

THE DISCLOSURE OF INFORMATION TO THE SHAREHOLDERS OF PT BAYAN RESOURCES TBK IN COMPLIANCE WITH REGULATION NO. IX.E.2 ON MATERIAL TRANSACTIONS AND CHANGE OF MAIN BUSINESS ACTIVITIES AND REGULATION NO. IX.E.1 ON AFFILIATED PARTY TRANSACTION AND CONFLICTS OF INTEREST ON CERTAIN TRANSACTIONS AND OJK REGULATION NO. 31/POJK.04/2015 ON DISCLOSURE OF MATERIAL INFORMATION OR FACTS BY ISSUERS OR PUBLIC COMPANIES

INFORMATION PROVIDED IN THIS DISCLOSURE OF INFORMATION IS IMPORTANT TO BE CONSIDERED BY THE SHAREHOLDERS OF PT BAYAN RESOURCES TBK (“THE COMPANY”) IN MAKING ANY DECISION REGARDING THE PROPOSED ISSUANCE OF NOTES OR BONDS BY THE COMPANY AS THE ISSUER, WHICH WILL BE GUARANTEED BY THE CORPORATE GUARANTEE AND/OR SECURED BY OTHER SECURITY FROM THE COMPANY AND/OR ITS SUBSIDIARIES, IF REQUIRED, WHICH WILL BE DEEMED AS A MATERIAL TRANSACTION UNDER REGULATION NO. IX.E.2 ON MATERIAL TRANSACTIONS AND CHANGE OF MAIN BUSINESS ACTIVITIES AND AFFILIATED PARTY TRANSACTIONS UNDER REGULATION NO. IX.E.1 ON AFFILIATED PARTY TRANSACTION AND CONFLICTS OF INTEREST ON CERTAIN TRANSACTIONS AND TO COMPLY WITH OJK REGULATION NO. 31/POJK.04/2015 ON DISCLOSURE OF MATERIAL INFORMATION OR FACTS BY ISSUERS OR PUBLIC COMPANIES.

If you have difficulties in understanding the information contained in this disclosure of information, we suggest that you consult with your legal advisor, public accountant, financial advisor or any other relevant professional advisors.



**PT BAYAN RESOURCES TBK.
 (“THE COMPANY”)**

MAIN BUSINESS ACTIVITY:

Holding company activity, large size trading, mining and extraction services, transportation and storage services

**Domiciled in South Jakarta
HEADQUARTER**

Office 8 Building, 37 Floor Unit A-H Sudirman CBD Lot 28
Jl. Jend. Sudirman Kav 52-53 (Jl. Senopati Raya 8B)
Kebayoran Baru, South Jakarta 12190, Indonesia
website: www.bayan.com.sg
email: corporate.secretary@bayan.com.sg

Issued in Media Indonesia newspaper on 28 January 2020

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I. DEFINITION

Subsidiaries of the Company	:	Subsidiaries of the Company which are consolidated in the financial statements of the Company.
IDX	:	Indonesia Stock Exchange (PT Bursa Efek Indonesia).
Share Registrar	:	PT Raya Saham Registra as the share registrar of the Company.
BNRI	:	State Gazette of the Republic of Indonesia.
Director	:	A member of the Board of Directors of the Company on the date of this Disclosure of Information.
Subsidiary Guarantors	:	Subsidiaries of Company which will provide corporate guarantee and/or other security, as applicable, to the Notes, from the entities namely PT Dermaga Perkasapratama, PT Indonesia Pratama, PT Bara Tabang, PT Fajar Sakti Prima, PT Teguh Sinarabadi, PT Firman Ketaun Perkasa, PT Wahana Baratama Mining, PT Perkasa Inakakerta, PT Muji Lines, PT Bayan Energy, PT Gunungbayan Pratamacoal, PT Metalindo Prosestama and PT Brian Anjat Sentosa.
Initial Disclosure of Information	:	Means the disclosure of informations in connection with the Transaction as published by the Company on 21 November 2019 as amended and/or supplemented

on 26 December 2019, both announced in the Media Indonesia newspaper.

- Commissioner : A member of the Board of Commissioners of the Company on the date of this disclosure of information.
- MOLHR : The Minister of Law and Human Rights of the Republic of Indonesia, formerly known as the Minister of Justice of the Republic of Indonesia.
- Notes : Notes that is issued by the Company in the amount of US\$400,000,000 (four hundred million US Dollars) with a fixed interest rate of 6.125% (six point one two five percent) which will mature 3 (three) years from the date of issuance, which will be guaranteed by the Company and the Subsidiary Guarantors.
- OJK : The Financial Services Authority as meant under Law No. 21 of 2011 on Financial Services Authority (the "**OJK Law**"), the duties and authorities of which cover the regulatory and supervision of the financial services activities in the banking, capital market, insurance, pension funds, and other financial institutions sectors, whereby as of 31 December 2012, OJK is an institution that replace and receive the rights to carry out regulatory and supervision functions from the Capital Market Supervisory Agency and/or the Capital Market and Financial Institutions Supervisory Agency in accordance with Article 55 of OJK Law.
- Initial Purchasers : Deutsche Bank AG, Hong Kong Branch and Morgan Stanley Asia (Singapore) Pte.
- Shareholders of the Company : The shareholders of the Company whose names are registered in the shareholders register of the Company which is issued by the Securities Administration Bureau.
- Transaction : Issuance of Notes by the Company that is offered to other purchasers (investors) outside of United States by referring to Rule 144A and Regulation S of the US Securities Act 1933, as amended, with the terms and conditions as stipulated in the Indenture. This transaction constitutes a material transaction as referred in Regulation No. IX.E.2 and affiliates transactions as referred in Regulation No. IX.E.1, as the use of proceed of the Notes will be used for the refinancing of loan of the Company and working capital, and other corporate purposes of the Company and the Subsidiaries of the Company.
- Regulation No. IX.E.1 : Regulation No. IX.E.1, attachment to the Decision No. Kep-412/BL/2009 dated 25 November 2009, on Affiliated Party Transactions and Conflicts of Interest in

Certain Transactions.

Regulation No. IX.E.2	:	Regulation No. IX.E.2, attachment to the Decision No. Kep-614/BL/2011 dated 28 November 2011, on Material Transaction and Change of Main Business Activities.
Company or the Issuer	:	PT Bayan Resources Tbk, a limited liability Company established under the Laws of the Republic of Indonesia and domiciled in South Jakarta.
Trustee	:	The Bank of New York Mellon
Company Law	:	Law No. 40 of 2007 on Limited Liability Companies
GMS	:	General Meeting of Shareholders
EGMS	:	Extraordinary General Meeting of Shareholders

II. INTRODUCTION

In order to comply with Regulation No. IX.E.2 and Regulation No. IX.E.1, the Board of Directors of the Company announces this Disclosure of Information to provide information to the Shareholders of the Company, that the Company has conducted the issuance and offering of the Notes on 24 January 2020 based on the provisions of the Indenture, which was signed on 24 January 2020 between the Company, the Trustee and the Subsidiary Guarantors ("**Indenture**"). In relation to the Indenture, it a Purchase Agreement has also been executed on 16 January 2020 by the Company, the Initial Purchasers, and the Subsidiary Guarantors ("**Purchase Agreement**"). The Notes will be offered to investors outside the territory of the Republic of Indonesia pursuant to Rule 144A and Regulation S of the U.S. Securities Act 1933, as amended, and listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The proceeds from the Transaction, after deducting the fees and commissions along with other expenses incurred in connection with the Transaction, will be used to refinance the Company's debt and for the working capital and other corporate purposes of the Company and Subsidiaries of the Company.

Some of the funds arising from the issuance of the Notes will likely be used by the Company to grant intercompany loan to some of its Subsidiaries, as may be determined later. The Subsidiaries of the Company that will utilize the fund generated from the Transaction (by way of loan from the Company) is either one or few Subsidiaries of the Company, which may not be determined at the moment as it will depend on the need of the said Subsidiaries of the Company in the future.

In accordance with the Initial Disclosure of Information, the plan for the Transaction has obtained the approval from the Company's EGMS which was conducted on 30 December 2019, which approved the following matters:

1. a. Approving the material transaction conducted by the Company, in the form of the issuance of notes denominated in US Dollar by the Company as the issuer through an offering to investors located outside the territory of the Republic of Indonesia and the listing on the Singapore Exchange Securities Trading Limited

(SGX-ST), and granting of corporate guarantee or any other form of security by the Company and/or its subsidiaries to secure the notes issued by the Company ("Proposed Transaction"), to which is a form of a material transaction according to Rule No. IX.E.2, Attachment of Decree No. Kep-614/BL/2011 dated 28 November 2011 on Material Transaction and Change of Main Business Activities.

- b. Approving to appoint and authorize the board of directors of the Company to all necessary actions and requirements with respect to Proposed Transaction, including but not limited to sign, make amendments and/or additions in any forms whatsoever reasonably, submit and sign all applications and other documents necessary for the above purposes, and take other actions that may be required to implement the Proposed Transaction,
2.
 - a. to approve the Company and its subsidiaries' plan to grant corporate guarantee and/or to place all or several part of the Company and/or its subsidiaries' and/or any other related party's assets as a security to secure the Company's and/or any other related party's obligation or debt in connection with the Company's financing plan in the future, which will be conducted in accordance with the applicable laws and regulations.
 - b. to appoint and authorize the board of directors of the Company to all necessary actions and requirements with respect to the plan to provide security, including but not limited to sign, make amendments and/or additions in any forms whatsoever reasonably, submit and sign all applications and other documents necessary for the above purposes, and take other actions that may be required.

The Transaction is an affiliated transaction as referred to in Regulation No. IX.E.1, because the Transaction will be guaranteed by corporate guarantee and/or secured by other security by Subsidiary Guarantors and there will be intercompany loans between the Company and its Subsidiaries. However, referring to point 5 letter a.1 of Regulation No. IX.E.1, as the value of this affiliated transaction fulfills the threshold of material transactions as referred to in Regulation No. IX.E.2 and does not result in a conflict of interest, thus the Company shall only comply with the provisions as referred to in Regulation No. IX.E.2.

In relation to the implementation of the Transaction, according to the prevailing laws and regulations, particularly the provisions of Regulation No. IX.E.2 and Regulation No. IX.E.1, as a continuation from the Initial Disclosure of Information that has been published in accordance with point 2 letter c of Regulation No. IX.E.2, based on point 2 letter d of Regulation No. IX.E.2, the Company must announce the information on the party who purchased the Notes, the summary of an independent appraiser report on the fairness of the Transaction value, the amount of Notes issued and the interest rate applicable, to the public at least in one Indonesian language daily newspaper with nationwide circulation at the latest 2 (two) business days from the Notes issuance date.

In connection to the above matters, the Board of Directors of the Company announces this Disclosure of Information to the Shareholders as an integral part to the Initial Disclosure of Information in order to provide explanation, consideration and rationale behind the Transaction that is guaranteed by corporate guarantee and/or secured by other security by the Company and/or Subsidiary Guarantors as a compliance to the provision of Regulation No. IX.E.2 and Regulation No. IX.E.1.

III. DESCRIPTION OF THE TRANSACTION

1. Reasons and Backgrounds

The Company is a holding company, which carries on business activities in the mining sector through its subsidiary, mostly engaged in mining sector.

The Transaction is conducted in order to increase the Company's liquidity and to support Company's operational necessity, asset growth and general funding.

2. Benefits of the Transaction to Company

The Company believes that the Transaction will bring benefit to the Company in the future, among others, as follows:

- (i) The Company will be able to increase its liquidity and execute Company's plan in accordance with its planned business strategy.
- (ii) The Company will have funding diversification.
- (iii) The Company will have funding with longer maturity date and fixed interest rate with no interim amortization to fund its business development compares to other alternative funding situation.

3. Brief Description on the Transaction

a. Brief Description on the Transaction

The objects of the Transaction are:

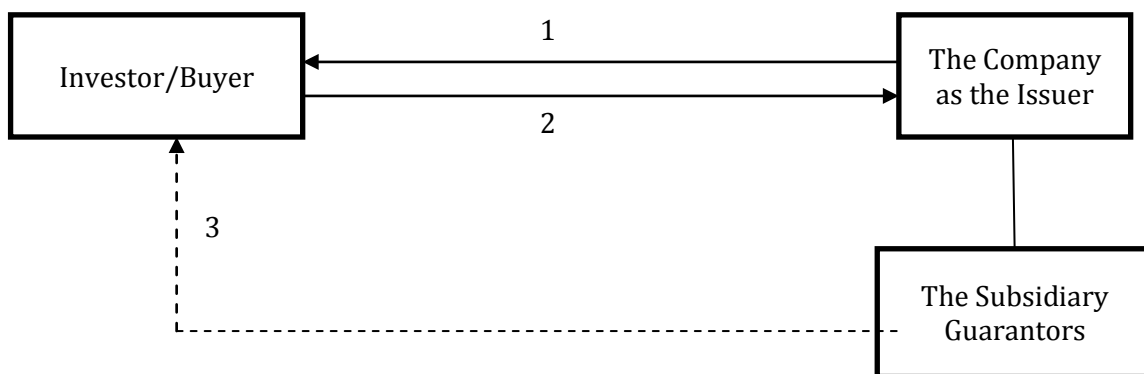
- Transaction Object : Issuance of Notes
- Issuer : The Company
- Value : US\$400,000,000 (four hundred million US Dollars).
- Security : (i) Corporate guarantee from the Subsidiary Guarantors with the maximum amount of US\$400,000,000 (four hundred million US Dollars); and
(ii) Charge over the debt service accrual account of the Company, which is governed under Singapore law,

based on the Indenture, account charge agreement dated 24 January 2020 between the Company and The Bank of New York Mellon, Singapore Branch, deeds of corporate guarantee that has been executed by each of the Subsidiary Guarantors and the deed of acknowledgement and undertaking that has been executed by the Subsidiary Guarantors.

If the Company fails to pay an amount that has matured and payable under the transaction documents, the Subsidiary Guarantors must pay the amounts due in accordance with the terms and conditions of the guarantee and other security.

- Utilization of Funds : With the assumption that the proceeds from the Transaction will be fully absorbed, the proceeds of the Transaction, after deducting the expenses incurred, will be used for, refinancing the Company's debt, working capital, and corporate purposes of the Company and the Subsidiaries of the Company.
- Payment of Principal Amount Maturity Date : 3 (three) years from the date of the issuance of the Notes, which is 24 January 2023.
- Interest : 6.125% (six point one two five percent) per year.
- Covenant : Based on the provisions of the Indenture, there are limitations that needs to be observed by the Company, among other things, as follows:
 - (i) incur additional indebtedness, except for permitted indebtedness and issue disqualified stock or preferred stock, in accordance with the Indenture;
 - (ii) with observance to certain conditions, declare or distribute dividends over its share capital or conduct rredeem or call for redemption over capital stocks;
 - (iii) conduct investment or other restricted payment;
 - (iv) issue or sell capital stock to its subsidiaries;
 - (v) provide guarantees;
 - (vi) sell assets;
 - (vii) provide liens;
 - (viii) conduct sale and leasback transactions;
 - (ix) conduct business activities other than the permitted business;
 - (x) conduct transaction with its shareholders or its affiliates;
 - (xi) cause a merger or consolidation to occur, unless, among other things, the Company becomes the surviving person.
- Governing Law : New York State Law
- Dispute Settlement : Courts of New York State or United States Federal court sitting in the Borough of Manhattan, the City of New York

The Transaction scheme is as follows:



1. The Company issues the Notes to the investors or buyers.
2. The Company receives the proceeds of the Notes offering from the investors or buyers.
3. The Company and the Subsidiary Guarantors provides corporate guarantee and/or other security based on the Indenture.

b. Parties in the Transaction

The following are brief description on the parties involved in the Transaction.

i. Company (Issuer)

a. General Information

The Company is a limited liability company, established under the Deed of Establishment No. 12 dated 7 October 2004, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta. The Deed of Establishment of the Company has been approved by the MOLHR under its Decree No. C-30690. HT.01.01.TH.2004 dated 21 December 2004, and published in State Gazette of the Republic of Indonesia under No. 65 dated 16 August 2005 Supplement No. 8773.

Articles of association of the Company has been amended several times, lastly as provided under the Deed of Resolution of EGMS of the Company No. 113 dated 25 September 2019, made before Mala Mukti, SH, LLM, Notary in Jakarta, in which the deed is approved by the MOLHR by the virtue of its Decree No. AHU-0079866.AH.01.02.Tahun 2019 dated 8 October 2019 and registered with the Company registry No. 0189034.AH.01.11.Tahun 2019 dated 8 October 2019 and notified to the MOLHR pursuant to Notification Receipt of Change of the Company Data No. AHU-AH.01.03-0342711 dated 8 October 2019, and has been registered in the Company Registry No. AHU-0189034.AH.01.11.Tahun 2019 dated 8 October 2019

b. Purpose and Objectives and Business Activities

The purpose and objectives of the Company is to engage in holding company activity, large size trading, mining, extraction, transportation and storage services activities.

c. Capital Structure and Shareholding Composition of the Company

The shareholding composition of the Company based on the shareholders register of the Company issued by PT Raya Saham

Registra as the Share Registrar of the Company, as per 31 December 2019 is as follows:

Name of the Shareholders	Nominal Value Rp. 100 per Share		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	12,000,000,000	1,200,000,000,000	-
Issued and Paid-up Capital	3,333,333,500	333,333,350,000	-
Shareholders			
1. Dato' Dr. Low Tuck Kwong (President Director)	1,795,448,900	179,544,890,000	53.86
2. PT Sumber Suryadaya Prima	333,338,000	33,333,800,000	10.00
3. Engki Wibowo	198,707,500	19,870,750,000	5.96
4. Public*	1,005,839,100	100,583,910,000	30.18
Total amount of Issued and Paid-up Capital	3,333,333,500	333,333,350,000	100.00
Shares in Portfolio	8,666,666,500	866,666,650,000	-

* Public ownership is below than 5% of the total issued capital.

d. Management

Based on Deed of Resolution of EGMS of the Company No. 113 dated 25 September 2019, made before Mala Mukti, SH, LLM, Notary in Jakarta, which has obtained its receipt of notification from the MOLHR based on the confirmation receipt No. AHU-AH.01.03-0342711 dated 8 October 2019 and registered in the Company Registry No. AHU-0189034.AH.01.11.Tahun 2019 dated 8 October 2019, in accordance with the Company Law, the Board of Commissioners and the Board of Directors of the Company composition is as follows:

Board of Directors

President Director : Dato' Dr.Low Tuck Kwong
 Director : Jenny Quantero
 Director : Lim Chai Hock
 Director : Low Yi Ngo
 Director : Russell John Neil
 Director : Alastair Gordon Christopher McLeod
 Director : Hyun Kook Kim

Board of Commissioners

President Commissioner : Purnomo Yusgiantoro
 Commissioner : Michael Sumarijanto
 Commissioner : Lifransyah Gumay
 Independent : Rozik B. Soetjpto
 Commissioner :
 Independent : Amir Sambodo

Commissioner

ii. **The Subsidiary Guarantors**

1) **PT Dermaga Perkasapratama**

a. **General Information**

PT Dermaga Perkasapratama ("**DPP**"), established under the laws of Indonesia on 8 November 1988 under Deed of Establishment No. 89 dated 8 November 1988 as amended by Deed No. 280 dated 27 February 1989 and Deed No. 105 dated 8 April 1989, the three of them are made before Benny Kristianto, SH, Notary in Jakarta, and further amended by Deed No. 22 dated 6 March 1992 made before Maria Andriani Kidarsa, SH., Notary in Jakarta as approved by Minister of Justice's Decree No. C2-3224 HT.01.01.Th92 dated 25 April 1992. DPP's office is at Office 8 Building, 29th Floor, Jalan Jenderal Sudirman Kav. 52-53, (Jl. Senopati Raya 8B), Kebayoran Baru, South Jakarta.

b. **Purpose and Objectives**

The purpose and objectives of DPP is to engage in services.

c. **Capital Structure and Shareholding Composition**

Capital structure and shareholding composition of DPP according to Deed No. 05 dated 2 November 2009, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta:

Name of the Shareholders	Nominal Value Rp.1.000,000 per Share		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	65,000	65,000,000,000	-
Issued and Paid-up Capital	65,000	65,000,000,000	-
<u>Shareholders</u>			
Company	40,576	40,576,000,000	62.42
PT Bayan Energy	16,250	16,250,000,000	25.00
Wilton Investments Pte. Ltd.	8,174	8,174,000,000	12.58
Total amount of Issued and Paid-up Capital	65,000	65,000,000,000	100.00
Shares in Portfolio	0	0	-

d. **Management**
Board of Directors

President Director : Lim Chai Hock
Director : Dato' Dr. Low Tuck Kwong

Director : Jenny Quantero
Director : Leong Kim Wah

Board of Commissioners

President Commissioner : Engki Wibowo

Commissioner : Elaine Low

2) PT Indonesia Pratama

a. General Information

PT Indonesia Pratama ("IP"), established under the laws of Indonesia on 25 June 1997 under Deed of Establishment No. 127 dated 25 June 1997, made before Bambang Sudarsono, SH, Notary in Tenggaraong, as amended by Deed No. 22 dated 14 May 2003 made before Yani Indrawaty Wibawa, SH, Notary in Jakarta, as approved by Minister of Justice and Human Rights' Decree No. C-24907 HT.01.01.TH.2003 dated 17 October 2003. IP's office is at Office 8 Building 30th Floor, Jalan Jenderal Sudirman Kav. 52-53, (Jl. Senopati Raya 8B), Kebayoran Baru, South Jakarta.

b. Purpose and Objectives

The purpose and objectives of IP are to engage in trading, development, agency, printing, services, industry, transportation, workshop/assembly, agribusiness and mining.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of IP according to Deed No. 30 dated 6 August 2008, made before Yani Indrawaty Wibawa., SH, Notary in Jakarta:

Name of the Shareholders	Nominal Value Rp.1,000,000 per Share		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	1,000	1,000,000,000	-
Issued and Paid-up Capital	1,000	1,000,000,000	-
<u>Shareholders</u>			
Company	750	750,000,000	75.00
PT Bayan Energy	250	250,000,000	25.00
Total amount of Issued and Paid-up Capital	1,000	1,000,000,000	100.00
Shares in Portfolio	0	0	-

d. Management

Board of Directors

President Director : Dato' Dr. Low Tuck Kwong
Director : Jenny Quantero
Director : Ng Chong Fatt

Board of Commissioners

President Commissioner : Engki Wibowo

Commissioner : Fransen Goncang Siahaan
 Commissioner : Wiryantoro Notokarsono

3) PT Bara Tabang

a. General Information

PT Bara Tabang ("BT"), established under the laws of Indonesia on 26 March 2004 under Deed of Establishment No. 164 dated 26 March 2004, made before Bakhtiar, SH, Notary in Tenggaraong, as approved by MOLHR's Decree No. C-26102 HT.01.01.TH.2004 dated 20 October 2004. BT's office is at Komplek Balikpapan Baru, Jalan MT Haryono Blok D4, No 9-10, RT 19, Damai Baru, Balikpapan Selatan, Balikpapan – East Kalimantan - 76114.

b. Purpose and Objectives

The purpose and objective of BT is to engage in mining, large size trading, mining services, extraction, leasing activities, leasing without option rights, transportation and storage services activities.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of BT according to Deed No. 175 dated 23 May 2019, made by Jose Dima Satria, SH., M.Kn., Notary in Jakarta:

Name of the Shareholders	Nominal Value Rp250,000 per Share		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	1,600	400,000,000	-
Series A Shares	1,572	393,000,000	
Series B Shares	28	7,000,000	
Issued and Paid-up Capital	1,400	350,000,000	-
Series A Shares	1,372	343,000,000	-
Series B Shares	28	7,000,000	-
Shareholders			
Company (Series A)	1,260	315,000,000	90.00
PT Mineral Energi Pratama (Series A)	112	28,000,000	8
A. P. M. Haryanto Bachroel (Series B)	11	2,750,000	0.8
Joniansyah (Series B)	8	2,000,000	0.6
Rooslina Ningsih (Series B)	6	1,500,000	0.4
Setyo Budiwiwoho (Series B)	3	750,000	0.2
Total amount of Issued and Paid-up Capital	1,400	350,000,000	100.00

Name of the Shareholders	Nominal Value Rp250,000 per Share		%
	Number of Shares	Nominal Value (Rp)	
Shares in Portfolio	200	50,000,000	-

d. Management

Board of Directors

President Director : Dato' Dr. Low Tuck Kwong

Director : Jenny Quantero

Director : Lok Han Jian

Board of Commissioners

President Commissioner : Purnomo Yusgiantoro

Commissioner : Engki Wibowo

4) PT Fajar Sakti Prima

a. General Information

PT Fajar Sakti Prima ("FSP"), established under the laws of Indonesia on 23 September 1987 under Deed of Establishment No. 72 dated 23 September 1987, made before Laden Mering, SH, Notary in Samarinda, as amended and restated by Deed No. 01 dated 1 September 2007 made before Bakhtiar, SH, Notary in Tenggara, as approved by MOLHR's Decree No. C-03913 HT.01.01.TH.2007 dated 21 November 2007, FSP's office is at Komplek Balikpapan Baru, Jalan MT Haryono Blok D4, No 9-10, RT 19, Damai Baru, South Balikpapan.

b. Purpose and Objectives

The purpose and objectives of FSP is to engage in mining, large size trading, mining services, extraction, leasing activities, leasing without option rights, transportation and storage services activities.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of FSP according to Deed No. 24 dated 13 June 2019, made before Jose Dima Satria, SH, M.Kn, Notary in South Jakarta and Deed No. 191 dated 27 May 2019, made before Jose Dima Satria, SH, M.Kn, Notary in South Jakarta:

Name of the Shareholders	Nominal Value Rp. 5,000 per Share		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	150,000	750,000,000	-
Series A Shares	148,660	743,300,000	
Series B Shares	1,340	6,700,000	
Issued and Paid-up Capital	67,000	335,000,000	-
Series A Shares	65,660	328,300,000	
Series B Shares	1,340	6,700,000	
<u>Shareholders</u>			

Name of the Shareholders	Nominal Value Rp. 5,000 per Share		%
	Number of Shares	Nominal Value (Rp)	
Company (Series A)	60,300	301,500,000	90.00
PT Mineral Energi Pratama (Series A)	5,360	26,800,000	8
Furdianto AS (Series B)	1,206	6,030,000	1.8
Alif Machmud Idrus (Series B)	134	670,000	0.2
Total amount of Issued and Paid-up Capital	67,000	335,000,000	100.00
Shares in Portfolio	83,000	415,000,000	-

d. Management

Board of Directors

President Director : Dato' Dr. Low Tuck Kwong
 Director : Jenny Quantero
 Director : Furdianto AS
 Director : Alexander Ery Wibowo

Board of Commissioners

President Commissioner : Engki Wibowo
 Commissioner : Alif Machmud Idrus

5) PT Teguh Sinarabadi

a. General Information

PT Teguh Sinarabadi ("TSA"), established under the laws of Indonesia on 21 December 1994 under Deed of Establishment No. 115 dated 21 December 1994, as amended with Deed No. 25 dated 6 June 1997, both made before Raharti Sudjardjati, SH, Notary in Jakarta, as approved by MOLHR's Decree No. C2-9.371.HT.01.01.TH.97 dated 11 September 1997. TSA's office is at Office 8 Building 30th Floor, Jalan Jenderal Sudirman Kav. 52-53, (Jl. Senopati Raya 8B), Kebayoran Baru, South Jakarta.

b. Purpose and Objectives

The purpose and objectives of TSA are to engage in mining, large size trading, mining services, extraction, leasing activities, leasing without option rights, transportation and storage services activities.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of TSA according to Deed No. 21 dated 18 December 2008, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta:

Name of the Shareholders	Nominal Value Rp. 1,000,000 per Share		%
	Number of Shares	Nominal Value	

		(Rp)	
Authorized Capital	49,600	49,600,000,000	-
Issued and Paid-up Capital	49,600	49,600,000,000	-
<u>Shareholders</u>			
Company	37,200	37,200,000,000	75.00
PT Bayan Energy	12,400	12,400,000,000	25.00
Total amount of Issued and Paid-up Capital	49,600	49,600,000,000	100.00
Shares in Portfolio	0	0	-

d. Management

Board of Directors

President Director : Dato' Dr. Low Tuck Kwong

Director : Jenny Quantero

Board of Commissioners

President Commissioner : Engki Wibowo

Commissioner : Michael Sumarijanto

6) PT Firman Ketaun Perkasa

a. General Information

PT Firman Ketaun Perkasa ("FKP"), established under the laws of Indonesia on 22 April 1999 under Deed of Establishment No. 1 dated 22 April 1999, made before Pervin, SH, Notary in Jakarta, as approved by Minister of Justice's Decree No. C-14230.HT.01.01.TH.99 dated 4 August 1999. FKP's office is at Office 8 Building 30th Floor, Jalan Jenderal Sudirman Kav. 52-53, (Jl. Senopati Raya 8B), Kebayoran Baru, South Jakarta.

b. Purpose and Objectives

The purpose and objectives of FKP are to engage in mining, large size trading, mining services, extraction, leasing activities, leasing without option rights, transportation and storage services activities.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of FKP according to Deed No. 20 dated 18 December 2008, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta:

Name of the Shareholders	Nominal Value Rp. 1,000,000 per Share		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	45,000	45,000,000,000	-
Issued and Paid-up Capital	45,000	45,000,000,000	-

Shareholders			
Company	33,750	33,750,000,000	75.00
PT Bayan Energy	11,250	11,250,000,000	25.00
Total amount of Issued and Paid-up Capital	45,000	45,000,000,000	100.00
Shares in Portfolio	0	0	-

d. Management

Board of Directors

President Director : Dato' Dr. Low Tuck Kwong
 Director : Jenny Quantero

Board of Commissioners

President Commissioner : Engki Wibowo
 Commissioner : Michael Sumariyanto
 Commissioner : Drs. Sutanto

7) PT Wahana Baratama Mining

a. General Information

PT Wahana Baratama Mining ("WBM"), established under the laws of Indonesia on 24 October 1994 under Deed of Establishment No. 80 dated 24 October 1994, made before Amrul Partomuan Pohan, SH, Notary in Jakarta, as approved by Minister of Justice and Human Rights' Decree No. C2-9446.HT.01.01.TH.95 dated 2 August 1995. WBM's office is at Office 8 Building 29th Floor, Jalan Jenderal Sudirman Kav. 52-53, (Jl. Senopati Raya 8B), Kebayoran Baru, South Jakarta.

b. Purpose and Objectives

The purpose and objective of WBM are to engage in mining.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of WBM according to Deed No. 18 dated 18 December 2008, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta:

Name of the Shareholders	Nominal Value Rp. 1,000,000 per		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	115,000	115,000,000,000	-
Issued and Paid-up Capital	115,000	115,000,000,000	-
<u>Shareholders</u>			
Company	86,250	86,250,000,000	75.00
PT Bayan Energy	28,750	28,750,000,000	25.00
Total amount of Issued and Paid-up	115,000	115,000,000,000	100.00

Name of the Shareholders	Nominal Value Rp. 1,000,000 per		%
	Number of Shares	Nominal Value (Rp)	
Shares in Portfolio	0	0	-

d. Management

Board of Directors

President Director : Dato' Dr. Low Tuck Kwong

Director : Engki Wibowo

Director : Chan Heng Kan

Board of Commissioners

President Commissioner : Jenny Quantero

8) PT Perkasa Inakakerta

a. General Information

PT Perkasa Inakakerta ("**PIK**"), established under the laws of Indonesia on 5 August 1988 under Deed of Establishment No. 50 dated 5 August 1988, made before Benny Kristianto, SH, Notary in Jakarta, as approved by Minister of Justice's Decree No. C2.11289.HT.01.01-Th88 dated 12 December 1988. PIK's office is at Office 8 Building 36th Floor, Jalan Jenderal Sudirman Kav. 52-53, (Jl. Senopati Raya 8B), Kebayoran Baru, South Jakarta.

b. Purpose and Objectives

The purpose and objective of PIK is to engage in mining.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of PIK according to Deed No. 19 dated 18 December 2008, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta:

Name of the Shareholders	Nominal Value Rp. 1,000,000 per		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	88,500	88,500,000,000	-
Issued and Paid-up Capital	88,500	88,500,000,000	-
<u>Shareholders</u>			
Company	66,375	66,375,000,000	75.00
PT Bayan Energy	22,125	22,125,000,000	25.00
Total amount of Issued and Paid-up	88,500	88,500,000,000	100.00
Shares in Portfolio	0	0	-

d. Management

Board of Directors

President Director : Dato' Dr. Low Tuck Kwong
Director : Engki Wibowo
Director : Jenny Quantero
Director : Ulina Fitriani

Board of Commissioners

President Commissioner : Michael Sumarijanto
Commissioner : Chairuddin Ismail

9) **PT Muji Lines**

a. General Information

PT Muji Lines ("MJI"), established under the laws of Indonesia on 24 August 2006 under Deed of Establishment No. 27 dated 24 August 2006, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta, as approved by MOLHR's Decree No. W7-01130 HT.01.01-TH.2006 dated 29 September 2006. MJI's office is at Office 8 Building 30th Floor, Jalan Jenderal Sudirman Kav. 52-53, (Jl. Senopati Raya 8B), Kebayoran Baru, South Jakarta.

b. Purpose and Objectives

The purpose and objectives of MJI is to engage in shipping.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding Composition of MJI Deed No. 6 dated 4 August 2008, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta:

Name of the Shareholders	Nominal Value Rp. 1,000,000 per		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	1,000	1,000,000,000	-
Issued and Paid-up Capital	1,000	1,000,000,000	-
<u>Shareholders</u>			
Company	750	750,000,000	75.00
PT Bayan Energy	250	250,000,000	25.00
Total amount of Issued and Paid-up Capital	1,000	1,000,000,000	100.00
Shares in Portfolio	0	0	-

d. Management

Board of Directors

President Director : Dato' Dr. Low Tuck Kwong

Director : Jenny Quantero

Board of Commissioners

Commissioner : Engki Wibowo

10) PT Bayan Energy**a. General Information**

PT Bayan Energy ("**BE**"), established under the laws of Indonesia on 7 October 2004 under Deed of Establishment No. 13 dated 7 October 2004, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta, as approved by MOLHR's Decree No. C-30673 HT.01.01.TH.2004 dated 20 December 2004. BE's office is at Office 8 Building 36th Floor, Jalan Jenderal Sudirman Kav. 52-53, (Jl. Senopati Raya 8B), Kebayoran Baru, South Jakarta.

b. Purpose and Objectives

The purpose and objectives of BE is to engage in trading, industry, transportation, energy, investment and mining.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of BE according to Deed No. 22 dated 18 December 2008 and Deed No. 37 dated 20 November 2009, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta:

Name of the Shareholders	Nominal Value Rp. 1,000,000 per		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	81,250	81,250,000,000	-
Issued and Paid-up Capital	81,250	81,250,000,000	-
<u>Shareholders</u>			
Company	81,249	81,249,000,000	99.99
Dato' Dr. Low Tuck	1	1,000,000	0.01
Total amount of Issued and Paid-up Capital	81,250	81,250,000,000	100.00
Shares in Portfolio	0	0	-

d. Management**Board of Directors**

President Director : Dato' Dr. Low Tuck Kwong

Director : Jenny Quantero

Board of Commissioners

Commissioner : Engki Wibowo

11) PT Gunungbayan Pratamacoal

a. General Information

PT Gunungbayan Pratamacoal ("**GBP**"), established under the laws of Indonesia on 26 March 1990 under Deed of Establishment No. 33 dated 26 March 1990, as amended with Deed No. 1 dated 7 September 1990, both made before Sulaimansjah, SH, Notary in Banjarmasin, as amended by Deed No. 193 dated 25 March 1991, made before Mohamad Said Tadjoedin, SH, Notary in Jakarta, and Deed No. 19 dated 3 March 1993, made before Sulaimansjah, SH, Notary in Jakarta, as approved by Minister of Justice's Decree No. C2-1663.HT.01.01.th.93 dated 16 March 1993. GBP's office is at Office 8 Building 36th Floor, Jalan Jenderal Sudirman Kav. 52-53, (Jl. Senopati Raya 8B), Kebayoran Baru, South Jakarta.

b. Purpose and Objectives

The purpose and objective of GBP is to engage in mining.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of GBP according to Deed No. 20 dated 6 December 2007, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta:

Name of the Shareholders	Nominal Value Rp.1,000,000 per		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	23,000	23,000,000,000	-
Issued and Paid-up Capital	23,000	23,000,000,000	-
<u>Shareholders</u>			
PT Kaltim Bara Sentosa	360	360,000,000	1.57
PT Metalindo	22,400	22,400,000,000	97.39
Dato' Dr. Low Tuck	180	180,000,000	0.78
Engki Wibowo	60	60,000,000	0.26
Total amount of Issued and Paid-up	23,000	23,000,000,000	100.00
Shares in Portfolio	0	0	-

d. Management

Board of Directors

President Director : Dato' Dr. Low Tuck Kwong

Director : Jenny Quantero

Director : Engki Wibowo

Director : Lim Chai Hock

Board of Commissioners

Commissioner : Michael Sumarijanto

12) PT Metalindo Prosestama

a. General Information

PT Metalindo Prosestama ("MP"), established under the laws of Indonesia on 13 November 2000 under Deed of Establishment No. 12 dated 13 November 2000, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta, as approved by MOLHR's Decree No. C-03775 HT.01.01.TH.2002 dated 7 March 2002. MP's office is at Office 8 Building, 36th Floor, Jalan Jenderal Sudirman Kav. 52-53, (Jl. Senopati Raya 8B), Kebayoran Baru, South Jakarta.

b. Purpose and Objectives

The purpose and objectives of MP is to engage in trading, construction, agency, printing, services, industry, transportation, workshop/assembly, forestry, agribusiness and mining activities.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of MP according to Deed No. 49 dated 8 August 2008, made before Yani Indrawaty Wibawa, SH, Notary in Jakarta:

Name of the Shareholders	Nominal Value Rp. 500,000 per Share		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	42,000	21,000,000,000	-
Issued and Paid-up Capital	42,000	21,000,000,000	-
<u>Shareholders</u>			
Company	40,000	20,000,000,000	95.24
Dato' Dr. Low Tuck Kwong	1,500	750,000,000	3.57
Jenny Quantero	300	150,000,000	0.71
Engki Wibowo	200	100,000,000	0.48
Total amount of Issued and Paid-up Capital	42,000	21,000,000,000	100.00
Shares in Portfolio	0	0	-

d. Management

Board of Directors

President Director : Dato' Dr. Low Tuck Kwong

Director : Jenny Quantero

Board of Commissioners

Commissioner : Engki Wibowo

13) PT Brian Anjat Sentosa

a. General Information

PT Brian Anjat Sentosa ("**BAS**"), established under the laws of Indonesia on 15 September 2004 under Deed of Establishment No. 55 dated 15 September 2004, made before Bambang Sudarsono, SH, Notary in Tenggara, as approved by MOLHR's Decree No. C-06105 HT.01.01 - TH.2007 dated 11 December 2007. BAS's office is at Jalan Wolter Monginsidi No. 17 A RT.VII, Kel. Tenggara, Kutai Kartanegara.

b. Purpose and Objectives

The purpose and objectives of BAS is to engage in construction, trading, agriculture, industry, services, printing, land transportation and mining activities.

c. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of BAS according to Deed No. 2 dated 1 October 2007 and Deed No. 14 dated 4 September 2010, both are made before Bakhtiar, SH, Notary in Tenggara:

Name of the Shareholders	Nominal Value Rp. 100,000 per Share		%
	Number of Shares	Nominal Value (Rp)	
Authorized Capital	4,000	400,000,000	-
Issued and Paid-up Capital	1,000	100,000,000	-
<u>Shareholders</u>			
Company	999	99,900,000	99.90
PT Bayan Energy	1	100,000	0.10
Total amount of Issued and Paid-up Capital	1,000	100,000,000	100,00
Shares in Portfolio	3,000	300,000,000	-

d. Management

Board of Directors

President Director : Dato' Dr. Low Tuck Kwong
Director : Jenny Quantero
Director : Zeni Handyaningrum

Board of Commissioners

Commissioner : Engki Wibowo

iii. Initial Purchasers

The Initial Purchasers of the Notes under the Purchase Agreement are as follows:

Deutsche Bank AG, Hong Kong Branch

Deutsche Bank AG, Hongkong Branch having its address at Level 52, International Commerce Center, 1 Austin Road West Kowloon, Hong Kong.

Morgan Stanley Asia (Singapore) Pte.

Morgan Stanley Asia (Singapore) Pte. having its address at 23 Church Street, Capital Square, Singapura, 049481.

iv. Trustee

Trustee of the Notes based on the Indenture is The Bank of New York Mellon, having its address at 240 Greenwich Street, New York, New York 10286, United States of America.

c. Nature of Affiliation

As elaborated further under this Disclosure of Information, (i) the corporate guarantee provided by the Subsidiary Guarantors to the Notes holders to guarantee the payment obligation from the Company, and (ii) the loan will given by the Company to its Subsidiaries through the use of proceeds from the Transaction are affiliated party transactions ("**Affiliated Party Transaction**"). In relation with the Affiliated Party Transaction, below are the nature of relationship between the affiliated parties:

- 1) The parties conducting the Affiliated Party Transaction, which are the Company and the Subsidiary Guarantors are companies that are controlled by the same party either directly or indirectly.
- 2) The members of the board of commissioners and board of directors between the parties conducting the Affiliated Party Transaction are in common.

There is no affiliation between the Initial Purchasers, Issuer and Subsidiary Guarantors, and there is no affiliation between the Trustee with the Issuer, the Initial Purchasers and the Subsidiary Guarantors, either through members of the board of directors, members of the board of commissioners, or majority shareholders of the Issuer or Subsidiary Guarantors.

d. Considerations and Reasons of the Transactions With Affiliated Party Compared to Other Similar Transactions Not Conducted with Affiliated Party

The Affiliated Transaction is done with the following considerations:

- 1) Corporate guarantee and/or other security are provided to ensure the consummation of the Transaction.
- 2) Corporate guarantee and/or other security are not likely able to be provided for the interest of any other party, except for the interest of the parties conducting the Affiliated Transaction, considering there is no corporate benefit if the corporate guarantee and/or other security is given to any other party.

- 3) The loan granted to its Subsidiaries by the Company is conducted to increase the effectivity in developing the Company and/or its Subsidiaries.

e. **Proposed Utilization of Fund**

The proceeds from the Transaction will be used to refinance the Company's debt, working capital and other corporate purposes of the Company and Subsidiaries of the Company. Regarding to the proceeds of the Transaction which will be receive by the Company, the Company will continually comply with the capital market regulations.

IV. IMPACT ON THE FINANCIAL CONDITIONS OF THE COMPANY

The proceeds obtained from the Transaction will be used for the refinancing of loan of the Company and working capital, and other corporate purposes of the Company and its Subsidiaries. With the refinancing scheme, the Company will be extended and the short term liquidity will be improved as there is no interim amortization. Furthermore, the fixed interest rate of the Notes will protect the Company from fluctuating interest rates.

In addition, the realisation from the proceeds obtained from the Transaction by the Company will increase the Company's ability to expand its business activities or for corporate purposes of the Company and the Subsidiaries with additional funds obtained from the Transaction. These actions are certainly expected to increase the value of assets and increase the sustainability of the profitability of the Company and its Subsidiaries in the future.

V. THE TRANSACTION AS A MATERIAL TRANSACTION

As disclosed in the Initial Disclosure of Information, the Transaction is a material trasaction that needs to be approved by a GMS as provided under Regulation No. IX.E.2. The Company has obtained its EGMS approval on 30 December 2019.

The issuance of Notes is not an affiliated transaction and will not contain a conflict of interest based on Regulation No. IX.E.1. However, (i) the provision of corporate guarantee by the Subsidiary Guarantors to the Notes in relation holders in relation with the Transaction and (ii) the loan which will be given by the Company to its Subsidiaries in relation to the use of proceeds from the Transaction are affiliated party transaction without conflict of interest under Regulation No. IX.E.1. Considering the Transaction is also a material transaction, under point 5 paragraph a.1) Regulation No. IX.E.1, the Company will only be required to fulfill the requirements in Regulation No. IX.E.2. The Transaction does not contain a conflict of interest as there is no conflict of economic interest between the members of board of directors, board of commissioners and the principal shareholder and the Company that may harm the Company, as governed in Regulation No. IX.E.1.

VI. STATEMENTS FROM THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS

The information provided in this disclosure of information has been approved by the Board of Commissioners of the Company and the Board of Directors of the Company who are responsible for the accuracy of such information. The Board of Commissioners and the Board of Directors declare that all material information and opinions expressed in this disclosure of information are true and accountable and no other relevant and important material information is being undisclosed which will cause this statement to be untrue or misleading.

VII. INDEPENDENT PARTIES APPOINTED IN RELATION TO THE TRANSACTION

Independent parties involved in the Transaction and appointed by the Company are:

- a. Hadiputranto, Hadinoto & Partners, legal consultant appointed by the Company to assist the Company in relation to the Transaction.
- b. The Public Accountant Office of Tanudiredja, Wibisana, Rintis & Rekan as an independent auditor, which carried out audit to consolidated annual financial reports of the Company for the period ending on 31 December 2018 as referred to in the Initial Disclosure of Information.
- c. The Public Appraiser Office ("KJPP") of Kusananto & Rekan ("KR") as the independent appraiser that will provide fairness opinion over the Transaction.

VIII. SUMMARY OF FAIRNESS OPINION

Regarding the Transaction, the Company has appointed KJPP KR to provide an Appraiser's Opinion on the Transaction.

KJPP KR based on the Ministry of Finance Decree No. 2.19.0162 dated 15 July 2019 and listed as a capital market supporting profession of the OJK under Registered Letter of Capital Market Supporting Profession of OJK No. STTD.PB-01/PM.22/2018 (business appraiser) the Company's management has appointed as independent appraiser in accordance to our engagement letter No. KR/191108-001 dated 8 November 2019 to express the fairness opinion on the Transaction (hereinafter referred to as the "**Fairness Opinion**").

Below is a summary of the appraiser's opinion as presented in the Appraiser's Opinion Report on Transaction No. 00004/2.0162-00/BS/02/0153/1/I/2020 dated 24 January 2020, with the following summary:

1. **Transacting parties**

Transacting parties are the Company, the Subsidiary Guarantors and the Trustee.

2. **Transaction Objects of The Fairness Opinion**

The transaction object in the Fairness Opinion is as follows:

- The transaction where the Company performed Notes Issuance which will mature on 24 January 2023 in connection with the Notes Issuance Transaction.
- The transaction where the Company along the Subsidiary Guarantors provided corporate guarantee in order to the Notes Issuance Transaction in connection with the Corporate Guarantee Transaction.

3. **Purpose and Objectives of The Fairness Opinion**

Purpose and objectives of the preparation of the Fairness Opinion on the Transaction is to provide an overview on the fairness of the Transaction to the Company's Directors from financial aspects and to comply with the applicable regulations, i.e. Regulation No. IX.E.1 and Regulation No. IX.E.2.

4. **Limiting Conditions and Major Assumptions**

The Fairness Opinion analysis on the Transaction was prepared using the data and

information as disclosed above, such data and information of which KR have reviewed. In performing the analysis, KR relied on the accuracy, reliability and completeness of all financial information, information on the legal status of the Company and other information provided to us by the Company or publicly available and KR are not responsible for the accuracy of such information. Any changes to the data and information may materially influence the outcome of our opinion. KR also relied on assurances from the management of the Company that they did not know the facts which led to the information given to us to be incomplete or misleading. Therefore, KR are not responsible for the changes in the conclusions of our Fairness Opinion caused by changes in those data and information.

The Company's financial projections before and after the Transaction was prepared by the Company's management. KR have reviewed such financial projections and those financial projections have described the operating conditions and performance of the Company. Overall, there were not any significant adjustments to be made to the performance targets of the Company.

KR did not perform an inspection of the Company's fixed assets or facilities. In addition, KR also did not give an opinion on the tax impact of the Transaction. The service KR provided to the Company in connection with the Transaction merely was the provision of the Fairness Opinion on the Transaction, not accounting services, auditing or taxation. KR did not perform observation on the validity of the Transaction from legal aspects and implication of taxation aspects. The Fairness Opinion on the Transaction was only performed from economic and financial aspects. The fairness opinion report on the Transaction represented a non-disclaimer opinion and was an open-for-public report unless there was confidential information on such report, which might affect the Company's operations. Furthermore, KR have also obtained the information on the legal status of the Company based on the articles of association of the Company.

KR work related to the Transaction was not and could not be interpreted in any form, a review or an audit or an implementation of certain procedures of financial information. The work was also not intended to reveal weaknesses in internal control, errors or irregularities in the financial statements or violation of law. In addition, KR did not have the authority and was not in a position to obtain and analyze a form of other transactions that existed and might be available to the Company other than the Transaction and the effect of these transactions to the Transaction.

This Fairness Opinion was prepared based on the market and economic conditions, general business and financial conditions as well as government regulations related to the Transaction on the issuance date of this Fairness Opinion.

In preparing the Fairness Opinion, KR applied several assumptions, such as the fulfillment of all conditions and obligations of the Company as well as all parties involved in the Transaction. Transaction would be executed as described accordingly to a predetermined time period and the accuracy of the information regarding the Transaction which was disclosed by the Company's management.

The Fairness Opinion should be viewed as a whole and the use of partial analysis and information without considering other information and analysis as a whole may cause a misleading view and conclusion on the process underlying the Fairness Opinion. The preparation of the Fairness Opinion was a complicated process and might not be possible to perform through incomplete analysis.

KR also assumed that from the issuance date of the Fairness Opinion until the execution

date of the Transaction, there were no changes that could materially affect the assumptions used in the preparation of the Fairness Opinion. KR are not responsible to reaffirm or to supplement or to update our opinion due to the changes in the assumptions and conditions as well as events occurring after the letter date. The calculation and analysis in the Fairness Opinion have been performed properly and KR are responsible for the fairness opinion report.

The conclusion of the Fairness Opinion is applicable for no changes that might materially impact on the Transaction. Such changes include, but not limited to, the changes in conditions both internally on the Company and externally on the market and economic conditions, general conditions of business, trading and financial as well as government regulations of Indonesia and other relevant regulations after the issuance date of the fairness opinion report. Whenever after the issuance date of the fairness opinion report such changes occur, the Fairness Opinion on the Transaction might be different.

5. The Approaches and Procedures of The Fairness Opinion on The Transaction

In evaluating the Fairness Opinion on the Transaction, KR had performed analysis through the approaches and procedures of the Fairness Opinion on the Transaction as follows:

- I. Analysis of the Transaction;
- II. Qualitative and quantitative analysis of the Transaction; and
- III. Analysis of the fairness on the Transaction.

6. Conclusion

Based on the scope of works, assumptions, data, and information acquired from the Company's management which was used in the preparation of this fairness opinion report, a review of the financial impact on the Transaction as disclosed in the fairness opinion report, therefore in KR opinion, the Transaction is fair.

IX. ADDITIONAL INFORMATION

If the Shareholders of the Company require further information relating to the Transaction, the shareholders may contact the Corporate Secretary of the Company, on any business day during working hours of the Company at the following address:

PT BAYAN RESOURCES TBK.

Office 8 Building, 37 Floor Unit A-H Sudirman CBD Lot 28
Jl. Jenderal Sudirman Kav. 52-53 (Jl. Senopati Raya 8B)
Kebayoran Baru, South Jakarta 12190,
Indonesia

Phone: (6221) 2935 6888 Fax : (6221) 2935 6999

website: www.bayan.com.sg

email: corporate.secretary@bayan.com.sg

U.p. Jenny Quantero

Jakarta, 28 January 2020

BOARD OF DIRECTORS

