DISCLOSURE OF INFORMATION
IN RELATION TO AFFILIATED TRANSACTIONS

PT MEDCO ENERGI INTERNASIONAL TBK

(the "COMPANY")

This Disclosure of Information is made and prepared in order to comply with Bapepam and LK Regulation No. IX.E.1 on Affiliated Transactions and Conflicts of Interest of Certain Transactions ("**Rule No. IX.E.1**") and Financial Services Authority Regulation No. 31/POJK.04/2015 dated 16 December 2015 on the Disclosure of Material Information or Facts by Issuers or Public Companies ("**OJK Regulation No. 31/2015**").

PT MEDCO ENERGI INTERNASIONAL TBK ("COMPANY")

Main Business Activity:
Exploration, mining and production of oil, natural gas and power generation
Located in South Jakarta, Indonesia.

Head Office:
The Energy Building 53rd – 55th Floor SCBD Lot 11 A
Jalan Jenderal Sudirman
Jakarta 12920 – Indonesia
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This Disclosure of Information is important to be read and considered by the Company's Shareholders regarding Affiliated Transactions.

If You experience any difficulty in understanding the information contained herein, you should consult with a stockbroker, investment manager, legal counsel, public accountant or other professional advisors.

The Company's Board of Directors and Board of Commissioners, whether severally or jointly, are fully responsible for the completeness and accuracy of all the information or material facts contained herein, and hereby state that the information stated herein is correct and that there are no material facts omitted which may cause the material information stated herein to be untrue and/or misleading.

Jakarta, 2 July 2019
Board of Directors

DEFINITIONS

Bapepam-LK	:	The Capital Market and Financial Institution Supervisory Agency (*Badan Pengawas Pasar Modal dan Lembaga Keuangan*) as referred to in Decree of the Minister of Finance of the Republic of Indonesia No. 184/PMK.01/2010 dated 11 October 2010 concerning Organization and Working Procedures of the Capital Market and Financial Institution Supervisory Agency, formerly known as the Capital Market Supervisory Agency as referred to in Article 3 paragraph (1) of the Capital Market Law (as defined below), which has currently been taken over by OJK (as defined below).
BDM	:	PT Bahtera Daya Makmur, a limited liability company incorporated under laws of Republic of Indonesia, domiciled in Jakarta.
MOLHR	:	The Ministry of Law and Human Rights of the Republic of Indonesia.
Disclosure of Information	:	The Company's Disclosure of Information issued on 2 July 2019 in relation to (i) the disposal of 35% participating interest of South Sumatera Block PSC from MEPI to MDM, and (ii) the disposal of 35% participating interest of Rimau Block South Sumatera PSC from MEPR to BDM.
MDM	:	PT Medco Daya Makmur, a limited liability company incorporated under the laws of the Republic of Indonesia, domiciled in Jakarta.
MEPI	:	PT Medco E&P Indonesia, a limited liability company incorporated under the laws of the Republic of Indonesia, domiciled in Jakarta.
MEPR	:	PT Medco E&P Rimau, a limited liability company incorporated under the laws of the Republic of Indonesia, domiciled in Jakarta.
MOLHR	:	The Minister of Law and Human Rights of the Republic of Indonesia.
OJK	:	The Financial Services Authority (*Otoritas Jasa Keuangan*), which has effectively taken over the functions, duties and authority of regulating and supervising financial services activities in the capital market sector from Bapepam-LK since 31 December 2012 under the provisions of Law No. 21 of 2011 on the Financial Services Authority.
Rule No. IX.E.1	:	Rule No. IX.E.1 on Affiliated Transactions and Conflicts of Interest on Certain Transactions, Attachment to the Decree of the Head of the Capital Market and Financial Institution Supervisory Agency No. Kep-412/BL/2009 dated 25 November 2009.
Company	:	PT Medco Energi Internasional Tbk, a limited liability company incorporated under the laws of the Republic of Indonesia, domiciled in Jakarta.

POJK No. 31/2015	:	Financial Services Authority Regulation No. 31/POJK.04/2015 dated 16 December 2015 on the Disclosure of Information or Material Facts by Issuers or Public Companies.
Transaction	:	Transaction of (i) disposal of 35% participating interest of South Sumatera Block PSC from MEPI to MDM, and (ii) disposal of 35% participating interest of Rimau Block South Sumatera PSC from MEPR to BDM.

I. INTRODUCTION

This Disclosure of Information is made in connection with the transaction of (i) the disposal of 35% participating interest of South Sumatera Block PSC from MEPI to MDM, and (ii) the disposal of 35% participating interest of Rimau Block South Sumatera PSC from MEPR to BDM ("**Transaction**").

In light with the foregoing and considering that most of the conditions have been obtained in accordance with: (i) Conditional Sales and Purchase of Shares Agreement dated 31 May 2019 made between MEPI and MDM and (ii) Conditional Sales and Purchase of Shares Agreement dated 31 May 2019 made between MEPR and BDM, namely (i) the full payment of Purchase Price in accordance with Article 3 and (ii) the issuance of fairness opinion from the independent appraiser, the Company intends to announce the Transaction prior to the completion. The Completion is currently still awaiting the relevant government institution's approval in connection with the Transaction. Furthermore, the Company will announce additional information on Information Disclosure after the Company has obtained the said approval.

The transaction on the transfer of shares above is an Affiliated Transaction pursuant to Rule No. IX.E.1.

The Company's Board of Directors and Board of Commissioners, severally or jointly, hereby states that this Transaction does not contain a Conflict of Interest as contemplated under Rule No. IX.E.1.

In connection with the matters referred to above, consistent with the provisions of Rule No. IX.E.1, the Board of Directors of the Company shall announce this Disclosure of Information with the objective to provide complete information and a full description to the shareholders of the Company regarding the Transaction that has been entered into between the Company, MDM and BDM.

There are no negative covenants that requires the Company to obtain prior consent/approval from third parties in connection with the Transaction.

II. TRANSACTION

A. BACKGROUND, REASONS AND BENEFITS OF THE TRANSACTION

The Company believes that the assets disposal will provide benefit and positive impact to the Company stakeholders and Shareholders of the Company provided that the purchase price as agreed with the purchaser is appropriate and has a good value for the condition of the MEPI and MEPR.

Upon completion of the transaction, the Company will obtain benefits, amongst others, an additional funding which can be used for the strengthen of cash flows, the proposed working capital and provide more benefits for investments that have been carried out by shareholders, including the public shareholders.

B. DESCRIPTION OF THE TRANSACTION

1. Parties to the Transaction

a. MEPI

MEPI was established with the status as N.V with the name of N.V Standart Vacuum Sales Company. Which then changed to PT Stanvac Indonesia and

thereafter changed to PT Exspan Sumatera as stipulated in the Deed of Minutes of Meeting of PT Stanvac Indonesia No. 68 dated 17 January 1996 made before Poerbaningsih Adi Warsito, S.H., Notary in Jakarta. In 2004, PT Exspan Sumatera changed its name to PT Exspan Nusantara as stipulated in the Deed of Minutes of Meeting No. 30 dated 14 March 2000, made before Maria Theresia Suprapti, S.H., Notary in Jakarta. Furthermore, PT Exspan Nusantara changed its name to PT Medco E&P Indonesia pursuant to the Deed of Minutes of Meeting of Shareholders No. 79 dated 30 March 2004, which has been approved by the MOLHR by its Decree No. C-09341HT.01.04.TH.2004 dated 19 April 2004 and announced in the State Gazette No. 7 dated 5 January 2005, Supplement No. 860.

The current Articles of Association of MEPI are stipulated in the Deed of Minutes of Meeting of Shareholders No. 21 dated 13 June 2008 made before Karlita Rubianti, S.H., Notary in Jakarta, which has been approved by the MOLHR by its Decree No. AHU-47683.AH.01.02.Tahun 2008 dated 5 August 2008 and registered in the Company Register maintained by the MOLHR under No. AHU-006811.AH.01.09.Tahun 2008 dated 5 August 2008 ("**Deed No. 21/2008**"). Deed No. 21/2008 amend the Articles of Association of MEPI in accordance with the Company Law.

The shareholding composition of MEPI pursuant to the Deed of Minutes of Meeting No. 21 dated 16 December 2009, made before Karlita Rubianti, S.H., Notary in Jakarta, which has been notified to the MOLHR pursuant to the Acknowledgment Letter No. AHU-AH.01.10-04613 dated 23 February 2019 and register in the Company Register maintained by the MOLHR under No. AHU-0014290.AH.01.09.Tahun 2010 dated 23 February 2010, with the following details:

Description	Nominal Value Rp500 per Share		
	Total Shares	Total Nominal Value (Rp)	(%)
Authorized Capital	8.000.000	4.000.000.000	
Issued and Paid-up Capital			
1. The Company	2.000.000	1.000.000.000	99,99
2. PT Medco Energi Nusantara	100	50.000	0,01
Total of Issued and Paid-up Capital	**2.000.100**	**1.000.050.000**	**100,00**
Portfolio Shares	**5.999.900**	**2.999.950.000**	

The composition of the Board of Directors and Board of Commissioners of MEPI as of the date of this Disclosure of Information is as follows:

<u>Board of Commissioners</u>
President Commissioner : Hilmi Panigoro
Commissioner : Yani Yuhani Panigoro

<u>Director</u>
President Director : Ronald Gunawan
Director : Amri Siahaan

b. MEPR

MEPR was established under the name of PT Exspan Rimau pursuant to the Deed of Establishment No. 93 dated 19 December 2000, made before Raden Roro Hariyanti Poerbiantari, S.H., Notary in Jakarta and has been ratified by the MOLHR by its Decree No. C-04738HT.01.01.TH.2002 dated 21 March 2002 and has been announced in the State Gazette No. 44 dated 3 June 2003, Supplement No. 4339. In 2004, PT Exspan Rimau changed its name to PT Medco E&P Rimau pursuant to the Deed No. 80 dated 30 March 2004, made before Poerbaningsih Adi Warsito S.H., Notary in Jakarta, and has been approved by the MOLHR by its Decree No. C-09589HT.01.01.TH.2004 dated 20 April 2004.

The current Articles of Association of MEPR are stipulated in the Deed of Minutes of Meeting No. 45 dated 15 August 2008, made before Karlita Rubianti, S.H., Notary in Jakarta, which has been approved by the MOLHR by its Decree No. AHU-76553.AH.01.02.Tahun 2008 dated 22 October 2008 and registered in the Company Register by the MOLHR under No. AHU-0099212.AH.01.09.Tahun 2008 dated 22 October 2008 and has been announced in the State Gazette No. 11 dated 6 February 2009, Supplement No. 3489 ("**Deed No. 45/2008**"). Deed No. 45/2008 amend the Articles of Association of MEPI in accordance with the Company Law.

The shareholding composition of MEPR pursuant to the Deed of Minutes of Meeting No. 26 dated 7 September 2009, made before Karlita Rubianti, S.H., Notary in Jakarta, which has been notified to the MOLHR pursuant 4 November 2009 and register in the Company Register maintained by the MOLHR under No. AHU.0072652.AH.01.09.Tahun 2009 dated 4 November 2009, with the following details:

Description	Nominal Value Rp1.000 Per Share		
	Total Shares	Total Nominal Value (Rp)	(%)
Authorized Capital	1.000.000	1.000.000.000	
Issued and Paid-up Capital			
1. The Company	249.975	249.975.000	99,99
2. PT Medco Energi Nusantara	25	25.000	0,01
Total of Issued and Paid-up Capital	**250.000**	**250.000.000**	**100,00**
Portfolio Shares	**750.000**	**750.000.000**	

The composition of the Board of Directors and Board of Commissioners of MEPR as of the date of this Disclosure of Information is as follows:

Board of Commissioners
Commissioner : Hilmi Panigoro

Director
President Director : Ronald Gunawan
Director : Amri Siahaan

c. BDM

BDM was incorporated based on Deed of Establishment No. 4 dated 13 February 2018, drawn up before Siti Rumondang Bulan Lubis, S.H., M.Kn., Notary in Jakarta. The deed has been ratified by the MOLHR by virtue of

Decree No. AHU-0007857.AH.01.01.Tahun 2018 dated 14 February 2018, and has been registered in the Company Register maintained by the MOLHR under No. AHU-0021261.AH.01.11.Tahun 2018 dated 14 February 2018. BDM registered office is at The Energy, 53rd Floor, SCBD Lot. 11-A, Jl. Jendral Sudirman Kav. 52-53, Senayan, Kebayoran Baru, South Jakarta.

BDM has amended its article of associations. The latest article of associations of BDM is stated in Deed of Shareholders Statement No. 07 dated 24 April 2019 drawn before Siti Meitha Herianti Eka Putri, S.H., M.Kn., Notary in Bekasi which has been approved by MOLHR based on Decree No. AHU-0023281.AH.01.02.Tahun 2019 dated 30 April 2019 and has been registered in the Company Register maintain by MOLHR under No. AHU-0069699.AH.01.11.Tahun 2019 dated 30 April 2019.

Based on Article 3 of the BDM's Articles of Association, BDM conducts business activities in:

- Activities of holding companies;
- Leasing and leasing without option rights for cars, buses, trucks and the like;
- Leasing and leasing without option rights for machinery, equipment and other tangible goods; and
- Large trade in machinery, equipment and equipment.

The composition of the Board of Directors and the Board of Commissioners of BDM as to the date of this Disclosure of Information is stipulated as follows:

The capital structure and shareholders composition of BDM as of the date of this Disclosure of Information is as follows:

Information	**Nominal Value of Rp1.000 per Share**		
	Shares	**Nominal Value (Rp)**	**(%)**
Authorized Capital	100.000.000	100.000.000.000	
Paid-up and Issued Capital			
1. PT Medco Daya Abadi Lestari	49.999.999	49.999.999.000	99,99
2. Hilmi Panigoro	1	1.000	0,01
Total Paid-up and Issued Capital	**50.000.000**	**50.000.000.000**	**100,00**
Portfolio Shares	**50.000.000**	**50.000.000.000**	

Composition of Board of Directors and Board of Commissioners as at the date of this Disclosure of Information is as follows:

<u>Board of Directors</u>
Director : Hannibal S. Anwar

Board of Commissioners
Commissioner : Hilmi Panigoro

d. MDM

MDM was incorporated based on Deed of Establishment No. 3 dated 13 February 2018, drawn up before Siti Rumondang Bulan Lubis, S.H., M.Kn.,

Notary in Jakarta. The deed has been ratified by the MOLHR by virtue of Decree No. AHU-0007858.AH.01.01.Tahun 2018 dated 14 February 2018, and has been registered in the Company Register maintained by the MOLHR under No AHU-0021262.AH.01.11.Tahun 2018 dated 14 February 2018. MDM registered office is at The Energy, 53rd Floor, SCBD Lot. 11-A, Jl. Jendral Sudirman Kav. 52-53, Senayan, Kebayoran Baru, South Jakarta.

Since its establishment, MDM has not amended its article of associations. Based on Article 3 of the BDM's Articles of Association, MDM conducts business activities in electric power generation, business in the field of electricity, business in the field of natural resource management for electricity, business in the field of electricity support, business in the field of electricity supply and equipment, trade, representation and / or agency, industry, engineering, mining, transportation, contractor (contractor), services.

The capital structure and shareholders composition of MDM as of the date of this Disclosure of Information is as follows:

Information	Nominal Value of Rp1.000 per Share		
	Shares	Nominal Value (Rp)	(%)
Authorized Capital	100.000.000	100.000.000.000	
Paid-up and Issued Capital			
1. PT Medco Daya Abadi Lestari	49.999.999	49.999.999.000	99,99
2. Hilmi Panigoro	1	1.000	0,01
Total Paid-up and Issued Capital	**50.000.000**	**50.000.000.000**	**100,00**
Portfolio Shares	**50.000.000**	**50.000.000.000**	

The composition of the Board of Directors and the Board of Commissioners of MDM as to the date of this Disclosure of Information is stipulated as follows:

Board of Directors
Director : Hannibal S. Anwar

Board of Commissioners
Commissioner : Hilmi Panigoro

2. Summary of Agreements

a. Conditional Sales and Purchase of Shares Agreement dated 31 May 2019 made between MEPI and MDM in connection with the Transaction

Parties:
- MEPI;
- MDM

(Severally referred to as "**Party**" and jointly referred to as "**Parties**")

Object:
participating interest of South Sumatera Block production sharing contract between Badan Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi (currently called as SKKMIGAS) and the Seller dated 28 October 2010 including with its amendments and/or extensions

("**PSC**").

Scope:
MEPI has agreed to transfer its 35% of South Sumatera Block production sharing contract PSC to MDM,

Purchase Price:
USD 35,000,000 ("**Purchase Price**") which shall be paid at the latest 7 business days after the date of the agreement.

Condition Precedents:

1. Closing of the Transaction shall be subject to (i) the full payment of Purchase Price in accordance with Article 3 and (ii) the issuance of fairness opinion from the independent appraiser or the obtainment of approval from the general meeting of (independent) shareholders of the Seller's listed parent company (if required) pursuant to BAPEPAM-LK Rule No. IX.E.1 governing transactions with affiliated parties and (iii) approval letter from SKKMIGAS concerning the transfer of Assigned Interest under this Agreement.

2. The Parties shall use all reasonable endeavors to procure the timely satisfaction of the conditions as referred in (1) by no later than 30 September 2019.

3. Each Party shall promptly provide to the other Parties all such information and documentation as may reasonably be necessary to enable the other Party to prepare and submit all necessary fillings and/or approvals required in connection with the consummation of the transactions contemplated by this Agreement.

4. If the conditions as referred in (1) have not been satisfied or waived by the Parties after the lapse of the long-stop date referred in (2) above, MEPI must fully return the Purchase Price to MDM within seven (7) Business Days after the lapse of the long-stop date referred in (2) above.

Closing:
Closing shall take place on the date the last condition required under the point (1) of condition precedents is satisfied or waived (the "**Closing Date**").

On Closing Date, the following shall take place simultaneously:

a. MEPI shall deliver to MDM any necessary documents to satisfy the conditions precedents;

b. the Parties shall execute the joint operating agreement for South Sumatera block PSC.

Applicable law:
Laws of the Republic of Indonesia.

Dispute resolution:
Badan Arbitrase Nasional Indonesia (BANI).

b. Conditional Sales and Purchase of Shares Agreement dated 31 May 2019 made between MEPR and BDM in connection with the Transaction

Parties:
- MEPR;
- MDM

(Severally referred as "**Party**" and jointly referred to as "**Parties**")

Object:
participating interest of South Sumatera Block production sharing contract between Badan

Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi (currently called as SKKMIGAS) and the Seller dated 28 October 2010 including with its amendments and/or extensions ("**PSC**").

Scope:
MEPR has agreed to transfer its 35% of Rimau Block South Sumatera production sharing contract PSC to BDM.

Purchase Price:
USD 15,000,000 ("**Purchase Price**") which shall be paid at the latest 7 business days after the date of the agreement.

Condition Precedents:

1. Closing of the Transaction shall be subject to (i) the full payment of Purchase Price in accordance with Article 3 and (ii) the issuance of fairness opinion from the independent appraiser or the obtainment of approval from the general meeting of (independent) shareholders of the Seller's listed parent company (if required) pursuant to BAPEPAM-LK Rule No. IX.E.1 governing transactions with affiliated parties and (iii) approval letter from SKKMIGAS concerning the transfer of Assigned Interest under this Agreement.

2. The Parties shall use all reasonable endeavors to procure the timely satisfaction of the conditions as referred in (1) by no later than 31 September 2019.

3. Each Party shall promptly provide to the other Parties all such information and documentation as may reasonably be necessary to enable the other Party to prepare and submit all necessary fillings and/or approvals required in connection with the consummation of the transactions contemplated by this Agreement.

4. If the conditions as referred in (1) have not been satisfied or waived by the Parties after the lapse of the long-stop date referred in (2) above, MEPR must fully return the Purchase Price to the BDM within seven (7) Business Days after the lapse of the long-stop date referred in (2) above.

Closing:
Closing shall take place on the date the last condition required under the point (1) of condition precedents is satisfied or waived (the "**Closing Date**").

On Closing Date, the following shall take place simultaneously:

a. MEPR shall deliver to BDM any necessary documents to satisfy the conditions precedents;

b. the Parties shall execute the joint operating agreement for Rimau block PSC.

Applicable law:
Laws of the Republic of Indonesia.

Dispute resolution:
Badan Arbitrase Nasional Indonesia (BANI).

D. AFFILIATED TRANSACTION

a. Disposal of 35% participating interest of South Sumatera Block PSC from MEPI to MDM is an affiliated transaction as contemplated under Rule No. IX.E.1, whereby the transaction is a disposal of asset in the form of participating interest between MEPI and MDM, where the affiliated relationship is explained below.

b. Likewise for the disposal of 35% Rimau participating interest of South Block PSC also an

affiliated transaction as contemplated under Rule No. IX.E.1, whereby the transaction is a disposal of asset in the form of participating interest between MEPR and BDM, where the affiliated relationship is explained below.

Therefore, the Transaction must obtain a fairness opinion from an independent appraiser and must be announced to the public.

Transactions are carried out with affiliated parties of the Company using the same terms and conditions if done with other third parties, so that the terms and conditions of the Transaction are generally accepted and Transactions are not a conflict of interest transaction as referred to in Rule No. IX.E.1.

Affiliate Relations between MEPI, MEPR, BDM and MDM

In terms of share ownership:
BDM and MDM are subsidiaries of PT Medco Daya Abadi Lestari ("MDAL"), of which MDAL is also a shareholder of the Company and the Company is a shareholder of MEPI and MEPR.

From a management standpoint:
Hilmi Panigoro who currently serves as President Commissioner of MEPI and MEPR also serves as Commissioner at BDM and MDM and is a shareholder in BDM and MDM.

F. IMPACT OF THE TRANSACTION TO THE COMPANY'S FINANCIAL POSITION

Until the date of issuance of this Disclosure of Information, Transaction has no significant and material effect on the Company's financial position.

PT MEDCO ENERGI INTERNASIONAL Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
PRIOR AND AFTER PROFORMA
AS OF DECEMBER 31, 2018
(Expressed in United States Dollars)

	December 31, 2018 (Prior Proforma)	Proforma Adjustment	December 31, 2018 (After Proforma)
A S S E T S			
CURRENT ASSETS			
Cash and cash equivalent	418.052.511	48.028.998	466.081.509
Short-term investment	25.185.432	-	25.185.432
Restricted time deposits and cash in banks	208.133.766	-	208.133.766
Trade receivables – Third parties	166.517.457	(3.765.573)	162.751.884
Other receivables			
Related parties	1.451.445	(145.672)	1.305.773
Third parties	81.514.460	(3.428.281)	78.086.179
Finance lease receivables - current maturities	14.703.089	-	14.703.089
Concession financial lease - current maturities	75.741.819	-	75.741.819
Inventory	62.317.376	(3.355.874)	58.961.502
Prepaid tax	8.561.315	-	8.561.315
Prepaid expenses	9.023.130	(296.840)	8.726.290
Derivative assets	1.922.078	-	1.922.078
Non-current assets classified as held for sale	709.750.275	-	709.750.275
Other current assets	44.241.208	(26.741)	44.214.467
Total Current Assets	1.827.115.361	37.010.017	1.864.125.378
NON-CURRENT ASSETS			
Other receivables – Third parties	131.884.806	-	131.884.806
Finance lease receivables – net of current maturities	233.931.587	-	233.931.587
Concession financial assets – net of current maturities	532.315.640	-	532.315.640
Restricted time deposits and cash in banks	1.361.232	(430.680)	930.552
Deferred tax assets	90.525.828	-	90.525.828
Long-term investments	953.676.115	-	953.676.115
Property, plant and equipment	43.212.281	-	43.212.281
Exploration and evaluation assets	102.223.519	(6.796.358)	95.427.161
Oil and gas properties	1.229.412.005	(51.977.333)	1.177.434.672
Goodwill	67.024.515	-	67.024.515
Derivative assets	4.605.098	-	4.605.098
Other assets	35.105.759	(27.064)	35.078.695
Total Non-current Assets	3.425.278.385	(59.231.435)	3.366.046.950
TOTAL ASSETS	5.252.393.746	(22.221.418)	5.230.172.328

PT MEDCO ENERGI INTERNASIONAL Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
PRIOR AND AFTER PROFORMA
AS OF DECEMBER 31, 2018
(Expressed in United States Dollars)

	December 31, 2018 (Prior Proforma)	Proforma Adjustment	December 31, 2018 (After Proforma)
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Short-term bank loans	40.000.000	-	40.000.000
Trade payables			
Related parties	20.779.088	-	20.779.088
Third parties	98.291.695	(9.077.725)	89.213.970
Other payables			
Related parties	12.394.583	(3.362)	12.391.221
Third parties	102.043.710	(2.107.510)	99.936.200
Taxes payable	28.697.067	(1.547.510)	27.149.557
Accrued expenses and other provisions	149.053.133	(4.117.714)	144.935.419
Employee benefits liabilities – current portion	1.165.823	-	1.165.823
Derivative liabilities	11.225.780	-	11.225.780
Liabilities directly associated with the non-current assets classified as held for sale	187.891.020	-	187.891.020
Current maturities of long-term debt			
Bank loans	230.529.466	-	230.529.466
Lease from non-bank – financial institutions	54.570	-	54.570
Rupiah bonds	77.378.221	-	77.378.221
Medium term notes	54.499.975	-	54.499.975
Advances from customers	87.975.147	(2.749.309)	85.225.838
Total Current Liabilities	1.101.979.278	(19.603.130)	1.082.376.148
NON-CURRENT LIABILITIES			
Long-term debt –net of current maturities			
Bank loans	1.012.275.238	-	1.012.275.238
Lease from non-bank – financial institutions	10.907.474	-	10.907.474
Rupiah bonds	447.623.190	-	447.623.190
US Dollar bonds	867.801.068	-	867.801.068
Medium term notes	66.456.769	-	66.456.769
Advance from customer	7.500.000	-	7.500.000
Other payables	17.716.644	-	17.716.644
Deferred tax liabilities	188.511.302	(8.569.085)	179.942.217
Long-term employee benefits liabilities	19.774.531	(550.931)	19.223.600
Derivative liabilities	36.021.136	-	36.021.136
Asset abandonment and site restoration obligations and other provisions	88.565.809	(14.963.426)	73.602.383
Total Non-current liabilities	2.763.153.161	(24.083.442)	2.739.069.719
Total Liabilities	3.865.132.439	(43.686.572)	3.821.445.867

PT MEDCO ENERGI INTERNASIONAL Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
PRIOR AND AFTER PROFORMA
AS OF DECEMBER 31, 2018
(Expressed in United States Dollars)

	December 31, 2018 (Prior Proforma)	Proforma Adjustment	December 31, 2018 (After Proforma)
E Q U I T Y			
Capital stock	109.444.392	-	109.444.392
Treasury shares	(410.238)	-	(410.238)
Additional paid-in capital	372.143.976	21.465.154	393.609.130)
Effects of changes in equity transactions of subsidiaries/associates	107.870	-	107.870
Translation adjustments	(4.468.876)	-	(4.468.876)
Fair value adjustment on cash flow hedging instruments	7.247.621	-	7.247.621
Fair value adjustment on available-for-sale investment	1.030.499	-	1.030.499
Share of other comprehensive loss of associates and joint venture	(2.718.169)	-	(2.718.169)
Remeasurement of defined benefit program	29.767.330	-	29.767.330
Retained earnings			
Appropriated	6.492.210	-	6.492.210
Unappropriated	700.563.001	-	700.563.001
Total equity attributable to the equity holders of the parent company	1.219.199.616	21.465.154	1.240.664.770
Non-controlling interests	168.061.691	-	168.061.691
Total Equity	1.387.261.307	21.465.154	1.408.726.461
TOTAL LIABILITIES AND EQUITY	5.252.393.746	(22.221.418)	5.230.172.328

PT MEDCO ENERGI INTERNASIONAL Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
PRIOR AND AFTER PROFORMA
FOR THE YEAR ENDING DECEMBER 31, 2018
(Expressed in United States Dollars)

	December 31, 2018 (Prior Proforma)	Proforma Adjustment	December 31, 2018 (After Proforma)
Net oil and gas sales	980.150.245	-	980.150.245
Electric power sales and revenue from related services	235.856.950	-	235.856.950
Revenue from services	2.244.353	-	2.244.353
TOTAL SALES AND OTHER OPERATING REVENUES	1.218.251.548	-	1.218.251.548
Production and lifting costs	(203.334.983)	-	(203.334.983)
Cost of electric power sales and related services	(134.328.715)	-	(134.328.715)
Cost of crude oil purchases	(125.388.135)	-	(125.388.135)
Depreciation depletion and amortization	(108.791.406)	-	(108.791.406)
Exploration expenses	(8.578.559)	-	(8.578.559)
Cost of services	(5.654.163)	-	(5.654.163)
TOTAL COST OF SALES AND OTHER DIRECT COSTS	(586.075.961)	-	(586.075.961)
GROSS PROFIT	632.175.587	-	632.175.587
Selling general and administrative expenses	(160.660.792)	-	(160.660.792)
Finance costs	(188.997.148)	-	(188.997.148)
Finance income	12.704.418	-	12.704.418
Reversal of impairment of assets	(2.160.936)	-	(2.160.936)
Loss on dilution of long term investment	(19.073.814)	-	(19.073.814)
Share of net (loss)/ gain of associates and joint venture	(66.741.203)	-	(66.741.203)
Other Income	10.145.839	-	10.145.839
Other Expenses	(18.555.561)	-	(18.555.561)
PROFIT BEFORE INCOME TAX EXPENSE FROM CONTINUING OPERATIONS	198.836.390	-	198.836.390
INCOME TAX EXPENSE	(196.480.990)	-	(196.480.990)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	2.355.400	-	2.355.400
DISCONTINUED OPERATIONS			
Loss after income tax expense from discontinued operations	(30.728.336)	-	(30.728.336)
LOSS FOR THE PERIOD	(28.372.936)	-	(28.372.936)

PT MEDCO ENERGI INTERNASIONAL Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)
PRIOR AND AFTER PROFORMA
FOR THE YEAR ENDING DECEMBER 31, 2018
(Expressed in United States Dollars)

	December 31, 2018 (Prior Proforma)	Proforma Adjustment	December 31, 2018 (After Proforma)
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that will be reclassified to profit or loss			
Translation adjustments	(5.556.187)	-	(5.556.187)
Fair value adjustment on cashflow hedging instruments	(7.137.157)	-	(7.137.157)
Fair value adjustment on available-for-sale investment	358.273	-	358.273
Share of other comprehensive income of associates and joint venture	11.702.594	-	11.702.594
Other comprehensive income that will not be reclassified to profit or loss			
Remeasurement of defined benefit program	10.368.936	-	10.368.936
Income tax related to the accounts that will not be reclassified to profit or loss	(943.847)	-	(943.847)
TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD	8.792.612	-	8.792.612
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(19.580.324)	-	(19.580.324)
Profit (loss) for the period attributable to:			
Equity holders of the parent company	(51.302.236)	-	(51.302.236)
Non-controlling interests	22.929.300	-	22.929.300
T O T A L	(28.372.936)	-	(28.372.936)
Total comprehensive income (loss) for the period attributable to:			
Equity holders of the parent company	(44.858.148)	-	(44.858.148)
Non-controlling interests	25.277.824	-	25.277.824
T O T A L	(19.580.324)	-	(19.580.324)

B. SUMMARY OF APPRAISAL REPORT

The Public Appraisal Service Office (*Kantor Jasa Penilai Publik*) ("**KJPP**") Jennywati, Kusnanto & rekan ("**JKR**") has been appointed as an independent appraiser in accordance with offer letter No. JK/190401-001, dated 1 April 2019 which has been required to provide an appraisal of the 35.00% of South Sumatera Block PSC participating interest and 35.00% of Rimau Block South Sumatera PSC participating interest and provide a fairness opinion of the Transaction.

Appraisal Report of 35.00% South Sumatera Block PSC Participating Interest

Below is the summary of 35.00% of South Sumatera Block PSC participating interest as set forth in report No. 00062/2.0022-00/BS/02/0382/1/VI/2019 dated 21 June 2019, which is as follows:

a. Parties involved in the Transaction

The parties involved in the Transaction are MEPI and MDM.

b. Object of the Appraisal

The Object of the Appraisal is the fair market value of 35.00% of South Sumatera Block PSC participating interest.

c. Purpose and objectives of the Appraisal

The purpose of the appraisal is to obtain an independent opinion of the fair market value of the Object of the Appraisal which is denominated in USD and/or its equivalent as of 31 December 2018.

The objectives of the valuation is to provide an overview of the fair market value of the Object of the Appraisal which will then be used as a reference and consideration by the Company's management in the context of the implementation of the Transaction and to comply with Regulation IX.E.1.

d. Primary Assumptions and Qualifications

This appraisal is prepared based on market and economic conditions, general business and financial conditions and Government regulations which is valid until the date of issuance of this appraisal report.

The assessment of the Object of the Appraisal conducted under the discounted cash flow method is based on the projected financial statements of South Sumatera Block prepared by the Company's management. In preparing financial statement projections, assumptions are developed based on South Sumatera Block's performance in previous years and based on future management plans. JKR has made adjustment to the projected financial statements in order to better reflect the operating conditions and performance of the South Sumatera Block assessed at the time of this assessment more fairly. Broadly speaking, there is no significant adjustment that JKR does to the rated South Sumatera Block performance targets. JKR is responsible for the performance of the appraisal and fairness of the projected financial statements based on South Sumatera Block's historical performance and South Sumatera Block 's management information on South Sumatera Block 's projected financial statements. JKR is also responsible for the South Sumatera Block appraisal report and final value conclusions.

In the assignment of this appraisal, JKR assumes the fulfilment of all conditions and obligations of South Sumatera Block. JKR also assumes that from the date of this appraisal until the date of issuance of the appraisal report there is no any changes that materially affects the assumptions used in the assessment. JKR is not responsible for

reaffirming or supplementing, updating JKR's opinion because of changes in assumptions and conditions and events occurring after the date of this letter.

In carrying out the analysis, JKR assumes and relies on the accuracy, reliability and completeness of all financial information and other information provided to JKR by the Company and South Sumatera Block or generally available which are, in effect, true, complete and not misleading and JKR irresponsible responsible for carrying out independent checks of such information. JKR also relies on guarantees from the management of the Company and South Sumatera Block that they are not aware of the facts that cause the information provided to JKR to be incomplete or misleading.

Analysis on Object of the Appraisal is prepared using the data and information as disclosed above. Any change to such data and information may adversely affect the final outcome of JKR's opinion. JKR is not responsible for any change of conclusions on the assessment of JKR nor any loss, damage, expense or expense caused by non-disclosure of information so that the data that JKR obtains becomes incomplete and/or misleading.

Since the results of JKR's appraisal is highly depended on the data as well as the underlying assumptions, changes to the data sources and assumptions based on market data will change the outcome of JKR's appraisal. Therefore, JKR notes that changes to the data used may influence the assessment results and that the differences that occur can be of material value. Although the contents of this appraisal report have been conducted in good faith and in a professional manner, JKR shall not accept responsibility for the possibility of differences in conclusions caused by additional analysis, the application of the appraisal result serves as a basis for conducting transaction analysis or any change in data which serves as the basis for assessment. The appraisal report of the Object of the Appraisal is a non-disclaimer opinion and is a report open to the public unless there are confidential information, which may affect the Company and South Sumatera Block's operations.

JKR's work related to the assessment of the Object of the Appraisal is not and shall not be interpreted in any form, a review or audit or the implementation of certain procedures for financial information. The work also shall not be intended to reveal weaknesses in the internal control, errors or irregularities in those financial statements or violations of law. Furthermore, JKR has also obtained information on South Sumatera Block's legal status based on South Sumatera Block's articles of association.

e. The Approach Used in the Appraisal

The assessment of Object of the Appraisal is based on internal and external analysis. The internal analysis will be based on data provided by management, historical analysis of South Sumatera Block's comprehensive statements of financial position and income statement, assessment of South Sumatera Block's operating and management conditions and resources. South Sumatera Block prospects in the future JKR evaluation based on business plan as well as projections of financial statements provided by the management that has reviewed by JKR in relation to its reasonableness and consistency. External analysis is based on a brief review of the external factors considered as value drivers, as well as a brief review of the prospects of the industry.

In applying the appraisal method to determine the indication of fair market value a "business interest" needs to be a reference to the financial statements (statements of financial position and statements of comprehensive income) that are representative, therefore adjustments are required to the book value of the statement of financial position and normalization of profitability profit which are usually compiled by management based on historical value. However, the book value of a company reflected in the statements of financial position and the statements of comprehensive income is the acquisition value and does not reflect the economic value that can be fully referenced as fair market value during the appraisal.

f. Appraisal Method

The appraisal methods used in the assessment of the Object of the Appraisal are the discounted cash flow method (DCF) method.

The discounted cash flow method is chosen considering that business activities undertaken by South Sumatera Block in the future will still fluctuate in accordance with estimates of South Sumatera Block's business growth. In carrying out the assessment by this method, the South Sumatera Block operation is projected in accordance with estimates of South Sumatera Block's business development. The cash flows generated on the basis of the projection are converted to present value with the discount rate corresponding to the level of risk. The value indication is the total present value of the cash flows.

The above appraisal and appraisal methods are what we consider most appropriate to apply in this assignment and have been agreed upon by MEMI management. It is also possible to apply other approaches and appraisal methods that can give different results.

g. Appraisal Conclusion

Based on the analysis of all data and information that has been received by JKR and considering all relevant factors affecting the appraisal, according to JKR, fair market value as of 31 December 2018 amounted to USD 33.46 million.

Appraisal Report of 35.00% Rimau Block South Sumatera PSC Participating Interest

Hereby the summary of JKR's KJPP shares appraisal report on 35.00% Rimau Block South Sumatera PSC Participating Interest as set forth in report No. 00063/2.0022-00/BS/02/0382/ 1/VI/2019 dated 21 June 2019:

a. Parties involved in the Transaction

The parties involved in the Transaction are MEPR and BDM.

b. Object of the Appraisal

The Object of the Appraisal is the fair market value of 35.00% Rimau Block South Sumatera PSC Participating Interest.

c. Purpose of the Appraisal

The purpose of the appraisal is to obtain an independent opinion of the fair market value of the Object of the Appraisal which is denominated in USD and/or its equivalent as of 31 December 2018.

The objectives of the valuation is to provide an overview of the fair market value of the Object of the Appraisal which will then be used as a reference and consideration by the Company's management in the context of the implementation of the Transaction and to comply with Regulation IX.E.1.

d. Primary Assumption and Qualifications

This appraisal is prepared based on market and economic conditions, general business and financial conditions and Government regulations which is valid until the date of issuance of this appraisal report.

The assessment of this Object of the Appraisal conducted under the discount cash flow method was based on the projection of Rimau Block South Sumatera's financial statement arranged by the Company's management. In the arrangement of the projection of the financial statement, there are various assumption developed based on Rimau Block South Sumatera's performance in the previous year and based on future management plans. JKR has made the adjustments to the projected financial statements in order to reflect the operating conditions and performance of Rimau Block South Sumatera which proceed to be assessed at the time of this assessment with more reasonable. Broadly speaking, there is no significant adjustment that JKR has undertaken against the assessed performance target of Rimau Block South Sumatera. JKR is responsible for conduction the assessment and fairness of projections of financial statements based on the historical performance of Rimau Block South Sumatera and the management information of Rimau Block South Sumatera projection of financial statements. JKR is also responsible for Rimau Block South Sumatera appraisal report and the conclusions of the final value.

In the assignment of this appraisal, JKR assumes the fulfilment of all conditions and obligations of Rimau Block South Sumatera. JKR also assumes that from the date of this appraisal until the date of issuance of the appraisal report there is no any change that materially affects the assumptions used in the appraisal. JKR is not responsible for reaffirming or supplementing, updating JKR's opinion because of changes in assumptions and conditions and events occurring after the date of this letter.

In carrying out the analysis, JKR assumes and relies on the accuracy, reliability and completeness of all financial information and other information provided to JKR by the Company and Rimau Block South Sumatera or generally available which are in fact true, complete and not misleading and JKR irresponsible responsible for carrying out independent checks of such information. JKR also relies on guarantees from the management of the Company and Rimau Block South Sumatera that they are not aware of the facts that cause the information provided to JKR to be incomplete or misleading.

Analysis of the Object of the Appraisal an assessment is prepared using the data and information as disclosed above. Any change to such data and information may adversely affect the final outcome of JKR's opinion. JKR is not responsible for any change of conclusions on the assessment of JKR nor any loss, damage, expense or expense caused by non-disclosure of information so that the data that JKR obtains becomes incomplete and/or misleading.

Since the results of the JKR's appraisal is highly depend on the data as well as the underlying assumptions, changes to the data sources and assumptions based on market data will change the outcome of the JKR's appraisal. Therefore, JKR notes that changes to the data used may have effect on the assessment results and that the differences that occur can be of material value. Although the contents of this appraisal report have been conducted in good faith and in a professional manner, JKR shall not accept responsibility for the possibility of differences in conclusions caused by additional analysis, the appraisal of the appraisal result as the basis for conducting transaction analysis or any change in data serve as the basis for assessment. The appraisal report of the Object of the Appraisal is a non-disclaimer opinion and is a report open to the public unless there is confidential information, which may affect Rimau Block South Sumatera's operations.

JKR's work related to the assessment of the Object of the Appraisal is not and shall not be interpreted in any form, a review or audit or the implementation of certain procedures for financial information. The work also shall not be intended to reveal weaknesses in the internal control, errors or irregularities in those financial statements or violations of law. Furthermore, JKR has also obtained information on Rimau Block South

Sumatera's legal status based on Rimau Block South Sumatera's articles of association.

e. The Approach Used in the Appraisal

The assessment of Object of the Appraisal is based on internal and external analysis. The internal analysis will be based on data provided by management, historical analysis of Rimau Block South Sumater's comprehensive statements of financial position and income statement, assessment of Rimau Block South Sumater'S operating and management conditions and resources. Rimau Block South Sumatera's prospects in the future JKR evaluation based on business plan as well as projections of financial statements provided by the management that has reviewed by JKR in relation to its reasonableness and consistency. External analysis is based on a brief review of the external factors considered as value drivers, as well as a brief review of the prospects of the industry.

In applying the appraisal method to determine the indication of fair market value a "business interest" shall refer to the financial statements (statements of financial position and statements of comprehensive income) that are representative, therefore adjustments are required to the book value of the statement of financial position and normalization of profitability profit which are usually compiled by management based on historical value. However, the book value of a company reflected in the statements of financial position and the statements of comprehensive income is the acquisition value and does not reflect the economic value that can be fully referenced as fair market value during the appraisal.

f. Appraisal Method

Appraisal methods used in the assessment of the Object of the Appraisal are the discounted cash flow method, the capitalized excess earnings method, the adjusted net assets method, the comparison method of the company listed on the stock exchange (guideline publicly traded company method).

The discounted cash flow method is chosen considering that the business activities undertaken by Rimau Block South Sumatera in the future will still fluctuate in accordance with the estimates of the development of the Rimau Block South Sumatera's business. In carrying out the assessment by this method, the operation of the Rimau Block South Sumatera is projected in accordance with the estimation of the development of the Rimau Block South Sumatera business. The cash flows generated on the basis of the projection are converted to present value with the discount rate corresponding to the level of risk. The value indication is the total present value of the cash flows.

The above appraisal and appraisal methods are what we consider most appropriate to apply in this assignment and have been agreed upon by MGI management. It is also possible to apply other approaches and appraisal methods that can give different results.

g. Appraisal Conclusion

Based on the analysis of all data and information that JKR has received and considering all relevant factors affecting the appraisal, in JKR's opinion, the fair market value of the Object of the Appraisal as of 31 December 2018 is USD 14.18 million.

Fairness Opinion of The Transaction

Below is a summary of JKR's KJPP fairness opinion report in relation to the Transaction as outlined in its report No. 00067/2.0022-00/BS/02/0382/1/VI/2019 date 28 June 2019 with the following summary:

a. Parties related to the Transaction

The parties involved in the Transaction is MEPI, MEPR, MDM and BDM.

b. Object of the Fairness Opinion of the Transaction

The Object of Transaction in the Fairness Opinion of the Transaction is as follows:

- The Transaction where MEPI has transferred its participating interest for 35.00% of South Sumatera Block PSC to MDM with transaction value of USD 35.00 million; and

- The Transaction where MEPR has transferred its participating interest for 35.00% of Rimau Block South Sumatera PSC to BDM with transaction value of USD 15.00 million.

c. Purpose of the Fairness Opinion

The purpose and objective of the preparation of Fairness Opinion report on the Transaction is to provide an overview to the Board of Directors of the Company on the Fairness Opinion of the Transaction and to comply with the applicable provisions of Rule IX.E.1.

d. Primary Assumptions and Qualifications

The analysis of Fairness Opinion on the Transaction is prepared using the data and information as disclosed above, which data and information has been reviewed by JKR. In carrying out the analysis, JKR relies on the accuracy, reliability and completeness of all financial information, information on the legal status of the Company and other information provided to JKR by the Company or generally available and JKR is not responsible for the accuracy of such information. Any changes to such data and information may affect the outcome of JKR's opinion in a material manner. JKR also relies on representation of the management of the Company that they are not aware of the facts that cause the information provided to JKR to be incomplete or misleading. Therefore, JKR is not responsible for the change of conclusion on JKR's Fairness Opinion due to the change of data and information.

The projected consolidated financial statements of the Company before and after the Transaction are prepared by the management of the Company. JKR has reviewed the projected financial statements and such projected financial statements have reflected the Company's operating and performance conditions. Broadly speaking, there are no significant adjustments that JKR needs to take in relation to the Company's performance targets.

JKR did not undertake inspections in relation to fixed assets or facilities of the Company. In addition, JKR did not provide an opinion on the tax effects of the Transaction. The services that JKR provides to the Company in connection with the Transaction is limited to the Fairness Opinion on Transaction and not those services related to accounting, audit or taxation services. JKR does not conduct research on the validity of the Transaction from any legal aspects and implications of any aspects of taxation. The Fairness Opinion on the Transaction was merely assed from an economic and financial standpoint. The Fairness Opinion on the Transaction is a non-disclaimer opinion and is a report open to the public unless there is confidential information that may affect the Company's operations. Furthermore, JKR has also obtained information on the legal status of the Company, MEPI and MEPR based on the Company, MEPI and MEPR's articles of association.

JKR's work relating to the Transaction is not and cannot be construed to constitute in any form, a review or audit or the exercise of certain procedures for financial information. The work also cannot be intended to reveal weaknesses in internal control, errors or deviation in financial statements or violations of law. In addition, JKR does not have the authority and is not in a position to obtain and analyse any other forms of transactions other than the existing Transaction that may be available to the Company and the effect of such transactions in relation to the Transaction.

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

In preparation of this Fairness Opinion, JKR uses several assumptions, such as the fulfilment of all conditions and obligations of the Company and all parties involved in the Transaction. The Transaction will be executed as described in accordance with the stipulated period and the accuracy of information on the Transaction disclosed by the management of the Company.

This Fairness Opinion shall be deemed as a unity and the use of part of the analysis and information without entirely considering other information and analysis can lead to misleading views and conclusions on the process underlying Fairness Opinion. Forming this Fairness Opinion is a difficult process and may not be possible through incomplete analysis.

JKR also assumes that from the issuance date of the Fairness Opinion until the date of the occurrence of this Transaction there are no changes that materially affects the assumptions used in the preparation of this Fairness Opinion. JKR is not responsible for reaffirming or completing, updating JKR's opinion because of changes in assumptions and conditions and events occurring after the date of this letter. Calculation and analysis in order to provide Fairness Opinion has been correctly done and JKR is responsible for Fairness Opinion report.

Conclusion on this Fairness Opinion applies if there are no changes that have material effect on the Transaction. These changes include, but not limited to, changes in conditions internally or externally to the Company, which is market and economic conditions, general conditions of business, trade and finance and Indonesian government regulations and other relevant regulations after the date of this Fairness Opinion report is issued. If there are changes mentioned above after the date of this Fairness Opinion report is issued, then the Fairness Opinion of the Transaction may be different.

e. Procedure and Approach of Appraisal

In the evaluation of Fairness Opinion on this Transaction, JKR has conducted an analysis through approach and procedure. Fairness Opinion on Transaction is as follows:

I. Transaction Analysis;

II. Qualitative and Quantitative Transaction Analysis; and

III. Fair Transaction Analysis.

f. Conclusion

Based on the scope of work, assumptions, data and information obtained from the Company's management used in preparing this fairness report, reviewing the financial effects of the Transaction as disclosed in this fairness report, JKR believes that the Transaction is **fair** for the Company and the shareholders of the Company.

IV. INDEPENDENT PARTY APPOINTED BY THE COMPANY

Independent parties which have role in the Transaction and have been appointed by the Company are Appraisal Firms Jennywati, Kusnanto dan Rekan as independent appraiser registered in the OJK appointed by the Company to provide fairness opinion of Transaction.

V. ADDITIONAL INFORMATION

To the shareholders of the Company that needs a more detailed information on this Disclosure of Information, please contact us during the business days and business hours of the Company at:

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