

NEWS RELEASE

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INDIKA ENERGY DIVESTS 51% SHARES IN MBSS

The sale of MBSS shares is another step for Indika Energy to reduce coal business exposure

JAKARTA – On 6 August 2021, PT Indika Energy Tbk. (the “Company”), energy company with diversified business portfolio, through PT Indika Energy Infrastructure (“IEI”), together with The China Navigation Co. Pte. Ltd. (“CNCo”), collectively as sellers, have signed a Conditional Sale and Purchase Agreement with PT Galley Adhika Arnawama (“GAA”) in accordance with the proposed sale of all shares of the sellers in PT Mitrabahtera Segara Sejati Tbk. (“MBSS”) to GAA (“CSPA”).

Based on the CSPA, the Company through IEI, intends to sell all of its 892,513,586 shares in MBSS representing 51% of the paid-up capital of MBSS (“Proposed Transaction”) for the amount of USD 41,310,000.- based on indicative valuation of USD 81,000,000.- for 100% basis.

Divesting share ownership in MBSS is considered as part of strategy as a Company with diversified business portfolio; achieved through a combination of reducing exposure in coal related business and making new investment in non-coal businesses. The Company targets to achieve 50% of revenue from the non-coal sector by 2025. “MBSS is an energy shipping company equipped with complete and excellent facilities and fleets, and has joined the Indika Energy Group for the past 10 years. MBSS is also managed by professional management and shows good business growth, including in 2021. However, the sale of Indika Energy's shares in MBSS is a step for the Company to reduce coal business exposure,” explained Azis Armand, Deputy President Director and Group CEO of Indika Energy.

According to Azis, Indika Energy continuously reviews its business portfolio and prioritize sustainability aspects, and will focus on diversifying beyond its core sectors in energy and mining. This is in line with the Company's purpose of existence to energize Indonesia for a sustainable future. "Going forward, Indika Energy will develop a business that is in line with the company's Environmental, Social and Governance (ESG) commitment to net-zero emissions by 2050," he concluded.

This transaction is expected to complete in October 2021, subject to fulfillment of a number of conditions precedents as governed under the CSPA.

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ABOUT INDIKA ENERGY

PT Indika Energy Tbk. ("Indika Energy") is Indonesia's leading integrated energy company through its strategic investments in the areas of **Energy Resources** – coal production (PT Kideco Jaya Agung, PT Multi Tambangjaya Utama); coal trading (Indika Capital Investment Pte. Ltd.); **Energy Services** – EPC - oil & gas (PT Tripatra Multi Energi, PT Tripatra Engineers & Constructors, PT Tripatra Engineering); EPC – contract mining (PT Petrosea Tbk. (IDX: PTRO).); **Energy Infrastructure** – marine transportation, ports & logistics for bulk goods and natural resources (PT Mitrabahtera Segara Sejati Tbk. (IDX: MBSS), PT Sea Bridge Shipping, PT Cotrans Asia, PT Indika Logistic & Support Services, PT Kuala Pelabuhan Indonesia); fuel storage (PT Kariangau Gapura Terminal Energi); coal-fired power plant (PT Cirebon Electric Power and PT Prasarana Energi Cirebon); **Other Portfolios** – gold production (Nusantara Resources Limited, PT Masmino Dwi Area), IT enterprise (PT Xapiens Teknologi Indonesia), digital technology services (PT Zebra Cross Teknologi), renewable energy (PT Indika Multi Properti, PT Empat Mitra Indika Tenaga Surya and PT PT Electra Mobilitas Indonesia).

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