

INFORMATION DISCLOSURE TO THE SHAREHOLDERS ON AN AFFILIATED-PARTY TRANSACTION OF PT ADARO ANDALAN INDONESIA TBK (“THE COMPANY”)

This information disclosure to the shareholders on the affiliated-party transaction (hereinafter referred to as “**Information Disclosure**”) was prepared to inform the Company’s shareholders on the signing of amendment IV to the Loan Agreement between the Company and PT Pari Coal (“**PC**”), a limited-liability company on which the Company has direct and indirect control.

This transaction fulfills the definition of affiliated-party transaction as set forth in Indonesian Financial Services Authority’s Regulation number 42/POJK.04/2020 on Affiliated-Party Transactions and Conflict of Interest Transactions (“**POJK 42/2020**”).

THE COMPANY’S BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS, EITHER SEVERALLY OR JOINTLY, ARE FULLY RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION DISCLOSURE AND THE AMENDMENT AND/OR ADDITION TO THE INFORMATION DISCLOSURE, IF ANY.

THE COMPANY’S BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS HEREBY DECLARE THAT THE INFORMATION AS DISCLOSED IN THIS INFORMATION DISCLOSURE IS COMPLETE, AND AFTER A DUE AND CAREFUL EXAMINATION, EMPHASIZE THAT THE INFORMATION STATED IN THIS INFORMATION DISCLOSURE IS TRUE, AND THAT THERE ARE NO RELEVANT AND MATERIAL FACTS OMITTED OR ELIMINATED IN SUCH A WAY THAT CAUSE THE INFORMATION PROVIDED HEREIN TO BE UNTRUE AND/OR MISLEADING.

THE COMPANY’S BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS DECLARE THAT THIS AFFILIATED-PARTY TRANSACTION DOES NOT CONTAIN ANY CONFLICT OF INTEREST.



PT Adaro Andalan Indonesia Tbk

Business activities:

Holding-company activities (for subsidiaries operating in coal mining, mining services, management consultancy, water resources management, power generation, and specialized freight transportation), other management consultancy activities, in addition to operating in the sectors of oil palm plantation, and rubber and other latex-producing crops plantation.

Head office:

Cyber 2 Tower Lantai 26
Jl. H.R. Rasuna Said Blok X-5, No.13
Jakarta 12950 – Indonesia
Email: corsec@adaroindonesia.com
Website: www.adaroindonesia.com

This information is issued in Jakarta on July 2nd, 2025.

DEFINITION

Affiliation:	defined as set forth by article 1 of Law number 8 of 1995 on the Capital Market as amended by Law number 4 of 2023 on the Development and Strengthening of the Financial Sector or POJK 42/2020.
Amendment IV to the Loan Agreement:	defined as explained in the Introduction section of this Information Disclosure.
US\$:	United States dollar.
Director(s):	(a) member(s) of the Company's Board of Directors holding such position on the issuance date of this Information Disclosure.
Commissioner(s):	(a) member(s) of the Company's Board of Commissioners holding such position on the issuance date of this Information Disclosure.
Appraiser's Report:	defined as explained in the Introduction section of this Information Disclosure.
Independent Appraiser:	the Office of Public Appraisal Services of Desmar, Susanto, Salman dan Rekan (DSS Partners), an independent appraiser registered with the FSA, which has been appointed by the Company to appraise the fair value and/or fairness of the transaction as explained in this Information Disclosure.
Loan Agreement:	defined as explained in the Introduction section of this Information Disclosure.
Company:	PT Adaro Andalan Indonesia Tbk, a publicly-listed company duly established and organized under the law of the Republic of Indonesia and domiciled in Jakarta, Indonesia.
Controlled Company:	as defined by POJK 42/2020.
SOFR:	Secured Overnight Financing Rate.
Affiliated-Party Transaction:	as defined by POJK 42/2020.
POJK 42/2020:	FSA's Regulation number 42/POJK.04/2020 on Affiliated-Party Transactions and Conflict of Interest Transactions.

I. INTRODUCTION

On July 18th, 2018, the Company and PC executed an Affiliated-Party Transaction by signing the Loan Agreement as amended with Amendment I to the Loan Agreement on March 17th, 2019, Amendment II to the Loan Agreement on August 25th, 2023, and Amendment III to the Loan Agreement on December 18th, 2024 ("**Loan Agreement**").

Subsequently, the Company and PC agreed to amend a number of terms of the Loan Agreement that has been effective as of June 30th, 2025, among others concerning (i) the increase of the loan amount up to US\$26,000,000 (twenty-six million United States dollars) and (ii) the reduction in the interest rate on the loan to Term SOFR + 1.90% per annum, which stated and addressed in the amendment IV to the Loan Agreement ("**Amendment IV to the Loan Agreement**").

Pursuant to article 4 point 1 of POJK 42/2020, the execution of the Affiliated-Party Transaction must use an appraiser service to determine the fair value of the object of the Affiliated-Transaction and/or the fairness of the transaction, and needs to be published to the public. In order to fulfill the provision of POJK 42/2020, the Company's Board of Directors issued this Information Disclosure to convey information to the Company's shareholders on such Affiliated-Party Transaction.

The Appraiser's Report used a reference is the report of the Office of Public Appraisal Services of Desmar, Susanto, Salman dan Rekan number 00043/2.0142-00/BS/02/0177/1/VI/2025 of June 25th, 2025 on the Fairness Opinion on the transaction of Amendment IV to the Loan Agreement ("**Appraiser's Report**"). The Appraiser's Report gives a fair opinion on the transaction of Amendment IV to the Loan Agreement.

This Affiliated-Party Transaction has been through the procedure as set forth in article 3 of POJK 42/2020 and executed in accordance with the generally applicable business practices.

This Affiliated-Party Transaction is neither a conflict-of-interest transaction as stipulated in POJK 42/2020 nor a material transaction as stipulated in the Indonesian Financial Services Authority Regulation number 17/POJK.04/2020 on Material Transactions and Changes to Business Activities ("**POJK 17/2020**") because the total value of this transaction is less than 20% (twenty percent) of the Company's total equity value as stated in the Company's Financial Statements of December 31, 2024 audited by Public Accounting Firm Rintis, Jumadi, Rianto & Rekan, which amounts to US\$3,363,482 (in thousand of United States dollars).

II. BRIEF DESCRIPTION ON THE TRANSACTION AND THE EFFECT OF THE TRANSACTION TO THE COMPANY'S FINANCIAL CONDITION

A. DESCRIPTION OF THE TRANSACTION

i. Rationale, Background, and Benefits of the Transaction

The background and rationale of the transaction of Amendment IV to the Loan Agreement are the transaction shall serve as one of the Company's strategies to capture the investment opportunity for developing its business. The Company strives to maximize its financial potential and extensive network to capitalize on sound investment opportunities that will generate healthy returns for the shareholders. The Company has conducted a review on its own risk profile and its tolerance level against the fluctuations of the investment to be made. The Company always ensures to conduct risk review and good investment diversification, in addition to monitoring and balancing the investment portfolio. This transaction will provide stronger support to PC's business development. Therefore, the Company expects this transaction to bring positive values to both parties, support the Company's business development objectives, and maximize rate of return more effectively and efficiently.

ii. Brief Description on the Transaction

The Company and PC signed the Amendment IV to the Loan Agreement effective as of June 30th, 2025, with the following details:

Remarks	Before Amendment IV to the Loan Agreement	Amendment IV to the Loan Agreement
Loan amount	US\$20,000.000	Up to US\$26,000,000
Interest rate	SOFR + 2.40% per annum	SOFR + 1.90% per annum

iii. Parties to the Transaction

1. The Company

Brief history

The Company was established based on a notarial deed of December 1st, 2004 made before Ir. Rusli, S.H., a Notary in Bekasi. The deed was approved by the Minister of Law and Human Rights of the Republic of Indonesia by Decree number C-31123 HT01.01.TH.2004 of December 23rd, 2004. The deed was announced in the State Gazette of the Republic of Indonesia number 52 of July 1st, 2005 and the Supplement to State Gazette number 6922. The Company's articles of association have been amended several times. By the amendment to the Company's articles of association based on the Notarial Deed number 100 made before Humberg Lie, S.H., S.E., M.Kn., a Notary in North Jakarta, of July 31st, 2024, the Company's name has been changed from PT Alam Tri Abadi to PT Adaro Andalan Indonesia. Such amendment to the articles of association has been approved by the Minister of Law of the Republic of Indonesia by the decree number AHU-0046973.AH.01.02.TAHUN 2024 of July 31st, 2024.

Based on Notarial Deed number 1 of September 3rd, 2024 made before Humberg Lie, S.H., S.E., M.Kn., Notary in North Jakarta, which was approved by the Minister of Law and Human Rights with Decree number AHU0055647.AH.01.02.TAHUN 2024 of September 3rd, 2024, and notified to the Minister of Law and Human Rights as confirmed with the Receipt of Notification on the Amendment to the Articles of Association number AHU-AH.01.03-0188887 of September 3rd, 2024, there was an amendment to the Company's articles of association concerning the change of the Company's status from a private company to a public company. Therefore, the Company's name was changed from PT Adaro Andalan Indonesia to PT Adaro Andalan Indonesia Tbk, effectively as of the effective date of the Registration Statement of the Financial Services Authority and the implementation of the public offering as required by the provision of article 25 point (1) b of Law number 40 of 2007 on Limited-liability Company as amended with the Government Regulation in lieu of Law no. 2 of 2022 on Job Creation as enacted into a law based on Law no. 6 of 2023 on the Enactment of Government Regulation in lieu of Law of the Republic of Indonesia No. 2 of 2022 concerning Job Creation into Law to issue the Company's new shares of maximum 778,689,200 shares through an initial share offering to the public, the implementation of stock split and the change of the composition of the Company' Board of Commissioners and Board of Directors.

The latest amendment of the Company's articles of association is based on the Deed of the Statement of Shareholders' Resolutions number 14 of May 8th, 2025 made before Humberg Lie, S.H., S.E., M.Kn., a Notary in North Jakarta. The notification on the amendment to the articles of association has been received by the Minister of Law of the Republic of Indonesia as confirmed with the Receipt of the Notification on the Amendment

to the Company's Articles of Association number AHU-AH.01.03-0126591 of May 8th, 2025.

The Company's business activities are holding-company activities (for subsidiaries operating in coal mining, mining services, management consultancy, water resources management, power generation, and specialized freight transportation), other management consultancy activities, in addition to operating in the sectors of oil palm plantation, and rubber and other latex-producing crops plantation.

Management and supervision

The compositions of the Company's Board of Directors and Board of Commissioners on the date of this Information Disclosure are as stated in Deed number 1 of September 3rd, 2024 made before Humbert Lie, S.H., S.E., M.Kn., a notary in North Jakarta, which has been notified to the Minister of Law and Human Rights of the Republic of Indonesia as follows:

Board of Commissioners

President Commissioner:	Budi Bowoleksono
Commissioner:	Primus Dorimulu

Board of Directors

President Director:	Julius Aslan
Director:	Priyadi
Director:	Lie Luckman
Director:	Susanti

2. PC

Brief history

PC is the Company's Controlled Company. PC was established based on the Deed number 1 of December 1st, 1998 made before Sutjipto, S.H., Notary in Jakarta. The deed of establishment was approved by the Minister of Justice of the Republic of Indonesia by Decree number C2-27874 HT.01.01.Th.98 of December 14th, 1998. PC's articles of association have been amended several times with the latest amendment based on the Deed number 27 of October 11th, 2024 made before Humbert Lie, S.H., S.E., M.Kn., Notary in North Jakarta, concerning the amendment on the Board of Directors' meetings. The amendment to the articles of association has been approved by the Minister of Law and Human Rights of the Republic of Indonesia by the Decree number AHU-AH.01.03-0201335 of October 15th, 2024.

PC conducts business activities in the coal mining sector.

Management and supervision

The compositions of the Company's Board of Directors and Board of Commissioners as stated in the Deed number 47 of April 22nd, 2024 made before Humbert Lie, S.H., S.E., M.Kn., a notary in North Jakarta, are as follows:

Board of Commissioners

President Commissioner:	Budi Santoso Simin
Commissioner:	Hendri Tamrin

Commissioner: Heri Gunawan

Board of Directors

President Director: A.H. Bramantya Putra
Director: R. Giri M. Natakusumah
Director: Esther Suzanna Pakpahan

B. NATURE OF THE AFFILIATION OF THE PARTIES CONDUCTING THE TRANSACTION WITH THE COMPANY

There is an affiliated-party relationship as stipulated by POJK 42/2020 between the Company and PC, which is under the direct and indirect control of the Company.

C. EFFECTS OF THE TRANSACTION ON THE COMPANY'S FINANCIAL CONDITION (PRO FORMA)

thousand US\$			
Balance Sheet	Audited December 31 st , 2024	Transaction	Pro forma December 31 st , 2024
Current assets	2,214,052	-	2,214,052
Non current assets	3,778,606	-	3,778,606
Total assets	5,992,658	-	5,992,658
Short-term liabilities	872,699	-	872,699
Long-term liabilities	1,756,477	-	1,756,477
Total liabilities	2,629,176	-	2,629,176
Equity	3,363,482	-	3,363,482
Total liabilities and equity	5,992,658	-	5,992,658

thousand US\$			
Profit & Loss	Audited December 31 st , 2024	Transaction	Pro forma December 31 st , 2024
Revenue	5,319,582	-	5,319,582
Cost of revenue	(3,853,631)	-	(3,853,631)
Gross profit	1,465,951	-	1,465,951
Operating income	1,481,217	-	1,481,217
Net income	1,326,736	-	1,326,736

D. EXPLANATION, CONSIDERATION AND RATIONALE FOR EXECUTING THE TRANSACTION IN COMPARISON WITH THE CONDITION IF A SIMILAR TRANSACTION IS EXECUTED WITH A NON-AFFILIATED PARTY

The Company executed this transaction with PC because it viewed that this step will provide for PC's financing needs efficiently. The Company has acquired thorough understanding on PC's financial condition and operational requirements, so that the loan can be used properly and according to the objective. Should this transaction be made with an unaffiliated party, the Company must exercise stricter selection process and risk assessment.

By providing loans to subsidiaries, the Company can maintain transparency, manage credit risk better, and support business growth of the group in a measurable and integrated manner.

The documents associated with the transaction of Amendment IV to the Loan Agreement have been prepared to incorporate the same terms and conditions as those incorporated in transactions made with an unaffiliated party, thus the terms and conditions of the Affiliated-Party Transaction have been made on an arm's length basis.

III. SUMMARY OF THE APPRAISER'S REPORT

Pursuant to article 4 of POJK 42/2020, publicly-listed companies intending to execute an Affiliated-Party Transaction must use an appraiser's service to determine the fair value of the object of the Affiliated-Party Transaction and/or the fairness of the transaction.

To ensure the fairness of the intended Transaction, the Company appointed an Independent Appraiser based on the quotation no. 0004/2.0142-00/PP-B/DSS-01/0177/V/2025 of June 12th, 2025, which has been approved by the Company.

The following is the summary of the fairness opinion as presented in the Appraiser's Report on this transaction of Amendment IV to the Loan Agreement number 00043/2.0142-00/BS/02/0177/1/VI/2025 of June 25th, 2025:

i. Identity of the Parties to the Transaction

The Company is the assignor. The parties to the transaction are the Company and PC.

ii. Object of the Analysis for the Fairness Opinion

The object of the analysis for the fairness opinion herein is the planned transaction of Amendment IV to the Loan Agreement.

iii. Purpose and Objective of the Fairness Opinion

The purpose and objective of this fairness opinion is to fulfill the provisions of POJK 42/2020.

iv. Assumptions and Limiting Conditions

1. This fairness opinion is a non-disclaimer opinion.
2. All of the data, statements and information received by the Independent Appraiser from the management and the data and information available in the public domain, in particular those concerning the economic and industry data, are deemed accurate and obtained from the sources of credible accuracy.
3. The Independent Appraiser has reviewed the documents used in the process of rendering the fairness opinion.
4. The Appraiser's Report is compiled to fulfill the capital market purposes and the Financial Services Authority's provisions and not for tax or other purposes other than the capital market purposes.
5. In conducting the analysis, the Independent Appraiser made a number of assumptions and depended on the accuracy, reliability and completeness of all financial information and other information provided by the Company or publicly available, which in principle was true, complete and not misleading, and the Independent Appraiser is not responsible for conducting an independent examination on such information. The Independent Appraiser also relied on the warranty of the Company's management that they were not aware of any fact that may cause the information provided for the Independent Appraiser become incomplete or misleading.
6. The Independent Appraiser assumes that from the issuance date of this fairness opinion until the execution date of the planned corporate action, there will be no changes that may have material effects on the assumptions used in compiling this

fairness opinion. The Independent Appraiser is not responsible for reaffirming or completing or updating the opinion due to the changes to the assumptions and conditions or events occurring after the date of the Appraiser's Report.

7. All disputes in the forms of criminal or civil cases (in or out of court) associated with the appraisal object is not under the Independent Appraiser's responsibility.
8. Changes made by the Government or private parties concerning the condition of the appraisal object, on this matter the market condition, etc., are not within the Appraiser's responsibility.
9. This Appraiser's Report shall serve as part of the information used for decision making, however it is neither binding nor able to be used as the basis of a decision which may lead to legal implications, because this Appraiser's Report was prepared merely based on the area of discipline and capability of the Independent Appraiser.
10. The amounts were stated in United States dollar currency and/or equivalents on the request of the assignor.
11. This Appraiser's Report is invalid in the absence of the signature of the licensed appraiser and the official corporate seal of the Independent Appraiser.
12. This Appraiser's Report was prepared and intended only for the assignor, in accordance with the purpose and objective as disclosed in the appraisal report. All materials included in this appraisal report in parts or in its entirety including those related with the references, opinion, names and professional affiliations of the appraiser are not to be published without the written consent from the Independent Appraiser.

v. Approaches and Appraisal Method

In compiling this Appraiser's Report on the planned transaction of Amendment IV to the Loan Agreement, the Independent Appraiser has conducted an analysis through the approaches and appraisal procedure on the transaction of Amendment IV to the Loan Agreement, which include the following:

- a. Analysis on the planned transaction of Amendment IV to the Loan Agreement.
- b. Qualitative and quantitative analyses on the planned transaction of Amendment IV to the Loan Agreement.
- c. Analyses on the fairness of the planned transaction of Amendment IV to the Loan Agreement.

vi. Fairness Opinion on Transaction

Based on the study and analysis conducted on all associated aspects for determining the positive impacts of the planned transaction of Amendment IV to the Loan Agreement either qualitatively or quantitatively, the Independent Appraiser is of the opinion that the planned transaction of Amendment IV to the Loan Agreement is fair.

IV. BOARD OF DIRECTORS' STATEMENT

The Company's Board of Directors declares that this transaction of Amendment IV to the Loan Agreement has been made with sufficient procedure and ensures that the transaction has been executed in accordance with the generally applicable business practices, i. e. the procedure to compare it with the terms and conditions of a transaction made between parties who do not have an Affiliated relationship and made by fulfilling the arm's-length principle.

V. BOARD OF COMMISSIONERS' & BOARD OF DIRECTORS' STATEMENT

The Company's Board of Commissioners and Board of Directors hereby declare that this transaction of Amendment IV to the Loan Agreement is an Affiliated-Party Transaction that does not contain any conflict of interest.

The Company's Board of Commissioners and Board of Directors hereby declare that they have carefully reviewed the information available regarding the transaction of Amendment IV to the Loan Agreement as explained in this Information Disclosure, and all material information regarding this transaction of Amendment IV to the Loan Agreement has been disclosed in this Information Disclosure and the material information is true and not misleading. Subsequently, the Company's Board of Commissioners and Board of Directors hereby declare that they hold full responsibility on the accuracy of all information provided in this Information Disclosure.

VI. ADDITIONAL INFORMATION

The Company's shareholders wishing to receive further information on the Affiliated-Party Transaction as explained in this Information Disclosure can contact:

PT Adaro Andalan Indonesia Tbk
Cyber 2 Tower Lantai 26
Jl. H.R. Rasuna Said Blok X-5, No.13
Jakarta 12950 – Indonesia
Telephone: (021) 2553 3065 Facsimile: (021) 2553 3066
www.adaroindonesia.com

for the attention of: Corporate Secretary
Email: corsec@adaroindonesia.com

** This Information Disclosure is made in both Indonesian dan English language. In case of discrepancies between the Indonesian and English version, the Indonesian version shall prevail.*