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 a Loan Agreement between the Company and PT Kaltara Power Indonesia ("**KPI**"). The Company and KPI have an affiliate relationship, which is a relationship between a company and a party—whether directly or indirectly—that controls or is controlled by that company, as stipulated in article 1 paragraph 1 letter d of Indonesian Financial Services Authority's Regulation number 42/POJK.04/2020 on Affiliated-Party Transactions and Conflict of Interest Transactions ("**POJK 42/2020**").

This transaction fulfills the definition of affiliated-party transaction as set forth in 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.

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This information is issued in Jakarta on July 2nd, 2026.

DEFINITION

Affiliation	:	defined as set forth by article 1 paragraph (1) of Law number 8 of 1995 on the Capital Market as lastly amended by Law number 4 of 2026 on the Amendment of Law number 4 of 2023 on the Development and Strengthening of the Financial Sector juncto article 1 paragraph (1) of POJK 42/2020.
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, 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.
Term SOFR	:	Interest rate reference of Term Secured Overnight Financing Rate.
Affiliated-Party Transaction	:	as defined by POJK 42/2020.
POJK 42/2020	:	Financial Services Authority's Regulation number 42/POJK.04/2020 on Affiliated-Party Transactions and Conflict of Interest Transactions.
POJK 17/2020	:	Financial Services Authority's Regulation number 17/POJK.04/2020 on Material Transactions and Changes to Business Activities.

I. INTRODUCTION

The Company and KPI have made an Affiliated-Party Transaction by signing a Loan Agreement effectively valid as of June 30th, 2026, whereby the Company granted KPI a loan amounting to US$100,800,000 (one hundred million eight hundred thousand United States dollars) ("**Loan Agreement**").

Pursuant to the provision of article 4 paragraph (1) of POJK 42/2020, the execution of an Affiliated-Party Transaction must use an appraiser service to determine the fair value of the object of the Affiliated-PartyTransaction and/or the fairness of the transaction, and must be announced to the public. In order to fulfill such provision of POJK 42/2020, the Company's Board of Directors issued this Information Disclosure to inform the public 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 00044/2.0142-00/BS/02/0177/1/VI/2026 of June 26th, 2026 on the Fairness Opinion on Loan Agreement ("**Appraiser's Report**"). The Appraiser's Report gives a fair opinion on 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 POJK 17/2020 because the total value of this transaction is less than 20% (twenty percent) of the Company's total equity value. The Company's total equity based on its Financial Statements of December 31, 2025 audited by Public Accounting Firm Rintis, Jumadi, Rianto & Rekan amounted to US$3,649,628 (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 execution of the Loan Agreement are to serve as one of the Company's strategies to develop its business. In implementing this strategy, the Company always ensures to conduct risk profile review, apply good investment diversification, as well as monitoring and balancing its investment portfolio. The Company also strives to maximize its financial potentials as well as using its extensive network to generate sound returns for the shareholders.

This Loan Agreement is aimed at supporting KPI's business activities, including the capital expenditure for business development purposes and other requirements/uses. This transaction will provide larger business development supports for KPI. 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 in a more effective and efficient manner.

ii. Brief Description on the Transaction

The Company and KPI have signed the Loan Agreement effective as of June 30th, 2026, with the following details:

- Loan principal amount : Up to US$100,800,000 (one hundred million eight hundred thousand United States dollars)

- Interest rate : Term SOFR + certain percentage per annum
- Date of maturity : December 31st, 2033
- Purpose of loan : For KPI's business activities, including the capital expenditure for project development and other requirements/uses.

Pursuant to the provision of article 5 point (e) of POJK 42/2020, the Company is not required to implement the procedure as defined in article 3 of POJK 42/2020 or to fulfill the provision as set forth is article 4 paragraph (1) of POJK 42/2020 in the event that there is (a) subsequent transaction(s) under this Loan Agreement on a future date, whereby this Loan Agreement serves as the initial transaction underlying such subsequent transactions, and the terms and conditions of this Loan Agreement are not amended in any way detrimental to the Company.

iii. Parties to the Transaction

1. The Company

Brief history

The Company was established based on Notarial Deed number 2 of December 1st, 2004 made before Ir. Rusli, S.H., a Notary in Bekasi. The deed has been 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 and Human Rights of the Republic of Indonesia by the decree number AHU-0046973.AH.01.02.TAHUN 2024 of July 31st, 2024.

The Company's articles of association have been lastly amended 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 and the Receipt of the Notification on the Change of the Company's Data number AHU-AH.01.09-0230492 of May 8th, 2025. This amendment is concerning the change in the Company's issued and paid-up capital.

On November 26th, 2024, the Company received notification of the effectiveness of its registration statement from the Financial Services Authority ("OJK") in its letter No. S-157/D.04/2024 to conduct the Company's Initial Public Offering for a maximum of 778,689,200 shares (10% of the 7,786,891,760 issued and fully paid-up share capital). On December 2nd, 2024, the Company received approval for the listing of its securities on the Indonesia Stock Exchange ("IDX") from the IDX Board of Directors in its letter No. S12569/BEI.PP2/12-2024.

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 Humberg 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 (Independent)	:	Budi Bowoleksono
Commissioner	:	Primus Dorimulu

Board of Directors

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

2. KPI

Brief history

KPI is the Company's Controlled company. KPI was established based on the Deed number 29 of January 20th, 2022 made before Humberg Lie, S.H., S.E., M.Kn., a notary in North Jakarta. The deed of establishment has been approved by the Minister of Law and Human Rights of the Republic of Indonesia by Decree number AHU-0005395.AH.01.01. Tahun 2022 of January 21st, 2022. KPI's articles of association have been amended several times with the latest amendment based on Deed number 12 of April 15th, 2026 made before Humberg Lie, S.H., S.E., M.Kn., Notary in North Jakarta, concerning the increase of issued and paid-up capital. The amendment to the articles of association has obtained the notification of receipt from the Minister of Law of the Republic of Indonesia by Receipt of Notification of the Amendment to the Articles of Association number AHU-AH.01.03-0109302 of April 15th, 2026.

KPI's purpose and objective, among others, are to operate in the other power supporting activities, and rentals and operating leases of machineries, equipment, and other tangible items not included in others.

Management and supervision

The compositions of KPI's Board of Directors and Board of Commissioners on the date of this Information Disclosure as stated in the Deed number 57 of June 18th, 2026 made before Humberg Lie, S.H., S.E., M.Kn., a notary in North Jakarta, which are as follows:

Board of Commissioners

President Commissioner	:	Endang Ahmad Zakaria
Commissioner	:	Miftahul Jannah
Commissioner	:	Willy Heriadi

Board of Directors

President Director	:	Rachmanoe Indarto
Director	:	R. Giri M. Natakusumah
Director	:	Sudirman Utomo

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

Pursuant to POJK 42/2020, an Affiliated-Party Transaction is an activity and/or transaction made by a public company or controlled company with (an) Affiliate(s) of the public company or (an) Affiliate(s) of the members of the board of directors, members of the board of commissioners, major shareholders, or Controlling parties, include any activity and/or transaction made by a public company or controlled company for the interest of the Affiliate of the public company or the members of the board of directors, members of the board of commissioners, major shareholders, or Controlling parties.

There is an Affiliated-Party relationship as stipulated by POJK 42/2020 between the Company and KPI, a relationship between a company and a party—whether directly or indirectly—that controls or is controlled by that company, as stipulated in article 1 point 1 letter d of POJK 42/2020.

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

thousand US$

Balance Sheet	Audited December 31st, 2025	Transaction	Proforma December 31st, 2025
Current assets	1,796,272	-	1,796,272
Non-current assets	3,910,004	-	3,910,004
Total assets	5,706,276	-	5,706,276
Short-term liabilities	922,656	-	922,656
Long-term liabilities	1,133,992	-	1,133,992
Total liabilities	2,056,648	-	2,056,648
Equity	3,649,628	-	3,649,628
Total liabilities and equity	5,706,276	-	5,706,276

thousand US$

Profit & Loss	Audited December 31st, 2025	Transaction	Proforma December 31st, 2025
Revenue	4,910,263	-	4,910,263
Cost of revenue	(3,648,568)	-	(3,648,568)
Gross profit	1,261,695	-	1,261,695
Operating income	1,042,680	-	1,042,680
Net income	849,184	-	849,184

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 KPI because it viewed that this step will provide for KPI's financing needs efficiently, as oppose to third-party funding. The Company has acquired thorough understanding on KPI's financial condition and operational requirements, so that the loan can be used properly and in accordance with the objective.

The documents associated with 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. 0003/2.0142-00/PP-B/DSS-01/0177/V/2026 of May 11th, 2026 which has been approved by the Company.

The following is the summary of the fairness opinion as presented in the Appraiser's Report:

i. Identity of the parties to the transaction

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

ii. Object of the analysis for the fairness opinion

The object of the analysis for the fairness opinion herein is the planned transaction of 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. The Appraiser's Report 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 was compiled to fulfill the capital market purposes and the FSA'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 relied 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. 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. The Appraiser's Report shall serve as part of the information used for decision making consideration, however it is neither binding nor able to be used as the basis of a decision which may lead to legal implications, because this report of fairness opinion was prepared merely based on the area of discipline and capability of the Independent Appraiser.
10. The amounts were stated in US$ 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 Independent Appraiser.
12. The Appraiser's Report was prepared and intended only for the assignor, in accordance with the purpose and objective as disclosed in the appraisal report. Other than the purpose and objective as disclosed in the Report of Fairness Opinion, 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 Appraiser.

v. <u>Approaches and Appraisal Method</u>

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

a. Analysis on the planned transaction.
b. Qualitative and quantitative analyses on the planned transaction.
c. Analyses on the fairness of the planned transaction.

vi. <u>Fairness Opinion on Transaction</u>

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

IV. BOARD OF DIRECTORS' STATEMENT

The Company's Board of Directors declares that the transaction of 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 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 Loan Agreement as explained in this Information Disclosure, and all material information regarding 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:

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for the attention of: Corporate Secretary
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* *This Information Disclosure is made in both Indonesian dan English version. In case of discrepancies between the Indonesian and English version, the Indonesian version shall prevail.*