

Re.: Disclosure of Information in compliance with Rule No. IX.E.1 and Financial Services Authority Regulation No. 42/POJK.04/2020

On 5 August 2020, PT United Tractors Tbk (“**Company**”) disclosed the information to the Financial Services Authority related to the Loan Agreement between PT Pamapersada Nusantara (“**PAMA**”), and PT Agincourt Resources (“**PTAR**”), both are subsidiary of the Company, 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 (“**Rule IX.E.1**”) and Financial Services Authority Regulation No. 42/POJK.04/2020 dated 2 July 2020 on Affiliated Party Transaction and Conflict of Interest Transaction (“**POJK 42/2020**”)

The following are the information disclosed:

1. Description of the Transaction

On 3 August 2020, PAMA and PTAR signed a Loan Agreement (“**Agreement**”) (hereinafter referred to as the “**Transaction**”).

Pursuant to the Agreement, PAMA provided a loan to the PTAR in the amount of USD70,000,000 (“**Loan**”) which will be used by PTAR as working capital.

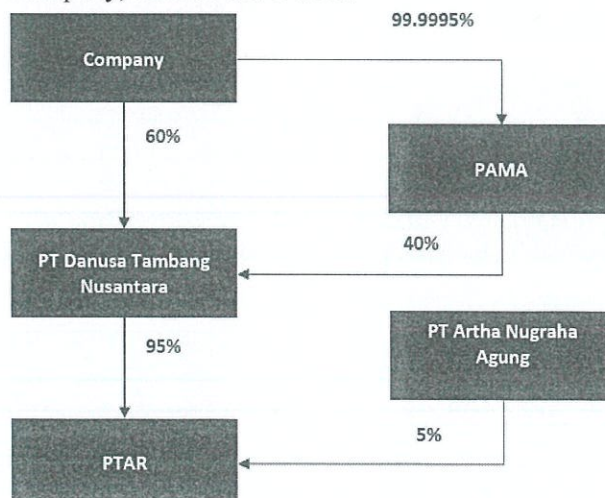
Loan information are as follows:

- a. Interest : LIBOR + 2% per year
- b. Availability Period : from the date of the Agreement up to 3 August 2025
- c. Type : revolving

2. Relations between the Parties

The affiliation relationship between PAMA and PTAR is shown by the PAMA's share ownership in PTAR and the similarity of management between the Company, PAMA and PTAR at the time of the Transaction, as follows :

- a. The following is a chart that describes the structure of the relationship between the Company, PAMA and PTAR:



The following are the similarities between the Company's, PAMA's and PTAR's management at the time of the Transaction is executed:

Company Name	Board of Directors	Board of Commissioners
Company	Presiden Director : Frans Kesuma Director : Iwan Hadianoro	-
PAMA	President Director: Frans Kesuma Vice President Director : Muliady Sutio Director : Ari Sutrisno	Commissioner: Iwan Hadianoro
PTAR	President Director: Muliady Sutio	President Commissioner: Frans Kesuma Commissioner: Iwan Hadianoro Commissioner: Ari Sutrisno

3. Explanation, Consideration and Reason for Executing the Transaction Compared to Executing Other Similar Transaction with Unaffiliated Parties

In term of business, it will be more profitable for PTAR to receive this loan from PAMA compared to receiving loan from other party.

4. Statement of the Board of Directors and Board of Commissioners of the Company

In connection with this Transaction, the Company's Board of Commissioners and Directors stated that to the best of our knowledge, the Company has disclosed all information that the public has to know and no any material facts that have not been disclosed or omitted which may cause the information provided in connection with the above Transaction is incorrect and/or misleading.

5. Additional Information

- a. The above transaction is a fair transaction, as supported by an independent appraiser report from KJPP Desmar, Ferdinand, Hentriawan and Partners as Appraiser dated 29 July 2020.

Along with this letter, we also attach (i) a summary of independent appraisal report KJPP Desmar, Ferdinand, Hentriawan and Partners and (ii) a Report of independent appraiser from KJPP Desmar, Ferdinand, Hentriawan and Partners as Appraiser dated 29 July 2020.

- b. This Transaction is not a conflict of interest transaction as referred to in Regulation IX.E.1 and POJK 42/2020.
- c. This Transaction does not cause disruption to the Company's business continuity as referred to in POJK 42/2020.

- d. This Transaction does not constitute a Material Transaction (as defined in Regulation Number IX.E.2 concerning the Material Transactions and Changes of Main Business Activities, Attachment to the Chairman of Capital Market and Financial Institution Supervisory Board Decree No. Kep 614/BL/2011 dated 28 November 2011 ("**Regulation IX.E.2**") as the Transaction value does not meet the threshold stipulated in Regulation IX.E.2.

Thus, this Transaction is only an affiliate transaction that require reporting to the Financial Services Authority as stipulated in Rule IX.E.I number 2 letter (a) and POJK 42/2020 Article 4 paragraph 1.

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