

## **PRESS RELEASE**

**Jakarta, November 16<sup>th</sup> 2022**

**THE SIGNING OF THE MEMORANDUM OF UNDERSTANDING (MoU) BETWEEN  
PT MORA TELEMATIKA INDONESIA TBK AND MITSUI & CO., LTD. CONCERNING THE  
ESTABLISHMENT OF JOINT VENTURE COMPANY FOR THE DEVELOPMENT OF THE  
PASSIVE TELECOMMUNICATION INFRASTRUCTURE IN INDONESIA**

On Wednesday, November 16, 2022 at Tugu Kunstkring Paleis, Menteng – Central Jakarta PT Mora Telematika Indonesia Tbk (“Moratelindo” or “Company”) has signed a Memorandum of Understanding (MoU) with Mitsui & Co., Ltd. (“Mitsui”). The MoU was signed by Mr. Resi Y Bramani as Chief of Strategic Business Office of the Company and Mr. Kazuhiro Azuma as General Manager, Fourth Dept., Division I (Asia), Infrastructure Projects Business Unit of Mitsui. The signing of the MoU was also witnessed by the President Director of PT Mitsui Indonesia, Mr. Shinichi Kikuchihara and the Company's President Director, Mr. Galumbang Menak.

The signing of the MoU is related to the shared vision of the Parties in order to develop the passive telecommunication infrastructure and several other telecommunications infrastructure, by forming a Joint Venture Company (Joint Company) in which the capital contribution in the Joint Venture Company is 51% (fifty one percent) Moratelindo and 49% (forty nine percent) Mitsui. Moratelindo and Mitsui will collaborate in terms of *technical know-how* for the development of passive telecommunication infrastructure, both in terms of civil and technical telecommunications, while Mitsui itself will contribute to project structuring arrangements and Moratelindo will contribute in terms of relations with local governments. Not only collaborating in the development of the Company's passive telecommunication infrastructure in Semarang, the Parties also open for the opportunities to cooperate in the development of passive telecommunication infrastructure throughout Indonesia, including the construction of ducting projects, telecommunications towers, data centers and submarine cables. The investment value required in one of this cooperation of infrastructure development which is the construction of ducting and telecommunications towers in several cities in Indonesia is estimated to reach Rp. 2.64 trillion or USD 170 million.

Mitsui is global trading and investment company based in Tokyo, Japan, with a diversified business that spans approximately 63 (sixty three) countries in Asia, Europe, North, Central and South America, The Middle East, Africa and Oceania, with the total assets of JPY 14,923 billion or USD 122.3 billion (based on the financial year 31 March 2022). Mitsui has a long heritage in Asia, where it has established a diverse and strategic portfolio of businesses and partners that gives it a strong differentiating edge, provides exceptional access for all global partners to the world's fastest growing region and strengthens its international portfolio. For more information on Mitsui & Co's businesses visit, [www.mitsui.com](http://www.mitsui.com).

Mitsui's presence as a partner will certainly have a positive impact on the Company. Other than to stretch the Company's business expansion, the Company's collaboration with Mitsui is expected to improve the quality of a sustainable telecommunication and digital service ecosystem, as well as create an aesthetically *smart city* in order to create a more organized and clean city environment from optical cables in the air and also to encourage the equitable distribution of city telecommunications infrastructure and to develop the potential for Regional Income (*PAD*) from industrial growth and telecommunication services throughout Indonesia.

## **About Moratelindo**

Moratelindo is one of the largest telecommunications infrastructure service providers in Indonesia. So far, Moratelindo has deployed a fiber optic cable network consisting of land and sea fiber-optic networks. The fiber optic network covers the islands of Java, Sumatra, Kalimantan, West Nusa Tenggara (NTB), East Nusa Tenggara (NTT), Southwest Maluku, Papua, West Papua, Singapore and Malacca. In 2016, the Government of Indonesia entrusted the company to carry out a national strategic infrastructure priority project by appointing Moratelindo as the winner of the West Palapa Ring and East Palapa Ring. With the Government Cooperation with Business Entity (PPP) scheme, through their subsidiaries of PT Palapa Ring Barat (PRB) and PT Palapa Ring Timur (PTT), Moratelindo has succeeded in building a fiber-optic network with a total length of 10,710 kilometers where PRB has built a 2,256 kilometers land fiber-optic connecting Riau, Riau Islands, Natuna, and Singkawang areas and PTT has built a 8,454 kilometers of the fiber-optic network, divided into 50% marine fiber-optic network, 45% fiber-optic land network, and 5% microwave links connecting the regions of NTT, NTB, Maluku, Papua, and West Papua in 2019. The West Palapa Ring Network has been operating since 2018, while the East Palapa Ring Network has been operating since 2019. After Moratelindo succeed carrying out the West Palapa Ring and East Palapa Ring projects, which both of them are national strategic priority infrastructure projects for the Central Government, nowadays, in 2020 the City Government of Semarang give Moratelindo a trust on development, operation and provision of passive telecommunication infrastructure services in the Semarang City area. In 2021 Moratelindo keep expand in developing Fiber To The Home (FTTH), and expanding the Oxygen Home (home internet) area to new cities.

## **Financial Highlight**

In the third quarter of 2022, Moratelindo managed to record operating income of IDR 3.4 trillion, up 13% compared to the performance achieved in the same period the previous year of IDR 2.9 trillion. The company posted EBITDA of IDR 1.7 trillion, up 11% compared to the same period the previous year of IDR 1.5 trillion.

The company posted a net profit in the third quarter of 2022 of IDR 584 billion, up 17% compared to the same period the previous year of IDR 498 billion.

### **For further information, please contact :**

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