

SUPPLEMENT TO THE DISCLOSURE OF INFORMATION TO SHAREHOLDERS OF PT INDIKA ENERGY TBK. (THE “COMPANY”)

THIS SUPPLEMENT TO DISCLOSURE OF INFORMATION TO THE SHAREHOLDERS IS PROVIDED BY THE COMPANY IN COMPLIANCE WITH THE FINANCIAL SERVICE AUTHORITY REGULATION NO. 17/POJK.04/2020 ON MATERIAL TRANSACTION AND CHANGE OF BUSINESS ACTIVITIES (“OJK REGULATION 17/2020”).

THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS OF THE COMPANY STATE THAT THE PROPOSED TRANSACTION CONSTITUTES A MATERIAL TRANSACTION FOR THE COMPANY AS REFERRED TO IN THE OJK REGULATION 17/2020.

THE INFORMATION AS STATED IN THIS SUPPLEMENT TO THE DISCLOSURE OF INFORMATION IS IMPORTANT TO BE READ AND CONSIDERED BY THE SHAREHOLDERS OF THE COMPANY.

IF YOU FIND ANY DIFFICULTY TO UNDERSTAND THE INFORMATION AS STATED IN THIS SUPPLEMENT TO THE DISCLOSURE OF INFORMATION PLEASE CONSULT WITH YOUR LEGAL ADVISOR, PUBLIC ACCOUNTANT, FINANCIAL ADVISOR OR OTHER PROFESSIONALS.

THE BOARD OF DIRECTORS OF THE COMPANY DELIVERS THE INFORMATION AS STATED IN THIS SUPPLEMENT TO THE DISCLOSURE OF INFORMATION FOR THE PURPOSE OF PROVIDING INFORMATION AND COMPLETE DESCRIPTION TO THE SHAREHOLDERS OF THE COMPANY REGARDING THE TRANSACTION AS PART OF THE COMPLIANCE OF THE COMPANY TO OJK REGULATION 17/2020.

THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS, SEVERALLY AND JOINTLY, ARE FULLY RESPONSIBLE FOR THE ACCURACY AND THE COMPLETENESS OF THE INFORMATION AS STATED IN THIS SUPPLEMENT TO THE DISCLOSURE OF INFORMATION. THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS DECLARE THAT THE INFORMATION STATED IN THIS SUPPLEMENT TO THE DISCLOSURE OF INFORMATION IS COMPLETE AND AFTER GIVING DUE AND CAREFUL EXAMINATION, EMPHASIZE THAT THE INFORMATION STATED IN THIS SUPPLEMENT TO THE DISCLOSURE OF INFORMATION IS CORRECT AND THAT THERE ARE NO MATERIAL AND RELEVANT FACTS OMITTED TO BE DISCLOSED IN THIS SUPPLEMENT TO THE DISCLOSURE OF INFORMATION WHICH CAN CAUSE THE INFORMATION STATED HEREIN TO BE UNTRUE AND/OR MISLEADING.



PT INDIKA ENERGY TBK.

Business Activities

Trading, Construction, Mining, Transportation and Services

Domiciled in South Jakarta, DKI Jakarta, Indonesia

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This Supplement to the Disclosure of Information is issued in Jakarta on 18 May 2022 as the supplement to the Disclosure of Information issued in Jakarta on 13 April 2022

DEFINITION AND ABBREVIATION

Director means the member of Board of Directors serving in the Company as of the date of this supplement to the Disclosure of Information.

Subsidiaries means any companies whose financial statements are consolidated to the Company's Financial Statements.

Purchase Value means the purchase value to be paid by the Buyer to the Company in relation to the purchase of the Sale Shares, in Indonesian Rupiah currency with the value equivalent to US\$146,580,000 (one hundred forty-six million five hundred eighty thousand United States Dollars).

Public Accounting Firm means Public Accounting Firm Imelda & Rekan.

Disclosure of Information means this supplement to the Disclosure of Information provided to the Company's Shareholders in compliance with the OJK Regulation 17/2020.

Independent Appraiser means Public Appraisal Service Firm (*Kantor Jasa Penilai Publik*) Stefanus Tonny Hardi & Rekan, independent appraiser registered in OJK which provides a fairness opinion on the Proposed Transaction.

Commissioners means the member of the Board of Commissioners serving in the Company as of the date of this Disclosure of Information.

Company's Financial Statements means the Consolidated Financial Statements of the Company as of 31 December 2021, audited by Public Accountant Allvin Ismanto from the Public Accounting Firm Imelda & Rekan, with unmodified opinion.

Petrosea's Financial Statements means the Consolidated Financial Statements of Petrosea as of 31 December 2021, audited by Public Accountant Muhammad Irfan from the Public Accounting Firm Imelda & Rekan, with unmodified opinion.

MOLHR means the Minister of Law and Human Rights of the Republic of Indonesia.

Financial Services Authority or **OJK** means Financial Services Authority, an independent institution, which duties and authorities covers regulatory, supervisory, inspection, and investigation within the sector of Capital Markets, Insurance, Pension Funds, Financial Institution and other Financial Service Bodies as stipulated in the Law No. 21 of 2011 dated 22 November 2011 (on Financial Services Authority as the substitute body of Bapepam-LK which came into effect since 31 December 2012).

Buyer means PT Caraka Reksa Optima, a limited liability company established under the law of the Republic of Indonesia.

Shareholders means the shareholders of the Company whose names are registered in the shareholders register of the Company.

Company means PT Indika Energy Tbk., domiciled in South Jakarta, a public limited liability company which shares are listed on the Indonesian Stock Exchange, duly established and organized under the law of the Republic of Indonesia.

Petrosea means PT Petrosea Tbk., a public limited liability company established under the law of the Republic of Indonesia, which the Company currently owns 69.80% (sixty-nine point eighty percent).

CSPA means Conditional Sale and Purchase Agreement between the Company and the Buyer dated 18 February 2022, with an effective date of 25 February 2022 concerning the Proposed Transaction.

OJK Regulation 15/2020 means OJK Regulation No. 15/POJK.04/2020, stipulated on 20 April 2020 on the Planning and Holding of the General Meeting of Shareholders of the Public Company.

OJK Regulation 17/2020 means OJK Regulation No 17/POJK.04/2020, stipulated on 20 April 2020 on Material Transactions and Change of Business Activities.

OJK Regulation 42/2020 means OJK Regulation No. 42/POJK.04/2020, stipulated on 1 July 2020 on Affiliated Transaction and Conflict of Interest Transactions.

Proposed Transaction means the Company's intention to sell and transfer the Sale Shares to the Buyer at the Purchase Value, whereby pursuant to the Petrosea's Financial Statements and the Company's Financial Statements respectively, the consolidated net profit of Petrosea in comparison to the consolidated net profit of the Company is accounted for more than 50%, therefore, the Proposed Transaction constitutes a material transaction which requires GMS approval in accordance with OJK Regulation 17/2020.

GMS means general meeting of shareholders of the Company.

Sale Shares means 704,014,200 (seven hundred and four million fourteen thousand two hundred) shares representing 69.80% (sixty-nine-point eighty percent) of the total ordinary shares in Petrosea which have been issued and fully paid.

US\$ means United States of America Dollar, which is a legal currency of the United States of America.

RECITALS

Information contained in this Disclosure of Information is delivered to the Company's Shareholders in relation to the Proposed Transaction.

Considering that the Company is a public company, and the Proposed Transaction that will be conducted by the Company meets the elements of Material Transactions as stipulated in the provisions of OJK Regulation 17/2020, in relation to the Petrosea's consolidated net profit in comparison to the Company's consolidated net profit is accounted for more than 50%, hence the Company must first obtain the approval of the Company's Shareholders with regards to the Proposed Transaction through the holding of GMS as stated in this Disclosure of Information.

Based on matters mentioned above and in accordance with the applicable laws and regulations specifically OJK Regulation 17/2020, the Board of Directors of the Company hereby announce this Disclosure of Information in accordance with the guidelines and procedures of the implementation of material transaction as stipulated in Article 6 paragraph (1) letter (d) number (1) *jo.* Article 17 of OJK Regulation 17/2020 with the purpose of providing information as well as complete description to the Company's Shareholders with regards to the Proposed Transaction.

THE PROPOSED TRANSACTION

BACKGROUND OF THE PROPOSED TRANSACTION

The Company and the Buyer have entered into a Conditional Sale and Purchase Agreement on 18 February 2022, with an effective date of 25 February 2022 (“**CSPA**”) in relation the Company's plan to sell all 704,014,200 shares representing 69.80% shareholding in Petrosea to the Buyer. There is no affiliation between the Company and the Buyer therefore the Proposed Transaction is not an affiliated transaction as referred to in OJK Regulation 42/2020.

The completion of the Proposed Transaction is subject to the fulfilment of the conditions precedent as stipulated under the CSPA, which includes, among others, the determination of fair value by an Independent Appraiser and the obtain of all approvals required by the Company for the performance of the Proposed Transaction.

Pursuant to the CSPA, the conditions precedent for the Proposed Transaction are as follows:

1. The Company and the Buyer shall have announced the Proposed Transaction in accordance with the applicable laws, including:
 - i. Announcement on material information or facts pursuant to OJK Regulation No. 31/POJK.04/2015 of 2015 on the Disclosure of Material Information or Facts by Issuers or Public Companies, in the Company's website and Petrosea's website in Indonesian language and English language and the website of the Indonesian Stock Exchange (“**IDX**”) or one Indonesian daily newspaper with nationwide circulation; and
 - ii. Announcement to the employees of Petrosea,

announcement of which will be conducted at the same time with the negotiation announcement by the Buyer in relation with the Proposed Transaction pursuant to the OJK Regulation No. 9/POJK.04/2018 of 2018 on Takeover of Public Listed Company.
2. A copy of the letter from the Company's custodian confirming that the crossing has been completed and from the Company's bank that the settlement has been completed.
3. Evidence of the notification to OJK regarding meeting agenda for the general meeting of the Shareholders of Petrosea in relation with the amendment to the composition of the Board of Commissioners of Petrosea.
4. Evidence of the announcement of the general meeting of shareholders to the shareholders of Petrosea in relation with the amendment to the composition of the Board of Commissioners of Petrosea, including in:
 - a. the website of e-RUPS provider;
 - b. IDX's website; and
 - c. Petrosea's website in Bahasa Indonesia and English.

5. Signed and undated resignation letters from Mr. Richard Bruce Ness, Mr. Kamen Kamenov Palatov, and Mr. Purbaja Pantja as the commissioners of Petrosea.
6. Signed resignation letters from members of the Audit, Risk, and Compliance Committee, Nomination and Remuneration Committee, Project and Investment Committee, and Sustainability Committee respectively as stated in CSPA.
7. Copies of all relevant required corporate approvals of the Company approving the Proposed Transaction.
8. A copy of the report from the appraiser of the Company confirming the fairness of the Proposed Transaction pursuant to OJK Regulation 17/2020.
9. Confirmation letter issued by the Company showing that the Proposed Transaction falls into a material transaction but does not require approval from the General Meeting of Shareholders of the Company as governed under OJK Regulation 17/2020.
10. Waiver or written approval or notification, that are required prior to the consummation of the Proposed Transaction, including but not limited to:
 - i. Waivers and/or approvals from the existing lenders of Petrosea, which include PT Bank Mandiri (Persero) Tbk., PT Bank HSBC Indonesia, Citibank N.A., and PT Bank UOB Indonesia, in relation to (1) the change of control in Petrosea; and/or (2) amendment to the existing facility agreements to remove any reference to the bonds issued by the Company; and
 - ii. Approval from PT Mitsubishi UFJ Lease and Finance Indonesia in relation to the change of shareholders in Petrosea.
11. Confirmation that the key employees and/or management of Petrosea Group, as stated in the CSPA, are still holding their respective positions at the time of the completion of the Proposed Transaction.
12. No event has occurred that is reasonably likely to have a material adverse effect on any Petrosea Group or its operations.

As of the date of this Supplement to the Disclosure of Information, the Company has fulfilled the conditions precedent in point 1 above and is in the process of fulfilling the remaining conditions precedent as mentioned above.

In relation to point 9 which states that “the Proposed Transaction constitutes a material transaction but not requiring approval of General Meeting of Shareholders as governed under POJK 17/2020”, the Buyer has acknowledged that the Company will request for approval of the GMS on the execution of the Proposed Transaction and, in principle, has agreed to provide a waiver for the condition precedent stated in point 9 above.

Such requirement stated in point 9 above arise, noting that during the time of execution of the CSPA, the Company’s consolidated financial statement and Petrosea’s consolidated financial statement used are in-house financial statement as of 31 December 2021 (since the audited as of 31 December 2021 is still being finalized).

Based on the Company's Financial Statements and Petrosea's Financial Statements, the Company's net profit for the year is US\$63,316,596, and Petrosea's net profit for the year is US\$33,953,000. The consolidated net profit of Petrosea in comparison to the consolidated net profit of the Company is accounted for 53.624% or more than 50%, thus, the Proposed Transaction constitutes a material transaction in accordance with OJK Regulation 17/2020 which shall obtain a prior approval of the GMS.

In addition, other than waiver or approval as required under point 10 a and b of the CSPA, there is no waiver or approval from other bank or creditor required to execute the Proposed Transaction. The Company will ensure fulfilment of the conditions precedent prior to the closing date.

Pursuant to the CSPA, the target of implementing the Proposed Transaction is no later than 31 May 2022 or any other date as agreed upon by the Company and the Buyer.

After the completion of the Proposed Transaction, Petrosea is no longer be the subsidiary of the Company, thus, its financial statements will not be consolidated in the financial statements of the Company.

I. OBJECT OF THE PROPOSED TRANSACTION

The object of the Proposed Transaction are 704,014,200 shares in Petrosea which representing 69.80% of the total paid-up and issued capital of Petrosea which are owned by the Company.

Based on the Company's Financial Statements, the consolidated net profit of the Company for the year is amounting to US\$63,316,596. Based on Petrosea's Financial Statements, the consolidated net profit of Petrosea for the year ended on 31 December 2021 is amounting to US\$33,953,000. The consolidated net profit of Petrosea in comparison to the consolidated net profit of the Company is 53.624% or more than 50%, thus, the Proposed Transaction constitutes a material transaction in accordance with OJK Regulation 17/2020 which shall obtain prior approval of the GMS.

II. VALUE OF THE PROPOSED TRANSACTION

The agreed valuation for all issued and paid-up shares of Petrosea is the equivalent value in Rupiah of US\$210,000,000. Thus, in accordance with the provision of the CSPA, the purchase value to be paid by the Buyer to the Company in relation to the purchase of Sale Shares for the Proposed Transaction is 69.80% of such valuation, which is the equivalent value in Rupiah of US\$146,580,000.

In accordance with the CSPA, the value of the Proposed Transaction is paid in 2 terms, as follows:

- a. Advance amounting to US\$2,500,000 which was paid on 25 February 2022 using the exchange rate of Rp14,355; and
- b. The remaining purchase price of US\$144,080,000 will be paid in Rupiah currency converted using the exchange rate as stated in the Jakarta Interbank Spot Dollar Rate (JISDOR) announced by Bank Indonesia (<https://www.bi.go.id/id/statistics/exchange-information/jisdor/default.aspx>) on a date that falls 2 (two) business days before the

payment date. The payment date is determined after the conditions precedent as described above are met.

III. PARTIES INVOLVED IN THE PROPOSED TRANSACTION

○ Seller

Brief Summary

The Company is duly established by virtue of Deed of Establishment No. 31 dated 19 October 2000, drawn up before Hasanal Yani Ali Amin, S.H., Notary in Jakarta, the said deed has been ratified by the MOLHR by virtue of its Decree No. C-13115 HT.01.01.Th.2001 dated 18 October 2001. The Company's Articles of Association has been amended several times and lastly amended by Deed of Statement of Shareholders' Resolution on the Amendment of the Articles of Association No. 35 dated 26 October 2020, drawn up before Aulia Taufani, S.H., Notary in South Jakarta, which has been notified to the MOLHR pursuant to the Letter of Notification Receipt Letter on the Amendment of the Articles of Association No. AHU-AH.01.03-0411792 dated 25 November 2020 and has been registered on the Company Register No. AHU-0198281.AH.01.11.Tahun 2020 dated 25 November 2020 and latest composition of the Board of Directors and the Board of Commissioners is as stipulated in the Deed No. 29 dated 22 April 2020, drawn up before Aulia Taufani, S.H., Notary in South Jakarta, which has been notified to the MOLHR by virtue of Letter of Notification Receipt of Amendment of Company's Data No. AHU-AH-01.03.0222591 dated 18 May 2020 and has been registered in the Company Register No. AHU-0083312.AH.01.11.Tahun 2020 dated 18 May 2020.

The Company is currently domiciled in South Jakarta, with registered office at Graha Mitra, 11th Floor, Jl. Jenderal Gatot Subroto Kav. 21, South Jakarta 12930, Indonesia.

Objectives and Purposes

The objectives and purposes of the Company are to carry out businesses in sector of trading, construction, mining, transportation, and services.

Capitalization and Shareholding

The current capital structure of the Company are as follows:

Authorized Capital	:	Rp	1,700,000,000,000
Issued/Paid Up Capital	:	Rp	521,019,200,000
Nominal Value per share	:	Rp	100

The composition of the shareholders of the Company based on the Shareholders Register as per 30 April 2022, are as follows:

Name of Shareholders	Number of Shares	Total Nominal Value (Rp)	%
PT Indika Inti Investindo	1,968,882,699	196,888,269,900	37.789
PT Teladan Resources	1,463,155,591	146,315,559,100	28.083
Public	1,778,153,710	177,815,371,000	34.128
Total	5,210,192,000	521,019,200,000	100.000

Management and Supervision

The current composition of the Board of Directors and the Board of Commissioners of the Company are as follows:

Board of Directors

President Director	:	M. Arsjad Rasjid P.M.
Vice President Director	:	Azis Armand
Director	:	Retina Rosabai
Director	:	Purbaja Pantja
Director	:	Kamen Kamenov Palatov

Board of Commissioners

President Commissioner	:	Agus Lasmono
Vice President Commissioner	:	Richard Bruce Ness
Commissioner	:	Indracahya Basuki
Independent Commissioner	:	Farid Harianto
Independent Commissioner	:	Eko Putro Sandjojo

○ **Buyer**

Brief Summary

The Buyer is duly established by virtue of Deed of Establishment No. 16 dated 29 September 2021, drawn up before Riflein Narwis, S.H., M.Kn., Notary in Karawang, the said deed has been ratified by the MOLHR by virtue of its Decree No. AHU-0061334.AH.01.01.TAHUN2021 dated 30 September 2021 and has been registered on the Company Register No. AHU-0168990.AH.01.11.TAHUN 2021 dated 30 September 2021. The latest deed reflecting amendment to the Buyer's articles of association is as stated in Deed of Statement of Shareholders' Circular Resolutions in lieu of Extraordinary General Meeting of Shareholders of PT Caraka Reksa Optima No. 263 dated 21 April 2022, drawn up before Yan Armin, S.H., Notary in Jakarta, which has been notified to the MOLHR pursuant to the Notification Receipt Letter on the Change of the Data of the Company No. AHU-AH.01.09-0010157 dated 28 April 2022 and has been registered in the Company Register No. AHU-0085439.AH.01.11.TAHUN 2022 dated 28 April 2022 ("**Deed No. 263/2022**").

The Buyer is currently domiciled in South Jakarta, with registered office at CIBIS Tower 9, 11th Floor, Jalan TB Simatupang No. 2, Kelurahan Cilandak Timur, Kecamatan Pasar Minggu, Jakarta Selatan, DKI Jakarta 12560.

Objectives and Purposes

The objectives and purposes of the Buyer are to carry out businesses in holding company activities and other management consulting activities.

Capitalization and Shareholding

The capital structure of the Buyer as of the date of this Disclosure of Information pursuant to the Deed No. 263/2022 is as follows:

Authorized Capital	:	Rp	10,100,000,000
Issued/Paid Up Capital	:	Rp	10,100,000,000
Nominal Value per share	:	Rp	1,000,000

the composition of the shareholders of the Buyer as of the date of this Disclosure of Information based on Deed No. 263/2022 is as follows:

Name of Shareholders	Number of Shares	Total Nominal Value (Rp)	%
Haji Romo Nitiyudo Wachjo	8,080	8,080,000,000	80
PT Kencana Tama Wisesa	2,020	2,020,000,000	20
Total	10,100	10,100,000,000	100

Management and Supervision

Based on the Circular Resolution of the Shareholders of PT Caraka Reksa Optima in lieu of the Extraordinary General Meeting of Shareholders on 26 April 2022, the composition of the members of the Board of Directors and the Board of Commissioners of the Purchaser as of the date of this Disclosure of Information is as follows:

Board of Directors

President Director	:	Haji Romo Nitiyudo Wachjo
Director	:	Rafael Nitiyudo
Director	:	Aldi Rakhmatillah
Director	:	Anggara Suryawan

Board of Commissioners

President Commissioner : R. Firman Wiranata K.

Commissioner : Andrew James Neale

IV. CLARIFICATION, CONSIDERATION, AND BACKGROUND OF THE PROPOSED TRANSACTION AND THE EFFECT OF THE PROPOSED TRANSACTION TOWARDS THE COMPANY'S FINANCIAL CONDITION

Clarification, Consideration and Background of the Proposed Transaction

The Proposed Transaction is implemented accordingly with the strategic steps of the Company to reduce the exposure in the coal business; thus, the Company needs to diversify its business in order to ensure that the Company focuses on the implementation of sustainable business activities, i.e. in green and mineral business. This was done not only to achieve the Company's target in net-zero emissions by 2050, but also to benefit from these sectors' large market and growth potential, which also aligns with the Indonesian government's program. In addition, by conducting the Proposed Transaction, there is no capital investment that would be necessary to replace Petrosea's aging heavy equipments in the future.

Based on the clarification, consideration, and background as mentioned above, the Proposed Transaction is believed to be able to provide benefits and positive impacts for the Company, stakeholders and shareholders of the Company.

Effect of the Proposed Transaction towards the Company's Financial Condition

Although the Proposed Transaction will result in a reduction of internal expertise in mining contractors that has been carried out together with Petrosea and the loss of the annual dividend contribution from Petrosea, the Company believes that the Proposed Transaction will strengthen the Company's financial position by reducing total debt on a consolidated basis and increase the liquidity from the sale of Sale Shares amounting to US\$146,580,000 to support the diversified new investments and liability management. The Company's ability to add new debt can also be allocated for new investments with sustainability aspect which can respond to the sustainability business needs of the stakeholders. This may open better access to funding in capital market and international banking.

Pursuant to the Company's Financial Statements, Petrosea contributes more than 50% of the Company's consolidated net profit, thus, the Proposed Transaction constitutes a material transaction in accordance with OJK Regulation 17/2020 which must first obtain the GMS approval.

Proforma consolidated financial information is prepared to comply with OJK Regulation 17/2020 and to show the settlement of proforma securities arising from the Proposed Transaction. The proforma consolidated financial information is based on the Company's Financial Statements and Petrosea's Financial Statements, and the proforma adjustments, are prepared in accordance with Statement of Financial Accounting Standard ("**PSAK**"). The proforma consolidated financial information reflecting the impact of the Proposed Transaction had it occurred on 31 December 2021.

The proforma consolidated financial information is presented only to provide information and is based on certain assumptions, estimates and currently available information. Therefore, the proforma consolidated financial information does not indicate the financial position and financial

performance that would have been achieved had the Proposed Transaction occurred on that date and does not reflect an indication of or may differ from the financial position and results of operations in the future.

The following is the proforma consolidated financial information as of 31 December 2021 and for the year that ended on that date which has been reviewed by the Public Accounting Firm.

Summary of Proforma Consolidated Statements of Financial Position

	PT Indika Energy Tbk and subsidiaries	Adjustment	Proforma Consolidated Financial Statement Post Proposed Transaction
	(US\$)	(US\$)	(US\$)
Current Assets	2,091,950,362	(296,626,774)	1,795,323,588
Noncurrent Assets	1,599,526,739	-	1,599,526,739
Total Assets	3,691,477,101	(296,626,774)	3,394,850,327
Current Liabilities	1,135,763,896	(232,645,000)	903,118,896
Noncurrent Liabilities	1,671,999,540	-	1,671,999,540
Total Liabilities	2,807,763,436	(232,645,000)	2,575,118,436
Total Equity	883,713,665	(63,981,774)	819,731,891
Total Liabilities and Equity	3,691,477,101	(296,626,774)	3,394,850,327

Summary of Proforma Consolidated Statements of Profit and Loss and Other Comprehensive Income

As of 31 December 2021, management of the Company intends to divest Petrosea's shares, thus asset and liability of Petrosea has been presented as asset and liability held-for-sale. The impairment losses of US\$79,960,887 have been recognized in the Company's Financial Statements, to adjust carrying amount of the asset held-for-sale to its fair value, less transaction costs.

	PT Indika Energy Tbk and subsidiaries	Adjustments	Consolidated statement of profit or loss and other comprehensive income After the effect of the Proposed Transaction
	US\$	US\$	US\$
REVENUES	3,069,161,119	-	3,069,161,119
COST OF CONTRACTS AND GOODS SOLD	(2,151,039,318)	-	(2,151,039,318)
GROSS PROFIT	918,121,801	-	918,121,801
Equity in net profit of associates	27,880,564	-	27,880,564
Selling, general and administrative expenses	(145,401,075)	-	(145,401,075)
Investment income	4,270,293	-	4,270,293
Finance costs	(104,860,082)	-	(104,860,082)
Final tax	(6,774,116)	-	(6,774,116)
Amortization of intangible assets	(135,946,869)	-	(135,946,869)
Fair value changes on contingent consideration obligation	(41,792,882)	-	(41,792,882)
Others - net	(13,390,150)	-	(13,390,150)
PROFIT BEFORE TAX	502,107,483	-	502,107,483
INCOME TAX EXPENSE	(294,689,659)	-	(294,689,659)
PROFIT FOR THE YEAR FROM CONTINUING OPERATION	207,417,824	-	207,417,824
DISCONTINUED OPERATION			
LOSS FOR THE YEAR FROM DISCONTINUED OPERATION	(144,101,228)	-	(144,101,228)
PROFIT FOR THE YEAR	63,316,596	-	63,316,596
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	90,211,153	-	90,211,153
PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company	57,719,504	-	57,719,504
Non-controlling interests	5,597,092	-	5,597,092
Total	63,316,596	-	63,316,596
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company	77,814,923	-	77,814,923
Non-controlling interests	12,396,230	-	12,396,230
Total	90,211,153	-	90,211,153

Assumption: the impact of the income tax on the sale and purchase of shares transaction, if any, is not taken into account in the pro forma consolidated financial information.

SUMMARY OF SHARE APPRAISAL REPORT AND SUMMARY OF APPRAISAL REPORT ON FAINESS OPINION

SUMMARY OF SHARE VALUATION REPORT

The following is a summary of Petrosea's share valuation report based on File Valuation Report No. 00040/2.0007-00/BS/02/0358/1/IV/2022 dated 11 April 2022, which has been revised by File Valuation Report No. 00043/2.0007-00/BS/02/0358/1/V/2022 dated 9 May 2022 in relation to additional information of the Proposed Transaction.

1. Appraised Object

The appraised object is 704,014,200 shares in Petrosea which represents 69.80% of shares owned by the Company as of 31 December 2021.

2. Objectives and Purposes of the Valuation

The valuation conducted by the Independent Appraiser is to determine the Market Value of the Company's share ownership in Petrosea amounted to 704,014,200 shares or the equivalent of 69.80% ownership.

3. Appraisal Date

The appraisal is conducted as of 31 December 2021.

4. Assumptions and Conditions

This share valuation report is based on the following assumptions and conditions:

- The Business Valuation Report issued by the Independent Appraiser is a non-disclaimer opinion.
- The Independent Appraiser has reviewed the documents used in the valuation process.
- Data and information received by the Independent Appraiser are acquired from sources with reliable accuracy.
- The Independent Appraiser used the adjusted financial projections that reflect the fairness of the financial projections prepared by the management according to their fiduciary duty.
- The Independent Appraiser is responsible for the valuation and fairness of the adjusted financial projections.
- The Business Valuation Report issued by the Independent Appraiser is a publicly accessible report, except in the event of confidential information that may affect the Company's operations.
- The Independent Appraiser is responsible for the Business Valuation Report and the Conclusion of the Appraisal.
- The Independent Appraiser has obtained the information with respect to the legal status of the appraisal object from the assignor.

5. Identity of the Independent Party

The independent appraisal is conducted by appraiser from Independent Appraiser Stefanus Tonny Hardi & Rekan

6. Valuation Approach and Method

The valuation approach and method used in the share appraisal are as follows:

- Income-based Approach using the Discounted Cash Flow (“DCF”) Method.
- Market-based Approach using the Comparative Publicly Traded Company Method (“GPTC”).
- Assets-based Approach using the Net Asset Value Adjustment Method (“ANAM”)

7. Conclusion of Appraisal

The amount of US\$145,047,000 represents the market value of 704,014,200 Petrosea shares which is the equivalent of 69.80% ownership, which is in a going concern condition as of 31 December 2021, based on the abovementioned assumptions and qualifications.

SUMMARY OF APPRAISAL REPORT ON FAIRNESS OPINION

The following is a summary of appraisal report on fairness opinion of the Company based on File Valuation Report No. 00041/2.0007-00/BS/02/0358/1/IV/2022 dated 12 April 2022, which has been revised by File Valuation Report No. 00044/2.0007-00/BS/02/0358/1/V/2022 dated 9 May 2022 in relation to additional information of the Proposed Transaction.

1. Parties Involved

The parties involved in the Proposed Transaction are:

- a. The Company as the Seller; and
- b. PT Caraka Reksa Optima as the Buyer.

2. Material Transaction

In the Proposed Transaction, the Company intends to sell and transfer the Sale Shares to the Buyer at the Purchase Value. Based on the Company’s Financial Statements and Petrosea’s Financial Statement, net profit of the Company for the year is US\$63,316,596, and Petrosea’s net profit for the year is US\$33,953,000. Comparison of the net profit for the year of Petrosea’s divided by the Company’s net profit for the year is 53.624% or more than 50%, thus, the Proposed Transaction constitutes as a material transaction in accordance with OJK Regulation 17/2020 which must first obtain the GMS approval.

3. Fairness Analysis Object

The Fairness Analysis Object is the divestment plan of 704,014,200 shares of Petrosea owned by the Company as of 31 December 2021.

4. Objectives and Purposes of the Fairness Opinion

The purposes and objectives of the appraisal are to provide a fairness opinion on the Proposed Transaction which is required in order to fulfill the prevailing provisions, which is the OJK Regulation 17/2020.

5. Fairness Opinion Date

Appraisal date of the Fairness Opinion is 31 December 2021.

6. Independency of the Appraiser

In the preparation of the fairness opinion report on the Proposed Transaction, the Independent Appraiser has acted independently without any conflict of interest and is not affiliated with the Company or other affiliated parties.

The Independent Appraiser also has no personal interest or benefit related to this assignment. Furthermore, this fairness opinion report is not made to provide benefits or inflict financial loss on any party. The compensation received by the Independent Appraiser is not at all affected by the fairness resulting from this fairness analysis process.

7. Benefit of the Proposed Transaction

The implementation of the Proposed Transaction supports the Company to strengthen the Company's financial and supports the development of sustainable business activities and renewable energy. In this respect, the income from the Proposed Transaction will be used by the Company to optimize liability management as well as business diversification.

8. Assumptions and Qualifications

In preparing the fairness opinion report on the Proposed Transaction, the Independent Appraiser uses certain assumptions as follows:

- The Business Valuation Report issued by the Independent Appraiser is a non-disclaimer opinion.
- The Independent Appraiser has reviewed the document used in the appraisal process.
- Data and information received by the Independent Appraiser are acquired from sources with reliable accuracy.
- The Independent Appraiser used the adjusted financial projections that reflect the fairness projections prepared by the management according to their fiduciary duty.
- The Independent Appraiser is responsible for the valuation and fairness of the adjusted financial projections.
- The Independent Appraiser issued the Business Valuation Report which is a publicly accessible report, except in the event of confidential information that may affect the Company's operations.
- The Independent Appraiser is responsible for the Business Appraisal Report and the summary of the fairness opinion.
- The Independent Appraiser has obtained the information with respect to the legal status of the appraisal object from the assignor.

The Independent Appraiser also adheres to the management representation letter stating that the management has disclosed all important and relevant information with regards to the Proposed Transaction and to the best of the knowledge of the Company's management, there is no material factor that has not been disclosed and could be misleading.

9. Methodology of the Fairness Opinion

Fairness analysis of the Proposed Transaction is carried out by means of transactions analysis, qualitative analysis, and quantitative analysis which are in the form of performance analysis and incremental analysis, thus, the fairness of the Proposed Transaction can be determined in terms of the financial impact on the shareholders of the Company.

10. Fairness Opinion of the Proposed Transaction

Based on transaction analysis, qualitative and quantitative analysis, and fairness analysis of the transaction value which has been conducted by the Appraiser on the Proposed Transaction, it can be concluded that:

- The Proposed Transaction is implemented accordingly with the strategic steps of the Company to reduce the exposure to the coal business; thus, the Company needs to diversify its business in order to ensure that the Company focuses on the implementation of sustainable business activities, i.e., in green and mineral business. This was done not only to achieve the Company's target of net-zero emissions by 2050 but also to benefit from these sectors' large market and growth potential, which also aligns with the Indonesian government's program. In addition, by conducting the Proposed Transaction, there is no capital investment that would be necessary to replace Petrosea's aging heavy equipment in the future.

Along with the Company's strategic steps, throughout 2021, the Company carried out several corporate actions, including:

- a. The Company, through PT Indika Mineral Investindo ("IMI"), completed the acquisition of the remaining 72.2% shares in Nusantara Resources Limited.

In addition to the abovementioned, the Company also carried out efforts in reducing the dependence on the coal business through:

- b. Divestment of all 51% shares in PT Mitrabahtera Segara Sejati Tbk. ("MBSS") which was completed on 8 October 2021, with the transfer of MBSS control over to PT Galley Adhika Arnawama (Galley).
 - c. Signed the term sheet related to the divestment of the Company's 69.8% shares in Petrosea in October 2021.
- With an abundant supply of coal, the Government has begun to encourage the use of coal while considering the environment, therefore, the Company's target to diversify by 50% of its revenue from non-coal businesses is considered the right effort to start a new, more sustainable business in the future.
 - Based on the consolidated financial statement of the Company as of December 31, 2021, which has been audited by Public Accountant Office Imelda & Rekan and signed by Alvin Ismanto on March 31, 2022:
 - The Company's equity is US\$883,713,665
 - The Company's total asset is US\$3,691,447,101
 - The Company's net profit for the year is US\$63,316,596
 - The Company's revenue is US\$3,069,161,119

An acquisition and divestment transaction of a company or operating segment is categorized as a material transaction pursuant to OJK Regulation 17/2020 if it meets the following threshold:

- The transaction value is equal to 20% or more of the Company's equity;
- The total assets of the object of transaction divided by the total assets of the Company are equal to or more than 20%;
- The net profit of the object of the transaction divided by the net profit of the Company is equal to or more than 20%
- The object of transaction revenue divided by the Company's revenue is equal to or more than 20%.

The following table shows the fulfilment of each criteria in the material transaction:

	Value of Proposed Transaction (US\$)	The Company's Equity (US\$)	Value of Proposed Transaction / The Company's Equity	Fulfillment of Criteria of Material Transaction
Value of Proposed Transaction	146,580,000	883,713,665	16.59%	Not Fulfilled

	Petrosea (US\$)	Perseroan (US\$)	Petrosea / Perseroan	Fulfillment of Criteria of Material Transaction
Total Asset	532,736,000	3,691,477,101	14.43%	Not Fulfilled
Net Profit	33,953,000	63,316,596	53.62%	Fulfilled
Revenue	415,737,000	3,069,161,119	13.55%	Not Fulfilled

Based on the data in the table above, the Proposed Transaction is a material transaction as defined in OJK Regulation 17/2020 based on the criteria of the net profit of the object of transaction divided by the net profit of the Company where the value is more than 20%. Furthermore, considering the net profit of the object of transaction divided by the net profit of the Company is more than 50%, in order to carry out this Proposed Transaction, among others, the Company needs to obtain approval from the General Meeting of Shareholders (GMS).

The transaction does not contain the elements of an affiliated transaction as defined in OJK Regulation 42/2020 and based on the statement of the Company's management; this Proposed Transaction is not a conflict of interest transaction.

Considering that the Proposed Transaction is a material transaction with Petrosea's net profit compared to the Company's net profit is more than 50%, thus the Company is obliged to obtain approval from the shareholders in the GMS, announce the disclosure of information relating to the Proposed Transaction to the public simultaneously with the announcement of the GMS, provide related data to the shareholders, and submit proof of disclosure of information and the supporting documents to OJK. The period between the date of assessment and the date of implementation of the GMS shall not exceed 6 (six) months.

Thus, an assessment of the fairness of the transaction is needed in order to satisfy the OJK Regulation 17/2020.

1. Based on Petrosea's share appraisal report issued by the Appraiser with file number 00040/2.0007-00/BS/02/0358/1/IV/2022 dated 11 April 2022, which has been revised by File Valuation Report No. 00044/2.0007-00/BS/02/0358/1/V/2022 dated 9 May 2022, the market value of the Object of the Proposed Transaction is US\$145,047,000, while based on the CSPA, the Proposed Transaction will be commenced at the price of US\$146,580,000. Thus, the upper and lower limits of the value of the Proposed Transaction are 1.06%.
2. By implementing the Proposed Transaction, the benefits and advantages obtained by the Company are as follows:
 - a. In line with the Company's strategic objectives as an Investment Holding to diversify the business other than the coal business.

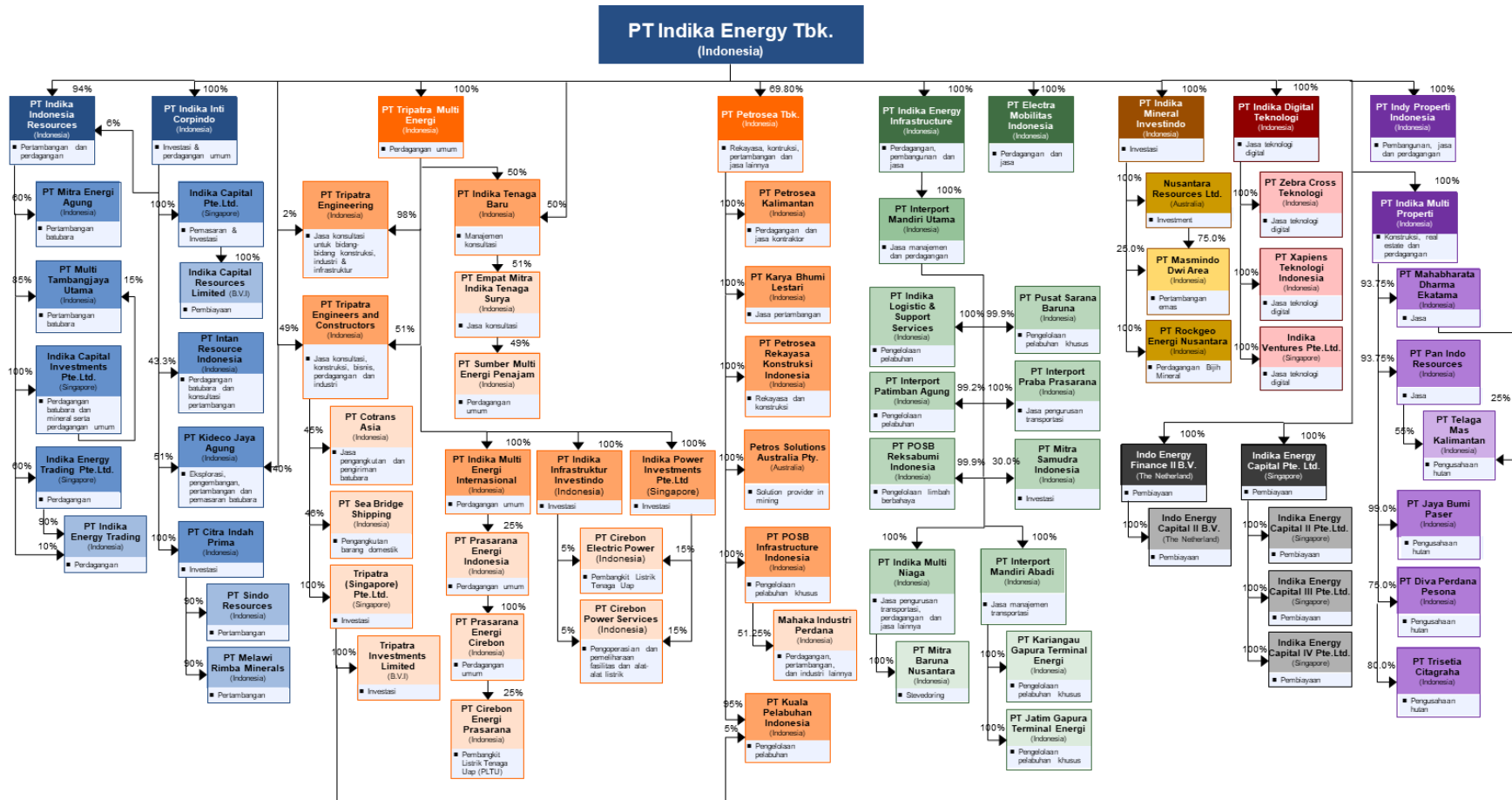
- b. The Company may also reduce capital expenditure within the group by reducing capital expenditure portion of Petrosea as planned to replace Petrosea's fleet of heavy equipment.
 - c. Increased liquidity from the Transaction of US\$146.58 million to support new diversified investments and optimization of the Company's liability management.
 - d. The Company's ability to add new debt which can be allocated to new investments that have a sustainability aspect to respond to the needs of a sustainable business from shareholders. This could open better access to funding in the capital markets as well as international banking.
 - e. The advantage of the Proposed Transaction is the interest payment reduction obtained from liability management.
 - f. Fund that will be allocated for business diversification will be used to invest in businesses that are more sustainable and have high growth prospects.
3. The implementation of the Proposed Transaction supports the Company to strengthen the Company's financial and support the development of sustainable business activities and renewable energy. In this regard, the income of the Proposed Transaction will be used by the Company to optimize the liability management and diversify the business.

Through liability management, the Company can optimize the financial condition by the decrease of the interest payment. In addition, the allocation of funds for business diversification investments in a more sustainable business has a higher tendency of growth so as to support the optimization of the Company's financial.

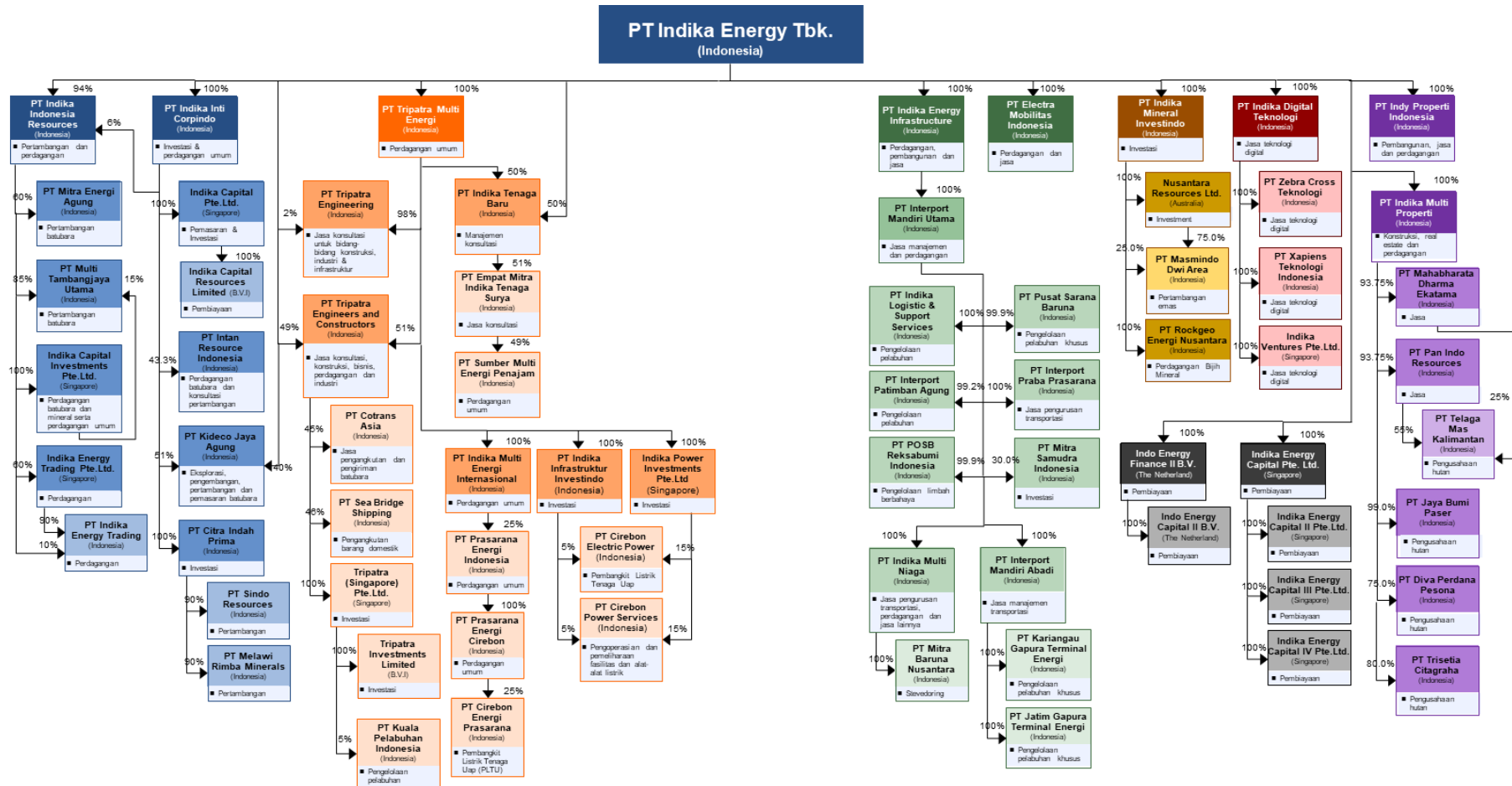
4. The impact of the Proposed Transaction on the Company's financial projection based on fairness analysis which includes transaction analysis, qualitative analysis, quantitative analysis, the Independent Appraiser is on the opinion that the Proposed Transaction is **fair**.

THE COMPANY'S STRUCTURE BEFORE AND AFTER TRANSACTION

Before the Proposed Transaction



After the Proposed Transaction



RECOMMENDATION FROM THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS OF THE COMPANY

After conducting in-depth analysis, the Board of Directors and Board of Commissioners of the Company recommend to all Shareholders of the Company to approve the Proposed Transaction in the extraordinary GMS which will be held on Friday, 20 May 2022 where the Board of Directors and Board of Commissioners believe that the Proposed Transaction is in the best interest of the Company and the shareholders of the Company.

ESTIMATED TIMELINE

Notification on the Extraordinary GMS (“EGMS”) to OJK	6 April 2022
Announcement of the Plan to Hold the EGMS	13 April 2022
Announcement of the Disclosure of Information through the website of the Company and the Indonesia Stock Exchange	13 April 2022
Recording Date of the List of Shareholders Entitled to Attend the EGMS	27 April 2022
Invitation of EGMS	28 April 2022
Amendment and/or Additional Information of the Disclosure of Information (if any)	18 May 2022
EGMS Holding Date	20 May 2022
Announcement of the Summary of the Minutes of EGMS	24 May 2022

INDEPENDENT PARTIES APPOINTED FOR THE PROPOSED TRANSACTION

Independent parties who involved in the implementation of the Proposed Transaction are:

1. Public Accounting Firm Imelda & Rekan, as the independent public accounting which conducted audit on the Company’s Financial Statements and as independent practitioner conducting review of the Company’s proforma consolidated financial information.
2. Public Appraisal Service Firm (*Kantor Jasa Penilai Publik*) Tonny Hardi & Rekan, as the independent appraiser registered in OJK which provides the fairness opinion on the Proposed Transaction.
3. Assegaf Hamzah & Partners, as the legal counsel who provides legal advice to the Company with regards to the Proposed Transaction.

STATEMENTS OF THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS OF THE COMPANY

1. This Disclosure of Information is complete and in accordance with the requirements under OJK Regulation 17/2020.
2. The Transaction does not contain any conflict of interest as stipulated under OJK Regulation 42/2020.
3. The statements in the Disclosure of Information conveyed do not contain any statements or information or facts that are untrue or misleading, and contain all information and material facts which required by the investors to make decisions in relation to the Proposed Transaction.

THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

The Board of Directors of the Company hereby announces to the Company's Shareholders that the Company will hold an EGMS which will be held on:

Day/date : Friday, 20 May 2022
Time : 09.00 – finish
Venue : Graha Mitra
Jl. Jend. Gatot Subroto Kav. 21
Jakarta 12930

Those who are entitled to attend or be represented in the Meeting are:

- a. For the Company's shares that have not been registered in the collective deposit, only for the Company's Shareholders or their legitimate proxies whose name are registered in the Shareholders List at the Shareholders Registrar of the Company, PT Datindo Entrycom on 27 April 2022 at the latest at 16.15 WIB.
- b. For the Company's shares that are registered in the collective deposit are only for the Shareholders whose name are registered in Sub-Stock Account at PT Kustodian Sentral Efek Indonesia at closing of stock trading in Indonesia Stock Exchange dated 27 April 2022 at 16.15 WIB.

EGMS Agenda

Approval of the proposed transaction of the sales of shares in the Company's subsidiary, namely PT Petrosea Tbk, which will be conducted by the Company, whereby such transaction constitutes material transaction as stipulated under the OJK Regulation 17/2020.

In accordance with the provisions of Article 41 paragraph (3) of OJK Regulation 15/2020 and Article 11 paragraph (3) letter (a) and (d) and Article 11 paragraph (4) of the Company's Article of Association, with regards to this agenda of the EGMS, the attendance quorum is more than ½ of the total shares with voting rights are present or represented, and the resolution shall be valid if it is approved by more than ½ of the total shares with voting rights which present in the EGMS.

In the event that this Proposed Transaction does not obtain the GMS approval, the Proposed Transaction can only be re-proposed 12 (twelve) months since the date of GMS.

ADDITIONAL INFORMATION

For any additional information required, please contact the Company on the following address:

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