

DISCLOSURE OF INFORMATION



Member of Indika Energy Group

PT PETROSEA Tbk (Company)

Business Activities:

Construction: Mining and quarrying services; transportation and warehousing; employment.

Domiciled in South Tangerang, Indonesia

PT PETROSEA Tbk

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DISCLOSURE OF INFORMATION WITH RESPECT TO AFFILIATED TRANSACTION

This disclosure of information was created in connection with the acquisition of all shares owned by the Company by PT Interport Mandiri Utama (**IMU**) at PT POSB Reksabumi Indonesia (**PRI**) based on Deed of Sale and Purchase Shares No. 15 dated 29 June 2020, which was created before Ungke Mulawanti, SH, M.Kn., Notary in Bekasi Regency (hereinafter referred to as **Transaction**). The transaction was an effort carried out by the Company to maintain stable financial performance growth and focus on the Company's positioning in the contract mining sector.

The transaction is categorized as an Affiliated Transaction due to the Company and IMU being controlled companies of PT Indika Energy Tbk (**Indika**) (both directly and indirectly), as well as similarities between the management members of the Company and IMU.

This disclosure of information was created in order to comply with the provisions under Regulation No.IX.E.1, Attachment of the Decree of the Chairman of Bapepam and LK No. Kep-412 / BL / 2009 dated 25 November, 2009 concerning Affiliated Transactions and Certain Conflicts of Interest Transactions (**Regulation IX.E.1**).

**This Disclosure of Information was published in
South Tangerang on 1 July 2020**

FOREWORD

The information referred to in this announcement was made in connection with the Transaction that was carried out by the Company along with IMU, in which the Company has transferred all its shares in PRI.

IMU is a affiliated party of the Company since both IMU and the Company are companies controlled by the same company, namely Indika, also because of the similarities of the management composition. Therefore the Transaction is an Affiliate Transaction that must be announced to the public in accordance with the provisions of Regulation IX.E.1.

In conducting the Transaction, the Company appointed KJPP Budi, Edy, Saptono and Partners (**KJPP BEST**) as an independent appraisers listed under the Financial Service Authority in charge of evaluating and providing fairness opinion regarding the Transaction.

I. BRIEF DESCRIPTION ON THE COMPANY

A. Brief History on the Company

The Company is a limited liability company established under Deed No. 75 on 21 February 1972, made before Djojo Muljadi, SH., Notary in Jakarta. The Deed was approved by the Minister of Justice of the Republic of Indonesia with Decree No. Y.A.5 / 51/17 dated 30 November, 1972 and registered in the register book at the Central Jakarta District Court Office No. 3236 dated 7 December 1972 and published in State Gazette No. 12, 9 February 1973 and Supplement to State Gazette No. 96.

The Articles of Association of the Company has been amended several times as stipulated in Deed No. 1 dated 1 March 2019, made before Aulia Taufani, SH, Notary in South Jakarta, which notification has been approved by the Minister of Law and Human Rights as stated in the Letter of Acceptance of Notification of the Amendment to the Articles of Association of the Company No. AHU-AH.01.03-0138376 on 11 March 2019 and has been recorded in the Company Register No. AHU-0039518.AH.01.11.of 2019 on 11 March 2019.

The latest shareholder structure as stipulated in the Deed No. 1 dated 1 March 2019, made before Aulia Taufani, S.H., Notary in the Administrative District of South Jakarta, which notification was approved by the Minister of Law and Human Rights as stated in the Letter of Acceptance of Notification of the Amendment to the Articles of Association of the Company No. AHU-AH.01.03-0138376 on 11 March 2019 and has been recorded in the Company Register No.. AHU-0039518.AH.01.11. of 2019 on 11 March 2019.

The composition of the Board of Directors and Board of Commissioners of the Company is as stipulated in Deed No. 2 dated 13 April 2020, made before Shanti Indah Lestari, SH, M.Kn., Notary in Tangerang Regency, which notification was has been approved by the Minister of Law and Human Rights as stated in the Letter of Acceptance of Notification of Amendments of Company Data on 28 April 2020 Number AHU-AH.01.03-0201911 (**Deed 2/2020**).

In 1990, the Company conducted an initial public offering to the public and listed its shares on the Indonesian Stock Exchange.

B. Capital Structure and Shareholder Composition of the Company

The capital structure of the Company are as follows:

Authorized Capital	: Rp 201,721,000,000.00 consisting of 4,034,420,000 shares
Issued Capital	: Rp 50,430,250,000.00 consisting of 1,008,605,000 shares
Paid-up Capital	: Rp 50,430,250,000.00 consisting of 1,008,605,000 shares

(with a nominal value of Rp 50.00 per share)

Pursuant to the Shareholders Register prepared by the Securities Administration Bureau, PT Datindo Entrycom, the composition of the shareholders as of 31 May 2020 is as follows:

Shareholder	Number of Shares	Share Value	%
PT Indika Energy Tbk	704,014,200	Rp 35,200,710,000	69.80%
Public	304,590,800	Rp 15,229,540,000	30.20%
Total	1,008,605,000	Rp 50,430,250,000	100%

C. Management and Supervision of the Company

The compositions of Board of Directors dan Board of Commissioners of the Company stipulated to Deed No. 2/2020 are as follows:

Board of Commissioners

Presiden Commissioner : Richard Bruce Ness
 Commissioner : Purbaja Pantja
 Commissioner : Kamen Kamenov Palatov
 Independent Commissioner : Osman Sitorus
 Independent Commissioner : Hasnul Suhaimi

Board of Directors

Presiden Director : Hanifa Indradjaya
 Director : Romi Novan Indrawan
 Director : Meinar Kusumastuti

D. Business Activities

The Company's business activities revolve around the construction sector; mining and quarrying services; transportation and warehousing; and employment.

II. BRIEF DESCRIPTION ON IMU

A. Brief History of IMU

IMU is a limited liability company established under the Deed No. 02 dated 16 November 2018, made before Ungke Mulawanti, SH., M.Kn., Notary in Bekasi Regency, The Deed has been approved by the Minister of Law and Human Rights as stated in the Decree No. AHU-0055664.AH.01.01. of 2018 on 22 November 2018 and has been recorded in the Company Register No. AHU-0157102.AH.01.11. of 2018 on 22 November 2018.

The latest Board of Directors and Board of Commissioners composition as stipulated in the Deed No. 1, 1 May 2019, made before Ungke Mulawanti, SH., M.Kn., Notary in Bekasi Regency, which notification has been approved by the Minister of Law and Human Rights as stated in the Letter of Acceptance of Notification of the Amendment to the Company Data No. AHU-AH.01.03-0234979 on 8 May, 2019 and has been recorded on Company List No. AHU-0073131.AH.01.11. of 2019 on 8 May 2019 (**Deed 1/2019**).

B. Capital Structure and Shareholder Composition of IMU

Authorized Capital : Rp 500,000,000.00 consisting of 5,000 shares
 Issued Capital : Rp 125,000,000.00 consisting of 1,250 shares
 Paid-up Capital : Rp 125,000,000.00 consisting of 1,250 shares
 (with a nominal value of Rp 100,000.00 per share)

Shareholder	Number of Shares	Share Value	%
PT Indika Energy Infrastructure	1,249	Rp 124,900,000	99,992%
PT Indika Mineral Investindo	1	Rp 100,000	0,008%
Total	1,250	Rp 125,000,000	100%

C. Management and Supervision of IMU

The compositions of Board of Directors dan Board of Commissioners of IMU stipulated to Deed No. 1/2019 are as follows:

Board of Commissioners

President Commissioner : Eddy Junaedy Danu
 Commissioner : Kamen Kamenov Palatov
 Commissioner : Richard Bruce Ness
 Commissioner : Purbaja Pantja
 Commissioner : Bob Kamandanu

Board of Directors

President Director : Widjaja Surjatna Sumarjadi
 Director : Alif Sasetyo
 Director : David Edward Adams

D. Business Activities

The business activities of IMU revolve around professional, scientific and technical activities; financial and insurance activities; wholesale and retail trade, car and motorcycle repair and maintenance; real estate

III. BRIEF DESCRIPTION OF. PRI

A. Brief History of PRI

PRI was established under the Deed No. 4 on 7 June 2016, made before Aulia Taufani, S.H., Notary in Tangerang Regency (**Deed 4/2016**). The Deed was approved by the Minister of Law and Human Rights of the Republic of Indonesia with Decree No. AHU-0028800.AH.01.01. of 2016 concerning Ratification of the Establishment of a Legal Entity Limited Liability Company PT POSB Reksabumi Indonesia dated 14 June 2016.

The composition of the Directors and Commissioners has been amended several times as stipulated in Deed No. 21 on 14 June 2017 made by Liestani Wang, SH, M.Kn, Notary in the Administration District of South Jakarta (**Deed 21/2017**), the deed of amendment was approved by the Minister of Law and Human Rights of the Republic of Indonesia through a Letter of Acceptance of Notification of Data Changes in the Company PT POSB Reksabumi Indonesia No. AHU-AH.01.03-0148373 of 2017 dated 20 June 2017.

Articles of Association of PRI have been amended several times as stipulated in the Deed No. 10 dated 29 May 2019 made before Shanti Indah Lestari S.H., M.Kn., a notary in Tangerang Regency (**Deed 10/2019**), concerning changes in the aims and objectives of company. The Deed was approved by the Minister of Law and Human Rights of the Republic of Indonesia through the Letter of Acceptance of Notification of Amendment to the Corporate Data of PT POSB Reksabumi Indonesia No. AHU-030004.AH.01.02 of 2019 on 31 May 2019.

PRI began operating in 2017 and has obtained the Principle of Domestic Investment License from the Investment Coordinating Board, in addition to licensing to support its operations obtained in 2018 as a Waste and Toxic Material Waste Manager, in 2019 the company also

added new licenses in the form of: Recommendations Transport of Hazardous and Toxic Waste from the Minister of Environment and Forestry.

B. Capital Structure and Shareholder Composition of PRI

Authorized Capital : Rp 10,000,000,000 consisting of 10,000 shares
 Issued Capital : Rp 5,000,000,000 consisting of 5,000 shares
 Paid-up Capital : Rp 5,000,000,000 consisting on 5,000 shares
 (with the nominal value of Rp 1,000,000 per share)

Shareholder	Number of Shares	Share Value	%
PT Petrosea Tbk.	4,995	Rp 4,995,000,000	99.9%
PT POSB Infrastructure Indonesia	5	Rp 5,000,000	0.1%
Total	5,000	Rp 5,000,000,000	100%

C. Management and Supervision of PRI

The latest composition of the Board of Directors and the Board of Commissioners of PRI based on Deed 21/2017 is as follows:

Board of Commissioners

President Commissioner : Hanifa Indradjaya
 Commissioner : Johannes Ispurnawan
 Commissioner : Mochamad Kurnia Ariawan

Board of Directors

President Director : Meinar Kusumastuti
 Director : Alif Sasetyo
 Director : David Edward Adams

D. Business Activities

The business activities of PRI revolve around water management, waste water management, waste management and recycling and remediation, construction and transportation and warehousing activities.

IV. BRIEF DESCRIPTION ON AFFILIATED TRANSACTION

A. GENERAL PROVISION

The Company is a company which is engaged in the field of construction, contract mining and quarrying services, transportation and warehousing as well as employment. PRI is a company which is engaged in water management, waste water management, waste management and recycling, remediation activities, construction, transportation and warehousing. In order to maintain stable financial performance growth and focus on the Company's positioning in the contract mining sector, the Company plans to sell 4,995 (99.9%) of PRI shares to IMU.

B. OBJECT OF TRANSACTION

The object of the Transaction is 4,995 shares owned by the Company in PRI with a nominal value of Rp. 4,995,000,000 which is 99.9% of the shares issued and fully paid up in PRI.

C. DESCRIPTION OF TRANSACTION VALUE

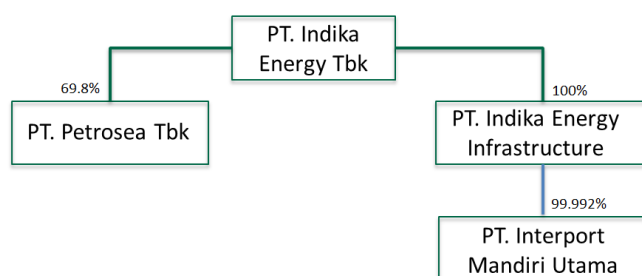
The Transaction Value is Rp. 11,488,500,000.

D. DESCRIPTION OF THE NATURE OF AFFILIATED RELATIONSHIP OF THE PARTIES CONDUCTING THE TRANSACTIONS

The nature of the affiliation of the Company is as follows:

1. Share Ownership

There is a relationship between 2 (two) companies that are controlled, directly or indirectly, by the same party, in this case Indika, which has control of both companies directly and indirectly, Indika also determines the policies and management arrangements in the Company and IMU, with Indika's share ownership of 69.80% (sixty nine point eighty percent) in the Company and 99.992% in IMU through Indika's subsidiary, PT Indika Energy Infrastructure. As illustrated in the chart below:



2. Management

There is a relationship between 2 (two) companies in which there are one or more members of the same Board of Directors or Board of Commissioners, in this case there are similarities of the Company's Commissioners who also serve as Commissioners at IMU, as follows:

Name	Position in the Company	Position in IMU
Kamen Kamenov Palatov	Commissioner	Commissioner
Richard Bruce Ness	President Commissioner	Commissioner
Purbaja Pantja	Commissioner	Commissioner

E. EXPLANATION, CONSIDERATIONS AND REASONS FOR THE AFFILIATION TRANSACTION

The Company continues to develop diversification strategies to sustain revenue, while strengthening the Company's positioning as one of the main players in the contract mining sector. To maintain stable performance growth, the Company focuses on cost effectiveness, and runs responsive operational strategies by optimizing the potential of its human resources.

The benefits expected by the Company by conducting this transaction is that the Company has the best offer in terms of current sale price, scheme and sale time.

The Company used these considerations in selling shares to IMU as a party who can better understand the purpose and benefits of selling PRI. These benefits can be seen in the financial profile of the Company, in which the best offer would be more difficult to obtain if the Company sold its shares to another party that is not not affiliated with the Company.

In line with the Company's plan to move towards a company that focuses on lite assets and prioritizes the goal of becoming a technology-based company in coal mining services and engineering, the placement of investments and assets that are no longer in line with the planned

transformation going forward is a burden for the Company. By performing this transaction, the Company can obtain capital to be used to acquire companies or other assets that are more in line with its new strategy.

Meanwhile, other consequences for the Company regarding the PSB share sale transaction plan is the loss of potential revenue contribution that could be received from PRI in the coming period.

V. INDEPENDENT PARTY

In relation to the above Transaction, the Company has appointed an independent party, which is KJPP BEST, an independent public appraiser to evaluate the fairness of the Transaction, prepare a Summary Report that summarizes the indicative analysis and results, as well as provide an opinion on the fairness of the Transaction value.

Address : Wisma Bayuadji 4th Floor.C01, Jl. Gandaria Tengah III no.44, Kebayoran Baru,
South Jakarta, 12130

Telephone : (021) – 739.7645

Facsimile : (021) – 739.7637

VI. SUMMARY OF REPORT AND OPINION OF INDEPENDENT CONSULTANTS

Stipulated to the Fairness Report given by KJPP BEST No. 0042/2.0033-00/BS/02/0440/1/VI/2020 dated 30 June 2020 in order to support the fairness of the Transactions conducted by the Company, the following important information can be concluded:

Purpose of Fairness Report

To provide a fairness opinion regarding the proposed Affiliated Transaction plan, namely the transfer of all shares owned by the Company in PRI.

Object of Fairness Report

In this valuation report, the object of appraisal is 4.995 shares owned by the Company in the PRI or 99.9% of the Company's shares, which constitute majority ownership and have full control over PRI. The object of valuation is a closed company, so it requires time, cost and effort to conduct sales in the market.

Assumptions and Limiting Conditions

- The business valuation report is a non-disclaimer opinion.
- This fairness opinion report was prepared by KJPP Best to meet the requirements, specifically in supporting the Company to obtain a reasonable view of the independent opinion regarding the PRI share sale transaction plan, where this fairness report will be addressed to shareholders, but not intended for anything else. If there are other parties who misuse this report, KJPP Best will state that this report cannot be used, including as a reference or shown to other parties, except if it is ordered by the court or the authorities, without written permission from KJPP Best. KJPP BEST is not responsible for the use of the contents of this report by other parties outside the Company.
- In carrying out professional assignments, appraisers have carried out assessments independently.
- Appraisers have reviewed the documents used in the valuation process.
- Data and information obtained comes from sources with accuracy that can be trusted.

- The business appraiser is responsible for carrying out the appraisal and fairness of the financial projections.
- Business valuation reports are open to the public unless there is confidential information that can affect company operations.
- The business appraiser is responsible for the fairness opinion report.
- Appraisers have obtained information that there are no legal issues with the object of valuation.
- The fairness opinion report which states the results of the analysis, opinion and conclusion, was created based on the Indonesian Assessment Standard (*Standar Penilaian Indonesia* or SPI) Edition VII-2018 and Regulation No. VIII.C.3 concerning Guidelines for Valuation and Presentation of Business Valuation Reports on the Capital Market.
- The PRI stock valuation report prepared by KJPP Best, constitutes valuation as of December 31, 2019.
- The performance financial statements as of 31 December, 2019 used were compiled by PRI Management.
- Using adjusted financial projections that reflect the fairness of the financial projections made by management with their ability to achieve (fiduciary duty)
- Appraisers obtained the projection of financial statement data before and after the transaction as well as the financial impact of the transaction plan from the management of the Company.

Fairness Approach and Analysis

The method used for preparing this report was by combining quantitative and qualitative information based on data obtained from the Company's management and other relevant and competent external parties. The conducted studies focused on very substantial aspects as well the most possible approach is applied, without reducing the validity of study results.

Summary of Fairness Analysis

1. The transaction value is below the fair market value of PRI shares. The difference between the fair market value which was calculated by the value in this transaction is Rp.130,300,000, or 1.13% of the fair market value. This figure does not exceed the upper and lower limit of 7.5% of the fair market value of the PRI as of 31 December 2019.
2. The plan of selling 99.9% PRI shares which is owned by the Company did not have a negative impact on the Company's financial statements.
3. The business considerations used by the Company, related to the transaction, are to maintain stable financial performance growth and focus on the Company's positioning in the contract mining sector.

Conclusion

Based on the transaction analysis, qualitative analysis, quantitative analysis and fairness analysis, in the opinion of KJPP BEST, the Transaction plan is fair.

VII. STATEMENT FROM BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS OF THE COMPANY

The Company's Board of Commissioners and Board of Directors further state:

- a. The Board of Commissioners and Board of Director of the Company are fully responsible for the accuracy of all information contained in this announcement and confirms that after conducting sufficient checks, and as long as it is known and believed, all information contained in this

announcement is true and there is no other important and relevant information which has not been disclosed, causing information provided in this announcement to be untrue and / or misleading.

- b. Furthermore, the Company's Board of Directors states that the Transactions conducted by the Company:
- (i) Does not meet the Material Transaction criteria as regulated in Financial Services Authority Regulation No. 17/POJK.04/2020 dated 21 April 2020 concerning Material Transactions and Changes in Business Activities;
 - (ii) Does not contain Conflicts of Interest as referred to in Regulation IX.E.1; and
 - (iii) Is an Affiliated Transaction stipulated to Regulation IX.E.1.

VIII. ADDITIONAL INFORMATION

Should Shareholders require additional information, please contact the Company's at the following information:

PT PETROSEA TBK

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Boulevard Bintaro Jaya Blok B7/A6 Street, Activities VII, CBD Bintaro Jaya, South Tangerang -15424,
Indonesia
Telp: (62 21) 29770999, Fax: (62 21) 29770988
Email: corporate.secretary@petrosea.com
Website: www.petrosea.com

South Tangerang, 1 July 2020
Regards,
The Board of Directors of the Company