,863 (equivalent to Rp52,335,000), and US\$12,464 (equivalent to Rp167,467,685), respectively.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

14. PINJAMAN (lanjutan)

14. BORROWINGS (continued)

3. Utang Pembiayaan Konsumen (lanjutan)

3. Consumer Financing Payables (continued)

e. PT Toyota Astra Financial Services

e. PT Toyota Astra Financial Services

PT Bangun Tirta Lestari ("BTL")

PT Bangun Tirta Lestari ("BTL")

Pada tanggal 3 Oktober 2013, BTL mengadakan perjanjian pembiayaan konsumen dengan PT Toyota Astra Financial Services untuk pembelian kendaraan dengan jangka waktu 47 bulan (2017 September) dan dijamin dengan kendaraan yang dibiayai. Pada tanggal 31 Desember 2016, saldo pinjaman fasilitas ini sebesar AS\$3.050 (setara dengan Rp40.983.956).

On October 3, 2013, BTL entered into a consumer financing agreement with PT Toyota Astra Financial Services for purchase of vehicle. This facility has a term of 47 months (September 2017) and is collateralized by the vehicle financed. As of December 31, 2016, the outstanding loan balance of this facility amounted to US\$3,050 (equivalent to Rp40,983,956).

15. PERPAJAKAN

15. TAXATION

Akun ini terdiri dari:

This account consists of:

a. Utang Pajak

a. Taxes Payable

	31 Maret/ March 31, 2019	31 Desember/December 31,		
		2018	2017	2016
Perusahaan				
Pajak penghasilan pasal 21	3.885	2.836	-	-
Pajak penghasilan pasal 23	1.128	1.132	25.942	-
Sub-total	5.013	3.968	25.942	-
Entitas Anak				
Pajak penghasilan:				
Pasal 4(2) - Final	335.703	15.936	55.703	57.237
Pasal 21	1.779	2.176	5.577	3.747
Pasal 23	1.273	1.205	2.013	322
Pasal 29	239.784	-	-	-
Sub-total	578.539	19.317	63.293	61.306
Total	583.552	23.285	89.235	61.306

The Company
Income tax article 21
Income tax article 23

Sub-total

Subsidiaries
Income taxes:
Article 4(2) - Final
Article 21
Article 23
Article 29

Sub-total

Total

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

15. PERPAJAKAN (lanjutan)

b. Beban Pajak

Beban pajak Perusahaan dan Entitas Anak terdiri dari:

	31 Maret/March 31,	
	2019	2018 (Tidak Diaudit/ Unaudited)
Kini		
Entitas anak	292.925	-
Tangguhan		
Perusahaan	(5.540)	(10.762)
Entitas anak	(352.663)	1.311.111
Total	(358.203)	1.300.349
Beban (Manfaat) Pajak	(65.278)	1.300.349

15. TAXATION (continued)

b. Tax Expense

Tax expense of the Company and Subsidiaries are as follows:

	31 Desember/December 31,		
	2018	2017	2016
Current Subsidiaries	-	-	-
Deferred The Company Subsidiaries	(41.039)	(5.817)	(5.256)
Total	5.760.379	4.323.891	2.345.431
Tax Expense (Benefit)	5.760.379	4.323.891	2.340.175

Perhitungan berikut ini menyajikan rekonsiliasi antara laba sebelum beban (manfaat) pajak penghasilan untuk periode tiga bulan 31 Maret 2019 dan 2018 dan untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2018, 2017 dan 2016, berdasarkan laporan laba rugi dan penghasilan komprehensif lain konsolidasian dalam mata uang Rupiah:

The following calculation presents the reconciliation between income before income tax expense (benefit) for the three-month periods ended March 31, 2019 and 2018 and years ended December 31, 2018, 2017 and 2016, based on the Rupiah consolidated statements of profit or loss and other comprehensive income:

	31 Maret/March 31,		31 Desember/December 31,			
	2019	2018 (Tidak Diaudit/ Unaudited)	2018	2017	2016	
Laba (rugi) sebelum beban pajak penghasilan menurut laporan laba rugi dan penghasilan komprehensif lain konsolidasian	(2.159.781.847)	64.439.834.414	289.093.934.375	236.496.946.319	134.537.013.817	Income (loss) before income tax expense per consolidated statements of profit or loss and other comprehensive income
Rugi (laba) sebelum beban pajak penghasilan Entitas Anak Eliminasi	2.778.687.037 591.077.027.489	(65.086.288.654) -	(296.586.700.040) -	(236.938.144.619) -	(134.948.484.548) -	Loss (income) before income tax expense of Subsidiaries Elimination
Laba (rugi) sebelum beban pajak penghasilan Perusahaan	591.695.932.679	(646.454.240)	(7.492.765.665)	(441.198.300)	(411.470.731)	Income (loss) before income tax expense of the Company
Beda waktu: Imbalan kerja karyawan Aset tetap	313.245.000 -	584.272.000 -	2.337.088.000 -	311.405.000 (271.145)	379.127.000 (87.711)	Temporary differences: Employee benefits Fixed assets
Sub-total	313.245.000	584.272.000	2.337.088.000	311.133.855	379.039.289	Sub-total
Beda tetap: Biaya gaji dan kesejahteraan Jamuan dan sumbangan Penghasilan bunga yang dikenakan pajak final Pendapatan dividen Pajak	27.668.825 33.963.493 (27.654.335) (594.629.222.222) 166.616.466	- 139.150 (8.142) - -	(34.567.828) 69.298.074 (135.661) -	- - (368.946) -	- - (60.514) -	Permanent differences: Salaries and allowances Entertainment and donation Interest income subject to final tax Dividend income Tax
Sub-total	(594.428.627.773)	131.008	298.341.727	(368.946)	1.994.446	Sub-total
Rugi fiskal	(2.419.450.094)	(62.051.232)	(4.857.335.938)	(130.433.391)	(30.436.996)	Fiscal loss

PT CITRA ALAM PRATAMA DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Desember 2016)
Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

PT CITRA ALAM PRATAMA AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended
December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

15. PERPAJAKAN (lanjutan)

b. Beban Pajak (lanjutan)

Rugi fiskal Perusahaan untuk tahun fiskal 2018, 2017 dan 2016 yang merupakan hasil rekonsiliasi, seperti yang tercantum dalam tabel diatas menjadi dasar dalam pengisian Surat Pembentahan Tahunan PPh Badan yang disampaikan ke Kantor Pajak.

Rekonsiliasi antara beban pajak penghasilan yang dihitung dengan menggunakan tarif pajak yang berlaku dari laba mata uang Rupiah sebelum beban pajak penghasilan seperti yang dilaporkan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian adalah sebagai berikut:

	Rupiah			
	31 Maret/March 31,	31 Desember/December 31		
	2019	2018	2017	2016
	(Tidak Diaudit/Unaudited)			
Laba (rugi) sebelum beban (manfaat) pajak penghasilan menurut laporan laba rugi dan penghasilan komprehensif lain konsolidasian	(2.159.781.847)	64.439.834.414	289.093.934.375	134.537.013.817
Rugi (laba) sebelum beban pajak penghasilan Entitas anak Eliminasi	2.778.687.037 591.077.027.489	(65.086.288.654) -	(296.586.700.040) -	(134.948.484.548) -
Laba (rugi) sebelum beban pajak penghasilan Perusahaan	591.695.932.679	(646.454.240)	(441.198.300)	(411.470.731)
Pajak dihitung pada tarif pajak yang berlaku	147.923.983.169	(161.613.560)	(110.299.575)	(102.867.683)
Pajak tangguhan dari rugi fiskal dan depresiasi yang tidak diakui	604.862.524	15.512.808	32.540.562	7.587.321
Pengaruh pajak atas beda tetap Perusahaan	(148.607.156.943)	32.752	(92.237)	498.612
Aset pajak tangguhan dihapuskan Penyesuaian dan selisih kurs	-	-	-	24.840.750
Total Beban (Manfaat) Pajak Penghasilan Perusahaan Entitas anak	(78.311.250) (844.457.332)	(146.068.000) 17.795.243.478	(77.851.250) 57.949.402.305	(69.941.000) 31.211.535.659
Total	(922.768.582)	17.649.175.478	57.871.551.055	31.141.594.659

15. TAXATION (continued)

b. Tax Expense (continued)

Fiscal loss of the Company for fiscal years 2018, 2017 and 2016 resulting from the reconciliation as shown in the table above were the basis for filing the Corporate Annual Tax Returns submitted to the Tax Office.

The reconciliation between the income tax expense calculated by applying the applicable tax rate on the Rupiah income before income tax expense as shown in the consolidated statements of profit or loss and other comprehensive income is as follows:

	USD			
	31 Maret/March 31,	31 Desember/December 31,		
	2019	2018	2017	2016
	(Tidak Diaudit/Unaudited)			
Income before income tax expense (benefit) per consolidated statements of profit or loss and other comprehensive income	2.316.253	2.988.041	15.738.351	14.468.194
Loss (income) before income tax expense of Subsidiaries Elimination	(1.880.188) 43.080.441	(3.036.693) -	(15.771.214) -	(14.499.128) -
Income (loss) before income tax expense of the Company	43.526.506	(38.652)	(475.692)	(30.934)
Tax calculated based on applicable tax rate	10.881.627	(9.663)	(8.216)	(7.734)
Unrecognized deferred tax from fiscal loss and depreciation	42.464	1.128	83.857	565
Tax effect of the Company's permanent differences	(10.432.965)	2	(7)	37
Deferred tax asset written off	(496.666)	(2.229)	(11.124)	1.849
Adjustments and foreign exchange	-	-	4	27
Total Income Tax Expense (Benefit) The Company Subsidiaries	(5.540) (59.738)	(10.762) 1.311.111	(5.817) 4.329.708	(5.256) 2.345.431
Total	(65.276)	1.300.349	5.760.379	2.340.175

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

15. PERPAJAKAN (lanjutan)

b. Beban Pajak (lanjutan)

Fasilitas pajak

PT Energy Sakti Sentosa ("ESS")

Pada bulan 31 Agustus 2016, ESS mendapatkan persetujuan dalam Pemanfaatan Fasilitas Pajak Penghasilan Bagi Wajib Pajak yang Mendapatkan Fasilitas Pajak Penghasilan untuk Penanaman Modal di bidang-bidang Usaha Tertentu dan/atau di daerah-daerah Tertentu berdasarkan Peraturan Menteri Keuangan No. 89/PMK.010/2015.

Rincian Fasilitas Pajak Penghasilan adalah sebagai berikut:

- pengurangan penghasilan neto 30% dari jumlah Penanaman Modal berupa aktiva tetap berwujud termasuk tanah yang digunakan untuk kegiatan utama usaha, dibebankan selama 6 tahun masing-masing sebesar 5% per tahun, yang dihitung sejak saat mulai berproduksi secara komersial;
- berdasarkan Surat Ketetapan Direktur Jendral Pajak Nomor KEP-264/PJ/2016, nilai realisasi penanaman modal pada saat mulai berproduksi yang diperhitungkan sebagai pengurang penghasilan neto terhitung sejak tahun pajak 2016 sejumlah Rp267.052.443.253.

PT Bangun Tirta Lestari ("BTL")

Pada tanggal 23 November 2018, BTL memperoleh fasilitas pengurangan Pajak Penghasilan Badan untuk perusahaan yang memiliki investasi melebihi Rp500.000.000.000 berdasarkan Peraturan Menteri Keuangan No. 35/PMK.010/2018.

Rincian Fasilitas Pajak Penghasilan adalah sebagai berikut:

- pengurangan Pajak Penghasilan Badan sebesar 100% untuk jangka 5 (lima) tahun pajak, yang dihitung sejak saat mulai berproduksi secara komersial;
- pengurangan Pajak Penghasilan Badan sebesar 50% dari Pajak Penghasilan terutang untuk jangka waktu 2 (dua) tahun pajak.

15. TAXATION (continued)

b. Tax Expense (continued)

Tax facilities

PT Energy Sakti Sentosa ("ESS")

On August 31, 2016, ESS received approval for the utilization of Income Tax Facility for Taxpayers Receiving Income Tax Facility for Investment in Certain Business Fields and/or in Certain Regions based on Regulation of the Ministry of Finance No. 89/PMK.010/2015.

The detail of the Income Tax Facility is as follows:

- reduction in net income of 30% of total Investment in the form of tangible fixed assets, including land used for the main business activities, expensed for 6 years each at 5% per annum, calculated since the commencement of commercial production;
- based on the Decree of the Director General of Taxes Number KEP-264/PJ/2016, the value of realized investment at the start of production which is calculated as deduction of net income starting from the tax year 2016 is Rp267,052,443,253.

PT Bangun Tirta Lestari ("BTL")

On November 23, 2018, BTL obtained Corporate Income Tax reduction facility for a company which has an investment over Rp500,000,000,000 in accordance with Minister of Finance Regulation No. 35/PMK.010/2018.

The detail of the Income Tax Facility is as follows:

- Corporate Income Tax reduction granted is 100% for 5 (five) fiscal year, calculated since the commencement of commercial production;
- Corporate Income Tax reduction of 50% of the Corporate Income Tax payable for the next 2 (two) fiscal year.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

15. PERPAJAKAN (lanjutan)

c. Pajak Tangguhan

Pajak tangguhan dihitung berdasarkan pengaruh dari perbedaan temporer antara jumlah tercatat aset dan liabilitas menurut laporan posisi keuangan konsolidasian komersial dengan dasar pengenaan pajak aset dan liabilitas. Rincian dari liabilitas (aset) pajak tangguhan adalah sebagai berikut:

15. TAXATION (continued)

c. Deferred Tax

Deferred tax is calculated based on temporary differences between the carrying value of total assets and liabilities recorded according to the commercial consolidated statements of financial positions and tax bases of assets and liabilities. Details of deferred tax liabilities (asset) are as follows:

31 Maret/March 31, 2019						
Saldo Awal/ Beginning Balance 2019	Dibebankan (Dikreditkan) ke Laporan Laba Rugi/Charged (Credited) to Profit or Loss	Dibebankan (Dikreditkan) ke Penghasilan (Rugi) Komprehensif Lain/Charged (Credited) to Other Comprehensive Income (Loss)	Selisih Kurs/ Foreign Exchange	Saldo Akhir/ Ending Balance 2019		
Perusahaan						The Company
<u>Aset Pajak Tangguhan</u>						<u>Deferred Tax Asset</u>
Liabilitas imbalan kerja	(78.574)	(5.540)	(24.366)	(1.080)	(109.560)	Employee benefits liability
Entitas Anak						Subsidiaries
<u>Liabilitas Pajak</u>						<u>Deferred Tax Liabilities - Net</u>
<u>Tangguhan - Neto</u>						<u>Liabilities - Net</u>
Konsesi jasa	33.926.598	(607.222)	-	569.094	33.888.470	Service concession
Aset tetap	1.187.603	107.359	-	18.947	1.313.909	Fixed assets
Liabilitas imbalan kerja	(68.273)	(4.801)	(5.426)	(1.058)	(79.558)	Employee benefits liability
Rugi fiskal	(148.381)	152.001	-	(3.620)	-	Tax loss carry forward
Liabilitas Pajak Tangguhan - Neto	34.897.547	(352.663)	(5.426)	583.363	35.122.821	Deferred Tax Liabilities - Net
31 Desember/December 31, 2018						
Saldo Awal/ Beginning Balance 2018	Dibebankan (Dikreditkan) ke Laporan Laba Rugi/Charged (Credited) to Profit or Loss	Dikreditkan ke Penghasilan (Rugi) Komprehensif Lain/Credited to Other Comprehensive Income (Loss)	Saldo Akhir/ Selisih Kurs/ Foreign Exchange	Penyesuaian/ Adjustments	Ending Balance 2018	
Perusahaan						The Company
<u>Aset Pajak Tangguhan</u>						<u>Deferred Tax Asset</u>
Liabilitas imbalan kerja	(37.910)	(41.039)	(2.806)	3.181	-	Employee benefits liability
Entitas Anak						Subsidiaries
<u>Liabilitas Pajak</u>						<u>Deferred Tax Liabilities - Net</u>
<u>Tangguhan - Neto</u>						<u>Liabilities - Net</u>
Konsesi jasa	31.027.315	4.982.299	-	(2.083.016)	-	Service concession
Aset tetap	821.340	426.365	-	(60.102)	-	Fixed assets
Rugi fiskal	(598.035)	418.170	-	31.484	-	Tax loss carry forward
Liabilitas imbalan kerja	(49.418)	(25.627)	2.998	3.563	211	Employee benefits liability
Liabilitas Pajak Tangguhan - Neto	31.201.202	5.801.207	2.998	(2.108.071)	211	Deferred Tax Liabilities - Net

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

15. PERPAJAKAN (lanjutan)

15. TAXATION (continued)

c. Pajak Tangguhan (lanjutan)

c. Deferred Tax (continued)

31 Desember/December 31, 2017								
	Saldo Awal/ Beginning Balance 2017	Dibebankan (Dikreditkan) ke Laporan Laba Rugi/Charged (Credited) to Profit or Loss	Dibebankan (Dikreditkan) ke Penghasilan (Rugi) Komprehensif Lain/Charged (Credited) to Other Comprehensive Income (Loss)	Selisih kurs karena penjabaran laporan keuangan/ Exchange differences due to translation of financial statements		Saldo Akhir/ Ending Balance 2017		
Perusahaan								The Company
<u>Aset Pajak Tangguhan</u>								<u>Deferred Tax Asset</u>
Liabilitas imbalan kerja	(30.676)	(5.817)	(1.762)	345		(37.910)		Employee benefits liability
Entitas Anak								Subsidiaries
<u>Liabilitas Pajak</u>								<u>Deferred Tax</u>
<u>Tangguhan - Neto</u>								<u>Liabilities - Net</u>
Konsesi jasa	27.229.047	4.072.626	-	(274.358)		31.027.315		Service concession
Aset tetap	377.055	452.880	-	(8.595)		821.340		Fixed assets
Liabilitas imbalan kerja	(34.076)	(10.657)	(5.159)	474		(49.418)		Employee benefits liability
Rugi fiskal	(418.594)	(185.141)	-	5.700		(598.035)		Tax loss carry forward
Liabilitas Pajak Tangguhan - Neto	27.153.432	4.329.708	(5.159)	(276.779)		31.201.202		Deferred Tax Liabilities - Net
31 Desember/December 31, 2016								
	Saldo Awal/ Beginning Balance 2016	Dibebankan (Dikreditkan) ke Laporan Laba Rugi/Charged (Credited) to Profit or Loss	Dibebankan (Dikreditkan) ke Penghasilan (Rugi) ke Komprehensif Lain/Charged (Credited) to Other Comprehensive Income (Loss)	Dihapuskan/ Write Off	Selisih kurs karena penjabaran laporan keuangan/ Exchange differences due to translation of financial statements	Saldo Akhir/ Ending Balance 2016		
Perusahaan								The Company
<u>Aset Pajak Tangguhan</u>								<u>Deferred Tax Asset</u>
Liabilitas imbalan kerja	(22.023)	(7.123)	(2.887)	1.867	(510)	(30.676)		Employee benefits liability
Entitas Anak								Subsidiaries
<u>Liabilitas Pajak</u>								<u>Deferred Tax</u>
<u>Tangguhan - Neto</u>								<u>Liabilities - Net</u>
Konsesi jasa	24.605.414	1.985.197	-	-	638.436	27.229.047		Service concession
Aset tetap	(151)	380.856	-	-	(3.650)	377.055		Fixed assets
Liabilitas imbalan kerja	(18.710)	(8.626)	(6.382)	-	(358)	(34.076)		Employee benefits liability
Rugi fiskal	(396.128)	(11.996)	-	-	(10.470)	(418.594)		Tax loss carry forward
Liabilitas Pajak Tangguhan - Neto	24.190.425	2.345.431	(6.382)	-	623.958	27.153.432		Deferred Tax Liabilities - Net

Manajemen Perusahaan berpendapat bahwa aset pajak tangguhan tersebut dapat digunakan seluruhnya terhadap penghasilan kena pajak di masa yang akan datang.

Management of the Company is of the opinion that the above deferred tax asset may be utilized against taxable profit in the future.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

15. PERPAJAKAN (lanjutan)

d. Rugi pajak

Entitas Anak

PT Energy Sakti Sentosa ("ESS")

Pada tanggal 31 Desember 2018, 2017 dan 2016, Entitas anak memiliki rugi pajak yang dapat diklaim sebagai pengurang dari penghasilan kena pajak masa depan. Rugi pajak yang masih dapat dimanfaatkan akan kadaluarsa pada tahun-tahun berikut:

15. TAXATION (continued)

d. Tax Losses

Subsidiaries

PT Energy Sakti Sentosa ("ESS")

As of December 31, 2018, 2017 and 2016, the Subsidiaries had tax losses that can be claimed as deductions from future taxable income. Tax loss carry forwards will expire in the following years:

31 Desember/December 31, 2018

Tahun terjadi/ Year incurred	Tahun kadaluarsa/ Year expired	Rugi pajak yang Masih dapat Dimanfaatkan/ Tax loss carry forward	Aset pajak tangguhan yang diakui/ Deferred tax assets
2017	2022	Rp 8.645.045.593	Rp 2.148.687.974
			USD 148.381

31 Desember/December 31, 2017

Tahun terjadi/ Year incurred	Tahun kadaluarsa/ Year expired	Rugi pajak yang Masih dapat Dimanfaatkan/ Tax loss carry forward	Aset pajak tangguhan yang diakui/ Deferred tax assets
2013	2018	Rp 5.677.314.471	Rp 1.419.328.617
2014	2019	Rp 5.310.064.670	Rp 1.327.516.167
2015	2020	Rp 10.870.956.854	Rp 2.717.739.214
2016	2021	Rp 638.561.145	Rp 159.640.285
2017	2022	Rp 9.911.799.922	Rp 2.477.949.981
Total		Rp 32.408.697.062	Rp 8.102.174.264
			US\$ 598.035

31 Desember/December 31, 2016

Tahun terjadi/ Year incurred	Tahun kadaluarsa/ Year expired	Rugi pajak yang Masih dapat Dimanfaatkan/ Tax loss carry forward	Aset pajak tangguhan yang diakui/ Deferred tax assets
2013	2018	Rp 5.677.314.471	Rp 1.419.328.617
2014	2019	Rp 5.310.064.670	Rp 1.327.516.167
2015	2020	Rp 10.870.956.854	Rp 2.717.739.214
2016	2021	Rp 638.561.145	Rp 159.640.285
Total		Rp 22.496.897.140	Rp 5.624.224.283
			US\$ 418.594

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

15. PERPAJAKAN (lanjutan)

e. Pengampunan pajak

Perusahaan

Pada bulan September 2016, Perusahaan berpartisipasi dalam Program Pengampunan Pajak sesuai dengan Undang-Undang No. 11 Tahun 2016 ("UU Pengampunan Pajak"). Perusahaan memperoleh Surat Keterangan Pengampunan Pajak (SKPP) tertanggal 30 September 2016, dengan jumlah yang diakui sebagai tambahan modal disetor sebesar Rp102.748.000 (AS\$7.647). Perusahaan membayar uang tebusan sebesar Rp2.054.960 pada 21 September 2016, yang dibebankan pada laba rugi tahun 2016.

PT Bangun Tirta Lestari ("BTL")

Pada bulan Oktober 2016, BTL berpartisipasi dalam Program Pengampunan Pajak sesuai dengan Undang-Undang No. 11 Tahun 2016 ("UU Pengampunan Pajak"). BTL memperoleh Surat Keterangan Pengampunan Pajak (SKPP) tertanggal 6 Oktober 2016, dengan jumlah yang diakui sebagai tambahan modal disetor di laporan keuangan BTL sebesar Rp136.400.000 (AS\$10.152). BTL membayar uang tebusan sebesar Rp2.728.000 pada 21 September 2016, yang dibebankan pada laba rugi tahun 2016.

16. IMBALAN KERJA KARYAWAN

Grup memberikan imbalan untuk karyawannya yang telah mencapai usia pensiun yaitu 55 tahun sesuai dengan Undang-undang No.13/2003 tanggal 25 Maret 2003. Liabilitas imbalan kerja tersebut tidak didanai.

Tabel berikut ini merangkum komponen-komponen atas beban imbalan kerja bersih yang diakui dalam laporan laba rugi konsolidasian dan jumlah yang disajikan dalam laporan posisi keuangan konsolidasian sebagai liabilitas imbalan kerja berdasarkan penilaian aktuarial yang dilakukan oleh aktuaris independen PT Dayamandiri Dharmakonsilindo berdasarkan laporannya pada tanggal 15 Mei 2019 untuk periode 31 Maret 2019, 26 Maret 2019 untuk tahun yang berakhir pada tanggal 31 Desember 2018 dan 5 Maret 2018 untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2017 dan 2016.

15. TAXATION (continued)

e. Tax Amnesty

The Company

In September 2016, the Company participated in the Tax Amnesty Program in accordance with Law No. 11 Year 2016 ("Tax Amnesty Law"). The Company obtained Tax Amnesty Acknowledgement Letter (SKPP) dated September 30, 2016, with the amount recognized as additional paid-in capital which amounted to Rp102,748,000 (US\$7,647). The Company paid the related redemption money amounting to Rp2,054,960 on September 21, 2016, which was charged to the 2016 profit or loss.

PT Bangun Tirta Lestari ("BTL")

In October 2016, BTL participated in the Tax Amnesty Program in accordance with Law No. 11 Year 2016 ("Tax Amnesty Law"). BTL obtained Tax Amnesty Acknowledgement Letter (SKPP) dated October 6, 2016, with the amount recognized as additional paid-in capital in BTL's financial statements which amounted to Rp136,400,000 (US\$10,152). BTL paid the related redemption money amounting to Rp2,728,000 on September 21, 2016, which was charged to the 2016 profit or loss.

16. EMPLOYEE BENEFITS

The Group provides benefits for its employees who has reached the retirement age of 55 based on the provisions of Labor Law No. 13/2003 dated March 25, 2003. The employee benefits liability is unfunded.

The following tables summarize the components of employee benefits expense recognized in the consolidated profit or loss and the amounts recognized in the consolidated statements of financial position as employee benefits liability as determined by an independent actuary PT Dayamandiri Dharmakonsilindo, in its reports dated May 15, 2019 for the period ended March 31, 2019, March 26, 2019 for the year ended December 31, 2018 and March 5, 2018 for the years ended December 31, 2017 and 2016.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

16. IMBALAN KERJA KARYAWAN (lanjutan)

Asumsi aktuarial yang digunakan dalam menentukan beban dan liabilitas imbalan kerja adalah sebagai berikut:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Tingkat diskonto	7,67%-8,23%	8,14%-8,24%	4,26%-7,42%	5,96%-8,64%	Discount rate
Kenaikan gaji di masa depan	10%	10%	10%	10%	Future salary increases
Tingkat mortalitas	TMI-II 2011	TMI-II 2011	TMI-II 2011	TMI-II 2011	Mortality rate
Tingkat cacat	10% dari Tingkat Mortalitas	10% dari Tingkat Mortalitas	10% dari Tingkat Mortalitas	10% dari Tingkat Mortalitas	Disability rate
Umur pensiun	55	55	55	55	Retirement age

Mutasi liabilitas imbalan pasti adalah sebagai berikut:

The changes in the defined benefit obligation are as follows:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Pada awal tahun	587.386	349.311	259.004	162.932	At the beginning of the year
Biaya jasa kini	30.040	110.397	53.550	47.473	Current service cost
Biaya bunga	11.322	10.452	12.344	9.408	Interest cost
Provisi untuk imbalan lebih bayar	-	843	-	6.114	Provision for excess benefit payment
Imbalan yang dibayar	-	(843)	-	(7.467)	Benefits paid
Penyesuaian atas pengakuan masa kerja lalu karyawan	-	144.970	-	-	Adjustment due to recognition of past service costs
Sub-total	628.748	615.130	324.898	218.460	Sub-total
Pengukuran kembali:					Remeasurements:
Dampak perubahan asumsi keuangan	10.205	(38.092)	16.445	5.630	Effects of changes in financial assumptions
Dampak penyesuaian pengalaman	108.965	37.319	11.241	31.447	Effects of experience adjustments
Sub-total	119.170	(773)	27.686	37.077	Sub-total
Selisih kurs					Foreign exchange
Selisih kurs karena penjabaran laporan keuangan	8.555	(26.971)	(3.273)	3.467	Exchange difference due to translation of financial statements
Pada akhir tahun	756.473	587.386	349.311	259.004	At the end of the year

Rincian beban imbalan kerja periode/tahun berjalan adalah sebagai berikut (Catatan 22):

The details of employee benefits expense for the period/year are as follows (Note 22):

	31 Maret/March 31,		31 Desember/December 31,			
	2019	2018 (Tidak Diaudit/ Unaudited)	2018	2017	2016	
Biaya jasa kini	30.040	28.950	110.397	53.550	47.473	Current service cost
Biaya bunga	11.322	2.741	10.452	12.344	9.408	Interest cost
Provisi untuk imbalan lebih bayar	-	221	843	-	6.114	Provision for excess benefit payment
Penyesuaian atas pengakuan masa kerja lalu karyawan	-	38.017	144.970	-	-	Adjustment due to recognition of past services
Total	41.362	69.929	266.662	65.894	62.995	Total

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

16. IMBALAN KERJA KARYAWAN (lanjutan)

Mutasi liabilitas imbalan kerja di laporan posisi keuangan konsolidasian adalah sebagai berikut:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Pada awal tahun	587.386	349.311	259.004	162.932	At the beginning of the year
Beban imbalan kerja	41.362	266.662	65.894	62.995	Employee benefits expense
Pengukuran kembali yang diakui pada penghasilan komprehensif lain	119.170	(773)	27.686	37.077	Remeasurement recognized in other comprehensive income
Imbalan yang dibayar	-	(843)	-	(7.467)	Benefits paid
Selisih kurs karena penjabaran laporan keuangan	8.555	(26.971)	(3.273)	3.467	Exchange difference due to translation of financial statements
Pada akhir tahun	756.473	587.386	349.311	259.004	At the end of the year

16. EMPLOYEE BENEFITS (continued)

Movement of employee benefits liability in the consolidated statements of financial position is as follows:

Analisis sensitivitas kuantitatif untuk asumsi yang signifikan pada tanggal 31 Maret 2019 sebagai berikut:

A quantitative sensitivity analysis for significant assumptions as of March 31, 2019 is as follows:

	1% Kenaikan/ Increase	1% Penurunan/ Decrease	
Tingkat diskonto			Discount rate
Dampak liabilitas manfaat pasti bersih	(13.140)	15.450	Impact on the net defined benefits obligations
Tingkat gaji			Salary rate
Dampak liabilitas manfaat pasti bersih	15.522	(13.485)	Impact on the net defined benefits obligations

Analisa sensitivitas didasarkan pada perubahan atas satu asumsi aktuarial dimana asumsi lainnya dianggap konstan. Dalam prakteknya, hal ini jarang terjadi dan perubahan beberapa asumsi mungkin saling berkorelasi. Dalam perhitungan sensitivitas kewajiban imbalan pasti atas asumsi aktuarial utama, metode yang sama (perhitungan nilai kini liabilitas imbalan pasti dengan menggunakan metode *projected unit credit* di akhir periode) telah diterapkan seperti dalam penghitungan liabilitas imbalan kerja yang diakui dalam laporan posisi keuangan konsolidasian.

The sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the employee benefits liability recognised within the consolidated statement of financial position.

Jatuh tempo liabilitas manfaat pasti pada tanggal 31 Maret 2019 adalah sebagai berikut.

The maturity of defined benefits obligations as of March 31, 2019 is as follows:

	Sampai dengan 1 tahun/ Up to 1 year	1-5 tahun/ years	5-10 tahun/ years	Lebih dari 10 tahun/ More than 10 years	Total/ Total	
Liabilitas imbalan kerja	489.401	73.324	180.726	643.051	1.386.502	Employee benefits liability

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

16. IMBALAN KERJA KARYAWAN (lanjutan)

Manajemen Grup telah mereviu asumsi yang digunakan dan berpendapat bahwa asumsi tersebut sudah memadai. Manajemen berkeyakinan bahwa liabilitas imbalan kerja tersebut telah memadai untuk menutupi liabilitas imbalan kerja Grup.

16. EMPLOYEE BENEFITS (continued)

The management of the Group has reviewed the assumptions used and agrees that these assumptions are adequate. Management believes that the liability for employee benefits is sufficient to cover the Group's liability for its employee benefits.

**17. MODAL SAHAM DAN TAMBAHAN MODAL
DISETOR**

Modal Saham

Susunan pemegang saham Perusahaan pada tanggal 31 Maret 2019 dan 31 Desember 2018 adalah sebagai berikut:

**17. SHARE CAPITAL AND ADDITIONAL PAID-IN
CAPITAL**

Share Capital

The Company's shareholding structure as of March 31, 2019 and December 31, 2018 are as follows:

Pemegang Saham/ Shareholders	Jabatan/ Position	Jumlah Saham/ Total Shares	Persentase Kepemilikan/ Percentage of Ownership	Nilai Nominal dalam Rupiah/ Nominal Value in Rupiah	Nilai Nominal dalam AS Dolar/ Nominal Value in US Dollar
PT Paramata Indah Lestari	Entitas induk/ Parent entity	1.110.920.000	37,88%	111.092.000.000	8.189.606
Henry Maknawi	Pihak pengendali utama/ Ultimate controlling party	524.550.000	17,88%	52.455.000.000	4.792.931
Jeanny Maknawi	Pemegang saham/ Shareholder	295.770.000	10,08%	29.577.000.000	2.452.973
Johan Maknawi	Pemegang saham/ Shareholder	230.300.000	7,85%	23.030.000.000	1.924.916
Eddy Maknawi	Pemegang saham/ Shareholder	184.030.000	6,27%	18.403.000.000	1.581.961
Myrna Agustin Annamari Rumengan	Pemegang saham/ Shareholder	157.580.000	5,37%	15.758.000.000	1.161.666
Ratna Maknawi	Pemegang saham/ Shareholder	141.870.000	4,84%	14.187.000.000	1.209.427
Jimmy Chandra	Pemegang saham/ Shareholder	66.870.000	2,28%	6.687.000.000	492.960
Rusmin Cahyadi	Pemegang saham/ Shareholder	55.090.000	1,88%	5.509.000.000	406.119
Rusita	Pemegang saham/ Shareholder	53.840.000	1,84%	5.384.000.000	396.904
Giat Widjaja	Pemegang saham/ Shareholder	37.240.000	1,27%	3.724.000.000	258.540
IR. Djoni Arijanto Agung	Pemegang saham/ Shareholder	27.260.000	0,93%	2.726.000.000	200.958
Bachtar	Pemegang saham/ Shareholder	20.190.000	0,69%	2.019.000.000	148.839
Agha Indra Arbina	Pemegang saham/ Shareholder	13.770.000	0,47%	1.377.000.000	95.598
PT Tirta Energi Sentosa	Pemegang saham/ Shareholder	13.770.000	0,47%	1.377.000.000	95.598
Total		2.933.050.000	100%	293.305.000.000	23.408.996

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**17. MODAL SAHAM DAN TAMBAHAN MODAL
DISETOR (lanjutan)**

Modal Saham (lanjutan)

Susunan pemegang saham Perusahaan pada tanggal 31 Desember 2017 adalah sebagai berikut:

Pemegang Saham/ Shareholders	Jabatan/ Position	Jumlah Saham/ Total Shares	Persentase Kepemilikan/ Percentage of Ownership	Nilai Nominal dalam Rupiah/ Nominal Value in Rupiah	Nilai Nominal dalam AS Dolar/ Nominal Value in US Dollar
PT Paramata Indah Lestari	Entitas induk/ Parent entity	111.092	38,73%	111.092.000.000	8.189.606
Henry Maknawi	Pihak pengendali utama/ <i>Ultimate controlling party</i>	52.455	18,29%	52.455.000.000	4.792.931
Jeanny Maknawi	Pemegang saham/ Shareholder	29.577	10,31%	29.577.000.000	2.452.973
Johan Maknawi	Pemegang saham/ Shareholder	23.030	8,03%	23.030.000.000	1.924.916
Eddy Maknawi	Pemegang saham/ Shareholder	18.403	6,42%	18.403.000.000	1.581.961
Myrna Agustin Annamarie Rumengan	Pemegang saham/ Shareholder	15.758	5,49%	15.758.000.000	1.161.666
Ratna Maknawi	Pemegang saham/ Shareholder	14.187	4,95%	14.187.000.000	1.209.427
Jimmy Chandra	Pemegang saham/ Shareholder	6.687	2,33%	6.687.000.000	492.960
Rusmin Cahyadi	Pemegang saham/ Shareholder	5.509	1,92%	5.509.000.000	406.119
Rusita	Pemegang saham/ Shareholder	5.384	1,88%	5.384.000.000	396.904
IR. Djoni Arijanto Agung	Pemegang saham/ Shareholder	2.726	0,95%	2.726.000.000	200.958
Bachtiar	Pemegang saham/ Shareholder	2.019	0,70%	2.019.000.000	148.839
Total		286.827	100%	286.827.000.000	22.959.260

**17. SHARE CAPITAL AND ADDITIONAL PAID-IN
CAPITAL (continued)**

Share Capital (continued)

The Company's shareholding structure as of December 31, 2017 is as follows:

Susunan pemegang saham Perusahaan pada tanggal 31 Desember 2016 adalah sebagai berikut:

The Company's shareholding structure as of December 31, 2016 is as follows:

Pemegang Saham/ Shareholders	Jabatan/ Position	Jumlah Saham/ Total Shares	Persentase Kepemilikan/ Percentage of Ownership	Nilai Nominal dalam Rupiah/ Nominal Value in Rupiah	Nilai Nominal dalam AS Dolar/ Nominal Value in US Dollar
Henry Maknawi	Pihak pengendali utama/ <i>Ultimate controlling party</i>	52.455	51,00%	52.455.000.000	4.792.932
Jeanny Maknawi	Pemegang saham/ Shareholder	15.428	15,00%	15.428.000.000	1.409.921
Johan Maknawi	Pemegang saham/ Shareholder	12.857	12,50%	12.857.000.000	1.174.971
Eddy Maknawi	Pemegang saham/ Shareholder	12.857	12,50%	12.857.000.000	1.173.115
Ratna Maknawi	Pemegang saham/ Shareholder	9.258	9,00%	9.258.000.000	846.065
Total		102.855	100%	102.855.000.000	9.397.004

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**17. MODAL SAHAM DAN TAMBAHAN MODAL
DISETOR (lanjutan)**

Modal Saham (lanjutan)

Berdasarkan Akta Notaris Yulia, S.H., No. 29 tanggal 11 Maret 2019, pemegang saham Perusahaan menyetujui, antara lain:

- a. Mengubah status Perusahaan yang semula Perusahaan Terbatas Terbuka menjadi Perusahaan Tertutup;
- b. Mengubah seluruh anggaran dasar Perusahaan menjadi Perusahaan Terbatas Tertutup.

Berdasarkan Akta Notaris Abdul Haris, S.H., No. 9 tanggal 27 Desember 2018, pemegang saham Perusahaan setuju untuk menjual 13.770.000 saham PT Subur Bina Makmur kepada PT Tirta Energi Sentosa.

Berdasarkan Akta Notaris Yulia, S.H., No. 25 tanggal 10 September 2018, pemegang saham Perusahaan menyetujui, antara lain:

- a. Perubahan nama Perusahaan dari PT Citra Alam Pratama menjadi PT Kencana Energi Lestari Tbk;
- b. Mengubah nilai nominal per lembar saham Perusahaan dari Rp1.000.000 per lembar menjadi Rp100 per lembar;
- c. Pelaksanaan Program ESA (*Employee Stock Allocation*), tata cara pelaksanaan akan ditentukan kemudian oleh Dewan Direktur;
- d. Melakukan Penawaran Umum Perdana saham-saham Perusahaan maksimal sejumlah 60% dari modal saham Perusahaan dengan nominal nilai Rp100 per lembar saham.

Berdasarkan Akta Notaris Abdul Haris, S.H., M.Kn., No. 6, tanggal 26 Juni 2018, para pemegang saham Perusahaan setuju untuk meningkatkan modal ditempatkan dan disetor Perusahaan dari 286.827 saham menjadi 293.305 saham atau setara dengan Rp293.305.000.000 (AS\$23.408.996). Penambahan modal ditempatkan dan disetor sebesar Rp6.478.000.000 (AS\$449.736) dibayarkan melalui kas. Komposisi pemegang saham Perusahaan juga diubah berdasarkan Akta Notaris ini.

Berdasarkan Akta Notaris Ir. Rusli, S.H., No. 84, tanggal 14 Desember 2017, para pemegang saham Perusahaan setuju untuk meningkatkan modal dasar Perusahaan dari 102.855 lembar saham menjadi 1.147.308 lembar saham atau setara dengan total Rp1.147.308.000.000. Modal

**17. SHARE CAPITAL AND ADDITIONAL PAID-IN
CAPITAL (continued)**

Share Capital (continued)

Based on Notarial Deed No. 29 of Yulia, S.H., dated March 11, 2019, the Company's shareholders agreed to, among others:

- a. Change the Company's status which originally a Public Limited Company into a Private Company;
- b. Change the entire Articles of Association of the Company to be a Private Limited Company.

Based on Notarial Deed No. 9 of Abdul Haris, S.H., dated December 27, 2018, the Company's shareholders agreed to sell 13,770,000 shares of PT Subur Bina Makmur to PT Tirta Energi Sentosa.

Based on Notarial Deed No. 25 of Yulia, S.H., dated September 10, 2018, the Company's shareholders agreed, among others:

- a. Change the Company's name from PT Citra Alam Pratama to PT Kencana Energi Lestari Tbk;
- b. Change the Company's par value per share from Rp1,000,000 per share to Rp100 per share;
- c. Implement Employee Stock Allocation (ESA) program, procedure will be decided later by the Board of Directors;
- d. Execute Initial Public Offering of the Company's shares, with maximum total of 60% share capital of the Company, with nominal value of Rp100 per share.

Based on Notarial Deed No. 6 of Abdul Haris, S.H., M.Kn., dated June 26, 2018, the Company's shareholders agreed to increase the Company's issued and paid-in capital from 286,827 shares to 293,305 shares or equivalent to Rp293,305,000,000 (US\$23,408,996). The increase in issued and paid-in capital which amounted to Rp6,478,000,000 (US\$449,736) was paid through cash. The composition of the Company's shareholders were also changed based on this Notarial Deed.

Based on Notarial Deed No. 84 of Ir. Rusli, S.H., dated December 14, 2017, the Company's shareholders agreed to increase the Company's authorized capital from 102,855 shares to 1,147,308 shares or equivalent to a total of Rp1,147,308,000,000. The Company's issued and

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**17. MODAL SAHAM DAN TAMBAHAN MODAL
DISETOR (lanjutan)**

Modal Saham (lanjutan)

ditempatkan dan disetor Perusahaan juga meningkat dari 102.855 saham menjadi 286.827 saham atau setara dengan Rp286.827.000.000 (AS\$22.959.260). Penambahan modal ditempatkan dan disetor sebesar Rp183.972.000.000 (AS\$13.562.256) dibayarkan melalui kas. Komposisi pemegang saham Perusahaan juga diubah berdasarkan Akta Notaris ini.

Berdasarkan Akta Notaris Ir. Rusli, S.H., No. 10, tanggal 26 Desember 2016, para pemegang saham Perusahaan setuju untuk meningkatkan modal ditempatkan dan disetor Perusahaan sebanyak 44.992 lembar saham atau setara dengan Rp44.992.000.000 (AS\$3.616.721) melalui konversi uang muka atas penerbitan saham.

Tambahan Modal Disetor - Neto

Akun ini terdiri dari:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Selisih nilai transaksi restrukturisasi entitas sependali (Catatan 4)	32.740.964	32.740.964	32.740.964	-	Difference in value from restructuring of transactions of entities under common control (Note 4)
Efek dari perubahan kepemilikan (Catatan 4)	5.240.319	5.240.319	3.889.447	(3.320.994)	Effect of change in ownership interest (Note 4)
Selisih kurs dari penyeteran modal (Catatan 4)	20.164	20.164	-	-	Exchange rate difference from paid-in capital (Note 4)
Pengampunan pajak (Catatan 15)	7.647	7.647	7.647	7.647	Tax amnesty (Note 15)
Total	38.009.094	38.009.094	36.638.058	(3.313.347)	Total

Saldo Laba

Berdasarkan Akta Notaris Yulia, SH, No. 67, tanggal 22 Oktober 2018, para pemegang saham Perusahaan menyetujui pemenuhan ketentuan Pasal 70 ayat 3 Undang-Undang No. 40 tahun 2007 tentang Perseroan Terbatas, yaitu untuk menyisihkan laba bersih Perusahaan sampai cadangan mencapai paling sedikit 20% dari jumlah modal ditempatkan dan disetor Perusahaan, yang pelaksanaannya akan ditentukan lebih lanjut oleh Direksi atau Dewan Komisaris Perusahaan.

Berdasarkan Keputusan Sirkuler Direksi Perusahaan pada tanggal 25 Juni 2019, Direksi memutuskan untuk mencadangkan laba ditahan sebesar Rp1.000.000.000 sesuai dengan Pasal 70 ayat 3 Undang-Undang No. 40 Tahun 2007 tentang Perseroan Terbatas.

**17. SHARE CAPITAL AND ADDITIONAL PAID-IN
CAPITAL (continued)**

Share Capital (continued)

paid-in capital were also increased from 102,855 shares to 286,827 shares or equivalent to Rp286,827,000,000 (US\$22,959,260). The increase in issued and paid-in capital which amounted to Rp183,972,000,000 (US\$13,562,256) was paid through cash. The composition of the Company's shareholders were also changed based on this Notarial Deed.

Based on Notarial Deed No. 10 of Ir. Rusli, S.H., dated December 26, 2016, the Company's shareholders agreed to increase the Company's issued and paid-in capital by 44,992 shares or equivalent to Rp44,992,000,000 (US\$3,616,721) through conversion of advances for share capital subscription.

Additional Paid-in Capital - Net

This account consists of:

Retained Earnings

Based on Notarial Deed No. 67 of Yulia, S.H., dated October 22, 2018, the shareholders of the Company approved the fulfillment of the provisions of Article 70 paragraph 3 of Law No. 40 of 2007 concerning Limited Liability Companies, namely to set aside the Company's net profit until the reserves reach at least 20% of the Company's issued and paid-up capital whose implementation will be further determined by the Company's Board of Directors or Board of Commissioners.

Based on the Company's Board of Directors Circular Decision on June 25, 2019, the Board of Directors decided to appropriate retained earnings of Rp1,000,000,000 in accordance with Article 70 paragraph 3 of Law No. 40 of 2007 concerning Limited Liability Companies.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

18. KEPENTINGAN NON-PENGENDALI

Kepentingan non-pengendali atas aset neto Entitas Anak adalah sebagai berikut:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
PT Energy Sakti Sentosa	18.579.841	11.430.169	10.743.609	18.251.300	PT Energy Sakti Sentosa
PT Bangun Tirta Lestari	821.244	817.966	2.455.344	-	PT Bangun Tirta Lestari
PT Bangun Hidro Energi dan entitas anak	5.211	-	-	-	PT Bangun Hidro Energi and subsidiary
Total	19.406.296	12.248.135	13.198.953	18.251.300	Total

18. NON-CONTROLLING INTERESTS

Non-controlling interests in Subsidiaries' net assets are as follows:

Mutasi kepentingan non-pengendali atas aset neto Entitas Anak adalah sebagai berikut:

Movements of non-controlling interests in Subsidiaries' net assets are as follows:

	31 Maret/ March 31, 2019	31 Desember/December 31,			
		2018	2017	2016	
Saldo awal	12.248.135	13.198.953	18.251.300	16.491.289	Beginning balance
Laba komprehensif tahun berjalan	273.276	877.607	1.254.626	1.759.948	Comprehensive income for the year
Pelepasan sebagian kepentingan pada entitas anak tanpa kehilangan pengendalian	18.579.838	-	-	-	Disposal of partial interest in a subsidiary without loss of control
Pembelian modal saham kepentingan pengendali	(11.383.562)	-	-	-	Purchase of shares of non-controlling interest
Pembagian dividen kas pada entitas anak	(325.887)	-	-	-	Distribution of cash dividends by subsidiary
Peningkatan modal saham dari kepentingan pengendali	9.285	-	-	-	Increase in share capital of non-controlling interest
Kepentingan nonpengendali yang diperoleh dari kombinasi bisnis	5.211	-	-	-	Non-controlling interest arising from business combination
Efek dari transaksi restrukturisasi	-	(1.828.425)	(6.306.973)	-	Effect of restructuring transactions
Penyesuaian uang muka atas penerbitan saham	-	-	-	63	Adjustment in advances for share capital subscription
Total	19.406.296	12.248.135	13.198.953	18.251.300	Total

19. LABA PER SAHAM

a. Perhitungan laba per saham dalam Dolar AS adalah sebagai berikut:

	31 Maret/March 31,		31 Desember/December 31,		
	2019	2018 (Tidak Diaudit/ Unaudited)	2018	2017	2016
Laba bersih per saham dasar yang diatribusikan kepada pemilik entitas induk	0,0007	0,0005	0,0021	0,0022	0,0091

19. EARNINGS PER SHARE

a. Earnings per share is calculated in US Dollar as follows:

Basic earnings per share attributable to equity holders of the parent entity

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

19. LABA PER SAHAM (lanjutan)

b. Jumlah Saham

Jumlah rata-rata tertimbang saham yang digunakan untuk perhitungan laba per saham dasar adalah sebagai berikut:

	31 Maret/March 31,	
	2019	2018 (Tidak Diaudit/ Unaudited)
Rata-rata tertimbang saham	2.933.050.000	2.868.270.000

19. EARNINGS PER SHARE (continued)

b. Number of Shares Outstanding

The weighted average number of shares used in calculating basic earnings per share is as follows:

	31 Desember/December 31,			
	2018	2017	2016	
Weighted average number of shares	2.900.660.000	1.181.860.000	578.630.000	

c. Total laba tahun berjalan

Laba tahun berjalan yang dapat diatribusikan kepada pemilik entitas induk adalah sebagai berikut:

	31 Maret/March 31,	
	2019	2018 (Tidak Diaudit/ Unaudited)
Total laba tahun berjalan yang dapat diatribusikan kepada pemilik entitas induk	2.106.546	1.534.760

c. Total income for the year

Total income for the year attributable to the owners of the parent entity is as follows:

	31 Desember/December 31,			
	2018	2017	2016	
Total income for the year attributable to the owners of the parent entity	6.033.442	2.570.605	5.289.633	

Perusahaan tidak memiliki efek berpotensi saham biasa yang bersifat dilutif pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016 dan oleh karenanya, laba per saham dilusian tidak dihitung dan disajikan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

The Company has no outstanding dilutive potential ordinary shares as of March 31, 2019, December 31, 2018, 2017 and 2016, and accordingly, no diluted earnings per share is calculated and presented in the consolidated statements of profit or loss and other comprehensive income.

Jumlah rata-rata tertimbang saham untuk perhitungan laba per saham dasar sudah mempertimbangkan dampak dari perubahan nilai nominal saham dari Rp1.000.000 menjadi Rp100 yang dilaksanakan pada tanggal 10 September 2018 (Catatan 17).

The weighted average number of shares used in calculating basic earnings per share has effected the change in nominal value per share from Rp1,000,000 to Rp100 conducted on September 10, 2018 (Note 17).

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

20. PENDAPATAN

Akun ini terdiri dari:

	31 Maret/March 31,	
	2019	2018 (Tidak Diaudit/ Unaudited)
Pendapatan proyek konsesi	2.977.512	3.618.875
Pendapatan bunga konsesi	1.438.021	1.420.693
Penjualan listrik	1.271.634	462.208
Total	5.687.167	5.501.776

Untuk periode tiga bulan pada tanggal-tanggal 31 Maret 2019 dan 2018 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2018, 2017 dan 2016, pendapatan Grup diterima dari satu pelanggan eksternal, PT Perusahaan Listrik Negara (Persero) ("PLN").

20. REVENUE

This account consists of:

31 Desember/December 31,			
2018	2017	2016	
16.884.549	24.628.806	19.352.585	Concession project revenue
5.805.548	5.795.027	4.301.877	Concession interest income
3.758.389	4.546.003	2.756.075	Sale of electricity
26.448.486	34.969.836	26.410.537	Total

For the three-month periods ended March 31, 2019 and 2018 and years ended December 31, 2018, 2017 and 2016, the Group's revenue are derived from a single external customer, PT Perusahaan Listrik Negara (Persero) ("PLN").

21. BEBAN LANGSUNG

Akun ini terdiri dari:

	31 Maret/March 31,	
	2019	2018 (Tidak Diaudit/ Unaudited)
Beban pokok proyek konsesi	1.549.894	1.389.224
Bahan	54.540	23.604
Tenaga kerja	38.329	36.249
Overhead		
Survey dan development	59.701	64.060
Perbaikan dan pemeliharaan	16.289	76.971
Mess	6.153	7.986
Transportasi	4.863	4.152
Hiburan dan donasi	212	5.884
Jasa profesional	-	7.986
Biaya lisensi	-	1.868
Lain-lain	26.910	5.955
Sub-total	206.997	226.729
Total	1.756.891	1.615.953

Untuk periode tiga bulan yang berakhir pada tanggal-tanggal 31 Maret 2019 dan 2018, tidak ada pembelian yang melebihi 10% dari total pendapatan konsolidasi. Pembelian sebesar AS\$2.055.333 untuk tahun yang berakhir pada tanggal 31 Desember 2018 (31 Desember 2017: AS\$4.989.038) atau sama dengan 13% (31 Desember 2017: 14%) dari total pendapatan dibeli dari Sichuan Anhe Hydraulic and Hydroelectric Engineering Co., Ltd. Untuk tahun yang berakhir pada 31 Desember 2016, pembelian yang melebihi 10% dari total pendapatan konsolidasi di beli dari Sinohydro Corporation Limited sebesar AS\$2.924.486.

21. DIRECT COSTS

This account consists of:

31 Desember/December 31,			
2018	2017	2016	
8.968.364	8.081.952	5.533.131	Cost of concession project
201.978	116.001	90.627	Materials
141.362	162.150	109.490	Labor
-	104.492	42.397	Overhead
288.033	375.021	118.787	Survey and development
22.695	28.258	2.595	Repairs and maintenance
20.352	7.171	48.785	Mess
29.137	32.737	43.215	Transportation
7.986	-	-	Entertainment and donation
1.868	12.222	30	Professional fees
44.015	17.129	16.143	License fee
			Others
757.426	855.181	472.069	Sub-total
9.725.790	8.937.133	6.005.200	Total

For the three-month periods ended March 31, 2019 and 2018, there were no purchases exceeding 10% of total consolidated revenue. Purchases of approximately US\$2,055,333 for the year ended December 31, 2018 (December 31, 2017: US\$4,989,038) or equal to 13% (December 31, 2017: 14%) of total revenue were derived from Sichuan Anhe Hydraulic and Hydroelectric Engineering Co., Ltd. For the year ended December 31, 2016, purchases which exceeds 10% of the total consolidated revenue were derived from Sinohydro Corporation Limited which amounted to US\$2,924,486.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

22. BEBAN USAHA

Akun ini terdiri dari:

	31 Maret/March 31,		31 Desember/December 31,			
	2019	2018 (Tidak Diaudit/ Unaudited)	2018	2017	2016	
Beban umum dan administrasi						General and administrative expenses
Gaji	130.240	105.553	439.376	375.899	329.102	Salaries
Jasa profesional	85.014	52.907	429.620	178.957	55.785	Professional fees
Imbalan kerja (Catatan 16)	41.362	69.929	266.662	65.894	62.995	Employee benefits (Note 16)
Mess dan project	37.471	31.879	267.465	46.174	78.015	Mess and project
Asuransi	36.656	40.263	135.897	130.259	120.444	Insurance
Pajak lain-lain	20.685	10.457	54.246	52.548	57.130	Other taxes
Transportasi dan perjalanan dinas	20.548	33.894	129.815	88.082	62.783	Transportation and traveling
Penyusutan (Catatan 9)	18.851	16.660	70.971	38.219	25.883	Depreciation (Note 9)
Sewa	13.555	17.445	60.659	62.187	22.824	Rent
Perbaikan dan pemeliharaan	6.664	9.925	30.906	33.524	12.494	Repairs and maintenance
Utilitas	4.273	3.578	21.519	14.867	34.728	Utilities
Sumbangan	2.382	7.160	168.881	46.786	4.570	Donation
Lain-lain	35.477	10.238	97.631	22.375	29.390	Others
Total	453.178	409.888	2.173.648	1.155.771	896.143	Total

22. OPERATING EXPENSES

This account consists of:

23. TRANSAKSI PIHAK BERELASI

Grup dikendalikan oleh PT Paramata Indah Lestari (berdomisili di Indonesia) yang memiliki 37,88% saham Perusahaan. Pihak pengendali utama Grup adalah Henry Maknawi dan keluarga.

Dalam kegiatan usahanya, Grup mengadakan transaksi dengan pihak-pihak berelasi, terutama meliputi transaksi-transaksi pinjaman.

23. RELATED PARTY TRANSACTIONS

The Group is controlled by PT Paramata Indah Lestari (domiciled in Indonesia) which owns 37.88% of the Company's shares. The Group's ultimate controlling party is Henry Maknawi and family.

In the normal course of business, the Group engages in transactions with related parties, primarily consisting of loans.

Jumlah/Amount				Persentase Terhadap Total Aset/ Percentage to Total Assets				
31 Maret/ March 31, 2019	31 Desember/December 31,			31 Maret/ March 31, 2019	31 Desember/December 31,			
	2018	2017	2016		2018	2017	2016	
Piutang Lain-lain (Catatan 8)								Other Receivables (Note 8)
Lancar								Current
PT Subur Bina Makmur	-	-	142.087	-	-	0,07%	-	PT Subur Bina Makmur
PT Sola Kita Energi	-	-	64.954	-	-	0,03%	-	PT Sola Kita Energi
Lain-lain	-	-	-	27.760	-	-	0,02%	Others
Sub-total	-	-	207.041	27.760	-	0,10%	0,02%	Sub-total
Tidak lancar								Non-Current
Giat Widjaja	42.588	41.891	-	-	0,02%	0,02%	-	Giat Widjaja
Agha Indra Arbina	28.727	28.257	-	-	0,01%	0,01%	-	Agha Indra Arbina
PT Sumber Bahtera Abadi	-	-	19.856	-	-	-	0,01%	PT Sumber Bahtera Abadi
Lain-lain	23.119	56.075	17.429	-	0,01%	0,02%	0,01%	Others
Sub-total	94.434	126.223	37.285	-	0,04%	0,05%	0,02%	Sub-total
Total	94.434	126.223	244.326	27.760	0,04%	0,05%	0,12%	Total

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

23. TRANSAKSI PIHAK BERELASI (lanjutan)

Piutang lain-lain dari PT Subur Bina Makmur dan PT Sola Kita Energi berkaitan dengan piutang dari penerbitan saham di 2017 yang dihapuskan di 2018 sebesar AS\$197.022.

Piutang lain-lain dari Giat Widjaja dan Agha Indra Arbina berkaitan dengan piutang dari penerbitan saham di 2018 dan akan dilunasi pada bulan Desember 2020.

23. RELATED PARTY TRANSACTIONS (continued)

The other receivables from PT Subur Bina Makmur and PT Sola Kita Energi pertain to receivables from issuance of shares in 2017 which was written-off in 2018 amounting to US\$197,022.

The other receivables from Giat Widjaja and Agha Indra Arbina pertain to receivables from issuance of shares in 2018 which are due in December 2020.

Jumlah/Amount				Persentase Terhadap Total Liabilitas/ Percentage to Total Liabilities				
31 Maret/ March 31, 2019	31 Desember/December 31,			31 Maret/ March 31, 2019	31 Desember/December 31,			
	2018	2017	2016		2018	2017	2016	
Utang Lain-lain								Other Payables
Lancar								Current
PT Paramata Indah								PT Paramata
Lestari	-	-	-	6.548.097	-	-	-	Indah Lestari
Lain-lain	-	-	-	33.913	-	-	-	Others
Sub-total	-	-	-	6.582.010	-	-	-	Sub-total
Tidak Lancar								Non-Current
PT Paramata Indah								PT Paramata
Lestari	6.359.548	7.065.951	6.771.136	-	5,50%	6,36%	6,60%	Indah Lestari
PT Subur Bina								PT Subur Bina
Makmur	116.888	113.388	-	-	0,10%	0,10%	-	Makmur
PT Bukit Sumber								PT Bukit Sumber
Rejeki	72.000	69.114	-	-	0,06%	0,06%	-	Rejeki
Lain-lain	32.818	-	72.663	-	0,03%	-	0,08%	Others
Sub-total	6.581.254	7.248.453	6.843.799	-	5,69%	6,52%	6,68%	Sub-total
Total	6.581.254	7.248.453	6.843.799	6.582.010	5,69%	6,52%	6,68%	Total

ESS dan BTL mengadakan beberapa perjanjian pemindahan piutang dan utang kepada PT Paramata Indah Lestari untuk piutang pinjaman dari dan utang kepada pihak berelasi tertentu. Hasilnya utang lain-lain kepada PT Paramata Indah Lestari dikenakan bunga 6% dan akan dilunasi pada bulan Desember 2020 atau dapat diperpanjang berdasarkan perjanjian dari kedua belah pihak.

Piutang lain-lain dan utang lain-lain diatas terdiri dari pinjaman yang dikenakan bunga 6% dan akan dilunasi pada bulan Desember 2020 atau dapat diperpanjang berdasarkan perjanjian dari kedua belah pihak.

Perusahaan, ESS dan BTL menanggung biaya sewa yang dibayarkan kepada PT Graha Meruya sebagai berikut:

ESS and BTL entered into various receivable and payable assignment agreements with PT Paramata Indah Lestari for loans receivable from and payable to certain related parties. The resulting other payable to PT Paramata Indah Lestari bears interest rate of 6% and is due in December 2020 or can be extended based on agreement by both parties.

The above other receivables and other payables primarily consist of loans which bear interest rate of 6% and are due in December 2020 or can be extended based on agreement by both parties.

The Company, ESS and BTL incurred rental expense to PT Graha Meruya as follows:

sebagai berikut.

	Jumlah/Amount					Persentase Terhadap Total Beban Sewa/ Percentage to Total Rent Expense				
	31 Maret/Maret 31,		31 Desember/December 31			31 Maret/Maret 31,		31 Desember/December 31,		
	2019	2018 Tidak diaudit/ Unaudited)	2018	2017	2016	2019	2018 Tidak diaudit/ Unaudited)	2018	2017	2016
Beban sewa										
PT Graha Meruya	11.434	8.354	42.323	56.449	9.086	84,35%	47,89%	70,00%	90,77%	39,81%

Rent expenses
PT Graha Meruya

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**24. MANAJEMEN RISIKO KEUANGAN DAN
PENGELOLAAN MODAL (lanjutan)**

Manajemen Risiko Keuangan (lanjutan)

Dalam menjalankan aktivitas operasi, investasi, dan pendanaan, Grup menghadapi risiko keuangan yaitu: risiko kredit, risiko likuiditas dan risiko pasar (termasuk risiko mata uang asing dan risiko tingkat suku bunga).

a. Risiko kredit

Risiko kredit adalah risiko dimana salah satu pihak atas instrumen keuangan akan gagal memenuhi liabilitasnya dan menyebabkan pihak lain mengalami kerugian keuangan.

Grup mempunyai kebijakan dan prosedur kredit untuk memastikan evaluasi kredit yang berkesinambungan dan pemantauan saldo secara aktif. Grup mengelola risiko kredit yang terkait dengan simpanan di bank dengan memonitor reputasi, peringkat kredit dan membatasi risiko agregat dari masing-masing pihak dalam kontrak.

Risiko kredit terkonsentrasi pada satu pelanggan yang telah bertransaksi dengan Grup yang tidak memiliki sejarah gagal bayar. Manajemen tidak membentuk provisi terhadap saldo pelanggan tersebut.

Tabel berikut ini menunjukkan informasi mengenai eksposur risiko kredit berdasarkan evaluasi penurunan nilai pada aset keuangan Grup pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016:

	31 Maret/March 31, 2019				
	Belum jatuh tempo maupun mengalami penurunan nilai/ <i>Neither past due nor impaired</i>	Telah jatuh tempo namun tidak mengalami penurunan nilai/ <i>Past due but not impaired</i>	Telah jatuh tempo dan mengalami penurunan nilai/ <i>Past due and impaired</i>	Total/ Total	
Kas di bank dan setara kas	12.214.769	-	-	12.214.769	Cash in banks and cash equivalents
Aset keuangan dari konsesi jasa yang belum ditagihkan					Unbilled financial asset from service concession project
Lancar	3.138.665	-	-	3.138.665	Current
Tidak lancar	229.387.703	-	-	229.387.703	Non-current
Piutang usaha	2.058.772	-	-	2.058.772	Trade receivables
Piutang lain-lain					Other receivables
Pihak ketiga (Lancar)	57.452	-	-	57.452	Third parties (Current)
Pihak berelasi (Tidak lancar)	94.434	-	-	94.434	Related parties (Non-current)
Jaminan uang tunai					Cash collateral
Lancar	409.285	-	-	409.285	Current
Kas di bank yang dibatasi penggunaannya	1.462.170	-	-	1.462.170	Restricted cash in bank
Total	248.823.250	-	-	248.823.250	Total

**24. FINANCIAL RISKS MANAGEMENT AND
CAPITAL MANAGEMENT (continued)**

Financial Risks Management (continued)

In its operating, investing, and financing activities, the Group is exposed to the following financial risks: credit risk, liquidity risk and market risk (foreign currency risk and interest rate risk).

a. Credit risk

Credit risk is the risk that one party of financial instruments will fail to discharge its obligation and will incur a financial loss to other party.

The Group has in place credit policies and procedures to ensure the ongoing credit evaluation and active account monitoring. The Group manages credit risk exposed from its deposit with banks by monitoring reputation, credit ratings and limiting the aggregate risk to any individual counterparty.

The credit risk is concentrated in one customer that have been transacting with the Group for whom there is no recent history of default. Management has not made any allowance for the balances outstanding from this customer.

The following table provides information regarding the credit risk exposure based on impairment assessment on the Group's financial assets as of March 31, 2019, December 31, 2018, 2017 and 2016:

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**24. MANAJEMEN RISIKO KEUANGAN DAN
PENGELOLAAN MODAL (lanjutan)**

**24. FINANCIAL RISKS MANAGEMENT AND
CAPITAL MANAGEMENT (continued)**

Manajemen Risiko Keuangan (lanjutan)

Financial Risks Management (continued)

a. Risiko kredit (lanjutan)

a. Credit risk (continued)

31 Desember/December 31, 2018

	Belum jatuh tempo maupun mengalami penurunan nilai/ <i>Neither past due nor impaired</i>	Telah jatuh tempo namun tidak mengalami penurunan nilai/ <i>Past due but not impaired</i>	Telah jatuh tempo dan mengalami penurunan nilai/ <i>Past due and impaired</i>	Total/ Total	
Kas di bank	143.839	-	-	143.839	Cash in banks
Aset keuangan dari konsesi jasa yang belum ditagihkan					Unbilled financial asset from service concession project
Lancar	2.648.700	-	-	2.648.700	Current
Tidak lancar	227.324.870	-	-	227.324.870	Non-current
Piutang usaha	2.278.245	-	-	2.278.245	Trade receivables
Piutang lain-lain					Other receivables
Pihak ketiga (Lancar)	102.295	-	-	102.295	Third parties (Current)
Pihak berelasi (Tidak lancar)	126.223	-	-	126.223	Related parties (Non-current)
Jaminan uang tunai					Cash collateral
Tidak lancar	409.285	-	-	409.285	Non-current
Kas di bank yang dibatasi penggunaannya	538.003	-	-	538.003	Restricted cash in bank
Total	233.571.460	-	-	233.571.460	Total

31 Desember/December 31, 2017

	Belum jatuh tempo maupun mengalami penurunan nilai/ <i>Neither past due nor impaired</i>	Telah jatuh tempo namun tidak mengalami penurunan nilai/ <i>Past due but not impaired</i>	Telah jatuh tempo dan mengalami penurunan nilai/ <i>Past due and impaired</i>	Total/ Total	
Kas di bank	1.304.814	-	-	1.304.814	Cash in banks
Aset keuangan dari konsesi jasa yang belum ditagihkan					Unbilled financial asset from service concession project
Lancar	1.397.420	-	-	1.397.420	Current
Tidak lancar	213.089.021	-	-	213.089.021	Non-current
Piutang usaha	545.802	1.639.372	-	2.185.174	Trade receivables
Piutang lain-lain					Other receivables
Pihak berelasi					Related parties
Lancar	207.041	-	-	207.041	Current
Tidak lancar	37.285	-	-	37.285	Non-current
Pihak ketiga	83.277	-	-	83.277	Third parties
Jaminan uang tunai					Cash collateral
Lancar	119.893	-	-	119.893	Current
Tidak lancar	409.285	-	-	409.285	Non-current
Kas di bank yang dibatasi penggunaannya	80.350	-	-	80.350	Restricted cash in bank
Total	217.274.188	1.639.372	-	218.913.560	Total

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**24. MANAJEMEN RISIKO KEUANGAN DAN
PENGELOLAAN MODAL (lanjutan)**

**24. FINANCIAL RISKS MANAGEMENT AND
CAPITAL MANAGEMENT (continued)**

Manajemen Risiko Keuangan (lanjutan)

Financial Risks Management (continued)

a. Risiko kredit (lanjutan)

a. Credit risk (continued)

31 Desember/December 31, 2016

	Belum jatuh tempo maupun mengalami penurunan nilai/ <i>Neither past due nor impaired</i>	Telah jatuh tempo namun tidak mengalami penurunan nilai/ <i>Past due but not impaired</i>	Telah jatuh tempo dan mengalami penurunan nilai/ <i>Past due and impaired</i>	Total/ Total	
Kas di bank	904.126	-	-	904.126	Cash in banks
Aset keuangan dari konsepsi jasa yang belum ditagihkan					Unbilled financial asset from service concession project
Tidak lancar	188.537.888	-	-	188.537.888	Non-current
Piutang usaha	989.692	-	-	989.692	Trade receivables
Piutang lain-lain					Other receivables
Pihak berelasi	27.760	-	-	27.760	Related parties
Pihak ketiga	593.830	-	-	593.830	Third parties
Total	191.053.296	-	-	191.053.296	Total

b. Risiko likuiditas

b. Liquidity risk

Risiko likuiditas adalah risiko dimana Grup tidak dapat memenuhi kewajiban pembayaran pada saat jatuh tempo. Grup telah menelaah, memantau, serta menetapkan kebijakan syarat pembayaran yang sesuai dengan penerimaan pendapatan Grup. Secara umum, kebutuhan dana untuk pelunasan kewajiban yang jatuh tempo diperoleh dari pelunasan piutang usaha dari PLN serta melalui fleksibilitas pinjaman.

Liquidity risk is the risk that the Group is unable to meet its obligations when they fall due. The Group has reviewed, monitored also set the policy of term of payments in accordance with the proceeds from revenue of the Group. In general, funding to pay due obligations are coming from the settlements of trade receivables from PLN and flexibility through borrowings.

Tabel dibawah merupakan profil liabilitas keuangan Grup berdasarkan kontrak pembayaran.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual payments.

31 Maret/March 31, 2019

	Nilai tercatat/ <i>Carrying amount</i>	Sampai dengan satu tahun/ <i>Up to a year</i>	Lebih dari satu tahun/ <i>More than one year</i>	
Liabilitas Keuangan				Financial Liabilities
Utang usaha	4.161.750	4.161.750	-	Trade payables
Liabilitas yang masih harus dibayar	453.173	453.173	-	Accrued liabilities
Utang lain-lain				Other payables
Pihak ketiga	4.803.427	4.803.427	-	Third party
Pihak berelasi	6.581.254	-	6.581.254	Related parties
Pinjaman jangka panjang	63.952.051	6.517.545	57.434.506	Long-term borrowings
Total	79.951.655	15.935.895	64.015.760	Total

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**24. MANAJEMEN RISIKO KEUANGAN DAN
PENGELOLAAN MODAL (lanjutan)**

**24. FINANCIAL RISKS MANAGEMENT AND
CAPITAL MANAGEMENT (continued)**

Manajemen Risiko Keuangan (lanjutan)

Financial Risks Management (continued)

b. Risiko likuiditas (lanjutan)

b. Liquidity risk (continued)

31 Desember/December 31, 2018

	Nilai tercatat/ Carrying amount	Sampai dengan satu tahun/ Up to a year	Lebih dari satu tahun/ More than one year	
Liabilitas Keuangan				Financial Liabilities
Utang usaha	4.784.525	4.784.525	-	Trade payables
Liabilitas yang masih harus dibayar	288.868	288.868	-	Accrued liabilities
Utang lain-lain	7.248.453	-	7.248.453	Other payables
Pihak berelasi	64.180.741	6.116.766	58.063.975	Related parties
Pinjaman jangka panjang				Long-term borrowings
Total	76.502.587	11.190.159	65.312.428	Total

31 Desember/December 31, 2017

	Nilai tercatat/ Carrying amount	Sampai dengan satu tahun/ Up to a year	Lebih dari satu tahun/ More than one year	
Liabilitas Keuangan				Financial Liabilities
Utang usaha	6.957.923	6.957.923	-	Trade payables
Liabilitas yang masih harus dibayar	614.452	614.452	-	Accrued liabilities
Utang lain-lain	6.843.799	-	6.843.799	Other payables
Pihak berelasi	58.628.418	3.659.695	54.968.723	Related parties
Pinjaman jangka panjang				Long-term borrowings
Total	73.044.592	11.232.070	61.812.522	Total

31 Desember/December 31, 2016

	Nilai tercatat/ Carrying amount	Sampai dengan satu tahun/ Up to a year	Lebih dari satu tahun/ More than one year	
Liabilitas Keuangan				Financial Liabilities
Utang usaha	6.458.236	6.458.236	-	Trade payables
Utang lain-lain	6.582.010	6.582.010	-	Other payables
Pihak berelasi				Related parties
Liabilitas yang masih harus dibayar	68.581	68.581	-	Accrued liabilities
Utang bank jangka pendek	372.134	372.134	-	Short-term bank loan
Pinjaman jangka panjang	50.023.621	3.735.648	46.287.973	Long-term borrowings
Total	63.504.582	17.216.609	46.287.973	Total

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**24. MANAJEMEN RISIKO KEUANGAN DAN
PENGELOLAAN MODAL (lanjutan)**

Manajemen Risiko Keuangan (lanjutan)

c. Risiko pasar

Risiko Mata Uang Asing

Risiko nilai tukar mata uang asing adalah risiko dimana nilai wajar atau arus kas masa mendatang dari suatu instrumen keuangan akan berfluktuasi akibat perubahan nilai tukar mata uang asing. Risiko Grup terkait nilai tukar mata uang asing terutama dihasilkan dari kas dan setara kas, piutang usaha, piutang lain-lain, utang usaha, liabilitas yang masih harus dibayar, utang lain-lain dan pinjaman jangka panjang dalam mata uang asing.

Untuk memitigasi risiko terkait risiko perubahan mata uang asing, Grup melakukan *monitoring* arus kas non-Dolar AS.

Tidak ada aktivitas lindung nilai mata uang asing secara formal pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016.

Pada tanggal 31 Maret 2019, aset dan liabilitas moneter Grup yang berdenominasi dalam mata uang selain Dolar AS sebagai berikut:

	Nilai dalam Mata uang asing/ Amounts in Foreign currency	Dalam Dolar AS pada tanggal pelaporan/ US Dollar equivalent as at reporting date
Aset		
Kas dan setara kas		
Rupiah	173.779.577.288	12.200.195
Euro	2.835	3.183
Piutang Usaha		
Rupiah	1.354.914.156	95.122
Piutang lain-lain		
Pihak berelasi		
Rupiah	1.345.118.183	94.434
Pihak ketiga		
Rupiah	818.349.083	57.452
Sub-total		12.450.386
Liabilitas		
Utang usaha		
Rupiah	500.000.000	35.103
Liabilitas yang masih harus dibayar		
Rupiah	5.184.521.099	363.980

**24. FINANCIAL RISKS MANAGEMENT AND
CAPITAL MANAGEMENT (continued)**

Financial Risks Management (continued)

c. Market risk

Foreign Currency Risk

Foreign exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to exchange rate fluctuations results primarily from cash and cash equivalents, trade receivables, other receivables, trade payables, accrued liabilities, other payables and long-term borrowings which are denominated in foreign currencies.

To mitigate the Group's exposure to foreign exchange currency risk, non-US Dollar cash flows are monitored.

There is no formal currency hedging activities in place as of March 31, 2019, December 31, 2018, 2017 and 2016.

As of March 31, 2019, the Group's monetary assets and liabilities denominated in currencies other than US Dollar are as follows:

Assets
Cash and cash equivalents
Rupiah
Euro
Trade receivables
Rupiah
Other receivables
Related parties
Rupiah
Third parties
Rupiah
Sub-total
Liabilities
Trade payables
Rupiah
Accrued liabilities
Rupiah

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**24. MANAJEMEN RISIKO KEUANGAN DAN
PENGELOLAAN MODAL (lanjutan)**

**24. FINANCIAL RISKS MANAGEMENT AND
CAPITAL MANAGEMENT (continued)**

Manajemen Risiko Keuangan (lanjutan)

Financial Risks Management (continued)

c. Risiko pasar (lanjutan)

c. Market risk (continued)

Risiko Mata Uang Asing (lanjutan)

Foreign Currency Risk (continued)

	Nilai dalam Mata uang asing/ Amounts in Foreign currency	Dalam Dolar AS pada tanggal pelaporan/ US Dollar equivalent as at reporting date	
Utang lain-lain			Other payables
Pihak ketiga			Third parties
Rupiah	68.420.000.000	4.803.427	Rupiah
Pihak berelasi			Related parties
Rupiah	93.745.173.909	6.581.254	Rupiah
Pinjaman jangka panjang			Long-term borrowings
Rupiah	2.402.622.631	168.675	Rupiah
Sub-total		11.952.439	Sub-total
Aset moneter - neto		497.947	Net monetary assets

Jika nilai denominasi aset neto dari mata uang asing pada tanggal 31 Maret 2019 ditampilkan dengan menggunakan nilai tukar yang dikeluarkan oleh Bank Indonesia pada tanggal 26 Juni 2019 (tanggal penyelesaian laporan keuangan konsolidasian), yaitu AS\$1 setara dengan Rp14.174 dan AS\$1 setara dengan Euro1,136, aset neto moneter Grup akan menurun sebesar AS\$2.479.

If the net foreign currency denominated assets as of March 31, 2019 are reflected using the exchange rates as published by Bank of Indonesia as of June 26, 2019 (date of authorization of the consolidated financial statements), which is US\$1 to Rp14,174 and US\$1 to Euro1.136, the Group's net monetary assets will decrease approximately by US\$2,479.

Analisa sensitivitas untuk risiko mata uang asing

Sensitivity analysis for foreign exchange risk

Pada tanggal 31 Maret 2019, jika nilai tukar AS Dolar terhadap mata uang asing terapresiasi sebanyak 10% dengan semua variabel konstan, laba sebelum beban pajak penghasilan untuk tahun yang berakhir pada tanggal tersebut lebih rendah sebesar AS\$49.795, sedangkan jika nilai tukar AS Dolar terhadap mata uang asing terdepresiasi sebanyak 10%, maka laba sebelum beban pajak penghasilan untuk tahun yang berakhir pada tanggal tersebut lebih tinggi sebesar AS\$49.795, terutama sebagai akibat kerugian/keuntungan translasi aset moneter neto dalam mata uang asing.

As of March 31, 2019, if the exchange rates of US Dollar against foreign currencies appreciated by 10% with all other variables held constant, the income before income tax expense for the year then ended would have been US\$49,795 lower, while if the exchange rates of US Dollar against foreign currencies depreciated by 10%, the income before income tax expense for the year then ended would have been US\$49,795 higher, mainly as a result of foreign exchange losses/gains on the translation of net monetary assets denominated in foreign currency.

Risiko Tingkat Bunga

Interest Rate Risk

Grup terekspos risiko tingkat suku bunga terutama menyangkut liabilitas berbunga Grup.

The Group's exposure to interest rate risk relates primarily to their interest-bearing liabilities.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017 (With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

24. MANAJEMEN RISIKO KEUANGAN DAN PENGELOLAAN MODAL (lanjutan)

Manajemen Risiko Keuangan (lanjutan)

c. Risiko pasar (lanjutan)

Risiko Tingkat Bunga (lanjutan)

Grup memiliki kebijakan untuk berusaha memperkecil risiko fluktuasi suku bunga dengan cara mendapatkan suku bunga pinjaman yang paling menguntungkan.

Tidak terdapat aktivitas lindung nilai tingkat bunga pada tanggal 31 Maret 2019, 31 Desember 2018, 2017 dan 2016.

Tabel berikut menganalisis rincian liabilitas keuangan berbunga berdasarkan jangka waktu:

24. FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT (continued)

Financial Risks Management (continued)

c. Market risk (continued)

Interest Rate Risk (continued)

The Group has a policy to minimize interest rate fluctuation risk by obtaining the most favourable borrowing interest rate.

There are no interest rate hedging activities in place as of March 31, 2019, December 31, 2018, 2017 and 2016.

The following table analyzes the breakdown of interest-bearing financial liabilities by maturity:

31 Maret/March 31, 2019			
	Dalam satu tahun/ Within one year	Lebih dari satu tahun/ More than one year	Total/ Total
Pinjaman jangka panjang	6.517.545	57.434.506	63.952.051
			Long-term borrowings
31 Desember/December 31, 2018			
	Dalam satu tahun/ Within one year	Lebih dari satu tahun/ More than one year	Total/ Total
Pinjaman jangka panjang	6.116.766	58.063.975	64.180.741
			Long-term borrowings
31 Desember/December 31, 2017			
	Dalam satu tahun/ Within one year	Lebih dari satu tahun/ More than one year	Total/ Total
Pinjaman jangka panjang	3.659.695	54.968.723	58.628.418
			Long-term borrowings
31 Desember/December 31, 2016			
	Dalam satu tahun/ Within one year	Lebih dari satu tahun/ More than one year	Total/ Total
Utang bank jangka pendek	372.134	-	372.134
Pinjaman jangka panjang	3.735.648	46.287.973	50.023.621
			Short-term bank loan
			Long-term borrowings
Total	4.107.782	46.287.973	50.395.755
			Total

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

24. MANAJEMEN RISIKO KEUANGAN DAN PENGELOLAAN MODAL (lanjutan)

Manajemen Risiko Keuangan (lanjutan)

c. Risiko pasar (lanjutan)

Risiko Tingkat Bunga (lanjutan)

Analisa sensitivitas untuk risiko suku bunga

Pada tanggal 31 Maret 2019, jika tingkat suku bunga pinjaman meningkat/menurun sebesar 0,50% dengan semua variabel konstan, laba sebelum beban pajak penghasilan untuk tahun yang berakhir pada tanggal tersebut lebih rendah/tinggi sebesar AS\$318.917 terutama sebagai akibat kenaikan/penurunan biaya bunga atas pinjaman dengan tingkat bunga mengambang.

Manajemen Modal

Grup bertujuan untuk mencapai struktur modal yang optimal dalam mengejar tujuan bisnis mereka, dengan cara mempertahankan rasio modal yang sehat dan memaksimalkan nilai pemegang saham.

Manajemen mengawasi modal menggunakan alat ukur keuangan seperti rasio utang pada ekuitas.

25. INSTRUMEN KEUANGAN

Tabel di bawah ini adalah perbandingan nilai tercatat dan nilai wajar dari instrumen keuangan Grup yang dicatat di laporan keuangan konsolidasian pada tanggal 31 Maret 2019.

	31 Maret/March 31, 2019	
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value
Aset Keuangan		
Pinjaman dan piutang		
Kas dan setara kas	12.234.069	12.234.069
Aset keuangan dari konsesi yang belum ditagihkan		
Lancar	3.138.665	3.138.665
Tidak lancar	229.387.703	229.387.703
Piutang usaha	2.058.772	2.058.772
Piutang lain-lain		
Pihak berelasi		
Tidak lancar	94.434	94.434
Pihak ketiga	57.452	57.452

24. FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT (continued)

Financial Risks Management (continued)

c. Market risk (continued)

Interest Rate Risk (continued)

Sensitivity analysis for interest rate risk

As of March 31, 2019, if the interest rates of the loans have been 0.50% higher/lower with all other variables held constant, the income before income tax expense for the year then ended would have been US\$318,917 lower/higher, mainly as a result of higher/lower interest expense on loans with floating interest rates.

Capital Management

The Group aims to achieve an optimal capital structure in pursuit of its business objectives, which include maintaining healthy capital ratios and maximizing shareholders value.

Management monitors capital using several financial leverage measurements such as debt to equity ratio.

25. FINANCIAL INSTRUMENTS

The table below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the consolidated financial statements as of March 31, 2019.

Financial Assets
Loans and receivables
Cash and cash equivalents
Unbilled financial asset from service concession project
Current
Non-current
Trade receivables
Other receivables
Related parties
Non-current
Third parties

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

25. INSTRUMEN KEUANGAN (lanjutan)

25. FINANCIAL INSTRUMENTS (continued)

	31 Maret/March 31, 2019		
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value	
Jaminan uang tunai Lancar	409.285	409.285	Cash collateral Current
Kas di bank yang dibatasi penggunaannya	1.462.170	1.462.170	Restricted cash in bank
Total	248.842.550	248.842.550	Total
Liabilitas Keuangan			Financial Liabilities
Liabilitas keuangan yang dicatat berdasarkan biaya perolehan diamortisasi			Financial liabilities measured at amortized cost
<u>Liabilitas keuangan jangka pendek</u>			<u>Short-term financial liabilities</u>
Utang usaha	4.161.750	4.161.750	Trade payables
Utang lain-lain Pihak ketiga	4.803.427	4.803.427	Other payables Third parties
Liabilitas yang masih harus dibayar	453.173	453.173	Accrued liabilities
Bagian pinjaman jangka panjang yang jatuh tempo dalam satu tahun:			Current maturities of long-term borrowings:
Utang bank	5.470.000	5.470.000	Bank loans
Utang lembaga keuangan	900.000	900.000	Financial institution loan
Utang pembiayaan konsumen	147.545	147.545	Consumer financing payables
<u>Liabilitas keuangan jangka panjang</u>			<u>Long-term financial liabilities</u>
Utang lain-lain Pihak berelasi	6.581.254	6.581.254	Other payables Related parties
Pinjaman jangka panjang setelah dikurangi bagian jatuh tempo dalam satu tahun:			Long-term borrowings - net of current maturities:
Utang bank	38.476.666	38.476.666	Bank loans
Utang lembaga keuangan	18.936.710	18.936.710	Financial institution loan
Utang pembiayaan konsumen	21.130	21.130	Consumer financing payables
Total	79.951.655	79.951.655	Total

Tabel di bawah ini adalah perbandingan nilai tercatat dan nilai wajar dari instrumen keuangan Grup yang dicatat di laporan keuangan konsolidasian pada tanggal 31 Desember 2018.

The table below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the consolidated financial statements as of December 31, 2018.

	31 Desember/December 31, 2018		
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value	
Aset Keuangan			Financial Assets
Pinjaman dan piutang	150.755	150.755	Loans and receivables
Kas dan setara kas			Cash and cash equivalents
Aset keuangan dari konsesi yang belum ditagihkan Lancar	2.648.700	2.648.700	Unbilled financial asset from service concession project Current
Tidak lancar	227.324.870	227.324.870	Non-current
Piutang usaha	2.278.245	2.278.245	Trade receivables
Piutang lain-lain Pihak berelasi			Other receivables Related parties
Tidak lancar	126.223	126.223	Non-current
Pihak ketiga	102.295	102.295	Third parties

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

25. INSTRUMEN KEUANGAN (lanjutan)

25. FINANCIAL INSTRUMENTS (continued)

	31 Desember/December 31, 2018	
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value
Jaminan uang tunai		
Tidak lancar	409.285	409.285
Kas di bank yang dibatasi penggunaannya	538.003	538.003
Total	233.578.376	233.578.376
Liabilitas Keuangan		
Liabilitas keuangan yang dicatat berdasarkan biaya perolehan diamortisasi		
Liabilitas keuangan jangka pendek		
Utang usaha	4.784.525	4.784.525
Liabilitas yang masih harus dibayar	288.868	288.868
Bagian pinjaman jangka panjang yang jatuh tempo dalam satu tahun:		
Utang bank	5.020.000	5.020.000
Utang lembaga keuangan	900.000	900.000
Utang pembiayaan konsumen	196.766	196.766
Liabilitas keuangan jangka panjang		
Utang lain-lain		
Pihak berelasi	7.248.453	7.248.453
Pinjaman jangka panjang setelah dikurangi bagian jatuh tempo dalam satu tahun:		
Utang bank	39.416.476	39.416.476
Utang lembaga keuangan	18.617.818	18.617.818
Utang pembiayaan konsumen	29.681	29.681
Total	76.502.587	76.502.587

Cash collateral Non-current
Restricted cash in bank
Total
Financial Liabilities
Financial liabilities measured at amortized cost
Short-term financial liabilities
Trade payables
Accrued liabilities
Current maturities of long-term borrowings:
Bank loans
Financial institution loan
Consumer financing payables
Long-term financial liabilities
Other payables
Related parties
Long-term borrowings - net of current maturities:
Bank loans
Financial institution loan
Consumer financing payables
Total

Tabel di bawah ini adalah perbandingan nilai tercatat dan nilai wajar dari instrumen keuangan Perusahaan yang dicatat di laporan keuangan pada tanggal 31 Desember 2017.

The table below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the financial statements as of December 31, 2017.

	31 Desember/December 31, 2017	
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value
Aset Keuangan		
Pinjaman dan piutang		
Kas dan setara kas	1.307.854	1.307.854
Aset keuangan dari konsesi jasa yang belum ditagihkan		
Lancar	1.397.420	1.397.420
Tidak lancar	213.089.021	213.089.021
Piutang usaha	2.185.174	2.185.174
Piutang lain-lain		
Pihak berelasi		
Lancar	207.041	207.041
Tidak lancar	37.285	37.285
Pihak ketiga	83.277	83.277
Jaminan uang tunai		
Lancar	119.893	119.893
Tidak lancar	409.285	409.285
Kas di bank yang dibatasi penggunaannya	80.350	80.350
Total	218.916.600	218.916.600

Financial Assets
Loans and receivables
Cash and cash equivalents
Unbilled financial asset from service concession project
Current
Non-current
Trade receivables
Other receivables
Related parties
Current
Non-current
Third parties
Cash collateral
Current
Non-current
Restricted cash in bank
Total

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

25. INSTRUMEN KEUANGAN (lanjutan)

25. FINANCIAL INSTRUMENTS (continued)

	31 Desember/December 31, 2017		
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value	
Liabilitas Keuangan			Financial Liabilities
Liabilitas keuangan yang dicatat berdasarkan biaya perolehan diamortisasi			<i>Financial liabilities measured at amortized cost</i>
<u>Liabilitas keuangan jangka pendek</u>			<i>Short-term financial liabilities</i>
Utang usaha	6.957.923	6.957.923	Trade payables
Liabilitas yang masih harus dibayar	614.452	614.452	Accrued liabilities
Bagian pinjaman jangka panjang yang jatuh tempo dalam satu tahun:			Current maturities of long-term borrowings:
Utang bank	3.400.000	3.400.000	Bank loans
Utang pembiayaan konsumen	259.695	259.695	Consumer financing payables
<u>Liabilitas keuangan jangka panjang</u>			<i>Long-term financial liabilities</i>
Utang lain-lain			Other payables
Pihak berelasi	6.843.799	6.843.799	Related parties
Pinjaman jangka panjang setelah dikurangi bagian jatuh tempo dalam satu tahun:			Long-term borrowings - net of current maturities:
Utang bank	38.664.396	38.664.396	Bank loans
Utang lembaga keuangan	16.051.526	16.051.526	Financial institution loan
Utang pembiayaan konsumen	252.801	252.801	Consumer financing payables
Total	73.044.592	73.044.592	Total

Tabel di bawah ini adalah perbandingan nilai tercatat dan nilai wajar dari instrumen keuangan Perusahaan yang dicatat di laporan keuangan pada tanggal 31 Desember 2016.

The table below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the financial statements as of December 31, 2016.

	31 Desember/December 31, 2016		
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value	
Aset Keuangan			Financial Assets
Pinjaman dan piutang			<i>Loans and receivables</i>
Kas dan setara kas	925.847	925.847	Cash and cash equivalents
Aset keuangan dari konsesi jasa yang belum ditagihkan			Unbilled financial asset from service concession project
Tidak lancar	188.537.888	188.537.888	Non-current
Piutang usaha	989.692	989.692	Trade receivables
Piutang lain-lain			Other receivables
Pihak berelasi	27.760	27.760	Related parties
Pihak ketiga	593.830	593.830	Third parties
Total	191.075.017	191.075.017	Total
Liabilitas Keuangan			Financial Liabilities
Liabilitas keuangan yang dicatat berdasarkan biaya perolehan diamortisasi			<i>Financial liabilities measured at amortized cost</i>
<u>Liabilitas keuangan jangka pendek</u>			<i>Short-term financial liabilities</i>
Utang usaha	6.458.236	6.458.236	Trade payables
Utang lain-lain			Other payables
Pihak berelasi	6.582.010	6.582.010	Related parties
Liabilitas yang masih harus dibayar	68.581	68.581	Accrued liabilities
Utang bank jangka pendek	372.134	372.134	Short-term bank loan

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

25. INSTRUMEN KEUANGAN (lanjutan)

25. FINANCIAL INSTRUMENTS (continued)

31 Desember/December 31, 2016			
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value	
Bagian pinjaman jangka panjang yang jatuh tempo dalam satu tahun:			Current maturities of long-term borrowings:
Utang bank	3.534.759	3.534.759	Bank loans
Utang pembiayaan konsumen	200.889	200.889	Consumer financing payables
<u>Liabilitas keuangan jangka panjang</u>			<u>Long-term financial liabilities</u>
Pinjaman jangka panjang setelah dikurangi bagian jatuh tempo dalam satu tahun:			Long-term borrowings - net of current maturities:
Utang bank	32.948.809	32.948.809	Bank loans
Utang lembaga keuangan	12.930.370	12.930.370	Financial institution loan
Utang pembiayaan konsumen	408.794	408.794	Consumer financing payables
Total	63.504.582	63.504.582	Total

Nilai buku (berdasarkan nilai nosional) dari kas dan setara kas, piutang usaha, piutang lain-lain, utang usaha, utang lain-lain, liabilitas yang masih harus dibayar dan utang bank jangka pendek, dalam laporan keuangan konsolidasian mendekati nilai wajarnya karena bersifat jangka pendek. Pinjaman jangka panjang merupakan pinjaman yang memiliki suku bunga mengambang dan tetap yang disesuaikan dengan pergerakan suku bunga pasar sehingga nilai tercatat liabilitas keuangan tersebut mendekati nilai wajarnya.

Aset keuangan dari konsesi jasa yang belum ditagihkan dan utang lain-lain diukur dengan biaya perolehan yang diamortisasi dengan menggunakan metode suku bunga efektif.

Nilai wajar dari jaminan uang tunai dan kas di bank yang dibatasi penggunaannya dicatat sebesar biaya historis karena nilai wajarnya tidak dapat diukur secara handal.

The carrying amounts (based on notional amounts) of cash and cash equivalents, trade receivables, other receivables, trade payables, other payables, accrued liabilities and short-term bank loan in the consolidated financial statements reasonably approximate their fair values because they are short-term in nature. Long-term borrowings are liabilities with floating and fixed interest rates which are adjusted with the movements of market interest rates, thus the carrying values of the financial liabilities approximates their fair values.

Unbilled financial asset from service concession project and other payables are measured at amortized cost using the effective interest method.

Fair value of cash collateral and restricted cash in bank is carried at historical cost because their fair value cannot be measured reliably.

26. INFORMASI SEGMENT

26. SEGMENT INFORMATION

Pengambil keputusan dalam operasional utama adalah Dewan Direksi. Dewan Direksi memeriksa kinerja Grup baik dari geografis yang terdiri dari 2 segmen yang dapat dilaporkan: pembangkit listrik tenaga air 3x6 MW di Pakkat (Sumatera Utara) dan pembangkit listrik tenaga air 3x7 MW di Air Putih (Bengkulu).

The chief operating decision-maker has been identified as the members of Board of Directors. The Board of Directors examine the Group's performance from a geographic perspective which consists of 2 reportable segments: the 3x6 MW hydroelectric powerplant in Pakkat (North Sumatera) and the 3x7 MW hydroelectric powerplant in Air Putih (Bengkulu).

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

26. INFORMASI SEGMENT (lanjutan)

26. SEGMENT INFORMATION (continued)

31 Maret/Maret 31, 2019

	Pakkat	Air Putih	Tidak dialokasikan/ Unallocated	Eliminasi/ Elimination	Total/ Total	
PENDAPATAN	2.709.655	2.977.512	-	-	5.687.167	REVENUE
BEBA LANGSUNG	206.997	1.549.894	-	-	1.756.891	DIRECT COSTS
LABA BRUTO	2.502.658	1.427.618	-	-	3.930.276	GROSS PROFIT
BEBA USAHA	115.262	159.868	178.048	-	453.178	OPERATING EXPENSES
LABA (RUGI) USAHA	2.387.396	1.267.750	(178.048)	-	3.477.098	INCOME (LOSS) FROM OPERATIONS
PENGHASILAN (BEBA) LAIN-LAIN						OTHER INCOME (EXPENSES)
Keuntungan dari akuisi Entitas anak	-	-	-	251.981	251.981	Gain from acquisition of subsidiary
Beban bunga	(419.147)	(758.206)	(12.851)	145.745	(1.044.459)	Interest expenses
Lab selisih kurs - neto	(190.201)	(467.157)	373.060	-	(284.298)	Foreign exchange gain - net
Biaya amortisasi	(38.518)	23.460	-	-	(15.058)	Amortization expense
Penghasilan (beban) lain-lain- neto	91.657	(16.847)	43.344.345	(43.488.166)	(69.011)	Other income (expenses) - net
PENGHASILAN (BEBA) LAIN-LAIN - NETO	(556.209)	(1.218.750)	43.704.554	(43.090.440)	(1.160.845)	OTHER INCOME (EXPENSES) - NET
LABA SEBELUM BEBAN (MANFAAT) PAJAK PENGHASILAN	1.831.187	49.000	43.526.506	(43.090.440)	2.316.253	INCOME BEFORE INCOME TAX EXPENSE (BENEFIT)
BEBA (MANFAAT) PAJAK PENGHASILAN						INCOME TAX EXPENSE (BENEFIT)
Kini	292.925	-	-	-	292.925	Current
Tangguhan	(190.694)	(161.969)	(5.540)	-	(358.203)	Deferred
TOTAL BEBA (MANFAAT) PAJAK PENGHASILAN	102.231	(161.969)	(5.540)	-	(65.278)	TOTAL INCOME TAX EXPENSE (BENEFIT)
TOTAL LABA PERIODE BERJALAN	1.728.956	210.969	43.532.046	(43.090.440)	2.381.531	TOTAL INCOME FOR THE PERIOD
PENGHASILAN (RUGI) KOMPREHENSIF LAIN:						OTHER COMPREHENSIVE INCOME (LOSS):
Item yang tidak akan direklasifikasi ke laba rugi:						Item that will not be reclassified to profit or loss:
- Pengukuran kembali liabilitas imbalan kerja	(13.684)	(8.022)	(97.464)	-	(119.170)	- Remeasurement of employee benefits liability
- Beban pajak penghasilan terkait	3.423	2.004	24.365	-	29.792	- Related income tax expense
PENGHASILAN (RUGI) KOMPREHENSIF LAIN PERIODE BERJALAN, SETELAH PAJAK	(10.261)	(6.018)	(73.099)	-	(89.378)	OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD, NET OF TAX
TOTAL LABA (RUGI) KOMPREHENSIF PERIODE BERJALAN	1.718.695	204.951	43.458.947	(43.090.440)	2.292.153	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD
TOTAL LABA PERIODE BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:						TOTAL INCOME FOR THE PERIOD ATTRIBUTABLE TO:
Pemilik entitas induk					2.106.546	Owners of the parent entity
Kepentingan non-pengendali					274.985	Non-controlling interests
TOTAL					2.381.531	TOTAL

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

26. INFORMASI SEGMENT (lanjutan)

26. SEGMENT INFORMATION (continued)

31 Maret/Maret 31, 2019						
	Pakkat	Air Putih	Tidak dialokasikan/ Unallocated	Eliminasi/ Elimination	Total/ Total	
TOTAL LABA KOMPREHENSIF PERIODE BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:						TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:
Pemilik entitas induk					2.018.877	Owners of the parent entity
Kepentingan non-pengendali					273.276	Non-controlling interests
TOTAL					2.292.153	TOTAL
LABA PER SAHAM DASAR YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK					0,0007	BASIC EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT ENTITY
INFORMASI LAINNYA						OTHER INFORMATION
Aset Segmen	125.177.363	124.142.685	70.900.115	(70.239.573)	249.980.590	Segment Assets
Liabilitas Segmen	50.858.007	72.756.842	6.537.795	(14.600.943)	115.551.701	Segment Liabilities
Penyusutan	8.462	7.681	2.708	-	18.851	Depreciation
Informasi Lain atas Pendapatan (Pelanggan yang melebihi 10% dari total pendapatan): Lokal	2.709.655	2.977.512	-	-	5.687.167	Other Information on Revenue (Customers exceeding 10% of total revenue): Local
31 Maret/Maret 31, 2018 (Tidak Diaudit/Unaudited)						
	Pakkat	Air Putih	Tidak dialokasikan/ Unallocated	Eliminasi/ Elimination	Total/ Total	
PENDAPATAN	1.882.901	3.618.875	-	-	5.501.776	REVENUE
BEBAN LANGSUNG	226.729	1.389.224	-	-	1.615.953	DIRECT COSTS
LABA BRUTO	1.656.172	2.229.651	-	-	3.885.823	GROSS PROFIT
BEBAN USAHA	200.838	161.393	47.657	-	409.888	OPERATING EXPENSES
LABA (RUGI) USAHA	1.455.334	2.068.258	(47.657)	-	3.475.935	INCOME (LOSS) FROM OPERATIONS
PENGHASILAN (BEBAN) LAIN-LAIN						OTHER INCOME (EXPENSES)
Laba selisih kurs - neto	161.329	421.655	9.049	-	592.033	Foreign exchange gain - net
Beban bunga	(464.568)	(525.947)	-	-	(990.515)	Interest expenses
Biaya amortisasi	(51.020)	(978)	-	-	(51.998)	Amortization expense
Beban lain-lain- neto	(8.074)	(29.297)	(43)	-	(37.414)	Other expenses - net
PENGHASILAN (BEBAN) LAIN-LAIN - NETO	(362.333)	(134.567)	9.006	-	(487.894)	OTHER INCOME (EXPENSES) - NET

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

26. INFORMASI SEGMENT (lanjutan)

26. SEGMENT INFORMATION (continued)

31 Maret/Maret 31, 2018 (Tidak Diaudit/Unaudited)						
	Pakkat	Air Putih	Tidak dialokasikan/ Unallocated	Eliminasi/ Elimination	Total/ Total	
LABA SEBELUM BEBAN (MANFAAT) PAJAK PENGHASILAN	1.093.001	1.933.691	(38.651)	-	2.988.041	INCOME BEFORE INCOME TAX EXPENSE (BENEFIT)
BEBAN (MANFAAT) PAJAK PENGHASILAN Tangguhan	476.220	834.891	(10.762)	-	1.300.349	INCOME TAX EXPENSE (BENEFIT) Deferred
TOTAL LABA PERIODE BERJALAN	616.781	1.098.800	(27.889)	-	1.687.692	TOTAL INCOME FOR THE PERIOD
PENGHASILAN (RUGI) KOMPREHENSIF LAIN: Item yang tidak akan direklasifikasikan ke laba rugi:						OTHER COMPREHENSIVE INCOME (LOSS): Item that will not be reclassified to profit or loss:
- Pengukuran kembali liabilitas imbalan kerja	2.014	1.133	(2.944)	-	203	- Remeasurement of employee benefits liability
- Beban pajak penghasilan terkait	(503)	(284)	736	-	(51)	- Related income tax expense
PENGHASILAN (RUGI) KOMPREHENSIF LAIN PERIODE BERJALAN, SETELAH PAJAK	1.511	849	(2.208)	-	152	OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD, NET OF TAX
TOTAL LABA (RUGI) KOMPREHENSIF PERIODE BERJALAN	618.292	1.099.649	(30.097)	-	1.687.844	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD
TOTAL LABA PERIODE BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:						TOTAL INCOME FOR THE PERIOD ATTRIBUTABLE TO:
Pemilik entitas induk					1.534.760	Owners of the parent entity
Kepentingan non-pengendali					152.932	Non-controlling interests
TOTAL					1.687.692	TOTAL
TOTAL LABA KOMPREHENSIF PERIODE BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:						TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:
Pemilik entitas induk					1.535.106	Owners of the parent entity
Kepentingan non-pengendali					152.738	Non-controlling interests
TOTAL					1.687.844	TOTAL

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

26. INFORMASI SEGMENT (lanjutan)

26. SEGMENT INFORMATION (continued)

31 Maret/Maret 31, 2018 (Tidak Diaudit/Unaudited)						
	Pakkat	Air Putih	Tidak dialokasikan/ Unallocated	Eliminasi/ Elimination	Total/ Total	
LABA PER SAHAM DASAR YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK					0,0005	BASIC EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT ENTITY
INFORMASI LAINNYA						OTHER INFORMATION
Aset Segmen	120.530.254	108.467.149	21.225.843	(28.850.359)	221.372.887	Segment Assets
Liabilitas Segmen	51.672.818	59.169.912	619.792	(7.679.226)	103.783.296	Segment Liabilities
Penyusutan	8.629	8.031	-	-	16.660	Depreciation
Informasi Lain atas Pendapatan (Pelanggan yang melebihi 10% dari total pendapatan):						Other Information on Revenue (Customers exceeding 10% of total revenue):
Lokal	1.882.901	3.618.875	-	-	5.501.776	Local
31 Desember/December 31, 2018						
	Pakkat	Air Putih	Tidak dialokasikan/ Unallocated	Eliminasi/ Elimination	Total/ Total	
PENDAPATAN	9.563.937	16.884.549	-	-	26.448.486	REVENUE
BEBAN LANGSUNG	757.425	8.968.365	-	-	9.725.790	DIRECT COSTS
LABA BRUTO	8.806.512	7.916.184	-	-	16.722.696	GROSS PROFIT
BEBAN USAHA	878.649	811.321	483.678	-	2.173.648	OPERATING EXPENSES
LABA USAHA	7.927.863	7.104.863	(483.678)	-	14.549.048	INCOME FROM OPERATIONS
PENGHASILAN (BEBAN) LAIN-LAIN						OTHER INCOME (EXPENSES)
Laba (rugi)						Foreign exchange gain (loss) - net
selisih kurs - neto	792.686	1.720.685	53.672	-	2.567.043	
Beban bunga	(1.839.623)	(2.588.125)	(48.519)	459.560	(4.016.707)	Interest expenses
Biaya amortisasi	(274.045)	9.616	-	-	(264.429)	Amortization expense
Penghapusan piutang lain-lain	-	(197.022)	-	-	(197.022)	Write-off of other receivables
Penghasilan (beban) lain-lain - neto	481.331	7.832	2.833	(459.560)	32.436	Other income (expenses) - net
PENGHASILAN (BEBAN) LAIN-LAIN - NETO	(839.651)	(1.047.014)	7.986	-	(1.878.679)	OTHER INCOME (EXPENSES) - NET

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

26. INFORMASI SEGMENT (lanjutan)

26. SEGMENT INFORMATION (continued)

31 Desember/December 31, 2018					
	Pakkat	Air Putih	Tidak dialokasikan/ Unallocated	Eliminasi/ Elimination	Total/ Total
LABA SEBELUM BEBAN (MANFAAT) PAJAK PENGHASILAN	7.088.212	6.057.849	(475.692)	-	12.670.369
BEBAN (MANFAAT) PAJAK PENGHASILAN Tangguhan	2.723.623	3.077.795	(41.039)	-	5.760.379
TOTAL LABA (RUGI) TAHUN BERJALAN	4.364.589	2.980.054	(434.653)	-	6.909.990
PENGHASILAN (RUGI) KOMPREHENSIF LAIN: Item yang tidak akan direklasifikasikan ke laba rugi:					
- Pengukuran kembali liabilitas imbalan kerja	7.680	4.318	(11.225)	-	773
- Beban pajak penghasilan terkait	(1.918)	(1.080)	2.806	-	(192)
KOMPREHENSIF LAIN TAHUN BERJALAN, SETELAH PAJAK	5.762	3.238	(8.419)	-	581
TOTAL LABA (RUGI) KOMPREHENSIF TAHUN BERJALAN	4.370.351	2.983.292	(443.072)	-	6.910.571
TOTAL LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:					
Pemilik entitas induk					6.033.442
Kepentingan non-pengendali					876.548
TOTAL					6.909.990
TOTAL LABA KOMPREHENSIF TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:					
Pemilik entitas induk					6.032.964
Kepentingan non-pengendali					877.607
TOTAL					6.910.571
LABA PER SAHAM DASAR YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK					0,0021
INFORMASI LAINNYA					
Aset Segmen	122.300.658	121.302.369	21.794.174	(31.459.059)	233.938.142
Liabilitas Segmen	49.691.165	70.121.489	1.151.360	(9.830.537)	111.133.477
Penyusutan	34.667	36.228	76	-	70.971
Informasi Lain atas Pendapatan (Pelanggan yang melebihi 10% dari total pendapatan): Lokal	9.563.937	16.884.549	-	-	26.448.486

**INCOME
BEFORE INCOME TAX
EXPENSE (BENEFIT)**

**INCOME TAX
EXPENSE (BENEFIT)
Deferred**

**TOTAL INCOME (LOSS)
FOR THE YEAR**

**OTHER COMPREHENSIVE
INCOME (LOSS):
Item that will not
be reclassified
to profit or loss:**

- Remeasurement of
employee benefits liability
- Related income tax
expense

**OTHER
COMPREHENSIVE
INCOME (LOSS) FOR
THE YEAR, NET OF TAX**

**TOTAL COMPREHENSIVE
INCOME (LOSS) FOR
THE YEAR**

**TOTAL INCOME FOR
THE YEAR
ATTRIBUTABLE TO:
Owners of the parent
entity
Non-controlling
interests**

TOTAL

**TOTAL COMPREHENSIVE
INCOME FOR
THE YEAR
ATTRIBUTABLE TO:
Owners of the parent
entity
Non-controlling
interests**

TOTAL

**BASIC EARNINGS
PER SHARE
ATTRIBUTABLE TO
OWNERS OF THE
PARENT ENTITY**

**OTHER INFORMATION
Segment Assets**

Segment Liabilities

Depreciation

**Other Information on
Revenue
(Customers exceeding
10% of total revenue):
Local**

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

26. INFORMASI SEGMENT (lanjutan)

26. SEGMENT INFORMATION (continued)

31 Desember/December 31, 2017

	Pakkat	Air Putih	Tidak dialokasikan/ Unallocated	Eliminasi/ Elimination	Total/ Total	
PENDAPATAN	10.341.031	24.628.805	-	-	34.969.836	REVENUE
BEBAN LANGSUNG	855.181	8.081.952	-	-	8.937.133	DIRECT COSTS
LABA BRUTO	9.485.850	16.546.853	-	-	26.032.703	GROSS PROFIT
BEBAN USAHA	580.388	530.503	44.880	-	1.155.771	OPERATING EXPENSES
LABA USAHA	8.905.462	16.016.350	(44.880)	-	24.876.932	INCOME FROM OPERATIONS
PENGHASILAN (BEBAN) LAIN-LAIN						OTHER INCOME (EXPENSES)
Laba (rugi) selisih kurs - neto	(7.837)	(13.512)	5	-	(21.344)	Foreign exchange gain (loss) - net
Beban bunga	(4.349.011)	(5.153.191)	(382.788)	826.986	(9.058.004)	Interest expenses
Biaya amortisasi	(12.362)	(2.524)	-	-	(14.886)	Amortization expense
Penghasilan (beban) lain-lain - neto	337.777	50.062	394.800	(826.986)	(44.347)	Other income (expenses) - net
PENGHASILAN (BEBAN) LAIN-LAIN - NETO	(4.031.433)	(5.119.165)	12.017	-	(9.138.581)	OTHER INCOME (EXPENSES) - NET
LABA SEBELUM BEBAN (MANFAAT) PAJAK						INCOME BEFORE INCOME TAX EXPENSE (BENEFIT)
PENGHASILAN	4.874.029	10.897.185	(32.863)	-	15.738.351	
BEBAN (MANFAAT) PAJAK PENGHASILAN Tangguhan	1.247.503	3.082.205	(5.817)	-	4.323.891	INCOME TAX EXPENSE (BENEFIT) Deferred
LABA (RUGI) SEBELUM PENYESUAIAN LABA PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI	3.626.526	7.814.980	(27.046)	-	11.414.460	INCOME (LOSS) BEFORE PROFORMA INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
PENYESUAIAN LABA PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI	-	-	-	(7.814.981)	(7.814.981)	PROFORMA INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
TOTAL LABA (RUGI) TAHUN BERJALAN	3.626.526	7.814.980	(27.046)	(7.814.981)	3.599.479	TOTAL INCOME (LOSS) FOR THE YEAR
PENGHASILAN (RUGI) KOMPREHENSIF LAIN:						OTHER COMPREHENSIVE INCOME (LOSS):
Item yang tidak akan direklasifikasikan ke laba rugi:						Item that will not be reclassified to profit or loss:
- Pengukuran kembali liabilitas imbalan kerja	(4.345)	(16.292)	(7.049)	-	(27.686)	- Remeasurement of employee benefits liability
- Beban pajak penghasilan terkait	1.086	4.073	1.762	-	6.921	- Related income tax expense
Sub-total	(3.259)	(12.219)	(5.287)	-	(20.765)	Sub-total
Item yang akan direklasifikasikan ke laba rugi:						Items that will be reclassified to profit or loss:
- Keuntungan (kerugian) dari penjabaran laporan keuangan	798.976	2.966.875	(41.783)	7.500	3.731.568	- Gain (loss) on translation of financial statements

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

26. INFORMASI SEGMENT (lanjutan)

26. SEGMENT INFORMATION (continued)

31 Desember/December 31, 2017

	Pakkat	Air Putih	Tidak dialokasikan/ Unallocated	Eliminasi/ Elimination	Total/ Total	
PENGHASILAN (RUGI) KOMPREHENSIF LAIN SEBELUM PENYESUAIAN PENGHASILAN KOMPREHENSIF LAIN PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI	795.717	2.954.656	(47.070)	7.500	3.710.803	OTHER COMPREHENSIVE INCOME (LOSS) BEFORE PROFORMA OTHER COMPREHENSIVE INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
PENYESUAIAN PENGHASILAN (RUGI) KOMPREHENSIF LAIN PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI	-	-	-	(2.954.656)	(2.954.656)	PROFORMA OTHER COMPREHENSIVE INCOME (LOSS) ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
LABA (RUGI) KOMPREHENSIF LAIN TAHUN BERJALAN, SETELAH PAJAK	795.717	2.954.656	(47.070)	(2.947.156)	756.147	OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR, NET OF TAX
TOTAL LABA (RUGI) KOMPREHENSIF TAHUN BERJALAN	4.422.243	10.769.636	(74.116)	(10.762.137)	4.355.626	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR
TOTAL LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:						TOTAL INCOME FOR THE YEAR
Pemilik entitas induk					2.570.605	ATTRIBUTABLE TO: Owners of the parent entity
Kepentingan non-pengendali					1.028.874	Non-controlling interests
TOTAL					3.599.479	TOTAL
TOTAL LABA KOMPREHENSIF TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:						TOTAL COMPREHENSIVE INCOME FOR THE YEAR
Pemilik entitas induk					3.101.000	ATTRIBUTABLE TO: Owners of the parent entity
Kepentingan non-pengendali					1.254.626	Non-controlling interests
TOTAL					4.355.626	TOTAL
LABA PER SAHAM DASAR YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK					0,0022	BASIC EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT ENTITY
INFORMASI LAINNYA						OTHER INFORMATION
Aset Segmen	119.639.814	105.071.602	21.213.902	(26.480.989)	219.444.329	Segment Assets
Liabilitas Segmen	51.400.670	56.874.014	577.754	(5.309.856)	103.542.582	Segment Liabilities
Penyusutan	26.349	11.866	4	-	38.219	Depreciation
Informasi Lain atas Pendapatan (Pelanggan yang melebihi 10% dari total pendapatan):						Other Information on Revenue (Customers exceeding 10% of total revenue):
Lokal	10.341.031	24.628.805	-	-	34.969.836	Local

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

26. INFORMASI SEGMENT (lanjutan)

26. SEGMENT INFORMATION (continued)

31 Desember/December 31, 2016						
	Pakkat	Air Putih	Tidak dialokasikan/ Unallocated	Eliminasi/ Elimination	Total/ Total	
PENDAPATAN	13.258.800	13.151.737	-	-	26.410.537	REVENUE
BEBAN LANGSUNG	1.703.065	4.302.135	-	-	6.005.200	DIRECT COSTS
LABA BRUTO	11.555.735	8.849.602	-	-	20.405.337	GROSS PROFIT
BEBAN USAHA	484.140	381.205	30.798	-	896.143	OPERATING EXPENSES
LABA (RUGI) USAHA	11.071.595	8.468.397	(30.798)	-	19.509.194	INCOME (LOSS) FROM OPERATIONS
PENGHASILAN (BEBAN) LAIN-LAIN						OTHER INCOME (EXPENSES)
Laba (rugi)						Foreign exchange gain (loss) - net
selisih kurs - neto	160.863	168.199	(19)	-	329.043	(loss) - net
Beban bunga	(3.268.481)	(2.806.662)	-	-	(6.075.143)	Interest expenses
Klaim asuransi	737.728	-	-	-	737.728	Insurance claims
Lain-lain- neto	(30.923)	(1.586)	(119)	-	(32.628)	Others - net
BEBAN LAIN-LAIN - NETO	(2.400.813)	(2.640.049)	(138)	-	(5.041.000)	OTHER EXPENSES - NET
LABA SEBELUM BEBAN (MANFAAT) PAJAK						INCOME (LOSS) BEFORE INCOME TAX EXPENSE (BENEFIT)
PENGHASILAN	8.670.782	5.828.348	(30.936)	-	14.468.194	
BEBAN (MANFAAT) PAJAK PENGHASILAN						INCOME TAX EXPENSE (BENEFIT)
Tangguhan	1.250.187	1.095.244	(5.256)	-	2.340.175	Deferred
LABA (RUGI) SEBELUM PENYESUAIAN LABA PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI	7.420.595	4.733.104	(25.680)	-	12.128.019	INCOME (LOSS) BEFORE PROFORMA INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
PENYESUAIAN LABA PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI	-	-	-	(4.733.104)	(4.733.104)	PROFORMA INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
TOTAL LABA (RUGI) TAHUN BERJALAN	7.420.595	4.733.104	(25.680)	(4.733.104)	7.394.915	TOTAL INCOME (LOSS) FOR THE YEAR
PENGHASILAN (RUGI) KOMPREHENSIF LAIN:						OTHER COMPREHENSIVE INCOME (LOSS):
Item yang tidak akan direklasifikasikan ke laba rugi:						Item that will not be reclassified to profit or loss:
- Pengukuran kembali liabilitas imbalan kerja	(14.210)	(11.320)	(11.547)	-	(37.077)	- Remeasurement of employee benefits liability
- Beban pajak penghasilan terkait	3.552	2.830	2.887	-	9.269	- Related income tax expense
Sub-total	(10.658)	(8.490)	(8.660)	-	(27.808)	Sub-total
Item yang akan direklasifikasikan ke laba rugi:						Item that will be reclassified to profit or loss:
- Keuntungan (kerugian) dari penjabaran laporan keuangan	(1.206.556)	(822.486)	187.055	(182.186)	(2.024.173)	- Gain (loss) on translation of financial statements

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

26. INFORMASI SEGMENT (lanjutan)

26. SEGMENT INFORMATION (continued)

31 Desember/December 31, 2016						
	Pakkat	Air Putih	Tidak dialokasikan/ Unallocated	Eliminasi/ Elimination	Total/ Total	
PENGHASILAN (RUGI) KOMPREHENSIF LAIN SEBELUM PENYESUAIAN PENGHASILAN KOMPREHENSIF LAIN PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI	(1.217.214)	(830.976)	178.395	(182.186)	(2.051.981)	OTHER COMPREHENSIVE INCOME (LOSS) BEFORE PROFORMA OTHER COMPREHENSIVE INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
PENYESUAIAN PENGHASILAN (RUGI) KOMPREHENSIF LAIN PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI	-	-	-	830.976	830.976	PROFORMA OTHER COMPREHENSIVE INCOME (LOSS) ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
LABA (RUGI) KOMPREHENSIF LAINNYA TAHUN BERJALAN, SETELAH PAJAK	(1.217.214)	(830.976)	178.395	648.790	(1.221.005)	OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR, NET OF TAX
TOTAL LABA (RUGI) KOMPREHENSIF TAHUN BERJALAN	6.203.381	3.902.128	152.715	(4.084.314)	6.173.910	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR
TOTAL LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:						TOTAL INCOME FOR THE YEAR ATTRIBUTABLE TO:
Pemilik entitas induk					5.289.633	Owners of the parent entity
Kepentingan non-pengendali					2.105.282	Non-controlling interests
TOTAL					7.394.915	TOTAL
TOTAL LABA KOMPREHENSIF TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:						TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:
Pemilik entitas induk					4.413.962	Owners of the parent entity
Kepentingan non-pengendali					1.759.948	Non-controlling interests
TOTAL					6.173.910	TOTAL
LABA PER SAHAM DASAR YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK					0,0091	BASIC EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT ENTITY
INFORMASI LAINNYA						OTHER INFORMATION
Aset Segmen	114.056.528	79.845.012	8.200.616	(10.901.093)	191.201.063	Segment Assets
Liabilitas Segmen	49.864.657	43.961.706	1.052.607	(3.900.646)	90.978.324	Segment Liabilities
Penyusutan	16.702	8.576	605	-	25.883	Depreciation
Informasi Lain atas Pendapatan (Pelanggan yang melebihi 10% dari total pendapatan):						Other Information on Revenue (Customers exceeding 10% of total revenue):
Lokal	13.258.800	13.151.737	-	-	26.410.537	Local

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

27. PERJANJIAN PENTING

Perjanjian Jual Beli Tenaga Listrik

PT Energy Sakti Sentosa ("ESS")

- (a) Pada tanggal 28 Desember 2009, ESS dan PT Perusahaan Listrik Negara (Persero) ("PLN") menandatangani *Power Purchase Agreement* ("PPA") terkait dengan proyek Pembangkit Listrik Tenaga Air ("PLTA") dengan kapasitas 2x5 MW, yang berlokasi di Desa Nanggumba, Kecamatan Pakkat, Kabupaten Humbang Hasundutan, Provinsi Sumatera Utara ("2x5 MW PLTA Pakkat"), dengan skema proyek Bangun, Milik, dan Kelola. Perjanjian ini berlaku sampai 20 tahun sejak Tanggal Operasi Komersial ("COD") dan dapat diperpanjang dengan persetujuan tertulis dari kedua belah pihak.

Selama COD sampai penghentian PPA, ESS akan menyediakan listrik dan PLN akan membeli listrik yang diproduksi oleh ESS. PPA juga mengatur mekanisme penjualan listrik dari ESS ke PLN selama periode PPA. ESS harus menyediakan listrik dengan jumlah minimal 56,94 GWh per tahun selama masa periode PPA.

Perjanjian ini telah mengalami beberapa kali perubahan dan perubahan terakhir adalah "Perubahan dan Penyajian Kembali Perjanjian Jual Beli Tenaga Listrik" ("Perubahan PPA") pada tanggal 8 September 2017 seperti yang dibahas paragraf (b) di bawah ini.

COD 2x5 MW PLTA Pakkat dimulai pada tanggal 20 April 2016.

- (b) Pada tanggal 8 September 2017, ESS menandatangani Perubahan PPA terkait dengan provisi penambahan kapasitas 8 MW ("Proyek Ekspansi") dari total kapasitas 3x6 MW dengan membangun unit tambahan untuk Pembangkit yang sudah ada (2x5 MW PLTA Pakkat). Unit tambahan ini akan dirancang, dibiayai, dibangun, dipasang, dimiliki dan dioperasikan oleh ESS, untuk digabungkan dengan instalasi yang sudah ada dan akan dioperasikan secara keseluruhan sebagai pembangkit listrik dengan total kapasitas 3x6 MW ("3x6 MW PLTA Pakkat").

27. SIGNIFICANT AGREEMENTS

Power Purchase Agreement

PT Energy Sakti Sentosa ("ESS")

- (a) On December 28, 2009, ESS signed a *Power Purchase Agreement* ("PPA") with PT Perusahaan Listrik Negara (Persero) ("PLN") to construct a 2x5 MW Hydroelectric Power Plant ("PLTA") located at Nanggumba Village, Pakkat District, Humbang Hasundutan Regency, North Sumatera Province ("2x5 MW PLTA Pakkat") on a Build, Own and Operate ("BOT") basis. The agreement is valid for 20 years from and after Commercial Operation Date ("COD") and can be extended by written agreement of both parties.

From and after the COD until the termination of the PPA, ESS shall make available to PLN and PLN will purchase electricity produced by ESS. The PPA also regulates the electricity sales mechanism from ESS to PLN during the period of the PPA. ESS must provide a minimum of 56.94 GWh electricity per year for as long as the agreement period.

The PPA has been amended several times and most recently, by the "Amended and Restated Power Purchase Agreement" ("Amended PPA") dated September 8, 2017 as discussed in paragraph (b) below.

COD of the 2x5 MW PLTA Pakkat commences on April 20, 2016.

- (b) On September 8, 2017, ESS and PLN signed the Amended PPA relating to the provision of an additional capacity of 8 MW ("Expansion Project") of the total capacity of 3x6 MW by constructing an additional unit to the Existing Plant (2x5 MW PLTA Pakkat). The additional unit will be designed, financed, constructed, installed, owned and operated by ESS, to be combined with the Existing Plant and will be operated in whole as the power plant with a total capacity of 3x6 MW ("3x6 MW PLTA Pakkat").

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

27. PERJANJIAN PENTING (lanjutan)

Perjanjian Jual Beli Tenaga Listrik (lanjutan)

PT Energy Sakti Sentosa ("ESS") (lanjutan)

Durasi perjanjian PPA adalah 30 tahun yang dimulai sejak COD, berdasarkan skema Bangun, Milik, Kelola dan Alih ("BOOT"). ESS harus menyediakan Energi Komitmen Eksklusif ("ECE") sebesar 94,8 GWh per tahun selama tanggal operasi. Jika ESS tidak dapat menyediakan tenaga listrik sesuai dengan persyaratan yang disepakati, ESS akan dikenakan penalti (dasar "Take or Pay"). ESS diharuskan untuk memberikan Jaminan Kerja sebesar AS\$1.198.925 atau sebelum perjanjian ini dilaksanakan dan disampaikan oleh pihak-pihak terkait. PLN dapat menggunakan hak, kepemilikan, dan kepentingan ESS saat Proyek Ekspansi (sebelum COD) atau pada saat proyek (setelah COD) atau semua saham ESS di setiap saat selama periode PPA. Setelah berakhirnya Perubahan PPA, sejumlah AS\$1.000 harus dibayar dalam Rupiah, ESS akan mengalihkan pembangkit listrik (3x6 MW PLTA Pakkat) ke PLN.

Komponen *levelized base tariff* adalah sebagai berikut :

- Komponen A (*Capital Cost Recovery*);
- Komponen B (*Fixed Operation and Maintenance Rate*);
- Komponen C (*Water and other charges*); dan
- Komponen D (*Variable Operations and Maintenance*).

COD 18 MW PLTA Pakkat dimulai tanggal 31 Januari 2018.

PT Bangun Tirta Lestari ("BTL")

- (a) Pada tanggal 31 Januari 2012, BTL dan PLN menandatangani Power Purchase Agreement ("PPA") terkait dengan proyek PLTA 3x3,3 MW, berlokasi di Desa Ladang Palembang, Kabupaten Lebong, Provinsi Bengkulu ("3x3,3 MW PLTA Air Putih") dengan skema proyek Bangun, Milik dan Kelola. Perjanjian ini berlaku sampai 20 tahun selama COD dan dapat diperpanjang dengan persetujuan tertulis dari kedua belah pihak.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

27. SIGNIFICANT AGREEMENTS (continued)

Power Purchase Agreement (continued)

PT Energy Sakti Sentosa ("ESS") (continued)

The duration of the Amended PPA is 30 years from COD on a Build, Own, Operate and Transfer ("BOOT") basis. ESS must provide Exclusive Committed Energy ("ECE") of 94.8 GWh per year during the operating date. If ESS cannot provide the electricity power in accordance with the agreed terms, ESS will be charged penalty ("Take or Pay" basis). ESS is required to deliver Performance Security in the aggregate amount US\$1,198,925 on or prior to the date this agreement is executed and delivered by parties hereto. PLN may exercise its option to purchase ESS' rights, title and interest in the Expansion Project (prior to COD) or in the project (after COD) or all of the shares in ESS at any time during the term of the PPA. Immediately upon the expiry of the term of this Amended PPA, with the price of US\$1,000 to be paid in Rupiah, ESS shall transfer the power plant (3x6 MW PLTA Pakkat) to PLN.

Levelized base tariff has the following components:

- Component A (*Capital Cost Recovery*);
- Component B (*Fixed Operation and Maintenance Rate*);
- Component C (*Water and other charges*); and
- Component D (*Variable Operations and Maintenance*).

COD of 18 MW PLTA Pakkat commences on January 31, 2018.

PT Bangun Tirta Lestari ("BTL")

- (a) On January 31, 2012, BTL signed a Power Purchase Agreement ("PPA") with PLN to construct a 3x3.3 MW PLTA located at Ladang Palembang Village, Lebong Regency, Bengkulu Province ("3x3.3 Mw PLTA Air Putih") on a Build, Own and Operate basis. The agreement is valid for 20 years from and after COD and can be extended by written agreement of both parties.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

27. PERJANJIAN PENTING (lanjutan)

Perjanjian Jual Beli Tenaga Listrik (lanjutan)

PT Bangun Tirta Lestari ("BTL") (lanjutan)

Selama COD sampai penghentian PPA, BTL akan menyediakan listrik ke PLN, dan PLN akan membeli listrik yang diproduksi oleh BTL. PPA juga mengatur mekanisme penjualan listrik dari BTL ke PLN selama periode PPA. BTL harus menyediakan listrik dengan jumlah minimal 52,03 GWh per tahun selama masa periode PPA.

Perjanjian ini telah mengalami beberapa kali perubahan, dan yang terakhir adalah Perubahan PPA tanggal 8 September 2017 seperti yang dibahas paragraf (b) di bawah ini.

- (b) Pada tanggal 8 September 2017, BTL dan PLN menandatangani Perubahan PPA yang berkaitan dengan pengajuan kapasitas baru 3x7 MW Proyek Pembangkit Listrik Tenaga Air Hidroelektrik ("3x7 MW PLTA Air Putih"). Berdasarkan PPA awal, BTL berada dalam proses pembangunan 3x3,3 MW PLTA Air Putih. Perubahan PPA menetapkan hak dan kewajiban masing-masing pihak sehubungan dengan jual beli listrik yang dihasilkan oleh pembangkit (3x7 MW PLTA Air Putih) dan sehubungan dengan proyek, pada dasar Bangun, Milik, Kelola dan Alih ("BOOT").

Durasi Perubahan PPA adalah 30 tahun. BTL harus menyediakan Energi Komitmen Eksklusif ("ECE") sebesar 115,13 GWh per tahun selama tanggal operasi. Jika BTL tidak dapat menyediakan daya listrik sesuai dengan ketentuan yang disepakati, BTL akan dikenakan denda (dasar "Take or Pay"). BTL diharuskan untuk memberikan Jaminan Kinerja dalam jumlah agregat AS\$4.092.850 pada atau sebelum tanggal perjanjian ini dilaksanakan dan disampaikan oleh para pihak. PLN dapat menggunakan haknya untuk membeli hak, kepemilikan, dan kepentingan BTL dalam mengambil atau semua saham dalam BTL setiap saat selama jangka waktu PPA. Segera setelah berakhirnya jangka waktu PPA yang Diubah ini, dengan harga AS\$1.000 harus dibayar dalam Rupiah, BTL akan mengalihkan pembangkit listrik (3x7 MW PLTA Air Putih) ke PLN.

27. SIGNIFICANT AGREEMENTS (continued)

Power Purchase Agreement (continued)

PT Bangun Tirta Lestari ("BTL") (continued)

From and after the COD until the termination of the PPA, BTL shall make available to PLN and PLN will purchase electricity produced by BTL. The PPA also regulates the electricity sales mechanism from BTL to PLN during the period of the PPA. ESS must provide a minimum of 52.03 GWh electricity per year for as long as the agreement period.

The PPA has been amended several times and most recently, was replaced by the Amended PPA dated September 8, 2017 as discussed in paragraph (b) below.

- (b) *On September 8, 2017, BTL and PLN signed the Amended PPA relating to the proposed new capacity of 3x7 MW Air Putih Hydroelectric Power Plant Project ("3x7 MW PLTA Air Putih"). Pursuant to the initial PPA, BTL is in the process of constructing the 3x3.3 MW PLTA Air Putih. Amended PPA sets out rights and obligations of each of the Parties with regard to the sale and purchase of the electricity to be generated by the plant (3x7 MW PLTA Air Putih) and in respect of the project, on a Build, Own, Operate and Transfer ("BOOT") basis.*

The duration of the Amended PPA is 30 years. BTL must provide Exclusive Committed Energy ("ECE") of 115.13 GWh per year during the operating date. If BTL cannot provide the electricity power in accordance with the agreed terms, BTL will be charged penalty ("Take or Pay" basis). BTL is required to deliver Performance Security in the aggregate amount of US\$4,092,850 on or prior to the date this agreement is executed and delivered by parties hereto. PLN may exercise its option to purchase BTL's rights, title and interest in the project or all of the shares in BTL at any time during the term of the PPA. Immediately upon the expiry of the term of this Amended PPA, with the price of US\$1,000 to be paid in Rupiah, BTL shall transfer the power plant (3x7 MW PLTA Air Putih) to PLN.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

27. PERJANJIAN PENTING (lanjutan)

Perjanjian Jual Beli Tenaga Listrik (lanjutan)

PT Bangun Tirta Lestari ("BTL") (lanjutan)

Komponen *levelized base tariff* adalah sebagai berikut:

- Komponen A (*Capital Cost Recovery*)
- Komponen B (*Fixed Operation and Maintenance Rate*)
- Komponen C (*Water and other charges*)
- Komponen D (*Variable Operations and Maintenance*)
- Komponen E (*Transmission Cost*)

Perjanjian Teknik, Pengadaan dan Konstruksi

a. Jiangxi Water and Hydropower Construction Co., Ltd. ("JWHC")

PT Energy Sakti Sentosa ("ESS")

Pada tanggal 15 November 2010, ESS melakukan perjanjian dengan JWHC ("Kontraktor") di bidang teknik, pengadaan dan konstruksi 2x5 MW PLTA Pakkat di daerah Pakkat, Medan, Sumatera Utara dengan nilai kontrak tertentu. Kontraktor melaksanakan Pekerjaan Struktur Sipil dan Logam untuk ESS dan jangka waktu kontrak selama 18 bulan dimulai dari tanggal efektifnya. Saldo hutang kontraktor pada 31 Maret 2019, 31 Desember 2018, 2017 dan 2016 masing-masing sebesar AS\$1.143.301, AS\$1.468.565, AS\$1.519.718 dan AS\$1.616.442, yang disajikan sebagai bagian dari akun "Utang Usaha".

b. Sinohydro Corporation Limited ("Sinohydro")

PT Energy Sakti Sentosa ("ESS")

Pada tanggal 10 July 2014, ESS melakukan perjanjian dengan Sinohydro setuju melakukan perjanjian pinjaman kontraktor di bidang teknik, pengadaan dan konstruksi untuk 3x6 MW PLTA Pakkat (dengan kapasitas awal 2x5 MW) dengan nilai kontrak tertentu bertempat di daerah Pakkat, Medan, Sumatera Utara. Jangka waktu kontrak selama sembilan bulan dari tanggal efektifnya. Saldo utang kontraktor pada tanggal 31 Desember 2016 adalah sebesar AS\$744.016 yang disajikan sebagai bagian dari akun "Utang Usaha".

27. SIGNIFICANT AGREEMENTS (continued)

Power Purchase Agreement (continued)

PT Bangun Tirta Lestari ("BTL") (continued)

Levelized base tariff has the following components:

- *Component A (Capital Cost Recovery)*
- *Component B (Fixed Operation and Maintenance Rate)*
- *Component C (Water and other charges)*
- *Component D (Variable Operations and Maintenance)*
- *Component E (Transmission Cost)*

Engineering, Procurement and Construction Agreements

a. Jiangxi Water and Hydropower Construction Co., Ltd. ("JWHC")

PT Energy Sakti Sentosa ("ESS")

On November 15, 2010, ESS entered into agreement with JWHC ("Contractor") for the engineering, procurement and construction of the 2x5 MW PLTA Pakkat project in Pakkat, Medan, North Sumatra for a certain contract price. The contractor carried out Civil and Metal Structure Works for ESS and the term of the contract is for 18 months from the effective date. The outstanding contractor payable balance as of March 31, 2019, December 31, 2018, 2017 and 2016 amounted to US\$1,143,301, US\$1,468,565, US\$1,519,718 and US\$1,616,442, respectively, which were presented as part of "Trade Payables" account.

b. Sinohydro Corporation Limited ("Sinohydro")

PT Energy Sakti Sentosa ("ESS")

On July 10, 2014, ESS entered into agreement with Sinohydro for the engineering, procurement and construction of the 3x6 MW PLTA Pakkat project (with initial capacity of 2x5 MW) located at Pakkat, Medan, North Sumatra for a certain contract price. The term of the contract is nine months from the effective date. The outstanding contractor payable as of December 31, 2016 amounted to US\$744,016 which was presented as part of "Trade Payables" account.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

27. PERJANJIAN PENTING (lanjutan)

**Perjanjian Teknik, Pengadaan dan Konstruksi
(lanjutan)**

**b. Sinohydro Corporation Limited
("Sinohydro") (lanjutan)**

PT Bangun Tirta Lestari ("BTL")

Pada tanggal 25 Juli 2012, BTL dan Sinohydro setuju melakukan perjanjian mengenai rekayasa, pengadaan dan konstruksi proyek PLTA Air Putih 3x7 MW (dengan kapasitas awal 3x3,3 MW) berlokasi di Lebong, Bengkulu dengan nilai kontrak tertentu. Pengerjaan untuk proyek ini akan jatuh tempo 14 bulan dari tanggal efektifnya. Saldo utang kontraktor pada 31 Maret 2019, 31 Desember 2018, 2017 dan 2016 masing-masing sebesar AS\$1.647.233, AS\$1.786.732, AS\$2.548.020 dan AS\$3.476.355 yang disajikan sebagai bagian dari akun "Utang Usaha".

c. Sichuan Anhe Hydraulic and Hydroelectric Engineering Co., Ltd. ("Anhe")

Pada tanggal 2 Nopember 2015, BTL melakukan perjanjian dengan Anhe mengenai rekayasa, pengadaan dan konstruksi proyek PLTA Air Putih 3x7 MW (dengan kapasitas awal 3x3,3 MW) berlokasi di Lebong, provinsi Bengkulu dengan nilai kontrak tertentu. Pekerjaan untuk proyek ini akan jatuh tempo 14 bulan dimulai dari tanggal efektifnya. Perjanjian ini telah diperpanjang pada tanggal 4 Desember 2017. Saldo utang kontraktor pada 31 Maret 2019, 31 Desember 2018, 2017 dan 2016 masing-masing sebesar AS\$646.447, AS\$705.034, AS\$1.380.842 dan AS\$328.604 yang disajikan sebagai bagian dari akun "Utang Usaha".

Performance Bond (Garansi Bank)

PT Energy Sakti Sentosa ("ESS")

Pada tanggal 8 September 2017, Mandiri setuju untuk menerbitkan *Performance Bond* (Garansi Bank) kepada PLN sebagai jaminan untuk melaksanakan kewajiban tertentu ESS berdasarkan PPA yang direvisi. Jaminan ini sebesar AS\$1.198.925 yang akan berlaku pada saat dan sejak tanggal 30 Agustus 2017 dan berlaku efektif hingga 30 Juni 2018, atau:

27. SIGNIFICANT AGREEMENTS (continued)

**Engineering, Procurement and Construction
Agreements (continued)**

**b. Sinohydro Corporation Limited
("Sinohydro") (continued)**

PT Bangun Tirta Lestari ("BTL")

On July 25, 2012, BTL entered into agreement with Sinohydro for the engineering, procurement and construction of 3x7 MW (with initial capacity of 3x3.3 MW) PLTA Air Putih project located at Lebong, Bengkulu Province for a certain contract price. The term of the contract is 14 months from the effective date. The outstanding contractor payable balance as of March 31, 2019, December 31, 2018, 2017 and 2016 amounted to US\$1,647,233, US\$1,786,732, US\$2,548,020 and US\$3,476,355, respectively, which were presented as part of "Trade Payables" account.

c. Sichuan Anhe Hydraulic and Hydroelectric Engineering Co., Ltd. ("Anhe")

On November 2, 2015, BTL entered into agreement with Anhe for the engineering, procurement and construction of the 3x7 MW (with initial capacity of 3x3.3 MW) PLTA Air Putih project located at Lebong, Bengkulu Province for a certain contract price. The term of the contract is 14 months from the effective date. This agreement was extended on December 4, 2017. The outstanding contractor payable balance as of March 31, 2019, December 31, 2018, 2017 and 2016 amounted to US\$646,447, US\$705,034, US\$1,380,842 and US\$328,604, respectively, which were presented as part of "Trade Payables" account.

Performance Bond (Bank Guarantee)

PT Energy Sakti Sentosa ("ESS")

On September 8, 2017, Mandiri agreed to issue Performance Bond (Bank Guarantee) to PLN as a guarantee for ESS' performance obligations under the revised PPA. The guarantee amounted to US\$1,198,925 which shall be effective on and as of August 30, 2017 until the earlier to occur of June 30, 2018, or:

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

27. PERJANJIAN PENTING (lanjutan)

Performance Bond (Garansi Bank) (lanjutan)

PT Energy Sakti Sentosa ("ESS") (lanjutan)

- 30 hari setelah Tanggal Komisioning Unit Pertama; atau
- 30 hari setelah tanggal pengakhiran Perjanjian (PPA); atau
- 180 hari setelah COD ditambah 30 hari, yaitu 30 Juli 2018.

PT Bangun Tirta Lestari ("BTL")

Pada tanggal 18 September 2017, Mandiri menerbitkan 2 (dua) *Performance Bond* (Garansi Bank) kepada PLN sebagai jaminan untuk melaksanakan kewajiban tertentu BTL berdasarkan PPA yang direvisi. Setiap *Performance Bond* (Garansi Bank) masing-masing sebesar AS\$2.046.425 yang akan berlaku pada saat dan sejak tanggal 30 Agustus 2017 dan berlaku efektif hingga 30 Desember 2019 atau:

- 30 hari setelah Tanggal Komisioning Unit Pertama; atau
- 30 hari setelah tanggal pengakhiran Perjanjian (PPA); atau
- 180 hari setelah COD ditambah 30 hari, yaitu 30 Desember 2019.

28. TRANSAKSI NON KAS

Untuk periode tiga bulan yang berakhir pada tanggal-tanggal 31 Maret 2019 dan 2018 dan untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2018, 2017 dan 2016, Grup melakukan transaksi investasi yang tidak memerlukan penggunaan kas dan tidak termasuk dalam laporan arus kas konsolidasian dengan rincian sebagai berikut:

	31 Maret/March 31		31 Desember/December 31,		
	2019	2018	2018	2017	2016
AKTIVITAS INVESTASI YANG TIDAK MEMPENGARUHI KAS					
Penambahan aset tetap melalui utang	151.901	-	-	119.535	-

27. SIGNIFICANT AGREEMENTS (continued)

**Performance Bond (Bank Guarantee)
(continued)**

PT Energy Sakti Sentosa ("ESS") (continued)

- 30 days after the Commissioned Date of the First Unit; or
- 30 days after the date of termination of the Agreement (PPA); or
- 180 days after the required COD plus 30 days which is July 30, 2018.

PT Bangun Tirta Lestari ("BTL")

On September 18, 2017, Mandiri issued two (2) *Performance Bond* (Bank Guarantee) to PLN as a guarantee for BTL's performance obligations under the revised PPA. Each *Performance Bond* (Bank Guarantee) amounted to US\$2,046,425 which shall be effective on and as of August 30, 2017 until the earlier to occur of December 30, 2019 or:

- 30 days after the Commissioned Date of the First Unit; or
- 30 days after the date of termination of the Agreement (PPA); or
- 180 days after the required COD plus 30 days which is December 30, 2019.

28. NON-CASH TRANSACTIONS

For the three-month periods ended March 31, 2019 and 2018 and years ended December 31, 2018, 2017 and 2016, the Group had investing transactions which did not require the use of cash and were excluded from the consolidated statements of cash flows as follows:

**NON-CASH INVESTING
ACTIVITY**
Additions of fixed assets
on account

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

29. STANDAR AKUNTANSI BARU

Standar baru, amandemen dan interpretasi yang telah diterbitkan, namun belum berlaku efektif untuk tahun buku yang dimulai pada 1 Januari 2019 yang mungkin berdampak pada laporan keuangan konsolidasian adalah sebagai berikut:

Efektif berlaku pada atau setelah 1 Januari 2020:

- PSAK No. 71 - "Instrumen Keuangan";
- PSAK No. 72 - "Pendapatan dari Kontrak dengan Pelanggan";
- PSAK No. 73 - "Sewa";
- Amandemen PSAK No. 15 - "Investasi pada Entitas Asosiasi dan Ventura Bersama tentang Kepentingan Jangka Panjang pada Entitas Asosiasi dan Ventura Bersama";
- Amandemen PSAK No. 62 - "Kontrak Asuransi: Menerapkan PSAK No. 71: "Instrumen Keuangan" dengan PSAK No. 62: "Kontrak Asuransi";
- Amandemen PSAK No. 71 - "Instrumen Keuangan tentang Fitur Percepatan Pelunasan dengan Kompensasi Negatif".

Grup sedang menganalisa dampak penerapan standar akuntansi dan interpretasi tersebut di atas terhadap laporan keuangan konsolidasian Grup.

30. PENYAJIAN KEMBALI LAPORAN KEUANGAN KONSOLIDASIAN

Restrukturisasi entitas sepengendali

Seperti disajikan dalam Catatan 4, akuisisi entitas anak digolongkan sebagai transaksi restrukturisasi entitas sepengendali sesuai dengan PSAK No. 38, "Akuntansi Restrukturisasi Entitas Sepengendali". Akuisisi tersebut dicatat menggunakan metode penyatuan kepemilikan dengan penerapan retrospektif. Akibatnya, Grup menyajikan kembali laporan keuangan komparatif dan menyajikan laporan posisi keuangan pada awal periode terdekat sebelumnya.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

29. NEW ACCOUNTING STANDARDS

New standards, amendments and interpretations issued but not yet effective for the financial year beginning January 1, 2019 that may have certain impact on the consolidated financial statements are as follows:

Effective on or after January 1, 2020:

- *PSAK No. 71 - "Financial Instruments";*
- *PSAK No. 72 - "Revenue from Contracts with Customers";*
- *PSAK No. 73 - "Leases";*
- *Amendments to PSAK No. 15 "Investments in Associates and Joint Ventures Long-term Interests in Associates and Joint Ventures";*
- *Amendments to PSAK No. 62 - "Insurance Contracts: Applying PSAK No. 71 "Financial Instruments" with PSAK No. 62 "Insurance Contracts";*
- *Amendments to PSAK No. 71 "Financial Instruments Prepayment Features with Negative Compensation".*

The Group is still assessing the impact of these accounting standards and interpretations on the Group's consolidated financial statements.

30. RESTATEMENT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Restructuring of entities under common control

As disclosed in Note 4, the acquisition of a subsidiary was considered as a restructuring transaction between entities under common control in accordance with PSAK No. 38, "Accounting for Restructuring Transactions of Entities Under Common Control". The acquisition was thus, treated under the pooling of interest method with retrospective application. As a result, the Group restated the comparative financial statements and presented the statements of financial position as at the beginning of the earliest period presented.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**30. PENYAJIAN KEMBALI LAPORAN KEUANGAN
KONSOLIDASIAN (lanjutan)**

**Aplikasi ISAK No. 16 "Perjanjian Konsesi Jasa"
dan ISAK No. 22 "Perjanjian Konsesi Jasa:
Pengungkapan"**

Akun-akun tertentu dalam laporan keuangan konsolidasian tanggal 31 Desember 2016 dan 1 Januari 2016/31 Desember 2015 telah disajikan kembali sehubungan dengan penerapan ISAK No. 16 "Perjanjian Konsesi Jasa" dan ISAK No. 22 "Perjanjian Konsesi Jasa: Pengungkapan" sesuai dengan ketentuan Standar Akuntansi Keuangan di Indonesia.

Tabel di bawah ini memperlihatkan dampak penyesuaian atas penyajian kembali terhadap laporan keuangan konsolidasian:

**30. RESTATEMENT OF THE CONSOLIDATED
FINANCIAL STATEMENTS (continued)**

**Application of ISAK No. 16 "Service
Concession Arrangements" and ISAK No. 22
"Service Concession Arrangements:
Disclosure"**

Certain accounts in the consolidated financial statements as of December 31, 2016 and January 1, 2016/December 31, 2015 had been restated due to application of the provisions of ISAK No. 16 "Service Concession Arrangements" and ISAK No. 22 "Service Concession Arrangements: Disclosure" to comply with Indonesian Financial Accounting Standards.

The table below shows the impact of the restatement to the consolidated financial statements:

	31 Desember 2016/ December 31, 2016		
	Sebelum Penyajian Kembali/ As Previously Reported	Setelah Penyajian Kembali/ As Restated	
ASET			ASSETS
ASET LANCAR			CURRENT ASSETS
Kas dan bank	471.230	925.847	Cash on hand and in banks
Piutang usaha			Trade receivables
Pihak ketiga	989.692	989.692	Third party
Piutang lain-lain			Other receivables
Pihak berelasi	2.756.785	27.760	Related parties
Pihak ketiga	20.535	593.830	Third parties
Uang muka	1.207	-	Advances
Beban dibayar dimuka	1.375	41.151	Prepaid expenses
TOTAL ASET LANCAR	4.240.824	2.578.280	TOTAL CURRENT ASSETS
ASET TIDAK LANCAR			NON-CURRENT ASSETS
Aset keuangan dari konsesi jasa yang belum ditagihkan - tidak lancar	-	188.537.888	Unbilled financial asset from service concession project - non-current
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar AS\$1.492.348 pada tanggal 31 Desember 2016	37.509.296	53.012	Fixed Assets - net of accumulated depreciation of US\$1,492,348 as of December 31, 2016
Aset pajak tangguhan	89.568	30.676	Deferred tax asset
Aset tidak lancar lain-lain	-	1.207	Other non-current assets
TOTAL ASET TIDAK LANCAR	37.598.864	188.622.783	TOTAL NON-CURRENT ASSETS
TOTAL ASET	41.839.688	191.201.063	TOTAL ASSETS

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**30. PENYAJIAN KEMBALI LAPORAN KEUANGAN
KONSOLIDASIAN (lanjutan)**

**30. RESTATEMENT OF THE CONSOLIDATED
FINANCIAL STATEMENTS (continued)**

	31 Desember 2016/ December 31, 2016		
	Sebelum Penyajian Kembali/ As Previously Reported	Setelah Penyajian Kembali/ As Restated	
LIABILITAS DAN EKUITAS			LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK			CURRENT LIABILITIES
Utang usaha			Trade payables
Pihak ketiga	-	6.458.236	Third parties
Utang lain-lain			Other payables
Pihak berelasi	2.875.215	6.582.010	Related parties
Pihak ketiga	2.375.377	-	
Liabilitas yang masih harus dibayar	16.967	68.581	Accrued liabilities
Utang pajak	4.069	61.306	Taxes payable
Utang bank jangka pendek	-	372.134	Short-term bank loan
Bagian pinjaman jangka panjang yang jatuh tempo dalam satu tahun:			Current maturities of long-term borrowings:
Utang bank	-	3.534.759	Bank loans
Utang pembiayaan konsumen	-	200.889	Consumer financing payables
TOTAL LIABILITAS JANGKA PENDEK	5.271.628	17.277.915	TOTAL CURRENT LIABILITIES
LIABILITAS JANGKA PANJANG			NON-CURRENT LIABILITIES
Pinjaman jangka panjang setelah dikurangi bagian yang jatuh tempo dalam satu tahun:			Long-term borrowings - net of current maturities:
Utang bank	26.271.717	32.948.809	Bank loans
Utang lembaga keuangan	-	12.930.370	Financial institution loan
Utang pembiayaan konsumen	-	408.794	Consumer financing payables
Liabilitas pajak tangguhan - neto	-	27.153.432	Deferred tax liabilities - net
Liabilitas imbalan kerja	192.114	259.004	Employee benefits liability
TOTAL LIABILITAS JANGKA PANJANG	26.463.831	73.700.409	TOTAL NON-CURRENT LIABILITIES
TOTAL LIABILITAS	31.735.459	90.978.324	TOTAL LIABILITIES
EKUITAS			EQUITY
Modal saham - Rp1.000.000 per saham			Share capital - Rp1,000,000 per share
Modal dasar - 102.855 saham			Authorized - 102,855 shares
Modal ditempatkan dan disetor penuh - 102.855 saham pada tanggal 31 Desember 2016	9.397.004	9.397.004	Issued and fully paid - 102,855 shares as of December 31, 2016

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**30. PENYAJIAN KEMBALI LAPORAN KEUANGAN
KONSOLIDASIAN (lanjutan)**

**30. RESTATEMENT OF THE CONSOLIDATED
FINANCIAL STATEMENTS (continued)**

	31 Desember 2016/ December 31, 2016		
	Sebelum Penyajian Kembali/ As Previously Reported	Setelah Penyajian Kembali/ As Restated	
Tambahan modal disetor - neto	255.003	(3.313.347)	Additional paid-in capital - net
Proforma ekuitas dari transaksi restrukturisasi entitas sepengendali	-	35.883.306	Proforma equity arising from restructuring transactions of entities under common control
Saldo laba	(958.320)	34.850.537	Retained earnings
Selisih kurs karena penjabaran Laporan keuangan	(1.453.788)	5.153.939	Exchange differences due to translation of financial statement
Total ekuitas yang dapat diatribusikan kepada pemilik entitas induk	7.239.899	81.971.439	Total equity attributable to owners of the parent entity
Kepentingan non-pengendali	2.864.330	18.251.300	Non-controlling interests
TOTAL EKUITAS	10.104.229	100.222.739	TOTAL EQUITY
TOTAL LIABILITAS DAN EKUITAS	41.839.688	191.201.063	TOTAL LIABILITIES AND EQUITY

	Tahun yang berakhir pada tanggal 31 Desember 2016/Year ended December 31, 2016		
	Sebelum Penyajian Kembali/ As Previously Reported	Setelah Penyajian Kembali/ As Restated	
PENDAPATAN	6.112.535	26.410.537	REVENUE
BEBAN LANGSUNG	1.762.334	6.005.200	DIRECT COSTS
LABA BRUTO	4.350.201	20.405.337	GROSS PROFIT
BEBAN USAHA	559.087	896.143	OPERATING EXPENSES
LABA USAHA	3.791.114	19.509.194	INCOME FROM OPERATIONS
PENGHASILAN (BEBAN) LAIN-LAIN			OTHER INCOME (EXPENSES)
Klaim asuransi	-	737.728	Insurance claims
Beban bunga	-	(6.075.143)	Interest expense
Rugi selisih kurs - neto	-	329.043	Foreign exchange loss - net
Beban lain-lain - neto	(1.395.604)	(32.628)	Other expenses - net
BEBAN LAIN-LAIN-NETO	(1.395.604)	(5.041.000)	OTHER EXPENSES-NET

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**30. PENYAJIAN KEMBALI LAPORAN KEUANGAN
KONSOLIDASIAN (lanjutan)**

**30. RESTATEMENT OF THE CONSOLIDATED
FINANCIAL STATEMENTS (continued)**

	Tahun yang berakhir pada tanggal 31 Desember 2016/Year ended December 31, 2016		
	Sebelum Penyajian Kembali/ As Previously Reported	Setelah Penyajian Kembali/ As Restated	
LABA SEBELUM BEBAN PAJAK PENGHASILAN	2.395.510	14.468.194	INCOME BEFORE INCOME TAX EXPENSE
BEBAN PAJAK PENGHASILAN			INCOME TAX EXPENSE
Tangguhan	360.462	2.340.175	Deferred
LABA SEBELUM PENYESUAIAN LABA PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI	2.035.048	12.128.019	INCOME BEFORE PROFORMA INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
PENYESUAIAN LABA PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI	-	(4.733.104)	PROFORMA INCOME ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
TOTAL LABA TAHUN BERJALAN	2.035.048	7.394.915	TOTAL INCOME FOR THE YEAR
PENGHASILAN (RUGI) KOMPREHENSIF LAIN:			OTHER COMPREHENSIVE INCOME (LOSS):
Item yang tidak akan direklasifikasi ke laba rugi			Item that will not be reclassified to profit or loss
- Pengukuran kembali liabilitas imbalan kerja	(25.758)	(37.077)	- Remeasurement of employee benefits liability
- Beban pajak penghasilan terkait	6.439	9.269	- Related income tax expense
Sub-total	(19.319)	(27.808)	Sub-total
Item yang akan direklasifikasi ke laba rugi:			Item that will be reclassified to profit or loss:
- Keuntungan (kerugian) dari penjabaran laporan keuangan	187.161	(2.024.173)	- Gain (loss) on translation of financial statement

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**30. PENYAJIAN KEMBALI LAPORAN KEUANGAN
KONSOLIDASIAN (lanjutan)**

**30. RESTATEMENT OF THE CONSOLIDATED
FINANCIAL STATEMENTS (continued)**

	Tahun yang berakhir pada tanggal 31 Desember 2016/Year ended December 31, 2016		
	Sebelum Penyajian Kembali/ As Previously Reported	Setelah Penyajian Kembali/ As Restated	
PENGHASILAN (RUGI) RUGI KOMPREHENSIF LAIN SEBELUM PENYESUAIAN PENGHASILAN KOMPREHENSIF LAIN PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI	167.842	(2.051.981)	OTHER COMPREHENSIVE INCOME (LOSS) BEFORE PROFORMA OTHER COMPREHENSIVE INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
PENYESUAIAN PENGHASILAN (RUGI) KOMPREHENSIF LAIN PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGANDALI	-	830.976	PROFORMA OTHER COMPREHENSIVE INCOME (LOSS) ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL
PENGHASILAN (RUGI) KOMPREHENSIF LAIN TAHUN BERJALAN, SETE LAH PAJAK	167.842	(1.221.005)	OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR, NET OF TAX
TOTAL LABA KOMPREHENSIF TAHUN BERJALAN	2.202.890	6.173.910	TOTAL COMPREHENSIVE INCOME FOR THE YEAR
LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:			INCOME FOR THE YEAR ATTRIBUTABLE TO:
Pemilik entitas induk	1.450.403	5.289.633	Owners of the parent entity
Kepentingan non pengendali	584.645	2.105.282	Non-controlling interests
TOTAL	2.035.048	7.394.915	TOTAL
TOTAL LABA KOMPREHENSIF TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:			TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:
Pemilik entitas induk	1.569.553	4.413.962	Owners of the parent entity
Kepentingan non pengendali	633.337	1.759.948	Non-controlling interests
TOTAL	2.202.890	6.173.910	TOTAL

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**30. PENYAJIAN KEMBALI LAPORAN KEUANGAN
KONSOLIDASIAN (lanjutan)**

**30. RESTATEMENT OF THE CONSOLIDATED
FINANCIAL STATEMENTS (continued)**

	1 Januari 2016/ January 1, 2016/ 31 Desember 2015/ December 31, 2015		
	Sebelum Penyajian Kembali/ As Previously Reported	Setelah Penyajian Kembali/ As Restated	
ASET			ASSETS
ASET LANCAR			CURRENT ASSETS
Kas dan bank	298.082	750.520	Cash on hand and in banks
Piutang lain-lain -			Other receivables -
Pihak berelasi	710.813	9.218	Related parties
Pihak ketiga	417.985	933.578	Third parties
Uang muka	114.910	-	Advances
Beban dibayar dimuka	5.971	13.534	Prepaid expenses
TOTAL ASET LANCAR	1.547.761	1.706.850	TOTAL CURRENT ASSETS
ASET TIDAK LANCAR			NON-CURRENT ASSETS
Aset keuangan dari konsesi jasa yang belum ditagihkan - tidak lancar	-	168.239.886	Unbilled financial asset from service concession project - non-current
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar AS\$83.096 pada tanggal 31 Desember 2015	35.664.427	66.425	Fixed Assets - net of accumulated depreciation of US\$83,096 as of December 31, 2015
Aset pajak tangguhan	22.023	22.023	Deferred tax asset
Aset tidak lancar lain-lain	413.971	632.153	Other non-current assets
TOTAL ASET TIDAK LANCAR	36.100.421	168.960.487	TOTAL NON-CURRENT ASSETS
TOTAL ASET	37.648.182	170.667.337	TOTAL ASSETS
LIABILITAS DAN EKUITAS			LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK			CURRENT LIABILITIES
Utang usaha -			Trade payables -
Pihak ketiga	-	5.468.435	Third parties
Utang lain-lain -			Other payables -
Pihak berelasi	3.036.924	3.518.226	Related parties
Pihak ketiga	2.828.047	-	Third parties
Liabilitas yang masih harus dibayar	613	53.102	Accrued liabilities
Utang pajak	2.322	5.854	Taxes payable
Bagian pinjaman jangka panjang yang jatuh tempo dalam satu tahun			Current maturities of long-term borrowings:
Utang bank	-	2.742.185	Bank loans
Utang lembaga keuangan	-	264.589	Financial institution loan
Utang pembiayaan konsumen	-	12.622	Consumer financing payables
TOTAL LIABILITAS JANGKA PENDEK	5.867.906	12.065.013	TOTAL CURRENT LIABILITIES

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**30. PENYAJIAN KEMBALI LAPORAN KEUANGAN
KONSOLIDASIAN (lanjutan)**

**30. RESTATEMENT OF THE CONSOLIDATED
FINANCIAL STATEMENTS (continued)**

	1 Januari 2016/ January 1, 2016/ 31 Desember 2015/ December 31, 2015	
	Sebelum Penyajian Kembali/ As Previously Reported	Setelah Penyajian Kembali/ As Restated
LIABILITAS JANGKA PANJANG		
Pinjaman jangka panjang setelah dikurangi bagian yang jatuh tempo dalam satu tahun:		
Utang bank	23.756.704	31.888.024
Utang lembaga keuangan	-	12.216.923
Utang pembiayaan konsumen	-	15.111
Liabilitas pajak tangguhan - neto		24.190.425
Liabilitas imbalan kerja	129.866	162.932
TOTAL LIABILITAS JANGKA PANJANG	23.886.570	68.473.415
TOTAL LIABILITAS	29.754.476	80.538.428
EKUITAS		
Modal saham - Rp1.000.000 per saham		
Modal dasar - 57.863 saham		
Modal ditempatkan dan disetor penuh - 57.863 saham pada tanggal 31 Desember 2015	5.780.283	5.780.283
Tambahan modal disetor - neto	247.356	(3.320.994)
Uang muka penerbitan saham	3.616.791	3.616.791
Proforma ekuitas dari transaksi restrukturisasi entitas sepengendali	-	31.971.026
Saldo laba	(2.392.428)	29.577.198
Selisih kurs karena penjabaran laporan keuangan	(1.589.233)	6.013.316
Total ekuitas yang dapat diatribusikan kepada pemilik entitas induk	5.662.769	73.637.620
Kepentingan non-pengendali	2.230.937	16.491.289
TOTAL EKUITAS	7.893.706	90.128.909
TOTAL LIABILITAS DAN EKUITAS	37.648.182	170.667.337

NON-CURRENT LIABILITIES
Long-term borrowings - net of current maturities:
Bank loans
Financial institution loan
Consumer financing payables
Deferred tax liabilities - net
Employee benefits liability
TOTAL NON-CURRENT LIABILITIES
TOTAL LIABILITIES
EQUITY
Share capital - Rp1,000,000 per share
Authorized - 57,863 shares
Issued and fully paid - 57,863 shares as of December 31, 2015
Additional paid-in capital - net
Advances for share capital subscription
Proforma equity from restructuring transactions of entities under common control
Retained earnings
Exchange differences due to translation of financial statements
Total equity attributable to owners of the parent entity
Non-controlling interests
TOTAL EQUITY
TOTAL LIABILITIES AND EQUITY

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

31. PERISTIWA SETELAH PERIODE PELAPORAN

Perusahaan

Penawaran Umum Perdana

Berdasarkan Akta Notaris Yulia, S.H., No. 50 tanggal 13 Mei 2019, pemegang saham Perusahaan menyetujui, antara lain:

- Menyetujui rencana Perusahaan untuk melakukan penawaran umum melalui pasar modal;
- Mengubah status Perusahaan yang semula Perusahaan Terbatas Tertutup menjadi Perusahaan Terbatas Terbuka;
- Menyetujui perubahan nama Perusahaan dari PT Kencana Energi Lestari menjadi PT Kencana Energi Lestari Tbk;
- Mengubah anggaran dasar Perusahaan; dan
- Melakukan Penawaran Umum Perdana saham-saham Perusahaan maksimal sejumlah 40% dari modal saham Perusahaan dengan nominal nilai Rp100 per lembar saham.

Pendirian dan Akuisisi Saham PT Sumber Tirta Energi

PT Sumber Tirta Energi didirikan di Republik Indonesia pada tanggal 8 Maret 2019 berdasarkan Akta Notaris Rianto, S.H., No. 2. Akta Pendirian ini disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-0013070.AH.01.01.Tahun 2019 tanggal 11 Maret 2019.

Berdasarkan Keputusan Sirkuler Para Pemegang Saham tanggal 8 April 2019, pemegang saham PT Sumber Tirta Energi (STE) menyetujui Perusahaan untuk mengambil alih 4.258 saham STE dari PT Asian Energy Hydro Power Pte Ltd. (AEHP) dan PT Paramata Indah Lestari (PIL) masing-masing sebanyak 3.917 dan 314 lembar saham, dengan harga perolehan masing-masing sebesar Rp3.917.000.000 dan Rp314.000.000.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

31. EVENT AFTER THE REPORTING PERIOD

The Company

Initial Public Offering

Based on Notarial Deed No. 50 of Yulia, S.H., dated May 13, 2019, the Company's shareholders agreed to, among others:

- Approve the Company's plan to conduct public offers through the capital market;
- Change the Company's status which originally a Private Limited Company into a Public Limited Company;
- Approved the change of name of the Company from PT Kencana Energi Lestari to PT Kencana Energi Lestari Tbk;
- Change the Articles of Association of the Company; and
- Execute Initial Public Offering of the Company's shares, with maximum total of 40% share capital of the Company, with nominal value of Rp100 per share.

Establishment and Acquisition of Shares of PT Sumber Tirta Energi

PT Sumber Tirta Energi was established in the Republic of Indonesia on March 8, 2019 based on Notarial Deed No. 2 of Rianto, S.H. The Deed of Establishment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-0013070.AH.01.01.Tahun 2019 dated March 11, 2019.

Based on Circular Resolution of Shareholders dated April 8, 2019, PT Sumber Tirta Energi (STE) shareholders agreed that the Company acquire 4,258 of STE's shares from PT Asian Energy Hydro Power Pte Ltd. (AEHP) and PT Paramata Indah Lestari (PIL) totaling to 3,917 and 314 shares, respectively, with transfer price of Rp3,917,000,000 and Rp314,000,000, respectively.

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**31. PERISTIWA SETELAH PERIODE PELAPORAN
(lanjutan)**

Perusahaan (lanjutan)

Pembelian Saham Tambahan di PT Nagata
Dinamika Hidro Madong (NDHM)

Pada tanggal 10 April 2019, Perusahaan melalui anak perusahaan, STE, mengakuisisi 24,5% kepemilikan saham di PT Nagata Dinamika Hidro Madong (NDHM). Jumlah yang dibayarkan untuk pembelian tersebut adalah Rp3.916.489.000 untuk kepemilikan saham sebanyak 3.916.489 lembar saham. Pengalihan saham ini telah diaktakan dengan Akta Notaris Indra Gunawan, S.H., M.Kn dengan nomor legalisasi 397/Leg/Not-IG/IV/2019 tanggal 10 April 2019.

**31. EVENT AFTER THE REPORTING PERIOD
(continued)**

The Company (continued)

Purchase of Additional Interest in PT Nagata
Dinamika Hidro Madong (NDHM)

On April 10, 2019, the Company through its subsidiary, STE, acquired 24.5% shares of PT Nagata Dinamika Hidro Madong (NDHM). The total purchase price consideration paid for this acquisition was Rp3,916,489,000 equivalent to 3,916,489 shares. The share transfer has been notarized by Notarial Deed of Indra Gunawan S.H., M.Kn with legalization number 397/Leg/Not-IG/IV/2019 dated April 10, 2019.

PT KENCANA ENERGI LESTARI Tbk DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

32. REKONSILIASI LIABILITAS YANG TIMBUL DARI AKTIVITAS PENDANAAN

Table di bawah ini menjelaskan perubahan dalam liabilitas Perusahaan yang timbul dari aktivitas pendanaan, termasuk perubahan yang timbul dari arus kas dan perubahan nonkas. Liabilitas yang timbul dari aktivitas pendanaan adalah liabilitas yang arus kas, atau arus kas masa depannya, diklasifikasikan dalam laporan arus kas Perusahaan sebagai arus kas dari aktivitas pendanaan.

	1 Januari/ January 1, 2019	Penerimaan/ Receipts	Payment/ Pembayaran	Selisih kurs/ Foreign exchange difference	Biaya amortisasi/ amortization expense	Novasi/ Novation	Biaya bunga yang belum tertagih/ Interest expense on account	Pendapatan bunga yang belum tertagih/ Interest income on account	Penghapusan piutang lain-lain/ Write-off of other receivables	Membeli (peningkatan) modal saham non-pengendali/ Purchase of (increase in) share capital of non-controlling interest	Lain-lain/ Others	31 Maret/ March 31, 2019	
Uang bank	43.705.013	539.661	(1.030.000)	-	44.551	-	-	-	-	-	-	43.259.225	Bank loans
Uang lembaga keuangan	19.371.953	318.891	-	-	(29.493)	-	-	-	-	-	-	19.661.351	Financial institution loan
Uang pembiayaan konsumen	226.447	-	(60.210)	2.438	-	-	-	-	-	-	-	168.675	Consumer financing payables
Uang lain-lain	7.248.453	1.368.296	(1.970.943)	119.458	-	(105.849)	10.547	(22.484)	-	-	(66.224)	6.581.254	Other payables Related parties
Piutang lain-lain	(126.223)	-	(105.849)	41.925	-	105.849	-	(1.679)	705	(9.162)	-	(94.434)	Other receivables Related parties
Total	70.425.643	2.226.848	(3.167.002)	163.821	15.058	-	10.547	(24.163)	705	(9.162)	(66.224)	69.576.071	Total
Uang bank	41.022.307	5.772.080	(3.400.000)	-	310.626	-	-	-	-	-	-	43.705.013	Bank loans
Uang lembaga keuangan	15.951.857	3.466.292	-	-	(46.196)	-	-	-	-	-	-	19.371.953	Financial institution loan
Uang pembiayaan konsumen	512.496	-	(253.000)	(33.049)	-	-	-	-	-	-	-	226.447	Consumer financing payables
Uang lain-lain pihak berelasi	6.843.799	9.025.690	(5.974.015)	(805.045)	-	(1.348.393)	238.676	(162.791)	-	(570.253)	785	7.248.453	Other payables related parties
Piutang lain-lain	(244.326)	194.779	(2.561.451)	361.815	-	1.348.393	-	(882)	197.022	570.253	8.174	(126.223)	Other receivables Related parties
Total	64.086.133	18.458.841	(12.188.466)	(476.279)	264.430	-	238.676	(163.673)	197.022	-	8.959	70.425.643	Total

32. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

PT KENCANA ENERGI LESTARI Tbk AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**
*Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

**33. PENERBITAN KEMBALI LAPORAN KEUANGAN
KONSOLIDASIAN**

Perusahaan telah menerbitkan laporan keuangan konsolidasian untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2019 (dengan angka perbandingan untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2018) dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2018, 2017 dan 2016. Laporan keuangan konsolidasian tersebut untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2019 (dengan angka perbandingan untuk periode tiga bulan yang berakhir pada tanggal 31 Maret 2018) dan tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017, telah diaudit oleh Kantor Akuntan Publik Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan dengan laporan auditor independen No. KNMT&R-00689/2.1051/AU.1/10/0008-3/1/V/2019 tanggal 23 Mei 2019, yang telah diterbitkan kembali dengan laporan auditor independen No. KNMT&R-00795/2.1051/AU.1/10/0008-3/1/VI/2019 tanggal 26 Juni 2019. Sehubungan dengan rencana Perusahaan untuk melakukan Penawaran Umum Perdana Saham Perusahaan, maka laporan keuangan konsolidasian tersebut diterbitkan kembali dengan disertai perubahan maupun tambahan pengungkapan pada catatan atas laporan keuangan konsolidasian sebagai berikut:

1. Halaman 1 dan Catatan 9 dan 10, mengenai reklasifikasi beban konstruksi ditangguhkan;
2. Halaman 1 dan Catatan 15, tentang penerapan Pajak Dibayar Dimuka Pasal 22 yang dikreditkan terhadap Utang Pajak Penghasilan Pasal 29;
3. Catatan 1b, sehubungan dengan tambahan pengungkapan komposisi manajemen kunci Perusahaan;
4. Halaman 4, mengenai penyajian biaya amortisasi pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian;
5. Catatan 2g, sehubungan dengan perubahan pengungkapan kebijakan akuntansi atas transaksi dengan pihak-pihak berelasi;
6. Catatan 3, sehubungan dengan tambahan pengungkapan atas pertimbangan manajemen terkait dengan perjanjian konsesi jasa;
7. Catatan 4, sehubungan dengan tambahan pengungkapan atas kombinasi bisnis NDHM;
8. Catatan 14, tentang pengungkapan tambahan tentang waiver yang dikeluarkan oleh Mandiri;
9. Catatan 17, sehubungan dengan tambahan pengungkapan atas saldo laba;

**33. REISSUANCE OF CONSOLIDATED FINANCIAL
STATEMENTS**

The Company issued its consolidated financial statements for the three-month period ended March 31, 2019 (with comparative figures for the three-month period ended March 31, 2018) and for the years ended December 31, 2018, 2017 and 2016. The consolidated financial statements for the three-month period ended March 31, 2019 (with comparative figures for the three-month period ended March 31, 2018) and years ended December 31, 2018 and 2017 were audited by Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan, Public Accounting Firm with independent auditors' report No. KNMT&R-00689/2.1051/AU.1/10/0008-3/1/V/2019 dated May 23, 2019 which was reissued with independent auditors' report No. KNMT&R-00795/2.1051/AU.1/10/0008-3/1/VI/2019 dated June 26, 2019. In relation with the Company's plan to conduct Initial Public Offering, the consolidated financial statements has been reissued with changes and additional disclosures in the notes to the consolidated financial statements as follows:

1. Page 1 and Notes 9 and 10, regarding the reclassification of deferred construction costs;
2. Page 1 and Note 15, regarding the application of the creditable Prepaid Tax Article 22 against Income Tax Payable Article 29;
3. Note 1b, regarding additional disclosure on the Company's key management composition;
4. Page 4, regarding the presentation of the amortization expense in the consolidated statements of profit or loss and other comprehensive income;
5. Note 2g, regarding the revised disclosure for accounting policies on transactions with related parties;
6. Note 3, regarding additional disclosure relating to judgment made by the management in service concession arrangement;
7. Note 4, regarding additional disclosure relating to business combination with NDHM;
8. Note 14, regarding additional disclosure on the waiver issued by Mandiri;
9. Note 17, regarding additional disclosure on retained earnings;

**PT KENCANA ENERGI LESTARI Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN**

Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2019 dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2018 dan 2017 (Dengan Angka Perbandingan untuk Periode Tiga Bulan yang Berakhir pada Tanggal 31 Maret 2018 (Tidak Diaudit) dan Tahun yang Berakhir pada Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

33. PENERBITAN KEMBALI LAPORAN KEUANGAN KONSOLIDASIAN (lanjutan)

10. Catatan 23, sehubungan dengan perubahan pengungkapan untuk memperjelas sifat transaksi berelasi dan bagian Grup yang memiliki transaksi sewa dengan pihak berelasi;
11. Catatan 24c, sehubungan dengan perubahan tanggal kurs tengah Bank Indonesia yang digunakan dalam analisa aset dan liabilitas dalam mata uang asing, sehubungan dengan perubahan tanggal laporan keuangan diotorisasi untuk diterbitkan;

34. INFORMASI KEUANGAN TERSENDIRI PERUSAHAAN

Informasi keuangan tersendiri Entitas Induk menyajikan informasi laporan posisi keuangan, laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas dan laporan arus kas, dimana penyertaan saham pada entitas anak dicatat dengan metode biaya.

Informasi keuangan tersendiri Entitas Induk disajikan sebagai lampiran pada laporan keuangan konsolidasian ini.

**PT KENCANA ENERGI LESTARI Tbk
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

*Three-Month Period Ended March 31, 2019 and Years Ended December 31, 2018 and 2017
(With Comparative Figures for the Three-Month Period Ended March 31, 2018 (Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)*

33. REISSUANCE OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. Note 23, regarding revised disclosure to clarify nature of related party transactions and those part of the Group which has rental transactions with related party;
11. Note 24c, regarding change in the rates of exchange published by Bank Indonesia used in the analysis of assets and liabilities in foreign currencies, related to the changes of date of financial statements authorized for issue;

34. THE COMPANY'S SEPARATE FINANCIAL STATEMENTS

Separate financial information of the Parent Entity presents statements of financial position, statements of profit or loss and other comprehensive income, changes in equity and cash flows, which the investment in subsidiaries are recorded using cost method.

The separate financial information of the Parent Entity is presented as attachment to these consolidated financial statements.

Lampiran I

Attachment I

PT KENCANA ENERGI LESTARI Tbk
(ENTITAS INDUK SAJA)
LAPORAN POSISI KEUANGAN
31 Maret 2019 dan 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan pada Tanggal
31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

PT KENCANA ENERGI LESTARI Tbk
(PARENT ENTITY ONLY)
STATEMENTS OF FINANCIAL POSITION
March 31, 2019 and December 31, 2018 and 2017
(With Comparative Figures as of
December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

	31 Maret/ March 31, 2019	31 Desember/December 31			
		2018	2017	2016	
ASET					ASSETS
ASET LANCAR					CURRENT ASSETS
Kas dan setara kas	11.818.847	9.183	2.567	10.382	Cash and cash equivalents
Piutang lain-lain - Pihak berelasi	-	-	-	1.159.108	Other receivables - Related parties
Beban dibayar dimuka	1.171	4.353	-	-	Prepaid expenses
TOTAL ASET LANCAR	11.820.018	13.536	2.567	1.169.490	TOTAL CURRENT ASSETS
ASET TIDAK LANCAR					NON-CURRENT ASSETS
Penyertaan pada entitas anak	55.638.631	21.628.521	21.171.132	7.000.447	Investment in subsidiaries
Piutang lain-lain - Pihak berelasi	4.193.278	72.885	2.293	-	Other receivables - Related parties
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar AS\$7.703 pada tanggal 31 Maret 2019, AS\$4.994 pada tanggal 31 Desember 2018, AS\$4.918 pada tanggal 31 Desember 2017, dan AS\$4.955 pada tanggal 31 Desember 2016	195.969	656	-	4	Fixed assets - net of accumulated depreciation of US\$7,703 as of March 31, 2019, US\$4,994 as of December 31 2018, US\$4,918 as of December 31 2017 and US\$4,955 as of December 31 2016
Aset pajak tangguhan	109.560	78.574	37.910	30.676	Deferred tax asset
TOTAL ASET TIDAK LANCAR	60.137.438	21.780.636	21.211.335	7.031.127	TOTAL NON-CURRENT ASSETS
TOTAL ASET	71.957.456	21.794.172	21.213.902	8.200.617	TOTAL ASSETS

Lampiran II

PT KENCANA ENERGI LESTARI Tbk
(ENTITAS INDUK SAJA)
LAPORAN POSISI KEUANGAN (lanjutan)
31 Maret 2019 dan 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan pada Tanggal
31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

Attachment II

PT KENCANA ENERGI LESTARI Tbk
(PARENT ENTITY ONLY)
STATEMENTS OF FINANCIAL POSITION (continued)
March 31, 2019 and December 31, 2018 and 2017
(With Comparative Figures as of
December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

	31 Maret/ March 31, 2019	31 Desember/December 31			
		2018	2017	2016	
LIABILITAS DAN EKUITAS					LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK					CURRENT LIABILITIES
Utang lain-lain					Other payables
Pihak berelasi	2.029.135	-	-	929.904	Related parties
Pihak ketiga	4.403.258	-	-	-	Third parties
Liabilitas yang masih harus dibayar	184.816	17.091	15.549	-	Accrued liabilities
Utang pajak	5.013	3.968	25.942	-	Taxes payable
TOTAL LIABILITAS JANGKA PENDEK	6.622.222	21.059	41.491	929.904	TOTAL CURRENT LIABILITIES
LIABILITAS JANGKA PANJANG					NON-CURRENT LIABILITIES
Utang lain-lain					Other payables
Pihak berelasi	795.232	816.005	384.623	-	Related parties
Liabilitas imbalan kerja	438.240	314.294	151.638	122.703	Employee benefits liability
TOTAL LIABILITAS JANGKA PANJANG	1.233.472	1.130.299	536.261	122.703	TOTAL NON-CURRENT LIABILITIES
TOTAL LIABILITAS	7.855.694	1.151.358	577.752	1.052.607	TOTAL LIABILITIES
EKUITAS					EQUITY
Modal saham - Rp100 per saham pada tanggal Maret 2019 dan 31 Desember 2018 dan Rp1.000.000 per saham pada tanggal 31 Desember 2017 dan 2016					Share capital - Rp100 per share as of March 31, 2019 and December 31, 2018 and Rp1,000,000 per share as of December 31, 2017 and 2016
Modal dasar - 11.473.080.000 saham pada tanggal 31 Maret 2019 dan 31 Desember 2018, 1.147.308 saham pada tanggal 31 Desember 2017 dan 102.855 saham pada tanggal 31 Desember 2016					Authorized - 11,473,080,000 shares as of March 31, 2019 and December 31, 2018, 1,147,308 shares as of December 31, 2017 and 102,855 shares as of December 31, 2016
Modal ditempatkan dan disetor penuh - 2.933.050.000 saham pada tanggal 31 Maret 2019 dan 31 Desember 2018 286.827 saham pada tanggal 31 Desember 2017 dan 102.855 saham pada 31 Desember 2016	23.408.996	23.408.996	22.959.260	9.397.004	Issued and fully paid - 2,933,050,000 shares as of March 31, 2019 and December 31, 2018 286,827 shares as of December 31, 2017 and 102,855 shares as of December 31, 2016
Tambahan modal disetor	7.647	7.647	7.647	7.647	Additional paid-in capital
Saldo laba (Akumulasi kerugian)	42.317.181	(1.141.767)	(698.695)	(666.362)	Retained earnings (Accumulated losses)
Selisih kurs karena penjabaran laporan keuangan	(1.632.062)	(1.632.062)	(1.632.062)	(1.590.279)	Exchange differences due to translation of financial statements
TOTAL EKUITAS	64.101.762	20.642.814	20.636.150	7.148.010	TOTAL EQUITY
TOTAL LIABILITAS DAN EKUITAS	71.957.456	21.794.172	21.213.902	8.200.617	TOTAL LIABILITIES AND EQUITY

PT KENCANA ENERGI LESTARI Tbk
(ENTITAS INDUK SAJA)
LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

PT KENCANA ENERGI LESTARI Tbk
(PARENT ENTITY ONLY)
STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

	31 Maret/March 31,		31 Desember/December 31,			
	2019	2018 (Tidak Diaudit/ Unaudited)	2018	2017	2016	
PENDAPATAN	-	-	-	-	-	REVENUE
BEBAN LANGSUNG	-	-	-	-	-	DIRECT COSTS
LABA BRUTO	-	-	-	-	-	GROSS PROFIT
BEBAN USAHA	178.049	47.657	483.678	44.880	30.798	OPERATING EXPENSES
RUGI USAHA	(178.049)	(47.657)	(483.678)	(44.880)	(30.798)	LOSS FROM OPERATIONS
PENGHASILAN (BEBAN) LAIN-LAIN						OTHER INCOME (EXPENSES)
Penghasilan dividen	43.342.421	-	-	-	-	Dividend income
Laba (rugi) selisih kurs						Foreign exchange
- neto	373.060	9.049	53.672	5	(19)	gain (loss) - net
Beban bunga	(12.851)	-	(48.519)	(382.788)	-	Interest expense
Penghasilan (beban) lain-lain	1.925	(44)	2.833	394.800	(117)	Other income (expenses) - net
PENGHASILAN (BEBAN) LAIN-LAIN - NETO	43.704.555	9.005	7.986	12.017	(136)	OTHER INCOME (EXPENSES) - NET
LABA (RUGI) SEBELUM MANFAAT PAJAK PENGHASILAN	43.526.506	(38.652)	(475.692)	(32.863)	(30.934)	INCOME (LOSS) BEFORE INCOME TAX BENEFIT
MANFAAT PAJAK PENGHASILAN						INCOME TAX BENEFIT
Tangguhan	(5.540)	(10.762)	(41.039)	(5.817)	(5.256)	Deferred
TOTAL LABA (RUGI) PERIODE/TAHUN BERJALAN	43.532.046	(27.890)	(434.653)	(27.046)	(25.678)	TOTAL INCOME (LOSS) FOR THE PERIOD/ YEAR
PENGHASILAN (RUGI) KOMPREHENSIF LAIN						OTHER COMPREHENSIVE INCOME (LOSS)
Item yang tidak akan direklasifikasi ke laba rugi:						Item that will not be reclassified to profit or loss:
- Pengukuran kembali						- Remeasurement of employee
liabilitas imbalan kerja	(97.464)	(2.944)	(11.225)	(7.049)	(11.547)	benefits liability
- Beban pajak terkait	24.366	736	2.806	1.762	2.887	- Related income tax
Sub-total	(73.098)	(2.208)	(8.419)	(5.287)	(8.660)	Sub-total
Item yang akan direklasifikasi ke laba rugi:						Item that will be reclassified to profit or loss:
- Keuntungan (kerugian) dari penjabaran laporan keuangan	-	-	-	(41.783)	187.055	- Gain (loss) on translation of financial statements
Total penghasilan (rugi) komprehensif lain	(73.098)	(2.208)	(8.419)	(47.070)	178.395	Total other comprehensive income (loss)
TOTAL LABA (RUGI) KOMPREHENSIF TAHUN BERJALAN	43.458.948	(30.098)	(443.072)	(74.116)	152.717	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD/YEAR

Lampiran IV

PT KENCANA ENERGI LESTARI Tbk
(ENTITAS INDUK SAJA)
LAPORAN PERUBAHAN EKUITAS
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

Attachment IV

PT KENCANA ENERGI LESTARI Tbk
(PARENT ENTITY ONLY)
STATEMENTS OF CHANGES IN EQUITY
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

	Modal Saham/ Share Capital	Tambahan Modal Disetor/ Additional Paid-in Capital	Uang muka atas Penerbitan Saham/ Advances for Share Capital Subscription	Akumulasi Kerugian/ Accumulated Losses	Selisih Kurs Karena Penjabaran Laporan Keuangan/ Exchange Differences due to Translation of Financial Statements	Total/ Total	
Saldo pada tanggal 1 Januari 2016	5.780.283	-	3.616.791	(632.024)	(1.777.334)	6.987.716	Balance as of 1 January 2016
Peningkatan modal disetor	3.616.721	-	(3.616.791)	-	-	(70)	Increase in share capital
Pengampunan pajak	-	7.647	-	-	-	7.647	Tax amnesty
Total rugi tahun berjalan	-	-	-	(25.678)	-	(25.678)	Total loss for the year
Penghasilan (rugi) komprehensif lain tahun berjalan, setelah pajak:							Other comprehensive income (loss) for the year, net of tax:
Pengukuran kembali liabilitas imbalan kerja, setelah pajak	-	-	-	(8.660)	-	(8.660)	Remeasurement of employee benefits liability, net of tax
Keuntungan penjabaran laporan keuangan	-	-	-	-	187.055	187.055	Gain on translation of financial statements
Saldo pada tanggal 31 Desember 2016	9.397.004	7.647	-	(666.362)	(1.590.279)	7.148.010	Balance as of December 31, 2016
Peningkatan modal disetor	13.562.256	-	-	-	-	13.562.256	Increase in share capital
Total rugi tahun berjalan	-	-	-	(27.046)	-	(27.046)	Total loss for the year
Rugi komprehensif lain tahun berjalan, setelah pajak:							Other comprehensive loss for the year, net of tax:
Pengukuran kembali liabilitas imbalan kerja, setelah pajak	-	-	-	(5.287)	-	(5.287)	Remeasurement of employee benefits liability, net of tax
Kerugian penjabaran laporan keuangan	-	-	-	-	(41.783)	(41.783)	Loss on translation of financial statements
Saldo pada tanggal 31 Desember 2017	22.959.260	7.647	-	(698.695)	(1.632.062)	20.636.150	Balance as of December 31, 2017
Total rugi periode berjalan	-	-	-	(27.890)	-	(27.890)	Total loss for the period
Rugi komprehensif lain tahun berjalan, setelah pajak:							Other comprehensive loss for the year, net of tax:
Pengukuran kembali liabilitas imbalan kerja, setelah pajak	-	-	-	(2.208)	-	(2.208)	Remeasurement of employee benefits liability, net of tax
Saldo pada tanggal 31 Maret 2018 (Tidak Diaudit)	22.959.260	7.647	-	(728.793)	(1.632.062)	20.606.052	Balance as of March 31, 2018 (Unaudited)

Lampiran V

PT KENCANA ENERGI LESTARI Tbk
(ENTITAS INDUK SAJA)
LAPORAN PERUBAHAN EKUITAS (lanjutan)
Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)

Attachment V

PT KENCANA ENERGI LESTARI Tbk
(PARENT ENTITY ONLY)
STATEMENTS OF CHANGES IN EQUITY (continued)
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)

	Modal Saham/ Share Capital	Tambahan Modal Disetor/ Additional Paid-in Capital	Saldo Laba (Akumulasi Kerugian)/ Retained Earnings (Accumulated Losses)	Selisih Kurs Karena Penjabaran Laporan Keuangan/ Exchange Differences due to Translation of Financial Statements	Total/ Total	
Saldo pada tanggal 1 Januari 2018	22.959.260	7.647	(698.695)	(1.632.062)	20.636.150	Balance as of January 1, 2018
Peningkatan modal disetor	449.736	-	-	-	449.736	Increase in share capital
Total rugi tahun berjalan	-	-	(434.653)	-	(434.653)	Total loss for the year
Rugi komprehensif lain tahun berjalan, setelah pajak:						Other comprehensive loss for the year, net of tax:
Pengukuran kembali liabilitas imbalan kerja, setelah pajak	-	-	(8.419)	-	(8.419)	Remeasurement of employee benefits liability, net of tax
Saldo pada tanggal 31 Desember 2018	23.408.996	7.647	(1.141.767)	(1.632.062)	20.642.814	Balance as of December 31, 2018
Total laba periode berjalan	-	-	43.532.046	-	43.532.046	Total income for the period
Rugi komprehensif lain tahun berjalan, setelah pajak:						Other comprehensive loss for the year, net of tax:
Pengukuran kembali liabilitas imbalan kerja, setelah pajak	-	-	(73.098)	-	(73.098)	Remeasurement of employee benefits liability, net of tax
Saldo pada tanggal 31 Maret 2019	23.408.996	7.647	42.317.181	(1.632.062)	64.101.762	Balance as of March 31, 2019

**PT KENCANA ENERGI LESTARI Tbk
(ENTITAS INDUK SAJA)
LAPORAN ARUS KAS**

**Periode Tiga Bulan yang Berakhir pada Tanggal
31 Maret 2019 dan Tahun yang Berakhir
pada Tanggal-tanggal 31 Desember 2018 dan 2017
(Dengan Angka Perbandingan untuk Periode Tiga
Bulan yang Berakhir pada Tanggal 31 Maret 2018
(Tidak Diaudit) dan Tahun yang Berakhir pada
Tanggal 31 Desember 2016)
(Disajikan dalam Dolar AS, kecuali dinyatakan lain)**

**PT KENCANA ENERGI LESTARI Tbk
(PARENT ENTITY ONLY)**

**STATEMENTS OF CASH FLOWS
Three-Month Period Ended March 31, 2019 and
Years Ended December 31, 2018 and 2017
(With Comparative Figures for the
Three-Month Period Ended March 31, 2018
(Unaudited) and Year Ended December 31, 2016)
(Expressed in US Dollar, unless otherwise stated)**

	31 Maret/March 31,		31 Desember/December 31,			
	2019	2018 (Tidak Diaudit/ Unaudited)	2018	2017	2016	
ARUS KAS DARI AKTIVITAS OPERASI						CASH FLOWS FROM OPERATING ACTIVITIES
Pembayaran kas kepada pemasok dan lainnya	(71.477)	(28.988)	(191.957)	(56.738)	(2.931)	Cash payments to suppliers and others
Pembayaran kas kepada karyawan	(72.691)	-	(133.105)	-	-	Cash payments to employees
Penerimaan pendapatan bunga	569	-	11	27	6	Cash receipts of interest income
Pengampunan pajak	-	-	-	-	7.647	Tax amnesty
Kas Neto Diperoleh dari (Digunakan untuk) Aktivitas Operasi	(143.599)	(28.988)	(325.051)	(56.711)	4.722	Net Cash Provided by (Used in) Operating Activities
ARUS KAS DARI AKTIVITAS INVESTASI						CASH FLOWS FROM INVESTING ACTIVITIES
Hasil penjualan dari sebagian kepentingan pengendali pada entitas anak	14.500.000	-	-	-	-	Proceeds from sale of partial interest in subsidiary
Perolehan aset tetap	(42.941)	-	(732)	-	-	Acquisitions of fixed assets
Penambahan penyertaan pada entitas anak	-	-	(457.389)	(14.170.685)	-	Additional investment in subsidiaries
Penerimaan pendapatan bunga	-	-	-	81.238	-	Receipt of interest income
Kas Neto Diperoleh dari (Digunakan untuk) Aktivitas Investasi	14.457.059	-	(458.121)	(14.089.447)	-	Net Cash Provided by (Used in) Investing Activities
ARUS KAS DARI AKTIVITAS PENDANAAN						CASH FLOWS FROM FINANCING ACTIVITIES
Penerimaan (pembayaran) dari pihak-pihak berelasi - neto	(2.503.796)	28.856	340.052	925.538	3.230	Receipts (payment) from related parties - Proceeds from issuance of additional share capital
Hasil setoran modal saham	-	-	449.736	13.562.256	-	Payment of interest expense
Pembayaran beban bunga	-	-	-	(349.451)	-	
Kas Neto Diperoleh dari (Digunakan untuk) Aktivitas Pendanaan	(2.503.796)	28.856	789.788	14.138.343	3.230	Net Cash Provided by (Used in) Financing Activities
KENAIKAN (PENURUNAN) DARI KAS DAN SETARA KAS - NETO	11.809.664	(132)	6.616	(7.815)	7.952	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
KAS DAN SETARA KAS PADA AWAL PERIODE/TAHUN	9.183	2.567	2.567	10.382	2.430	CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR
KAS DAN SETARA PADA AKHIR PERIODE/TAHUN	11.818.847	2.435	9.183	2.567	10.382	CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR

