

**DISCLOSURE INFORMATION TO THE SHAREHOLDERS OF PT BARITO PACIFIC TBK  
IN CONNECTION TO THE PROPOSED CAPITAL INCREASE WITH PRE-EMPTIVE RIGHTS AND  
THE PROPOSED ACQUISITION**

**THE INFORMATION CONTAINED IN THIS DISCLOSURE INFORMATION IS IMPORTANT AND FOR THE ATTENTION FOR SHAREHOLDERS OF PT BARITO PACIFIC TBK (THE "COMPANY") REGARDING THE PROPOSED CAPITAL INCREASE BY ISSUING PRE-EMPTIVE RIGHTS AND PROPOSED ACQUISITION**

**THIS INFORMATION IS ISSUED BY THE COMPANY IN COMPLIANCE WITH THE FINANCIAL SERVICES AUTHORITY/OTORITAS JASA KEUANGAN ("OJK") REGULATION NO. 32/POJK.04/2015 ABOUT CAPITAL INCREASE IN PUBLIC COMPANIES WITH PRE-EMPTIVE RIGHTS ("POJK 32/2015") AND REGULATION NO. IX.E.2 ABOUT MATERIAL TRANSACTION AND THE CONVERSION OF MAIN BUSINESS LINE ("RULE IX.E.2").**

**THE BOARDS OF COMMISSIONERS AND DIRECTORS OF THE COMPANY STATED THAT THE PROPOSED ACQUISITION ARE (I) MATERIAL TRANSACTION FOR THE COMPANY AS STATED IN REGULATION NO. IX.E.2 AND (II) AFFILIATED TRANSACTION, BUT DOES NOT CONTAIN ANY CONFLICT OF INTEREST AS STATED IN THE REGULATION NO. IX.E.1 ABOUT AFFILIATED TRANSACTION AND CERTAIN CONFLICT OF INTEREST TRANSACTION ("REGULATION NO. IX.E.1")**

**IF YOU ARE HAVING DIFFICULTY UNDERSTANDING THE INFORMATION CONTAINED IN THIS INFORMATION DISCLOSURE, YOU SHOULD CONSULT WITH LEGAL COUNSEL, PUBLIC ACCOUNTANT, FINANCIAL ADVISOR OR OTHER PROFESSIONALS.**



**PT BARITO PACIFIC Tbk**

**Business Activities**

Comprises of Forestry Related Business, Plantation, Mining, Industry, Property, Trading, Renewable Energy and Transportation

**Domiciled in Banjarmasin, Indonesia**

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**THE COMPANY'S BOARDS OF COMMISSIONERS AND DIRECTORS ARE, EITHER INDIVIDUALLY OR JOINTLY, FULLY RESPONSIBLE FOR THE ACCURACY AND COMPLETENESS OF ALL INFORMATION CONTAINED IN THIS DISCLOSURE INFORMATION. THE COMPANY'S BOARDS OF COMMISSIONERS AND DIRECTORS STATED THAT THE INFORMATION PRESENTED IN THIS DISCLOSURE INFORMATION ARE COMPLETE AND AFTER CAREFULLY STUDY, CONFIRMING THAT THE INFORMATION CONTAINED IN THE DISCLOSURE INFORMATION IS TRUE AND THERE ARE NO MATERIAL AND RELEVANT FACTS THAT HAVE NOT BEEN DISCLOSED WHICH CAN CAUSE THE MATERIAL INFORMATION IN THIS DISCLOSURE OF INFORMATION TO BE INCORRECT AND/OR MISLEADING.**

This Disclosure Information is published in Jakarta on 5 March 2018

## IMPORTANT DATES AND EXPECTED TIME SCHEDULE

- |     |   |                  |
|-----|---|------------------|
| 1.  | Notification on Extraordinary General Meeting of Shareholders (“EGMS”) agenda to OJK.   | 26 February 2018 |
| 2.  | Announcement of the EGMS to the shareholders of the Company   | 5 March 2018     |
| 3.  | Announcement of the Disclosure of Information on Proposed Capital Increase by Issuing Pre-Emptive Rights Issuance and Proposed Acquisition to the shareholders of the Company | 5 March 2018     |
| 4.  | Shareholders who are entitled to attend the EGMS  | 19 March 2018    |
| 5.  | EGMS invitation to the shareholders of the Company  | 20 March 2018    |
| 6.  | EGMS  | 11 April 2018    |
| 7.  | Announcement of the summary of EGMS results in 1 (one) daily newspaper, the IDX website and the Company’s website   | 13 April 2018    |
| 8.  | Submission of the summary of EGMS results to OJK and IDX  | 13 April 2018    |
| 9.  | Submission of registration statement of the Proposed Capital Increase by Issuing Pre-Emptive Rights to OJK  | 12 April 2018    |
| 10. | Estimation date of effective statement from OJK   | 21 May 2018      |

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## DEFINITION AND ABBREVIATION

Bapepam and LK	: Capital Market and Financial Institutions Supervisory Agency/ <i>Badan Pengawas Pasar Modal dan Lembaga Keuangan</i> , which according to Regulation No. 21 Year 2011 about Financial Services Authority/ <i>Otoritas Jasa Keuangan</i> (“OJK”), its function, tasks, and regulatory and supervisory powers on financial service in Capital Market, Insurance, Pension Fund, Financial Institutions, and Other Financial Service Institutions, are shifted from Capital Market and Financial Institutions Supervisory Agency to Financial Services Authority.
Comparison Net Income	: one third of the net income after tax of SEGHPL Group, attributable to the Purchaser (and for the avoidance of doubt, excluding any extraordinary non-recurring items) for the period from 1 April 2017 to 31 December 2017, as evidenced by the Agreed Upon Procedure (“AUP”) certified by the auditors of the Company.
CSPA	: Signed Conditional Sale and Purchase Agreement between The Company and PP regarding the Proposed Acquisition dated 12 December 2017, which was amended on 2 March 2018 regarding Proposed Acquisition.
Deposit	: The cash advance paid by the Company on 10 December 2016 and 21 March 2017, respectively, amounting to (i) USD 58.60 million and (ii) USD 175,71 million.
DGI	: PT Darajat Geothermal Indonesia
ESC	: Energy Sales Contract
Adjusted Price	: For every whole multiple of US\$150,000 that the aggregate three month net monthly income of SEGHPL Group, after tax, attributable to Purchaser (for avoidance of doubt, excluding non-recurring items) during three month exceeds the Comparison Net Income, the adjustment amount shall be increased by USD 6,250,000
Pre-Emptive Rights	: Limited Public Offering through the Capital Increase with Pre-Emptive Rights
JKR	: Jennywati, Kusnanto & rekan
JOC	: Joint Operation Contract
KAP	: Public Accountant Firm/ <i>Kantor Akuntan Publik</i>
KJPP	: Public Appraisal Firm/ <i>Kantor Jasa Penilai Publik</i>
MOU	: Memorandum of Understanding signed on 20 December 2016 and last amended on 21 March 2017.
OBSE	: Osman Bing Satrio & Eny
OJK	: Financial Services Authority/ <i>Otoritas Jasa Keuangan</i>

Power Plants	:	Power plants located at Mount Salak, Power plants located at Mount Darajat and Power plants located at Wayang Windu at Pengalengan, West Java, Indonesia
Fairness Opinion	:	Fairness Opinion on Proposed Acquisition
Regulation No. IX.E.1	:	Regulation of Capital Market and Financial Institutions Supervisory Agency No. IX.E.1, attachment from the decision of Capital Market and Financial Institutions Supervisory Agency Chairman No. Kep-412/BL/2009 on 25 November 2009 about Affiliated Transaction and Certain Conflict of Interest Transaction
Regulation No. IX.E.2	:	Regulation of Capital Market and Financial Institutions Supervisory Agency No. IX.E.2, attachment from the decision of Capital Market and Financial Institutions Supervisory Agency Chairman No. Kep-614/BL/2011 on 28 November 2011 about Material Transaction and The Conversion of Main Business Line
POJK 32/2014	:	Regulation of Financial Services Authority about Planning and Implementation of General Meeting of Shareholders which was changed by Regulation of Financial Services Authority No. 10/POJK.04/2017
PP	:	Mr. Prajogo Pangestu
PSAK	:	Statement of Financial Accounting Standards
PSOS	:	Purwanto, Sungkoro & Surja (a member of Ernst & Young Global Limited)
Proposed Acquisition	:	Acquisition of 66.67% shares of Star Energy Group Holdings Pte Ltd from PP
Proposed LPO II	:	The Company plans to issue new capital with Pre-Emptive Rights in the maximum number of 5,600,000,000 new shares that will be issued from LPO II and maximum number of 1,400,000,000 new shares from Warrant with total maximum number of 7,000,000 new shares. with the nominal value of Rp 500 per shares or 50.14% of the Company's issued and fully paid shares
Proposed Transaction	:	Proposed LPO II and Proposed Acquisition are series of transaction and cannot be separated one to the other
GMS	:	General Meeting of Shareholders
EGMS	:	Extraordinary General Meeting of Shareholders
New Shares	:	Pre-Emptive Rights with a maximum number of 5,600,000,000 new shares and maximum number of 1,400,000,000 new shares from Warrant with total maximum number of 7,000,000 new shares of the Company with the nominal value of Rp 500 per share,
SBE	:	Satrio Bing Eny & Rekan (Member of Deloitte Touche Tohmatsu Limited)
SEIL	:	Star Energy Investment Ltd
SEGBV	:	Star Energy Geothermal (Salak – Darajat) B.V.

SEGDI	:	Star Energy Geothermal Darajat I Ltd
SEGDI	:	Star Energy Geothermal Darajat II Ltd
SEGP	:	Star Energy Geothermal Philippines B.V
SEGH	:	PT Star Energy Geothermal Halmahera
SEGBV	:	Star Energy Geothermal Holdings (Salak – Darajat) B.V.
SEGHPL	:	Star Energy Group Holdings Pte Ltd
SEGI	:	PT Star Energy Geothermal Indonesia
SEHL	:	SE Holdings Limited
SEGPL	:	Star Energy Geothermal Pte Ltd
SESSL	:	Star Energy Geothermal Salak Ltd
SESS	:	PT Star Energy Geothermal Suoh Sekincau
SEGSPL	:	Star Energy Geothermal Salak Pratama Ltd
SEWW	:	Star Energy Geothermal (Wayang Windu) Ltd
SPGJV	:	Star Phoenix Geothermal JV B.V
USD	:	United States Dollar

## I. INTRODUCTION

Information as stated in this Disclosure of Information addressed to the Company's shareholders regarding the Company's plans on to execute Proposed Transaction.

## II. PROPOSED LPO II

### Number of Shares Offered

The Company plans to issue new shares with Pre-Emptive Rights with the maximum number of 5,600,000,000 new shares that will be issued from LPO II. The new shares to be offered in this LPO II are entirely new shares issued from the portfolio of the Company with the nominal value of Rp 500 per shares. The new shares offered in this Proposed LPO II have equal rights in all respects with all of the Company's existing issued and fully paid shares.

The Company also plans to issue warrant which grant the holders right to buy ordinary shares that will be issued from the Company's portfolio with the nominal value of Rp 500 per share in the period determined in the LPO II Prospectus with the maximal number of 1,400,000,000. The issued Warrant follow the new shares which are granted for free as an incentive to the Company's shareholders and/or Pre-Emptive Rights-holders who exercise their Pre-Emptive Rights.

Therefore, the maximum total number of new shares to be issued from LPO II and Warrant is 7,000,000,000 shares with the nominal value of Rp 500 per share.

### Impact of the Proposed LPO II on the Company's Financial Condition and Shareholders

The Company expects to raise up to a maximum fund of USD 1,000,000,000, which is to be used as described further below for the Proposed LPO II.

Pre-Emptive Rights will be granted to all shareholders of the Company. The shareholders of the Company who do not exercise their pre-emptive rights in the Proposed LPO II may be diluted at a maximum of 26.72%.

Proforma Company's capital structure, assuming that all shareholders to exercise their preemptive rights are as follows:

Descriptions	Before LPO II			After LPO II		
	Number of Shares	Nominal Value (Rp 500,-/saham)	(%)	Number of Shares	Nominal Value (Rp 500,-/saham)	(%)
<b>Authorized Shares</b>	<b>55.800.000.000</b>	<b>27.900.000.000.000</b>		<b>55.800.000.000</b>	<b>27.900.000.000.000</b>	
<b>Issued and Fully Paid Shares</b>						
Prajogo Pangestu (President Commissioner)	9.937.554.806	4.968.777.403.000	71,19%	13.924.027.710	6.962.013.855.040	71,32%
PT Barito Pacific Lumber	202.293.800	101.146.900.000	1,45%	283.444.422	141.722.210.934	1,45%
PT Tunggal Setia Pratama	64.120.000	32.060.000.000	0,46%	89.841.885	44.920.942.536	0,46%
Agus Salim Pangestu (President Director)	74.666	37.333.000	0,00%	104.618	52.309.219	0,00%
Others (less than 5.00% equity for each stockholder)	3.663.611.096	1.831.805.548.000	26,24%	5.133.277.090	2.566.638.545.171	26,29%
Sub-total	13.867.654.368	6.933.827.184.000	99,34%	19.430.695.726	9.715.347.862.900	99,53%
Treasury stocks	92.131.200	46.065.600.000	0,66%	92.131.200	46.065.600.000	0,47%
<b>Total Issued and Fully Paid Shares</b>	<b>13.959.785.568</b>	<b>6.979.892.784.000</b>	<b>100,00%</b>	<b>19.522.826.926</b>	<b>9.761.413.462.900</b>	<b>100,00%</b>
<b>Total Portofolio Shares</b>	<b>41.840.214.432</b>	<b>20.920.107.216.000</b>		<b>36.277.173.074</b>	<b>18.138.586.537.100</b>	

With the exercise of Warrants in the amount of 1,400,000,000 shares at nominal value of Rp 500 per share, the Company will obtain additional fund for working capital of the Company and / or its Subsidiaries.

The Company's shareholders/ warrant holders who do not exercise Warrants after LPO II can be diluted at a maximum of 6.68%.

Proforma capital structure, assuming that all shareholders exercise their warrants after LPO II are as follows:

Descriptions	Before LPO II			After LPO II		
	Number of Shares	Nominal Value (Rp 500,-/saham)	(%)	Number of Shares	Nominal Value (Rp 500,-/saham)	(%)
<b>Authorized Shares</b>	<b>55.800.000.000</b>	<b>27.900.000.000.000</b>		<b>55.800.000.000</b>	<b>27.900.000.000.000</b>	
<b>Issued and Fully Paid Shares</b>						
Prajogo Pangestu (President Commissioner)	9.937.554.806	4.968.777.403.000	71,19%	10.934.173.032	5.467.086.516.010	56,01%
PT Barito Pacific Lumber	202.293.800	101.146.900.000	1,45%	222.581.455	111.290.727.734	1,14%
PT Tunggal Setia Pratama	64.120.000	32.060.000.000	0,46%	70.550.471	35.275.235.634	0,36%
Agus Salim Pangestu (President Director)	74.666	37.333.000	0,00%	82.154	41.077.055	0,00%
Others (less than 5.00% equity for each stockholder)	3.663.611.096	1.831.805.548.000	26,24%	4.031.027.595	2.015.513.797.293	20,65%
Sub-total	13.867.654.368	6.933.827.184.000	99,34%	15.258.414.707	7.629.207.353.725	78,16%
Treasury stocks	92.131.200	46.065.600.000	0,66%	92.131.200	46.065.600.000	0,47%
<b>Total Issued and Fully Paid Shares</b>	<b>13.959.785.568</b>	<b>6.979.892.784.000</b>	<b>100,00%</b>	<b>15.350.545.907</b>	<b>7.675.272.953.725</b>	<b>78,63%</b>
<b>Total Portofolio Shares</b>	<b>41.840.214.432</b>	<b>20.920.107.216.000</b>		<b>40.449.454.093</b>	<b>20.224.727.046.275</b>	

### **Payment of Shares in Other Forms**

The implementation of the Pre-Emptive Rights can be in form of sum of money on shares to be issued. The payment on such shares can be made in other form than money. Based on POJK 32/2015, the payment with the other forms than money shall meet the following requirements:

- a. Directly related to the usage of the proceeds; and
- b. Use the appraisers to determine the fair value of the other form than money used as the payment and the fairness of the payment transaction for shares in the other form than money

In the case of deposits in the other forms, the form of capital deposit to be made by PP on the additional capital of the Company is in the form of 66.67% of SEGHPL shares.



### **III. LPO II ESTIMATED EXECUTION PERIOD**

In accordance with the provisions of Article 8 paragraph (3) POJK 32/2015, the period between the date of approval of the EGMS in relation to the Proposed LPO II until the effectiveness of the registration statement is not more than 12 (twelve) months. The Company plans to conduct further capital increase in the 12 (twelve) months period.

### **IV. ESTIMATION ON USE OF PROCEEDS FROM THE PROPOSED LPO II**

Estimation on Use of proceeds funds from the Proposed LPO II after deducting share issuance costs are as follows:

1. About 52% will be used to settle the remaining purchase price amounting USD 520,687,193 in connection with the Proposed Acquisition through the issuance of shares of the Company exercised by PP (transactions inbreng);
2. About 25% will be used to pay the Company's financial liabilities; dan
3. The remaining funds will be used for:
  - (i) The Company's and its subsidiaries' working capital;
  - (ii) Business development of the Company and its subsidiaries;
  - (iii) the provision of working capital to Subsidiaries by the Company may be made in the form of loans or equity participation in the related Subsidiaries.

Funds obtained from the exercise of this Warrant, net of the cost of issuance of shares, shall be used for working capital of the Company and / or its Subsidiaries.

### **V. BRIEF DESCRIPTION OF THE COMPANY**

#### **A. Brief History of the Company**

The Company was established within the framework of the Domestic Capital Investment Law No. 6, year 1968 based on Notarial Deed No. 8 of Kartini Muljadi, S.H. dated 4 April 1979 under the name of PT Bumi Raya Pura Mas Kalimantan. The Company's Articles of Association was approved by the Ministry of Justice in its Decision Letter No. J.A.5/195/8 dated 23 July 1979 and was published in State Gazette of Republic of Indonesia No. 84, Supplement No. 24 dated 19 October 1979. Based on Notarial Deed No. 33 of Benny Kristianto, S.H. dated 29 August 2007, the Company changed its name to PT Barito Pacific Tbk that has been approved from Menkumham No. 107-09808HT.01.04-TH2007, dated 6 September 2007, and has been published in BNRI No 87, Tambahan No. 10722 dated 30 October 2007.

The Company's Articles of Association has been amended several times, most recently by Notarial Deed No. 42 dated 8 June 2017 of Kumala Tjahjani Widodo, S.H., M.Kn., S.H., notary in Jakarta, which has been notified to Menkumham concerning as reflected in the Letter of Acceptance of Notification of Amendment of the Articles of Association No. AHU-AH.01.03-0148692 dated 21 June 2017 and has been registered in the Company Registration at Kemenkumham No. AHU-0080303.AH.01.11.Tahun 2017 dated 21 June 2017.

The Company is domiciled in Banjarmasin with its factory located in Jelapat, Banjarmasin. The Company's office in Jakarta is located at Wisma Barito Pacific, Tower B 8<sup>th</sup> Floor, Jl. Letjen S. Parman Kav. 62-63 Jakarta.

## B. Capital Structure and Shareholders Ownership

Based on shareholder register issued by Share Registrar, PT Sirca Datapro Perdana, the Company's shareholders ownership as of 26 February 2018 are as follows:

Description	Number of shares	Nominal value Rp. 500,- per share	%
<b>Authorized Capital</b>	<b>55,800,000,000</b>	<b>27,900,000,000,000</b>	
Issued and Paid up Capital			
1. Prajogo Pangestu	9,937,554,806	4,968,577,403,000	71.19
2. PT Barito Pacific Lumber	202,293,800	101,146,900,000	1.45
3. PT Tunggal Setia Pratama	64,120,000	32,060,000,000	0.46
4. Agus Salim Pangestu	74,666	37,333,000	0.00
5. Others < 5%	3,663,611,096	1,831,805,548,000	26.24
<b>Sub Total</b>	<b>13,867,654,368</b>	<b>6,933,827,184,000</b>	<b>99.34</b>
Treasury Stock	92,131,200	46,065,600,000	0.66
<b>Total Issued and Paid Up Capital</b>	<b>13,959,785,568</b>	<b>6,979,892,784,000</b>	<b>100.00</b>
Portfolio Share	41,840,214,432	20,920,107,216,000	

## C. The Company's Management and Supervision

The composition of the Boards of Commissioners and Directors of the Company at the time of this Disclosure Information is published are as follows:

### **Board of Commissioner**

President Commissioner	:	Prajogo Pangestu
Commissioner	:	Harlina Tjandinegara
Independent Commissioner	:	Alimin Hamdy

### **Director**

President Director	:	Agus Salim Pangestu
Vice President Director	:	Rudy Suparman
Director	:	Salwati Agustina
Independent Director	:	Henky Susanto

## D. Business Activities

According to article 3 of the Company's Articles of Association, the Company's scope of business activities comprises of forestry related business, plantation, mining, industry, property, trading, renewable energy and transportation. The Company started commercial operation in 1983.

The Company has direct and indirect ownership interest of more than 50% in, and/or have control over the management of the following subsidiaries:

Subsidiaries	Domiciled	Effective Ownership Percentage %	Years of Commercial Operation
<b>Petrochemicals</b>			
PT Chandra Asri Petrochemical Tbk	Jakarta	46.26	1993
PT Styrimdo Mono Indonesia	Jakarta	46.26	1993
PT Petrokimia Butadiene Indonesia	Jakarta	46.25	2013
PT Chandra Asri Perkasa	Jakarta	46.26	Development Stage
<b>Logging and Timber Manufacturing</b>			
PT Tunggal Agathis Indah Wood Industries	Ternate	100.00	1986
PT Mangole Timber Producers	Manado	100.00	1983
PT Barito Kencanamahardika	Jakarta	51.00	Development Stage
<b>Industrial Timber Plantations</b>			
PT Kirana Cakrawala	Ternate	60.00	2003
PT Kalpika Wanatama	Ambon	60.00	2003
PT Rimba Equator Permai	Pontianak	100.00	Development Stage
<b>Glue</b>			
PT Binajaya Rodakarya	Banjarmasin	100.00	1992
PT Wiranusa Trisatrya	Manado	100.00	1991
<b>Property</b>			
PT Griya Idola	Jakarta	100.00	1991
PT Griya Tirta Asri	Jakarta	100.00	Development Stage
PT Mambuk Cikoneng Indonesia	Anyer	100.00	1987
<b>Plantation</b>			
PT Agropratama Subur Lestari	Jakarta	60.00	Not Yet Operational
PT Wahanaguna Margapratama	Jakarta	60.00	Not Yet Operational
PT Royal Indo Mandiri	Jakarta	100.00	2005
PT Grand Utama Mandiri	Kalimantan Barat	99.99	2012
PT Tintin Boyok Sawit Makmur	Kalimantan Barat	99.99	2010
PT Tintin Boyok Sawit Makmur Dua	Kalimantan Barat	99.99	2013
PT Hamparan Asri Cemerlang	Jakarta	100.00	Not Yet Operational
PT Citra Nusantara Asri	Jakarta	100.00	Not Yet Operational
PT Persada Kridha Asri	Jakarta	100.00	Not Yet Operational
<b>Others</b>			
PT Redeco Petrolin Utama	Jakarta	23.48	1987
Marigold Resources Pte Ltd	Singapore	100.00	2005
Altus Capital Pte Ltd	Singapore	46.26	2009
PT Barito Wahana Lestari	Jakarta	100.00	Development Stage

## VI. COMPANY FINANCIAL HIGHLIGHTS

The following financial data are taken from the audited consolidated financial statements of the Company as of and for the year ended 31 December 2017 and 2016, which was audited by KAP SBE (Member of Deloitte Touche Tohmatsu Limited), and for the year ended 31 December 31 2015, which was audited by KAP OBSE (Member of Deloitte Touche Tohmatsu Limited), that are fairly presented in all material respects, as well as the results of operations in accordance with the revised Indonesian Financial Accounting Standards. The Company's financial data are as follows:

*(in thousand of USD)*

Description	December 31 2017	December 31 2016	December 31 2015
Total Assets	3,642,928	2,570,590	2,253,084
Total Liabilities	1,626,029	1,122,222	1,057,175
Total Equity	2,016,899	1,448,368	1,195,909
Sales	2,452,847	1,961,307	1,406,139
Gross Profit	539,645	487,456	139,113
Comprehensive Net Income	280,283	276,115	184

## VII. DESCRIPTION OF THE PROPOSED TRANSACTION

### A. Background and Purpose

In line with the Company's mission to establish a foothold in renewable and resource-oriented industrial sectors that have growth from upstream to downstream by diversifying and integrating into the resource industry for future developments, particularly in the renewable energy sector, the Company intends to acquire SEGHPL that is engaged in renewable energy. SEGHPL has subsidiaries that own business activities in the renewable energy and has several important contracts, including: (i) JOC for the Wayang Windu Project, between PT Pertamina Geothermal Energy and SEGWW; (ii) ESC for the Wayang Windu Project, between PT PLN, PT Pertamina Geothermal Energy and SEGWW, (iii) JOC for Salak Projects made between PT Pertamina Geothermal Energy, SEGSP and SEGSL, (iv) ESC for Salak Projects made between PT PLN, PT Pertamina Geothermal Energy, SEGSP and SEGSL, (v) JOC for Darajat Project made between PT Pertamina Geothermal Energy, SEGDI, SEGDI, DGI and (vi) ESC for Darajat Project made between PT PLN, PT Pertamina Geothermal Energy, SEGDI, SEGDI and DGI.

## B. Transaction Benefits

The expected benefits will be obtained by the Company through the execution of this Proposed Transaction, among others, as follows:

- Business development and establishing a vision of the Company to become a leader in renewable energy;
- Increase the Company's future profits by increasing the revenue or profit margin;
- Adding business lines with different business segments to deliver maximum results; and
- Increased investment of quality assets.

## C. Brief Description Regarding the Terms and Condition of the Agreements

SEIL, SEHL and the Company have executed a Memorandum of Understanding ("MOU") dated 20 December 2016 and amendments to the MOU dated 21 March 2017 regarding the acquisition of SEGHPL from SEIL and SE Holdings. Moreover, on 12 December 2017, the Company, SEIL and PP have executed MOU with the following conditions:

- (i) SEIL and SEHL have been merged, which SEIL is become the surviving entity. Therefore, all assets of SEHL are by law is transferred to SEIL;
- (ii) SEIL will transfer all of its shares in SEGHPL to PP; and
- (iii) Deposit (as defined below) shall be deemed have been paid by the Company and PP acknowledges and confirms receipt of the Deposit.

Pursuant to MOU, the Company has made a payment on the deposit. Furthermore, on 29 December 2017, SEIL has transferred the Deposit to PP so that the Deposit paid by the Company is deemed to have been received by PP.

On 4 December 2017, SEIL and SEHL have carried out the merger. Furthermore, the implementation of SEIL share transfer in SEGHPL to PP has been implemented on 29 December 2017.

On 12 December 2017, the Company and PP has entered into CSPA as amended by Amendment to CSPA signed on 2 March 2018 in connection with the Proposed Acquisition. Below is the summary of CSPA:

- Parties involved in Transaction:

The parties which are involved in the transaction pursuant to CSPA are the Company and PP.

- Object and Value of Proposed Acquisition:

Transaction Object pursuant to CSPA is 66.67% shares in SEGHPL with transaction value of USD 755.00 million which will be paid through: (i) Deposit (ii) new shares issued by the Company.

Based on CSPA, SEGHPL acquisition price will be adjusted if during 1 July 2018 up to 30 June 2019, the aggregate monthly net income for three months is more than the aggregate comparison net income plus USD2,500,000 (the “**Triggering Event**”).

The Adjustment Price will be paid by the Company in cash or shares of the Company to be issued without Pre-Emptive Rights or any other form agreed upon by the parties with Bank Indonesia middle rate on the date of payment.

- Condition Precedent

Completion of the Proposed Acquisition is conditional upon the following conditions being satisfied or waived, among others:

- a. the internal restructuring in SEGHPL has been completed whereas PP is the majority shareholder of SEGHPL;
- b. obtain financing to fund the remaining purchase price;
- c. the Company have obtain the corporate approval, including Board of Commissioner approval and General Meeting of Shareholder’s approval on the Proposed Acquisition and Proposed LPO II.

On the publication date of this Disclosure Information, internal restructuring in SEGHPL has been completed, so that PP became the majority shareholder of SEGHPL.

#### D. Description of Seller

##### Brief Description of Seller

Name : Prajogo Pangestu  
Address : Jl. Widya Chandra V No. 32 RT. 004/001,  
Senayan – Kebayoran Baru  
South Jakarta

#### E. Description of Target Company

##### 1. **SEGHPL**

###### **General**

SEGHPL is a limited liability company incorporated and domiciled in Singapore, under Singapore law registered with no registration 201208322M. SEGHPL has a registered office at 9 Battery Road, # 15-01 MYP Centre, Singapore 049910.

###### **Business Activities**

SEGHPL is engaged in investment holding activities.

## Capital Structure and Share Ownership

Capital structure and shareholders ownership of SEGHPL at the date of this Disclosure Information are as follows:

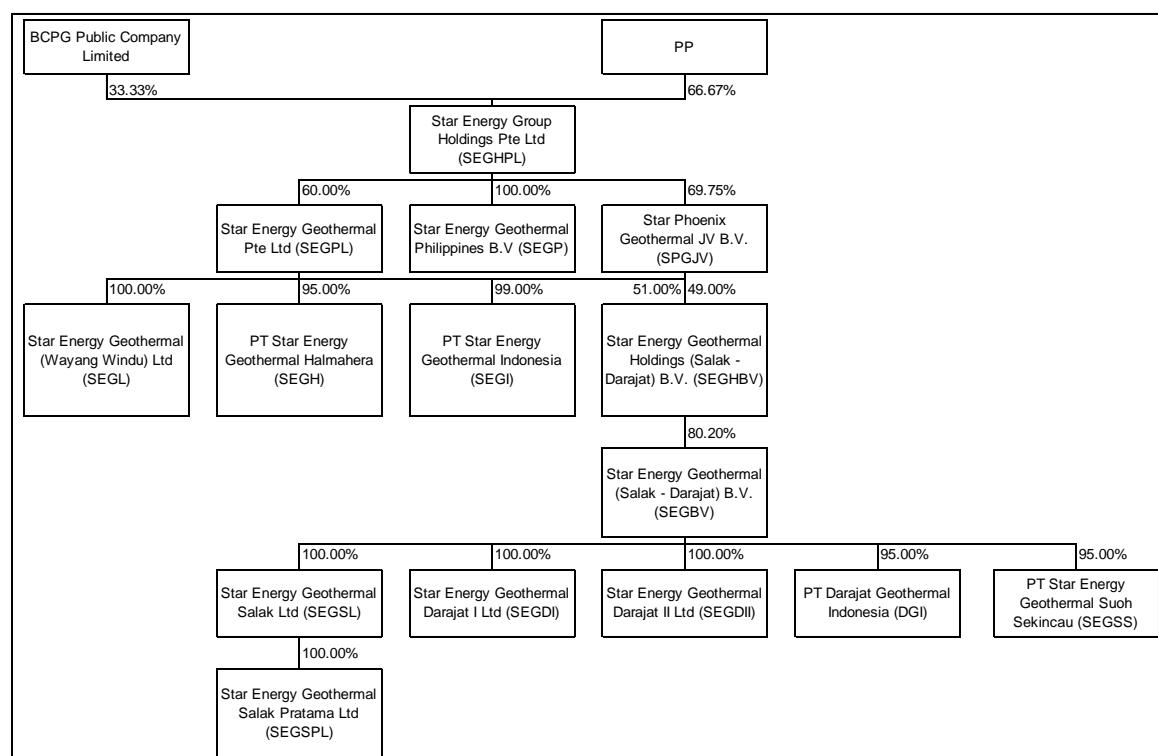
Description	Number of Shares	Nominal Value (USD)	%
1. PP	560,000	556,636,506	66.67
2. BCPG Public Company Limited	280,000	283,373,000	33.33
<b>Total</b>	<b>840,000</b>	<b>840,010,000</b>	<b>100.00</b>

## Management and Supervision

The composition of the Board of Directors of SEGHPL at the date of this Disclosure Information are as follows:

Director	:	Chaiwat Kovavisarach
Director	:	Bundit Sapianchai
Director	:	Agus Salim Pangestu
Director	:	Tan Ek Kia
Director	:	Rudy Suparman
Director	:	Hendra Soetjipto Tan

The ownership structure of SEGHPL and its subsidiaries as of 31 December 2017 is as follows:



## 2. SEGPL

### General

SEGPL is a limited liability company incorporated and domiciled in Singapore, under Singapore law registered under no registration 200516906H. SEGPL has a registered office at 9 Battery Road, # 15-01 MYP Centre, Singapore 049910.

### Business Activities

SEGPL is engaged in investment holding activities.

### Capital Structure and Shareholders Ownership

Capital structure and shareholders' ownership of SEGPL at the date of this Disclosure Information are as follows:

Descriptions	Number of Shares	Nominal Value (USD)	%
1. Star Energy Group Holdings Pte. Ltd.	918,841	62,661,936	60.00
2. DGA SEG B.V.	306,281	20,887,357	20.00
3. Phoenix Power B.V.	306,281	20,887,357	20.00
<b>Total</b>	<b>1,531,403</b>	<b>104,436,650</b>	<b>100.00</b>

### Management and Supervision

The composition of the Board of Directors of SEGPL at the date of this Disclosure Information are as follows:

Director	:	Tan Ek Kia
Director	:	Hendra Soetjipto Tan
Director	:	Bundit Sapianchai
Director	:	Niwat Adirek
Director	:	Ryota Sakakibara

## 3. SPGJV

### General

SPGJV is a company established in Netherlands on December 15, 2016, under Netherlands law registered under registration number 6788129. SPGJV has a registered office at Strawinskyiaan 3127, 8<sup>th</sup> floor, 1077ZX, Amsterdam.

### Business Activities

SPGJV is engaged in investment and trading activities.

### Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SPGJV at the date of this Disclosure Information is USD 1 which is divided into 10.000 share owned by SEGHP and Phoenix Power B.V by 69.75% and 30.25%, respectively.



## **Management and Supervision**

The composition of the Board of Directors of SPGJV at the date of this Disclosure Information are as follows:

Director	:	Wouter Bastiaan Swierstra
Director	:	Yvone Maria Theuns-Wimmers
Director	:	Nehemia Santosa Lo
Director	:	Niwat Adirek
Director	:	Hendra Soetjipto Tan
Director	:	Rudy Suparman

## **4. SEGP**

### **General**

SEGP is a company established in Netherlands under the Netherlands law.

### **Business Activities**

SEGP is engaged in investment and trading activities.

### **Capital Structure and Shareholders Ownership**

Capital structure and shareholders ownership of SEGP at the date of this Disclosure Information is USD 1 which is divided into 1 shares owned entirely by SEGHPL.

### **Management and Supervision**

The composition of the Board of Directors of SEGP at the date of this Disclosure Information are as follows:

Director	:	Hendra Soetjipto Tan
Director	:	Yvonne Maria Theuns

## **5. SEGWW**

### **General**

SEGWW is a company established in British Virgin Island on May 15, 1995, under British Virgin Island law registered under number registration 150029. SEGWW has a head office at Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands.

### **Business Activities**

SEGWW is engaged in geothermal operations and geothermal power plants activities.

## Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGWW at the date of this Disclosure Information is USD 207,182,896 which is divided into 207,182,896 shares owned entirely by SEGPL.

## Management and Supervision

The composition of the Board of Directors of SEGWW at the date of this Disclosure Information are as follows:

Director : Rudy Suparman  
Director : Hendra Soetjipto Tan

## 6. SEGH

### General

SEGH is a limited liability company established under Republic of Indonesia law. SEGH has a registered office at Wisma Barito Pacific Tower A 8-11 Floor, Jl. Let. Jend. S. Parman Kav. 62-63, Jakarta 11410, Indonesia.

### Business Activities

SEGH is engaged in geothermal power generation activities.

## Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGH at the date of this Disclosure Information is published are as follows:

Descriptions	Number of Shares	Nominal Value (Rupiah)	%
1. Star Energy Geothermal Pte. Ltd	95,000	9,500,000,000	95.00
2. PT Star Energy Investment	5,000	500,000,000	5.00
<b>Total</b>	<b>100,000</b>	<b>10,000,000,000</b>	<b>100.00</b>

## Management and Supervision

The composition of the Boards of Commissioner and Directors of SEGH at the date of this Disclosure Information are as follows:

### Commisioner

Commisioner : Esjin Kariko

### Director

Director : Rudy Suparman  
Director : Hendra Soetjipto Tan

## 7. SEGI

### General

SEGI is a limited company established under the laws of the Republic of Indonesia. SEGI has registered office at Wisma Barito Pacific Tower A 3rd Floor Jl. Let. Jend. S. Parman Kav. 62-63, Jakarta 11410, Indonesia.

### Business Activities

SEGI is engaged in management consulting activities.

### Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGI at the date of this Disclosure Information is published are as follows:

Descriptions	Number of Shares	Nominal Value (Rupiah)	%
1. Star Energy Geothermal Pte. Ltd	108,900	10,890,000,000	99.00
2. PT Sarana Karya Mandiri	1,100	110,000,000	1.00
<b>Total</b>	<b>110,000</b>	<b>11,000,000,000</b>	<b>100.00</b>

### Management and Supervision

The composition of the Boards of Commissioner and Directors of SEGI at the date of this Disclosure Information are as follows:

#### Commissioner

Commissioner : Esjin Kariko

#### Director

Director : Rudy Suparman  
Director : Hendra Soetjipto Tan

## 8. SEGHBV

### General

SEGBV is a company incorporated in the Netherlands on 15 December 2016, Pursuant to the laws of Netherlands registered with registration number 67491715.

SEGBV is located in Strawinskylaan 3127, 8th floor, 1077ZX Amsterdam.

### Business Activities

SEGBV is engaged in investment companies and trading activities.

## Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGHBV at the date of this Disclosure Information is published are as follows:

Description	Number of Shares	Nominal Value (USD)	%
1. Star Phoenix Geothermal JV B.V.	4,900	4,900	49.00
2. Star Energy Geothermal Pte. Ltd.	5,100	5,100	51.00
<b>Total</b>	<b>10,000</b>	<b>10,000</b>	<b>100.00</b>

## Management and Supervision

The composition of the Board of Directors of SEGHBV at the date of this Disclosure Information are as follows:

Director	:	Hendra Soetjipto Tan
Director	:	Niwat Adirek
Director	:	Rudy Suparman
Director	:	Yvonne Maria Theuns-Wimmers
Director	:	Nehemia Santosa Lo
Director	:	Wouter Bastiaan Wiesrtra

## 9. SEGBV

### General

SEGBV is a company incorporated in the Netherlands on 16 December 2016, under the laws of Netherlands registered with registration number 67502601. SEGBV is located in Strawinskyiaan 3127, 8th floor, 1077ZX Amsterdam.

### Business Activities

SEGBV is engaged in investment and trading activities.

## Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGBV at the date of this Disclosure Information is published are as follows:

Descriptions	Number of Shares	Nominal Value (USD)	%
1. Star Energy Geothermal Holdings (Salak – Darajat) B.V.	8,020	8,020	80.20
2. ACEHI Netherlands B.V.	1,980	1,980	19.80
<b>Total</b>	<b>10,000</b>	<b>10,000</b>	<b>100.00</b>

## **Management and Supervision**

The composition of the Board of Directors of SEGBV at the date of this Disclosure Information are as follows:

Director	:	Hendra Soetjipto Tan
Director	:	Niwat Adirek
Director	:	Rudy Suparman
Director	:	Patrice Rene Clausse
Director	:	Yvonne Maria Theuns-Wimmers
Director	:	Nehemia Santosa Lo
Director	:	Djonie Maria Angela Spreeuwiers
Director	:	Wouter Bastiaan Swierstra

## **10. SEGSL**

### **General**

SEGS� is a company incorporated in Bermuda on 13 November 1981 based on Bermuda law registered with registration number 9085, previously known as Union Geothermal of Indonesia, Limited, and changed its name to SEGS� on 31 March 2017. SEGS� is located in Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

### **Business Activities**

SEGS� is engaged in the geothermal power generation and power generation activities.

### **Capital Structure and Shareholders Ownership**

Capital structure and shareholders ownership of SEGS� at the date of this Disclosure Information is USD 12,000 which is divided into 12,000 shares owned entirely by SEGBV.

### **Management and Supervision**

The composition of the Board of Directors of SEGS� at the date of this Disclosure Information are as follows:

President Director	:	Hendra Soetjipto Tan
Director	:	Niwat Adirek
Director	:	Rudy Suparman
Director	:	Agus Salim Pangestu
Director	:	Patrice Rene Clausse

## 11. SEGSP

### General

SEGSP is a company incorporated in Cayman Islands on 1 May 1996 based on Cayman Islands law registered with registration number 65836, previously known as Daya Bumi Salak Pratama, Ltd., and changed its name to SEGSP on 31 March 2017. SEGSP is located in offices in Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

### Business Activities

The business activities engaged by of SEGSP is engaged in the planning, engineering, testing and commissioning of 3 (three) x 55 megawatts of power plant in Mount Salak, West Java, Indonesia and operates, manages and maintains, and supplies geothermal energy and all power which are required to the Power Plant and do all the necessary things in connection therewith.

### Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGSP at the date of this Disclosure Information is USD 200 which is divided into 200 shares owned entirely by SEGSL.

### Management and Supervision

The composition of the Board of Directors of SEGSP at the date of this Disclosure Information are as follows:

President Director :	Hendra Soetjipto Tan
Director :	Niwat Adirek
Director :	Rudy Suparman
Director :	Agus Salim Pangestu
Director :	Patrice Rene Clausse

## 12. SEGDI

### General

SEGDI is a company incorporated in the Commonwealth of the Bahamas on 25 June 1984 under Commonwealth of the Bahamas law registered under registration number 123838 (B), previously known as Chevron Darajat Limited and changed its name to SEGDI on 31 March 2017. SEGDI is located at Providence House, East Hill Street, Nassau Bahamas CB 12399.

### Business Activities

The business activities of SEGDI is engaged in exploration and exploitation activities of geothermal power, exploration and exploitation of oil and gas and general trading activities.

## **Capital Structure and Shareholders Ownership**

Capital structure and shareholders ownership of SEGDI at the date of this Disclosure of Information is published is USD 5,000 which is divided into 5,000 shares owned entirely by SEGBV.

## **Management and Supervision**

The composition of the Board of Directors of SEGDI at the date of this Disclosure Information are as follows:

President Director :	Hendra Soetjipto Tan
Director :	Niwat Adirek
Director :	Rudy Suparman
Director :	Agus Salim Pangestu
Director :	Patrice Rene Clausse

## **13. SEGDI**

### **General**

SEGDI is a company incorporated in Bermuda on 9 December 1983 based on Bermuda law registered with registration number 10456, previously known as Texaco Darajat., Ltd and changed its name to SEGDI on 31 March 2017. SEGDI is located in Clarendon House, 2 Church Street , Hamilton HM 11, Bermuda.

### **Business Activities**

SEGDI is engaged in geothermal energy exploitation activities.

## **Capital Structure and Shareholders Ownership**

Capital structure and shareholders ownership of SEGDI at the date of this Disclosure Information is USD 12,000 which is divided into 120 shares owned entirely by SEGBV.

## **Management and Supervision**

The composition of the Board of Directors of SEGDI at the date of this Disclosure Information are as follows:

President Director :	Hendra Soetjipto Tan
Director :	Niwat Adirek
Director :	Rudy Suparman
Director :	Agus Salim Pangestu
Director :	Patrice Rene Clausse

## 14. DGI

### Umum

DGI was established on 28 February 1997 based on Deed No 160 by Notary Sutjipto. This deed of establishment has been approved by the Minister of Justice of the Republic of Indonesia No. C2-5403-HT.01.01.TH'97 dated 24 June 1997 and has been published in the State Gazette of the Republic of Indonesia No. 2609, Supplement No. 39 dated 15 May 1998.

DGI's articles of association have been amended several times. The latest amendment of the articles of association is based on Deed No. 79 dated 27 September 2017 by Jose Dima Satria, Notary in Jakarta regarding changes in intent and purpose and business activities. This amendment of the articles of association has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia No. AHU-0019884-AH.01.02 Year 2017 dated 27 September 2017.

DGI has a head office at Sentral Senayan II, 25th Floor, Jalan Asia Afrika No. 8, Central Jakarta, 10270, Indonesia.

### Business Activities

DGI is engaged in electricity and geothermal power plants.

### Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of DGI at the date of this Disclosure Information are as follows:

Descriptions	Number of Shares	Nominal Value (Rupiah)	%
1. Star Energy Geothermal (Salak-Darajat) B.V	56,960,582	56,960,582,000	95.00
2. PT Barito Pacific Tbk	2,997,925	2,997,925,000	5.00
<b>Total</b>	<b>59,958,507</b>	<b>59,958,507,000</b>	<b>100.00</b>

### Management and Supervision

The composition of the Boards of Commissioner and Directors of DGI at the date of this Disclosure Information are as follows:

#### **Board of Commissioner**

President Commissioner : Rudy Suparman  
Commissioner : Niwat Ardirek  
Commissioner : Patrice Rene Clause  
Commissioner : Agus Salim Pangestu

#### **Director**

Director : Hendra Soetjipto Tan



## 15. SEGSS

### General

SEGSS was established on 27 April 2010 based on Deed No. 21 by Notary Buchari Hanafi, previously known as PT Chevron Geothermal Sorik Marapi. This deed of establishment has been approved by the Minister of Justice of the Republic of Indonesia No. AHU-24518.AH.01.01.Tahun 2010 dated 14 May 2010.

SEGSS's articles of association has been amended several times. The latest amendment of the articles of association based on deed No. 80 dated 27 September 2017 by Jose Dima Satria, Notary in Jakarta regarding changes in the composition of shareholders and the composition of directors and commissioners. The amendment of this articles of association has been registered with the Ministry of Justice and Human Rights of the Republic of Indonesia. AHU-AH.01.03-0175293 Year 2017 dated 27 September 2017.

SEGSS has a head office at Sentral Senayan II, 25th Floor, Jalan Asia Afrika No. 8, Central Jakarta, 10270, Indonesia.

### Business Activities

SEGSS is engaged in geothermal power plants.

### Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGSS at the date of this Disclosure Information are as follows:

Descriptions	Number of Shares	Nominal Value (Rupiah)	%
<b>Series A (@Rp904,600):</b>			
1. Star Energy Geothermal (Salak-Darajat) B.V	7,125	6,445,275,000	11.88
2. PT Barito Pacific Tbk	375	339,225,000	0.63
<b>Series B (@Rp952,000):</b>			
1. Star Energy Geothermal (Salak-Darajat) B.V	21,375	20,359,687,500	35.63
2. PT Barito Pacific Tbk	1,125	1,071,562,500	1.88
<b>Series C (@Rp991,000):</b>			
1. Star Energy Geothermal (Salak-Darajat) B.V	28,500	28,243,500,000	47.50
2. PT Barito Pacific Tbk	1,500	1,486,500,000	2.48
<b>Total</b>	<b>60,000</b>	<b>57,945,750,000</b>	<b>100.00</b>

## **Management and Supervision**

The composition of the Board of Commissioner and Director of SEGSS at the date of this Disclosure Information are as follows:

### **Board of Commissioner**

President Commissioner : Rudy Suparman  
Commissioner : Agus Salim Pangestu  
Commissioner : Niwat Adirek  
Commissioner : Patrice Rene Clause

### **Director**

Director : Hendra Soetjipto Tan

## **F. Objects, Value and Proposed Transaction Scheme**

The Company plans to conduct limited public offering through capital increase with Pre-Emptive Rights to the shareholders with a maximum issuance of 5,600,000,000 (five billion six hundred million) new shares with a nominal value of Rp 500, - (five hundred Rupiah) per share and with a maximum fund proceeds of USD 1,000,000,000 (one billion United States Dollar) from the Proposed LPO II.

Based on MOU and CSPA, 66.67% of the shares in SEGHPL will be taken over by the Company from PP with a transaction value amounting to USD 755.00 million, in which payments will be made through the realization of an investment advance of SEGHPL of USD 234.31 million and the remaining balance will be paid by shares of the Company issued in the Proposed LPO II (share swap).

In connection to the fair market value of 66.67% of shares in SEGHPL, the Appraiser appointed by the Company, JKR, has stated in their report No. JK/SV/180302-001 dated 3 March 2018, that the fair market value of SEGHPL as of 31 December 2017 amounted to USD 786 million.

#### G. Nature of Affiliated Relationship of the Parties who Conducts the Proposed Acquisition

Propose Acquisition is an affiliate transaction as referred in Regulation IX.E.1, considering:

From capital structure, the Company will conduct the transaction with PP, which is the controlling shareholder of the Company.

Based on the Regulation IX.E.1, in the case that the Affiliated Transaction in which the value is fulfill the criteria of Material Transaction as referred to Regulation IX.E.2 and there is no conflict of interest, the Company shall only comply with the provision referred to Regulation IX.E.2.

#### H. Nature of Material Transaction

The Proposed Acquisition is a Material Transaction in which the transacted value in excess of 20% (twenty percent) but less than 50% (fifty percent) of the Company's equity, as stipulated in Regulation IX.E.2, so it does not require the approval of the Shareholders of the Company. However, for good corporate governance, the Company subjects itself to the provisions of Regulation IX.E.2 by requesting approval from the shareholders in the EGMS.

## VIII. ANALYSIS ON THE IMPACT OF THE PROPOSED TRANSACTION TO THE COMPANY'S FINANCIAL CONDITION AND SHAREHOLDERS

### A. General

In general, the objective of this transaction is to strengthen the Company's capital structure by increasing the portfolio of subsidiaries that can provide sustainable revenues for the Company and provide a positive contribution to shareholders and stakeholders.

The Company is engaged in forestry, plantation, mining, industry, property, trading, renewable energy and transportation.

The Company plans to acquire SEGHPL shares from PP in which the payments are made with Deposit amounting USD 234.31 million and with the issuance of new shares of the Company. By acquisition of the SEGHPL, it is expected that the Company's revenue will increase. Furthermore, SEGHPL is a holding companies in which its subsidiaries' are engaged in renewable energy and has a contract of electricity sales agreement with PT Perusahaan Listrik Negara (PLN) wherein the operating income of SEGHPL from year to year produces a relatively stable income without being affected by the conditions of world commodity prices. The expansion of business activities is expected to increase revenue and competitive advantage of the Company and is expected to strengthen the Company's business structure.

The Company will have a better capital structure that will also improve the Company's financial capability so it can invest and expand its business activities to a larger scale. Through the Proposed Acquisition, the Company will have a larger market capitalization supported by a portfolio in the renewable energy industry sector wherein SEGHPL is one of the geothermal power plant with an installed capacity of 875 MW, which capacity is one of the largest in the world. The capacity still has the potential to be developed and improved in the future.

Considerations of the Company to conduct transactions with affiliated companies compared to those with not having affiliation because until now the Company did not find any company with similar business with SEGHPL.

### B. Impact of the Proposed Transaction on the Company's Financial Condition

*(in thousand USD)*

Description	Before Proposed Transaction	After Proposed Transaction	Growth %
Asset	3,642,928	7,067,043	93.99%
Liabilities	1,626,029	4,199,832	158.29%
Equity	2,016,899	2,867,211	42.16%

*(in thousand USD)*

Description	Before Proposed Transaction	After Proposed Transaction	Growth %
Net Sales	2,452,847	2,874,502	17.19%
Cost of Revenues	1,913,202	2,040,533	6.66%
Net Profit	279,889	374,974	33.97%

### C. Capital Structure Before and After the Proposed Transaction

Assuming that the public will not exercise its Pre-Emptive Rights, the proforma capital structure and shareholder ownership of the Company before and after the Proposed Transaction in connection with Pre-Emptive Rights, are as follows:

#### The Company Structure After Proposed LPO II With Assumption that Public will Not Exercise Its Pre-Emptive Rights

Descriptions	Before LPO II			After LPO II		
	Number of Shares	Nominal Value (Rp 500.-/saham)	(%)	Number of Shares	Nominal Value (Rp 500.-/saham)	(%)
<b>Authorized Shares</b>	<b>55.800.000.000</b>	<b>27.900.000.000.000</b>		<b>55.800.000.000</b>	<b>27.900.000.000.000</b>	
<b>Issued and Fully Paid Shares</b>						
Standby Buyer				2.775.000.000	1.387.500.000.000	14,19%
Prajogo Pangestu (President Commissioner)	9.937.554.806	4.968.777.403.000	71,19%	12.762.554.806	6.381.277.403.000	65,25%
PT Barito Pacific Lumber	202.293.800	101.146.900.000	1,45%	202.293.800	101.146.900.000	1,03%
PT Tunggal Setia Pratama	64.120.000	32.060.000.000	0,46%	64.120.000	32.060.000.000	0,33%
Agus Salim Pangestu (President Director)	74.666	37.333.000	0,00%	74.666	37.333.000	0,00%
Others (less than 5.00% equity for each stockholder)	3.663.611.096	1.831.805.548.000	26,24%	3.663.611.096	1.831.805.548.000	18,73%
Sub-total	13.867.654.368	6.933.827.184.000	99,34%	19.467.654.368	9.733.827.184.000	99,53%
Treasury stock	92.131.200	46.065.600.000	0,66%	92.131.200	46.065.600.000	0,47%
<b>Total Issued and Fully Paid Shares</b>	<b>13.959.785.568</b>	<b>6.979.892.784.000</b>	<b>100,00%</b>	<b>19.559.785.568</b>	<b>9.779.892.784.000</b>	<b>100,00%</b>
<b>Total Portofolio Shares</b>	<b>41.840.214.432</b>	<b>20.920.107.216.000</b>		<b>36.240.214.432</b>	<b>18.120.107.216.000</b>	

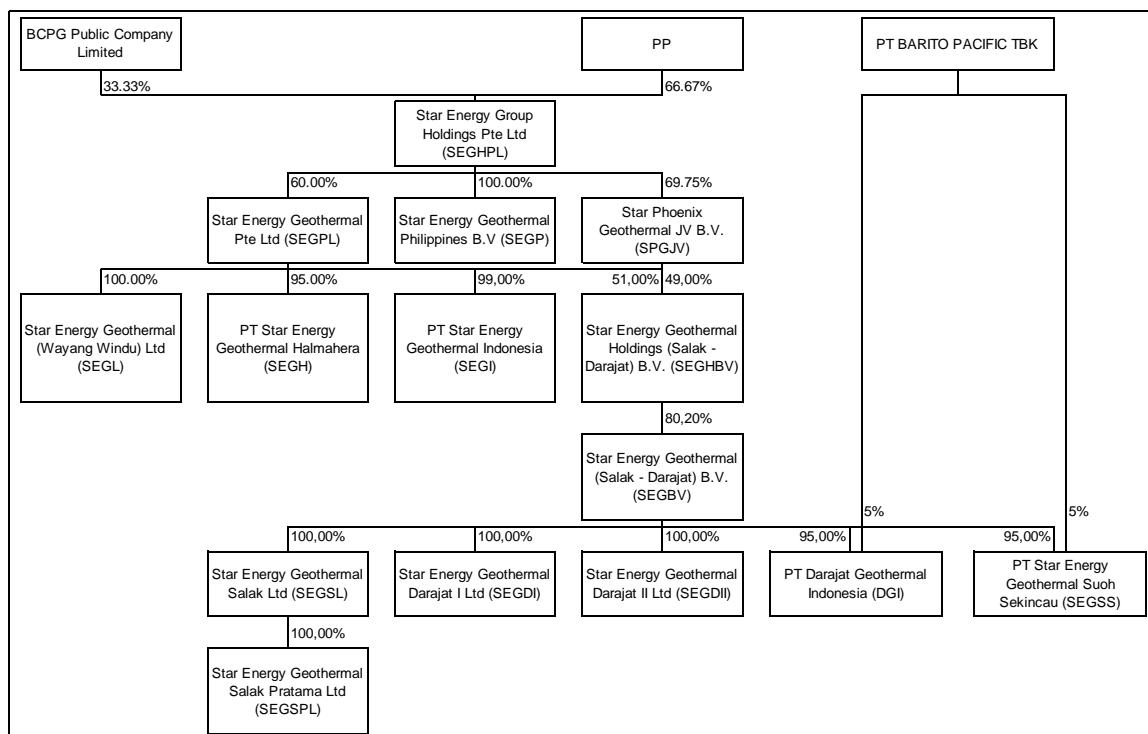
If the public exercises its Pre-Emptive Rights, the proforma capital structure and shareholder ownership of the Company before and after the Proposed Transaction in connection with Pre-Emptive Rights, are as follows:

#### The Company Structure After Proposed LPO II With Assumption that Public Exercises Its Pre-Emptive Rights

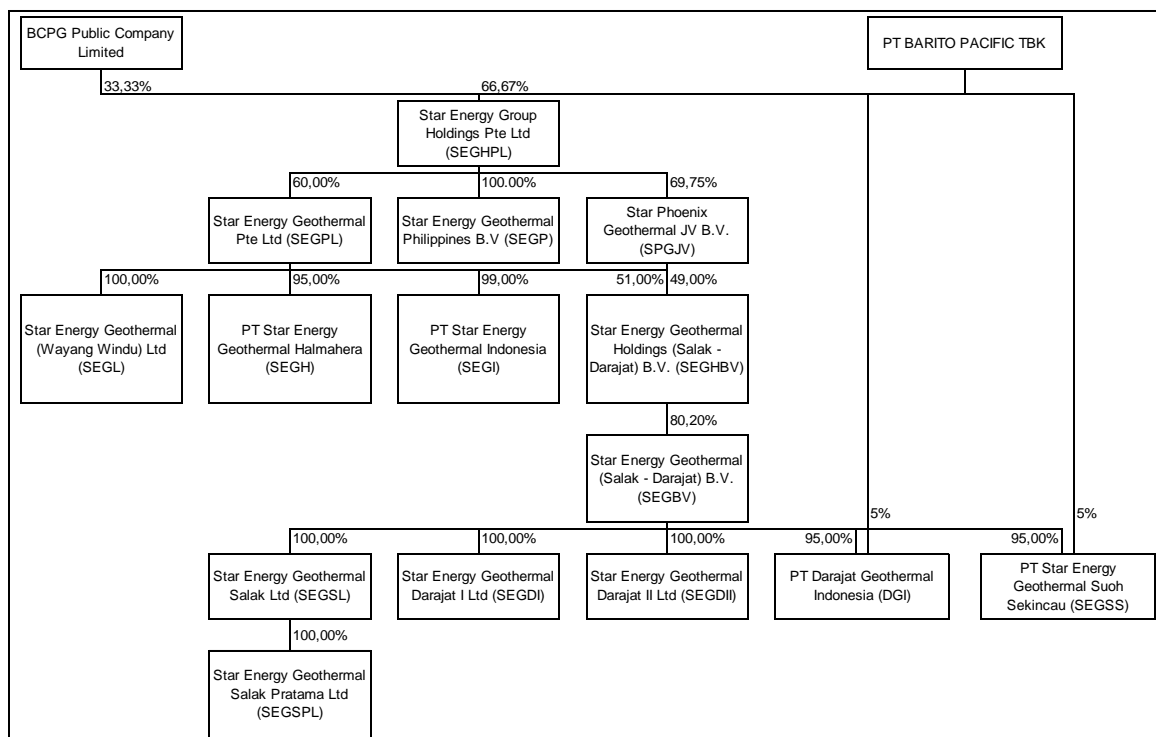
Descriptions	Before LPO II			After LPO II		
	Number of Shares	Nominal Value (Rp 500.-/saham)	(%)	Number of Shares	Nominal Value (Rp 500.-/saham)	(%)
<b>Authorized Shares</b>	<b>55.800.000.000</b>	<b>27.900.000.000.000</b>		<b>55.800.000.000</b>	<b>27.900.000.000.000</b>	
<b>Issued and Fully Paid Shares</b>						
Prajogo Pangestu (President Commissioner)	9.937.554.806	4.968.777.403.000	71,19%	13.924.027.710	6.962.013.855.040	71,32%
PT Barito Pacific Lumber	202.293.800	101.146.900.000	1,45%	283.444.422	141.722.210.934	1,45%
PT Tunggal Setia Pratama	64.120.000	32.060.000.000	0,46%	89.841.885	44.920.942.536	0,46%
Agus Salim Pangestu (President Director)	74.666	37.333.000	0,00%	104.618	52.309.219	0,00%
Others (less than 5.00% equity for each stockholder)	3.663.611.096	1.831.805.548.000	26,24%	5.133.277.090	2.566.638.545.171	26,29%
Sub-total	13.867.654.368	6.933.827.184.000	99,34%	19.430.695.726	9.715.347.862.900	99,53%
Treasury stocks	92.131.200	46.065.600.000	0,66%	92.131.200	46.065.600.000	0,47%
<b>Total Issued and Fully Paid Shares</b>	<b>13.959.785.568</b>	<b>6.979.892.784.000</b>	<b>100,00%</b>	<b>19.522.826.926</b>	<b>9.761.413.462.900</b>	<b>100,00%</b>
<b>Total Portofolio Shares</b>	<b>41.840.214.432</b>	<b>20.920.107.216.000</b>		<b>36.277.173.074</b>	<b>18.138.586.537.100</b>	

## D. Company Structure Before and After the Proposed Transaction

### Company Structure Before the Proposed Transaction



### Company Structure After the Proposed Transaction



## **IX. INDEPENDENT PARTIES APPOINTED FOR THE PROPOSED TRANSACTION**

The independent parties involved in the implementation of the Proposed Transaction are:

1. Purwanto, Sungkoro & Surja (a member of Ernst & Young Global Limited), a Public Accounting Firm that audits the consolidated financial statements of SEGHPL for the year ended 31 December 2017;
2. Satrio Bing Eny and Partners (a member of Deloitte Touche Tohmatsu Limited), a public accountant that reviews the proforma consolidated statements of financial positions and audits the consolidated financial statements of the Company for year ended 31 December 2017; and
3. KJPP Jennywati, Kusnanto & Rekan, as an independent appraisers that appraised the 66.67% shares of SEGHPL and provides fairness opinion on the Proposed Acquisition.
4. Assegaf Hamzah & Partners as a legal consultant providing legal advice to the Company in relation to the Proposed LPO II and the Proposed Acquisition.

## **X. SUMMARY OF VALUATION REPORT**

### Summary of Valuation Report on the 66.67% shares of SEGHPL

The following is the summary of the KJPP JKR valuation report on the 66.67% shares of SEGHPL as stated in its report No. JK/SV/180302-001 dated 2 March 2018.

a. Transacting Parties in Proposed Acquisition

Transacting parties in Proposed Acquisition is the Company and PP.

b. Valuation Object

The Valuation Object is the fair market value of the 66,67% shares of SEGHPL.

c. The Objective and Purpose of the Valuation

The objective of the valuation is to obtain an independent opinion on the fair market value of the Valuation Object stated in USD and/or its equivalency as of 31 December 2017.

The purpose of the valuation is to provide an overview on the fair market value of the Valuation Object which would then be used as a reference and consideration by the Company's management in accordance with the implementation of the Proposed Transaction as well as to comply with Regulation IX.E.1 and IX.E.2.

d. Limiting Conditions and Major Assumptions

The assumptions and limiting conditions used by KJPP JKR are as follows:

- Valuation report represents a non-disclaimer opinion;
- Reflects that KJPP JKR has conducted a review of the documents used in the valuation process;
- Reflects that the data and information obtained come from a reliable source of accuracy;
- Using the financial projections which have been adjusted to reflecting the financial projections made by management with its fiduciary duty;
- Reflect that KJPP JKR is responsible for conducting the valuation and fairness of financial projection;
- Produce an valuation report that open to the public unless there are confidential information, which may affect the Company's operations;
- Reflect that KJPP JKR is responsible for the valuation report and the conclusion of the final value along with its accuracy; and
- Reflect that KJPP JKR has obtained information on the legal status of the Valuation Object from the assignor.

e. The Valuation Approaches Applied

The valuation of the Valuation Object relied on internal and external analysis. Internal analysis was performed based on the data provided by the management, historical analysis on SEGHPL's statements of financial position and statements of comprehensive income, review of GHPL's operating conditions and management as well as resources. SEGHPL's prospect in the future was evaluated based on the business plans and financial statements projections provided by the management that JKR have reviewed the fairness and consistency. External analysis was performed based on brief review on external factors considered as the value drivers, including a brief review on the prospects of the related industry.

In applying the valuation methods to determine the indicative fair market value of a "business interest", it is essential to rely on representative financial statements (statements of financial position and statements of comprehensive income), therefore adjustments are required on the net book value of statements of financial position and the normalization of profit of statements of comprehensive income which are commonly prepared by the management based on historical figures. The company's book value as reflected in statements of financial position and statements of comprehensive income represents the acquisition value and does not reflect the economic value that can be used fully as a reference of the company's fair market value during the valuation.



f. The Valuation Methods Applied

The valuation methods applied in the Valuation Object were discounted cash flow method, adjusted net asset method and guideline publicly traded company method.

Discounted future economic income method was used considering that the operations carried out by SEGHPL in the future will still fluctuate according to the estimated SEGHPL's business development. In performing the valuation through this method, SEGHPL's operations were projected based on the estimated SEGHPL's business development. Future cash flows generated by financial statements projections were converted into the present value using an appropriate discount rate to the level of risks. Indicative value was the total present value of future cash flows.

In performing the valuation using asset accumulation method, the value of all components of assets and liabilities should be adjusted to its market value or its fair market value, except for component that has indicated its market value (such as cash/bank or bank loan). Overall market value of the company was then obtained by calculating the difference between the market value of all assets (tangible and intangible) and the market value of liabilities.

Guideline publicly traded company method was used in the valuation despite the unavailability of information for similar companies with similar business scale and assets in public companies stock market, but it is expected that the available public companies stock data could be used as comparative data for the value of shares owned by SEGHPL.

The approaches and valuation methods above were considered to be the most suitable to be applied in this assignment and had been approved by the management of SEGHPL. It is possible that application of other valuation approaches and methods may give different results.

Furthermore, the values obtained from each methods are reconciled by weighting.

g. Conclusion

Based on the analysis of all data and information that KJPP JKR have received and by considering all relevant factors affecting the valuation, therefore in KJPP JKR opinion, the fair market value of the Valuation Object as of 31 December 2017 is USD 786 million.

## Summary of the Fairness Opinion Report of Proposed Acquisition

The summary of the KJPP JKR fairness report on the Proposed Acquisition as stated in report No. JK/FO/180302-002 dated 2 March 2018 is as follows:

### a. Transacting Parties in Proposed Acquisition

Transacting parties in Proposed Acquisition is the Company and PP.

### b. The Transaction Object of Fairness Opinion

The transaction object in the Fairness Opinion of the Proposed Acquisition is the Company's plan to acquisition of 66.67% shares SEGHPL from PP with transaction value amounting USD 755.00 million.

### c. Purpose and Objective of the Fairness Opinion

Purpose and objective of the preparation of the Fairness Opinion on the Proposed Acquisition is to provide an overview on the fairness of the Proposed Acquisition to the Company's Directors and to comply with the applicable regulations, i.e. Rule IX.E.1 and Rule IX.E.2.

### d. Limiting Conditions and Major Assumptions

The assumptions and limiting conditions used by KJPP JKR are as follows:

- Fairness Opinion report represents a non-disclaimer opinion;
- Reflects that KJPP JKR has conducted a review of the documents used in the Fairness Opinion process;
- Reflects that the data and information obtained come from a reliable source of accuracy;
- Using the financial projections which have been adjusted to reflecting the financial projections made by management with its fiduciary duty;
- Reflect that KJPP JKR is responsible for conducting the valuation and fairness of financial projection;
- Produce an Fairness Opinion Report that open to the public unless there are confidential information, which may affect the Company's operations;
- Reflect that KJPP JKR is responsible for the Fairness Opinion Report and the conclusion of the final value along with its accuracy; and
- Reflect that KJPP JKR has obtained information on the legal status of the Valuation Object from the assignor.

### e. Approaches and Procedures of the Fairness Opinion on the Proposed Acquisition

In evaluating the Fairness Opinion on the Proposed Acquisition, KJPP JKR had performed analysis through the approaches and procedures of the Fairness Opinion on the Proposed Acquisition as follows:

#### I. Analysis of the Proposed Acquisition;

Analysis of the Proposed Acquisition is conducted based on the information regarding the Proposed Acquisition that was given by the Company's management, which are:

The Company's plan to acquire 66,67% SEGHPL's shares from PP with the transaction value of USD 755 million.

The Proposed Acquisition is an affiliated transaction dan material transaction as referred to in Regulation IX.E.1 and Regulation IX.E.2

II. Qualitative and quantitative analysis of the Proposed Acquisition; and

Qualitative and Quantitatives analysis of the Proposed Acquisition is conducted by reviewing on the geothermal industry that will give an general insight to the development of performance of geothermal industry in the world and in Indonesia, conducted analysis on the operational activity and the Company's business prospects, reasoning on the Proposed Acquisition, profit and loss of the Proposed acquisition and to conduct analysis on the performance of the audited financial history of the Company and SEGHPL for the year ended on 31 December 2013 – 2017. Furthermore, JKR is conducted analysis on proforma report and incremental analysis on the Proposed Acquisition whereas based on the projection that is organized by the management of the Company, the Company expects to increase the liquidity ration after the Proposed Acquisition.

III. Analysis of the fairness on the Proposed Acquisition.

Analysis of the fairness of the Proposed Acquisition is conducted by conducting a qualitative and quantitative analysis of the Proposed Acquisition. Qualitative analysis is conducted by observe the benefit and risks and also the profit potential from the Proposed Acquisition to all the shareholders of the Company. Furthermore, the quantitative analysis is conducted by observing the profit potential before and after the Proposed Acquisition is reviewed from the Company's financial projection.

f. 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 Proposed Acquisition as disclosed in the fairness opinion report, therefore in JKR's opinion, the Proposed Acquisition is fair.

## **XI. SUMMARY OF CONSOLIDATED FINANCIAL STATEMENT PROFORMA REPORT**

The figures presented in the following is the summary of important financial data that are taken from the proforma consolidated financial statements as of 31 December 2017 assuming the Proposed Transaction has occurred since 1 January 2017 in which KAP SBE provides an independent practitioner's assurance report on the compilation of pro forma consolidated financial statement. The proforma consolidated statement of financial position are prepared based on the historical consolidated financial statements as of 31 December 2017 of the Company and its subsidiaries which have been audited by KAP SBE.

Management's assumptions to show what the significant effects on the historical consolidated financial statements as of 31 December 2017 had the Transactions occurred on 1 January 2017, are described below:

1. The acquisition of additional 66.7% in the equity interest of SEGHPL was based on the 31 December 2017 audited consolidated financial statements of SEGHPL and its subsidiaries prepared in accordance with the Indonesian Financial Accounting Standards.
2. Consideration transferred for the acquisition of the 66.7% ownership interest of the total subscribed and paid-up capital of SEGHPL amounting to USD 755,000 thousand comprise the Deposits amounting to USD 755,000 thousand comprise the Deposits amounting USD 234,313 thousand and the remainder was assumed to be paid with the Company's shares issued in the LPO II Plan, which will be subscribed by PP.

On the issuance date of the report on the compilation of pro forma consolidated financial information, the fair value of the contingent consideration obligation was nil based on the independent appraisal report of KJPP JKR No. JK/LA/180302-003 dated 2 March 2018.

3. For the purpose of these proforma consolidated financial information, the Company assumes that the share to be issued under LPO II are 5,600,000,000 shares with par value Rp 500 per share or total amount of Rp 2,800,000 million (equivalent to USD 208,395 thousand assuming an exchange rate of Rp 13,436 per 1 USD – middle rate of Bank Indonesia on 1 January 2017) are accounted as a capital stock. The differences in the expected fund generated from LPO II, which is USD 1,000,000 thousand, after deducting the nominal value and issuance cost is recognized as additional paid-in capital.

For the purpose of these pro forma consolidated financial information, direct share issuance costs of USD 50,000 thousand related to LPO II, are assumed to be financed through the net proceeds of LPO II.

The Capital stock and additional paid-in capital recorded at historical cost net of share issuance cost.

The net proceeds from LPO II after being used for the acquisition of SEGHPL are presented as other accounts receivable amounting to USD 429,313 thousand.

4. The acquisition of SEGHPL's shares is accounted in accordance with PSAK 38, Business Combinations Under Common Control. The difference between the book value of SEGHPL's identifiable net assets and consideration transferred including estimated transaction cost directly related to the acquisition amounting to USD 461,188 thousand are recorded as additional paid-in capital.

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**31 December 2017**

	PT Barito Pacific Tbk and its subsidiaries	Star Energy Groups Holding Pte, Ltd and its subsidiaries	Total	Proforma Adjustments	Proforma Consolidated Statement of Financial Position After the Effects of the Transactions
	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	880.973	25.275	906.248	-	906.248
Restricted cash in banks	20.845	115.272	136.117	-	136.117
Trade accounts receivable from third parties	206.041	111.343	317.384	(5)	317.379
Other accounts receivable from third parties	11.300	-	11.300	429.313	440.613
Finance lease receivables	-	4.854	4.854	-	4.854
Inventories - net	241.581	15.775	257.356	-	257.356
Prepaid taxes	86.906	-	86.906	-	86.906
Advances and prepaid expenses	34.734	-	34.734	-	34.734
Other current assets	21.677	26.878	48.555	-	48.555
<b>Total Current Assets</b>	<b>1.504.057</b>	<b>299.397</b>	<b>1.803.454</b>	<b>429.308</b>	<b>2.232.762</b>
<b>NONCURRENT ASSETS</b>					
Other accounts receivable from third parties	-	55.299	55.299	-	55.299
Finance lease receivables	-	405.566	405.566	-	405.566
Spare parts and supplies	-	19.404	19.404	-	19.404
Deferred tax assets - net	607	-	607	-	607
Advances on investment	234.313	-	234.313	(234.313)	-
Investments in subsidiaries	-	-	-	755.000 (83.655) (671.345)	-
Investments in associates and joint venture	38.880	-	38.880	-	38.880
Other financial assets - noncurrent	1.274	-	1.274	-	1.274
Advances for purchase of property, plant and equipment	10.830	-	10.830	-	10.830
Derivative financial assets	2.270	-	2.270	-	2.270
Industrial timber plantations - net	8.239	-	8.239	-	8.239
Plantation assets - net	40.628	-	40.628	-	40.628
Investment properties - net	10.669	-	10.669	-	10.669
Asset on operating lease	-	318.705	318.705	-	318.705
Property, plant and equipment - net	1.705.253	419.508	2.124.761	-	2.124.761
Restricted cash in banks	18.457	-	18.457	-	18.457
Claims for tax refund	62.710	-	62.710	-	62.710
Intangible assets	-	1.685.213	1.685.213	-	1.685.213
Deferred charges	-	27.561	27.561	-	27.561
Other noncurrent assets	4.741	-	4.741	(1.533)	3.208
<b>Total Noncurrent Assets</b>	<b>2.138.871</b>	<b>2.931.256</b>	<b>5.070.127</b>	<b>(235.846)</b>	<b>4.834.281</b>
<b>TOTAL ASSETS</b>	<b>3.642.928</b>	<b>3.230.653</b>	<b>6.873.581</b>	<b>193.462</b>	<b>7.067.043</b>

	PT Barito Pacific Tbk and its subsidiaries US\$ '000	Star Energy Groups Holding Pte, Ltd and its subsidiaries US\$ '000	Total US\$ '000	Proforma Adjustments US\$ '000	Proforma Consolidated Statement of Financial Position After the Effects of the Transactions US\$ '000
<b>LIABILITIES AND EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Trade accounts payable to third parties	482.961	659	483.620	(5)	483.615
Other accounts payable and advance payments received	16.529	2.791	19.320	-	19.320
Taxes payable	17.345	36.533	53.878	-	53.878
Accrued expenses	15.521	45.616	61.137	-	61.137
Current maturities of long-term loans					
Long-term loans	340.767	132.300	473.067	-	473.067
Total Current Liabilities	873.123	217.899	1.091.022	(5)	1.091.017
<b>NONCURRENT LIABILITIES</b>					
Deferred tax liabilities - net	141.310	746.879	888.189	-	888.189
Other accounts payable to third parties	-	7.075	7.075	-	7.075
Long-term liabilities - net of current maturities:					
Long-term loans	216.375	1.584.008	1.800.383	-	1.800.383
Bonds payable	355.572	-	355.572	-	355.572
Derivative financial liabilities	1.346	4.026	5.372	-	5.372
Post-employment benefits obligation	36.013	13.921	49.934	-	49.934
Decommissioning cost	2.290	-	2.290	-	2.290
Total Noncurrent Liabilities	752.906	2.355.909	3.108.815	-	3.108.815
<b>TOTAL LIABILITIES</b>	<b>1.626.029</b>	<b>2.573.808</b>	<b>4.199.837</b>	<b>(5)</b>	<b>4.199.832</b>
<b>EQUITY</b>					
<b>Equity attributable to owners of the Company</b>					
Capital stock	811.899	840.010	1.651.909	208.395 (840.010)	1.020.294
Additional paid-in capital	161.600	-	161.600	741.605 (461.188)	442.017
Difference due to change in equity of subsidiary	-	-	-	(117.089)	(117.089)
Other equity components	179.189	(608.560)	(429.371)	608.560	179.189
Other comprehensive income	(203.931)	-	(203.931)	-	(203.931)
Retained earnings	126.675	83.770	210.445	33.434 (83.770)	160.109
Total	1.075.432	315.220	1.390.652	89.937	1.480.589
Less costs of treasury stock	(4.576)	-	(4.576)	-	(4.576)
<b>Total Equity attributable to the owners of the Company</b>	<b>1.070.856</b>	<b>315.220</b>	<b>1.386.076</b>	<b>89.937</b>	<b>1.476.013</b>
<b>Non-controlling interests</b>	<b>946.043</b>	<b>341.625</b>	<b>1.287.668</b>	<b>105.063 (1.533)</b>	<b>1.391.198</b>
<b>TOTAL EQUITY</b>	<b>2.016.899</b>	<b>656.845</b>	<b>2.673.744</b>	<b>193.467</b>	<b>2.867.211</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>3.642.928</b>	<b>3.230.653</b>	<b>6.873.581</b>	<b>193.462</b>	<b>7.067.043</b>

**PROFORMA CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
For Year Ended 31 December 2017**

	PT Barito Pacific Tbk and its subsidiaries	Star Energy Groups Holding Pte. Ltd and its subsidiaries	Total	Proforma Adjustments	Proforma Consolidated Statement Profit or Loss and Other Comprehensive Income After the Effect of the Transactions
	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000
<b>NET REVENUES</b>	2.452.847	422.909	2.875.756	(1.254)	2.874.502
<b>COST OF REVENUES AND DIRECT COSTS</b>	1.913.202	128.585	2.041.787	(1.254)	2.040.533
<b>GROSS PROFIT</b>	539.645	294.324	833.969	-	833.969
Selling expenses	(44.192)	-	(44.192)	-	(44.192)
General and administrative expenses	(50.409)	-	(50.409)	-	(50.409)
Finance costs	(59.707)	(100.909)	(160.616)	-	(160.616)
Loss on foreign exchange - net	(2.729)	(381)	(3.110)	-	(3.110)
Share in loss of associates and joint venture - net	(8.517)	-	(8.517)	-	(8.517)
Other gains and losses - net	11.313	2.543	13.856	-	13.856
<b>PROFIT BEFORE TAX</b>	385.404	195.577	580.981	-	580.981
<b>INCOME TAX EXPENSE - NET</b>	(105.515)	(104.999)	(210.514)	-	(210.514)
<b>PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>	279.889	90.578	370.467	-	370.467
<b>DISCONTINUED OPERATIONS</b>					
Profit after income tax expense from discontinued operations	-	4.507	4.507	-	4.507
<b>PROFIT FOR THE YEAR</b>	279.889	95.085	374.974	-	374.974
<b>OTHER COMPREHENSIVE INCOME</b>					
Items that will not be reclassified subsequently to profit or loss: Remeasurement of defined benefits obligation, net of tax	(1.703)	(3.336)	(5.039)	-	(5.039)
Items that may be reclassified subsequently to profit or loss: Effective portion of changes in fair value of cashflow hedge	-	(4.026)	(4.026)	-	(4.026)
Foreign currency translation adjustment	2.115	-	2.115	-	2.115
Unrealized loss on available- for-sale securities	(18)	-	(18)	-	(18)
Total other comprehensive income (loss) for the year	394	(7.362)	(6.968)	-	(6.968)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	280.283	87.723	368.006	-	368.006
<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO:</b>					
Owners of the Company					
from continuing operations	118.116	49.604	167.720	(16.533)	151.187
from discontinued operations	-	4.513	4.513	(1.504)	3.009
Non-controlling interests					
from continuing operations	161.773	40.968	202.741	16.533	219.274
from discontinued operations	-	-	-	1.504	1.504
<b>Profit for the year</b>	279.889	95.085	374.974	-	374.974
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:</b>					
Owners of the Company					
from continuing operations	119.266	45.613	164.879	(15.203)	149.676
from discontinued operations	-	4.535	4.535	(1.512)	3.023
Non-controlling interests					
from continuing operations	161.017	37.575	198.592	15.203	213.795
from discontinued operations	-	-	-	1.512	1.512
<b>Total Comprehensive Income for the Year</b>	280.283	87.723	368.006	-	368.006

## **XII. BOARDS OF COMMISSIONERS AND DIRECTORS STATEMENTS**

The Boards of Commissioners and Directors stated that they had studied carefully the informations provided regarding the Proposed Acquisition as described in this Disclosure Information, all of the material information regarding to the transaction have been disclosed in the Disclosure Information and the material information is correct and not misleading. Furthermore, the Boards of Commissioners and Directors declared fully responsible for the correctness of all information contained in this Disclosure Information.

## **XIII. EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

Extraordinary General Meeting of Shareholders (EGMS) of the Company regarding the Proposed Acquisition and Capital Increase by Issuing Pre-Emptive Rights will be held on Wednesday, 11 April 2018 at 10.00 WIB at Wisma Barito Pacific Tower B, M Floor, Jl. Let. Jend. S. Parman Kav. 62-63, Jakarta 11410 with the following Agenda:

1. Approval on the capital increase of the Company by issuing Pre-Emptive Rights to the Company's shareholders through a limited public offering mechanism in accordance with POJK 32/2015.
2. Approval on the amendment of Article 4 paragraph (2) of the Company's articles of association in regarding the exercise of Pre-Emptive Rights.

Pursuant to Article 12 of the Company's Articles of Association and Article 26 of the Financial Services Authority Regulation Number 32/POJK.04/2014 concerning Proposed and Implementation of the Company's General Meeting of Shareholders as amended by Financial Services Authority Regulation No. 10/POJK.04/2017 ("**POJK 32/2014**"), Agenda 1 and 2 of EGMS may be held under the following conditions:

- i. GMS shall be held if the EGMS is attended by shareholders representing more than 1/2 (one half) of the total number of shares with valid voting rights.
- ii. The resolutions of the EGM as referred to in point i above shall be valid if it is approved by more than 1/2 (one half) of total votes cast at the GMS.
- iii. In the event that the quorum referred to in point 1 above is not reached, the second EGM shall be held provided that the second EGM is attended by shareholders representing at least 1/3 (one third) of the total number of shares with valid voting rights.
- iv. The second EGMS decision shall be valid if it is approved by more than 1/2 (one half) of all shares with voting rights present at the EGM.
- v. In the event that the quorum of attendance at the second GMS referred to in Point iii above is not reached, the third EGMS may be held if it is attended by shareholders with valid voting rights and quorum determined by The Financial Services Authority upon request by the Public Company.



3. Approval on the proposed acquisition of 66.67% shares in SEGHPL, which is a material transaction as referred to in Regulation IX.E.2.

Based on Article 16 paragraph (2) of the Company's articles of association and Article 28 of POJK 32/2014, the approval by GMS for acquisition shall be conducted under the following conditions:

- i. EGMS shall be held if the GMS is attended by shareholders representing at least 3/4 (three fourths) of the total number of shares with valid voting rights.
- ii. The resolutions of the EGMS as referred to in point i above shall be valid if it is approved by more than 3/4 (three fourths) of total votes cast at the GMS.
- iii. In the event that the quorum referred to in point 1 above is not reached, the second EGMS shall be held provided the second EGMS is attended by shareholders representing at least 2/3 (two thirds) of the total shares with valid voting rights.
- iv. The second EGMS decision shall be valid if it is approved by more than 3/4 (three fourths) of total votes cast at the GMS.
- v. In the event that the quorum of attendance at the second GMS referred to in Point iii above is not reached, the third EGMS may be held if it is attended by shareholders with valid voting rights and quorum determined by The Financial Services Authority upon request by the Public Company.

The Company have made an announcement that the EGM will be held on March 5, 2018 through Bisnis Indonesia newspaper, Indonesia Stock Exchange website and the Company's website.

**In the event that the Proposed Transaction did not get the approval from the EGM, the proposed transaction can be submitted again after 12 (twelve) months from the enforcement of EGM.**

#### **XIV. ADDITIONAL INFORMATION**

For more informations, please contact The Company at:

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