

Re.: **Disclosure regarding the Shareholder Loan Agreement between PT Unitra Persada Energia (“UPE”) and PT Bhumi Jati Power (“BJP”) in compliance with Rule No. IX.E.1**

On 3 July 2018, PT United Tractors Tbk (“**the Company**”) disclosed the information to the Financial Services Authority related to the Shareholder Loan Agreement between UPE and BJP, as the compliance with Rule No. IX.E.1, Attachment to the Chairman of Capital Market and Financial Institution Supervisory Board Decree No. KEP-412/BL/2009 dated 25 November 2009 on Affiliated Party Transaction and Conflict of Interest (“**Bapepam Rule IX.E.1**”).

The following are the information disclosed:

1. **Description on the Transaction**

On 29 June 2018, UPE and BJP, both are subsidiaries of the Company, signed a Shareholder Loan Agreement (“**Agreement**”) (hereinafter referred to as the “**Transaction**”).

Based on the Agreement, UPE will provide loans to BJP in the amount of maximum USD106,082,500.00 (“**Loan**”).

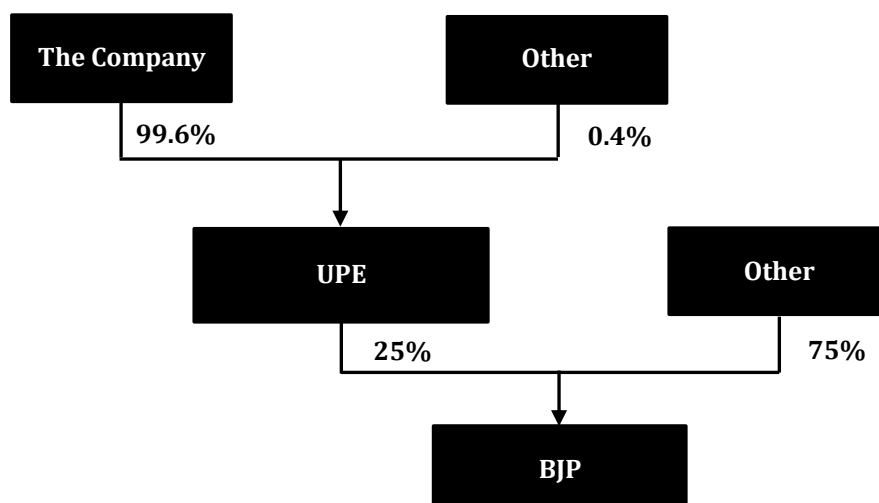
The following are information regarding the Loan :

- a. Interest : 10% per annum.
- b. Availability Period : until 17th August 2022.
- c. Maturity Date : until 27th March 2040.

2. **Relationship among the Parties**

Affiliated relationship between the Company, UPE and BJP lie on the Company’s shares ownership in UPE and BJP per 31 December 2017 and also the similarities of the management, with the following details:

(a) The following is a chart that describes the structure of the relationship between the Company, UPE and BJP:



(b) The following are the similarities of the management of the Company, UPE and BJP at the time of the Transaction was entered into:

<b>Name of the company</b>	<b>Board of Director</b>	<b>Board of Commissioners</b>
the Company	Director : Iwan Hadianoro	-
UPE	Director : Iwan Hadianoro	-
BJP	-	Commissioner : Iwan Hadianoro

**3. Explanation, Consideration and Reasons for the Transaction compared to other Similar Transaction with an Unaffiliated Party**

UPE agreed to provide the Loan to BJP to be used by BJP to finance working capital. Commercially, for UPE it would be more profitable if BJP receives this Loan, compared to UPE deposits its cash funds in bank with bank deposit rate at this time.

**4. Statements of the Board of Directors and Board of Commissioners of the Company**

In relation to this Transaction, the Board of Commissioners and Board of Directors state that to the extent of our knowledge, the Company has disclosed all the informations required to be known by public and there is no any material fact which has not been disclosed or omitted, causing the information related to the Transaction as discussed above becomes incorrect and/or misleading.

This Transaction is supported by the independent appraisal report dated [\*], issued by KJPP Nirboyo A., Dewi A., dan Rekan, as the Appraiser

This Transaction is an affiliated transaction required to be reported to the Financial Services Authority as stipulated in Bapepam Rule IX.E.1 number 2 letter (a).

[signed by Sara K Loebis as Corporate Secretary of the Company]