

INFORMATION DISCLOSURE TO SHAREHOLDERS RELATED TO AFFILIATED TRANSACTION PT MERDEKA COPPER GOLD TBK (the “COMPANY”)

This Information Disclosure to the Shareholders (as defined below) is made to provide an explanation to the public in connection with a loan agreement made by and between the Company and PT Pani Bersama Jaya, which is the Controlled Company of the Company (“**Transaction**”).

The Transaction is an Affiliated Transaction as stipulated in the Regulation of the Financial Services Authority of the Republic of Indonesia No. 42/POJK.04/2020 on Affiliated Transaction and Conflict of Interest Transactions.

INFORMATION AS STATED IN THIS INFORMATION DISCLOSURE IS IMPORTANT TO BE READ AND CONSIDERED BY THE COMPANY'S SHAREHOLDERS.

IF YOU HAVE DIFFICULTIES TO UNDERSTAND THE INFORMATION AS SET FORTH IN THIS INFORMATION DISCLOSURE YOU SHOULD CONSULT WITH A LEGAL COUNSEL, A PUBLIC ACCOUNTANT, A FINANCIAL ADVISOR OR ANY OTHER PROFESSIONAL.

THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS OF THE COMPANY DECLARE THAT ALL INFORMATION OR MATERIAL FACTS CONTAINED IN THIS INFORMATION DISCLOSURE ARE COMPLETE AND TRUE AND NOT MISLEADING.

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



PT MERDEKA COPPER GOLD TBK

Business Activities

Mining of gold, silver, copper, nickel, and other associated minerals, industries, and other related business activities through subsidiaries of the Company

Domiciled in South Jakarta, DKI Jakarta, Indonesia

Headquarter Office:

Treasury Tower, 67-68th floor, District 8 SCBD Lot. 28
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This Information Disclosure
is issued in Jakarta on 28 December 2023

DEFINITIONS

- “Affiliation”** : means the parties referred to UUP2SK, namely:
- a. family relationship due to marriage up to the second degree, both horizontally and vertically, namely the relationship of a person with:
 1. husband or wife;
 2. parents of the husband or wife and the husband or wife of the children;
 3. grandparents of the husband or wife and the husband or wife of the grandchildren;
 4. siblings of the husband or wife along with their respective spouse; or
 5. the husband or wife of the sibling of the person concerned.
 - b. family relationship due to descent up to the second degree, both horizontally or vertically, namely the relationship of a person with:
 1. parents and children;
 2. grandparents and grandchildren; or
 3. siblings of the person concerned.
 - c. relationship between a party and employees, directors or commissioners of the party;
 - d. relationship between 2 (two) or more companies which there is 1 (one) or more members of the board of directors, management, board of commissioners, or supervisors who are the same;
 - e. relationship between a company and a party, whether direct or indirect, by any means, controlling or controlled by the company or that party in determining the management and/or policies of the company or the concerned party;
 - f. relationship between 2 (two) or more companies controlled, whether direct or indirect, by any means, in determining the management and/or policies of the company by the same party; or
 - g. relationship between a company and a major shareholder, that is a party that directly or indirectly owns at least 20% (twenty percent) of the shares with voting rights of the company.
- “Conflict of Interest”** : The difference between the economic interest of a public company and the personal economic interest of members of the board of directors, members of the board of commissioners, major shareholders, or controllers that may be harmful to the public company concerned.
- “Indonesia Stock Exchange”** : The regulator in the capital market for stock exchange transactions, which in this case is held by PT Bursa Efek Indonesia, domiciled in South Jakarta.
- “MOLHR”** : Minister of Law and Human Rights of the Republic of Indonesia.
- “Financial Services Authority or OJK”** : An independent state institution, which has the functions, duties, and authorities to regulate, supervise, examine, and investigate as referred to in Law No. 21/2011 on the Financial Services Authority, as amended by UUP2SK.

| | |
|---|--|
| “PBJ” | : PT Pani Bersama Jaya, domiciled in South Jakarta, a limited liability company established and operating under the laws of the Republic of Indonesia. |
| “Shareholders” | : Parties who have the benefit of the Company’s shares, both in the form of scripts and in collective custody which is kept and administered in the securities account at Indonesia Central Securities Depository, registered in the Shareholders Register of the Company which is administered by the Securities Administration Bureau appointed by the Company. |
| “Independent Appraiser” or “KJPP” | : Public Appraisal Services Office of Iskandar and Rekan, independent appraisers registered with the OJK who have been appointed by the Company to conduct an assessment of the fair value and/or fairness of the Transaction. |
| “Agreement” | : Loan Agreement made by and between the Company and PBJ which is effective on 27 December 2023 together with any amendments, additions, and substitutes, which may be subsequently made. |
| “Company” | : PT Merdeka Copper Gold Tbk, domiciled in South Jakarta, is a publicly listed company whose shares are listed on the Indonesia Stock Exchange, which is established and operated under the laws of the Republic of Indonesia. |
| “POJK 17/2020” | : OJK Regulation No. 17/POJK.04/2020, enacted on 20 April 2020 regarding Material Transaction and Changes in Business Activities. |
| “POJK 42/2020” | : OJK Regulation No. 42/POJK.04/2020, enacted on 1 July 2020 regarding Affiliated Transaction and Conflict of Interest Transaction. |
| “Rupiah” or “Rp” or “IDR” | : Reference to Rupiah which is the legal currency of the Republic of Indonesia. |
| “Term SOFR” | : The Secured Overnight Financing Rate (“ SOFR ”) reference rate, administered by CME Group Benchmark Administration Limited (or any other person who takes over the administration of that rate), which is published on the following website https://www.cmegroup.com/market-data/cme-groupbenchmark-administration/term-sofr.html . |
| “Affiliated Transaction” | : Any activity and/or transaction conducted by a public company or a controlled company with an Affiliation of a public company or an Affiliation of a member of the board of directors, a member of the board of commissioners, the major shareholders, or the controller, including any activity and/or transaction conducted by a public company or controlled companies for the benefit of an Affiliation of a public company or an Affiliation of a member of the board of directors, member of the board of commissioners, major shareholders or the controller. |
| “Conflict of Interest Transaction” | : Transactions that are carried out by public companies or controlled entities with any party, both with Affiliations and parties other than Affiliations that contain a conflict of interest. |

- “USD” : Reference to United States Dollars which is the legal currency of the United States.
- “UUP2SK” : Law No. 4 of 2023 dated 12 January 2023 on Financial Sector Development and Strengthening, State Gazette of the Republic of Indonesia No. 4 of 2023, along with all of its implementing regulations.

INTRODUCTION

In order to comply with the provisions of POJK 42/2020, the Board of Directors of the Company announces Information Disclosure to provide information to the Shareholders of the Company that effective on 27 December 2023, the Company and PBJ have signed an Agreement with detail as described in the Transaction summary below.

The Transaction carried out is an Affiliated Transaction as referred to in POJK 42/2020, in which PBJ is the Controlled Company of the Company. However, this Transaction is not a Conflict of Interest Transaction as set forth in POJK 42/2020.

The Transaction carried out by the Company has complied with the procedures set forth in Article 3 of POJK 42/2020 and has been executed per generally accepted business practices.

In accordance with the provision of Article 4 Paragraph 1 of POJK 42/2020, this Transaction is an Affiliated Transaction that is required to use an Independent Appraiser in determining the fairness of the Affiliated Transaction which the fairness of the transaction needs to be announced to the public. The Company has received the fairness value for this Transaction based on the Appraisal Report from KJPP Iskandar and Rekan No. 00462/2.0118-00/BS/02/0520/1/XII/2023 dated 22 December 2023 on the Fairness Opinion Report on the Proposed Loan Provision Transaction to PT Pani Bersama Jaya by PT Merdeka Copper Gold Tbk (“**Appraiser’s Report**”).

Moreover, the Company is obliged to announce Information Disclosure to the public and submit the Appraisal Report along with other supporting documents to OJK no later than the end of the 2nd (second) business days after the date of the Transaction as referred to Article 4 of POJK 42/2020.

DESCRIPTION OF THE TRANSACTION

Information Regarding the Parties Involved

1. The Company

The Company, established under the name of PT Merdeka Serasi Jaya, pursuant to Deed of Establishment of Limited Liability Company No. 02 dated 5 September 2012, made before Ivan Gelium Lantu, S.H., M.Kn., Notary in Depok City, which has been ratified by MOLHR by virtue of its Decree No. AHU-48205.AH.01.01.Tahun 2012 dated 11 September 2012, and has been announced in the State Gazette of the Republic of Indonesia No. 47 dated 11 June 2013, Supplement No. 73263.

The Company’s Articles of Association have been amended several times as lastly amended by Deed of Statement of Meeting Resolution on Amendment to the Articles of Association No. 59 dated 12 April 2023, drawn up before Jose Dima Satria, S.H., M.Kn., Notary in Administrative City of South Jakarta, which has been approved by the MOLHR by virtue of the Decree No. AHU-0023036.AH.01.02.TAHUN

2023 dated 17 April 2023 and has been notified to the MOLHR based on Receipt of Notification of the Change of the Company's Data No. AHU-AH.01.09-0111358 dated 17 April 2023 ("**Deed 59/2023**").

The Company is headquartered at Treasury Tower, 67th – 68th Floor, District 8 SCBD Lot. 28, Jl. Jend. Sudirman Kav. 52-53, Senayan, Kebayoran Baru, South Jakarta 12190, DKI Jakarta, Indonesia.

According to Article 3 of the Company's Articles of Association, the purposes and objectives of the Company are to conduct business in the field of holding company activities and other management consulting activities.

To achieve the abovementioned purposes and objectives, the Company shall perform the main business activities as follows:

- a. holding company's activities, including the ownership and/or control of its group of subsidiaries; and
- b. activities of other management consultation, of which the main activities (as relevant) are to give assistance of business advice, guidance and operation and other organization and management issues, such as strategic and organizational planning, decisions related to finance, marketing objective and policy, planning, practice, and policy of human resources, planning of production scheduling and control.

To achieve the abovementioned main business activities of the Company, the Company shall perform the supporting business activities as follows:

- a. services provided as a counselor and negotiator in planning companies' merger and acquisition; and
- b. providing services covering assistance in advice, guidance and operation of business, and other organizational and management issues, such as strategic and organizational planning; decisions related to finance; marketing objective and policy; planning, practice and policy of human resources; planning of production scheduling and control. This providing of business services may cover assistance in finance, advice, guidance and operation of various management functions, management consultancy in agronomy and economy in agriculture and the like, design of accounting methods and procedures, cost accounting program, budget monitoring procedures, provision of funding, advice and assistance to business and community service in planning, organizing, efficiency and supervision, management information, etc., including but not limited to services in infrastructure investment study.

Capital Structure and Shareholders' Composition of the Company

Pursuant to Deed of Statement of Meeting Resolution of the Amendment of the Articles of Association No. 69 dated 25 September 2019 made before Liestiani Wang, S.H., M.Kn., Notary in Administrative City of South Jakarta which has been notified to the MOLHR based on the Receipt of Notification of the Amendment of the Articles of Association No. AHU-AH.01.03-0339775 dated 2 October 2019 *juncto* Deed of Statement of Meeting Resolutions of the Amendment of the Articles of Association No. 9 dated 12 May 2022, made before Jose Dima Satria, S.H., M.Kn., Notary in the Administrative City of South Jakarta, which has been notified to the MOLHR based on the Receipt of Notification of Amendment to of the Articles of Association No. AHU-AH.01.03-0237201 dated 13 May 2022, the Company's capital structure and shareholding composition as of the date of this Information Disclosure is as follows:

| | | |
|--------------------|---|----------------------|
| Authorized Capital | : | IDR1,400,000,000,000 |
| Issued Capital | : | IDR482,217,015,420 |
| Paid-up Capital | : | IDR482,217,015,420 |

The Company's authorized capital is divided into 70,000,000,000 (seventy billion) shares, with a nominal value of IDR20 (twenty Rupiah) per share.

According to the Shareholders Register of the Company dated 30 November 2023 issued by PT Datindo Entrycom as Share Registrar of the Company, the shareholders of the Company are as follows:

| Description | Nominal Value of IDR20 per share | | |
|--|----------------------------------|------------------------|----------------------|
| | Number of Shares | Nominal Value (IDR) | (%) |
| A. Authorized Capital | 70,000,000,000 | 1,400,000,000,000 | |
| B. Issued and Paid-up Capital | | | |
| 1) PT Saratoga Investama Sedaya Tbk | 4,494,361,397 | 89,887,227,940 | 18.640 |
| 2) PT Mitra Daya Mustika | 2,907,302,421 | 58,146,048,420 | 12.058 |
| 3) Garibaldi Thohir | 1,774,021,214 | 35,480,424,280 | 7.358 |
| 4) PT Suwarna Arta Mandiri | 1,347,254,738 | 26,945,094,760 | 5.588 |
| 5) Hongkong Brunp & Catl Co., Limited | 1,205,542,539 | 24,110,850,780 | 5.000 |
| 6) Gavin Arnold Caudle | 80,966,431 | 1,619,328,620 | 0.336 |
| 7) Hardi Wijaya Liong | 69,596,728 | 1,391,934,560 | 0.289 |
| 8) Andrew Phillip Starkey | 700,000 | 14,000,000 | 0.003 |
| 9) Albert Saputro | 355,600 | 7,112,000 | 0.001 |
| 10) Titien Supeno | 567,400 | 11,348,000 | 0.002 |
| 11) Public (respectively under 5%) | 12,163,987,603 | 243,279,752,060 | 50.450 |
| Treasury Shares | 66,194,700 | 1,323,894,000 | 0.275 ⁽¹⁾ |
| Total of Issued and Fully Paid-up Shares | 24,110,850,771 | 482,217,015,420 | 100.000 |
| C. Portfolio Shares | 45,889,149,229 | 917,782,984,580 | |

Note:

⁽¹⁾ treasury shares cannot be utilized to cast votes in the General Meeting of Shareholders and cannot be calculated to determine the quorum to be reached in the General Meeting of Shareholders as well as not being entitled to obtain dividend distribution.

Composition of the Board of Directors and Board of Commissioners of the Company

Based on Deed 59/2023, the composition of the Company's Board of Directors and Board of Commissioners on the issuance date of this Information Disclosure is as follows:

Board of Commissioners

| | | |
|------------------------|---|-------------------|
| President Commissioner | : | Edwin Soeryadjaya |
| Commissioner | : | Yoke Candra |
| Commissioner | : | Tang Honghui |

Independent Commissioner : Budi Bowoleksono
Independent Commissioner : Muhamad Munir

Board of Directors

President Director : Albert Saputro
Vice President Director : Jason Laurence Greive
Director : Andrew Phillip Starkey
Director : Gavin Arnold Caudle
Director : Hardi Wijaya Liong
Director : David Thomas Fowler
Director : Titien Supeno
Director : Chrisanthus Supriyo

2. PBJ

PBJ, domiciled in South Jakarta, is a limited liability company established based on the Deed of Establishment of Limited Liability Company No. 87 dated 20 November 2015, made before Humberg Lie, S.H., S.E., M.Kn., Notary in North Jakarta, which has been ratified by the MOLHR by virtue of its Decree No. AHU-2467705.AH.01.01.TAHUN 2015 dated 20 November 2015.

PBJ's Articles of Association have been amended several times, as lastly amended by the Deed of Statement of Circular Resolutions in Lieu of Extraordinary General Meeting of Shareholders No. 141 dated 19 December 2022 which was made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been notified to the MOLHR based on (i) the Receipt of Notification of Amendment to the Articles of Association No. AHU-AH.01.03-0328481; (ii) the Receipt of Notification of Change of the Company's Data No. AHU-AH.01.03-0328485; and (iii) the Receipt of Notification of the Company's Merger No. AHU-AH.01.09-0088367, all dated 19 December 2022 ("**Deed 141/2022**").

Based on Article 3 of the Articles of Association of PBJ, the purpose and objective of PBJ is to conduct business in the field of holding company activities.

To achieve the abovementioned purposes and objectives, PBJ may carry out business activities, namely holding company activities (KBLI 64200), which is conducting activities as a holding companies, namely a company that controls the assets of a group of subsidiary companies and the main activity is the ownership of such group.

Capital Structure and Shareholder's Composition of PBJ

Based on the Deed of Statement of Circular Resolutions in Lieu of Extraordinary General Meeting of Shareholders No. 85 dated 30 May 2022, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been approved by the MOLHR by virtue of the Decree No. AHU-0036220.AH.01.02.TAHUN 2022 and has been notified to the MOLHR based on the Receipt of Notification of Amendment to the Articles of Association No. AHU-AH.01.03-0243208, both dated 30 May 2022 *juncto* Deed 141/2022, the capital structure and share ownership composition of PBJ are as follows:

| | | |
|--------------------|---|--------------------|
| Authorized Capital | : | IDR200,000,000,000 |
| Issued Capital | : | IDR100,183,000,000 |
| Paid-up Capital | : | IDR100,183,000,000 |

The Authorized Capital of PBJ is divided into 200,000 (two hundred thousand) shares, with a nominal value of IDR1,000,000 (one million Rupiah) per share.

Therefore, the composition of PBJ's share ownership is as follows:

| No. | Shareholders' Name | Nominal Value of IDR1,000,000 per share | | |
|-------------------------|------------------------------|---|------------------------|---------------|
| | | Number of Shares | Nominal Value (IDR) | % |
| 1. | The Company | 70,181 | 70,181,000,000 | 70.05 |
| 2. | Garibaldi Thohir | 6,953 | 6,953,000,000 | 6.94 |
| 3. | PT Unitras Kapital Indonesia | 2,204 | 2,204,000,000 | 2.20 |
| 4. | PT Elias Aldana Manajemen | 1,002 | 1,002,000,000 | 1.00 |
| 5. | PT Nugraha Eka Kencana | 1,501 | 1,501,000,000 | 1.50 |
| 6. | Winato Kartono | 10,389 | 10,389,000,000 | 10.37 |
| 7. | Hardi Wijaya Liong | 4,448 | 4,448,000,000 | 4.44 |
| 8. | Santoso Kartono | 1,403 | 1,403,000,000 | 1.40 |
| 9. | Sakti Wahyu Trenggono | 601 | 601,000,000 | 0.60 |
| 10. | Edi Permadi | 1,501 | 1,501,000,000 | 1.50 |
| Total | | 100,183 | 100,183,000,000 | 100.00 |
| Portfolio Shares | | 99,817 | 99,817,000,000 | - |

Composition of the Board of Directors and Board of Commissioners of PBJ

According to the Deed of Statement of Circular Resolutions of Shareholders in Lieu of Extraordinary General Meeting of Shareholders No. 55 dated 28 April 2023, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been notified to the MOLHR based on the Receipt of Notification of Change of the Company's Data No. AHU-AH.01.09-0121405 dated 27 May 2023, the composition of the Company's Board of Directors and Board of Commissioners of PBJ is as follows:

Board of Commissioners

President Commissioner : Albert Saputro
 Commissioner : Januarius Felix Lumban Gaol

Board of Directors

President Director : Syamsul Bahri Ilyas
 Director : Cahyono Seto
 Director : David Thomas Fowler
 Director : Boyke Poerbaya Abidin

Transaction Value and Scope of the Agreement

Pursuant to the Agreement, the Company as the lender agrees to provide financing fund to PBJ with a total value of up to USD175,000,000.00 (one hundred seventy-five million United States Dollar) ("**Financing Fund**") which will be used by PBJ for the purpose of, including but not limited to the general corporate, including for capital and operational expenditure, working capital of PBJ, and other purposes as required by PBJ.

Financing Fund under the Agreement bears interest rate at the 3 (three) months Term SOFR plus a margin of 5.76% (five point seven six percent) per annum with a maturity date in the 5th (fifth) year from the effective date of the Agreement.

Furthermore, the Transaction is not a material transaction as referred to in POJK 17/2020 considering that the value of Transaction does not reach 20% (twenty percent) of the Company's equity value in accordance with the Interim Consolidated Financial Statements of the Company and its subsidiaries for the period ended on 30 September 2023 which was audited by Public Accounting Firm Tanubrata Sutanto Fahmi Bambang & Rekan.

Nature and Affiliation Relationship with the Company

The nature of the Affiliation relationship between PBJ with the Company are as follow:

- a. PBJ is a Controlled Company of the Company, with shares owned directly by the Company in the amount of 70.05% (seventy point zero five percent); and
- b. there are members of the Board of Directors and the Board of Commissioners of PBJ who also serve as members of the Board of Directors of the Company.

SUMMARY OF APPRAISER'S REPORT

KJPP who has been appointed by the Company's Board of Directors as the independent appraiser in accordance with the proposal letter/contract work agreement No. 201.1/IDR/DO.2/Pr-FO/XI/2023 dated 10 November 2023 has been requested to provide an assessment of and provide an opinion of the Transaction's fairness.

Fairness Opinion Report on Transaction

The following is a summary of the KJPP's fairness opinion report of the Transaction as stated in its report No. 00462/2.0118-00/BS/02/0520/1/XII/2023 dated 22 December 2023:

a. Transacting Parties

The transacting parties are the Company as the lender and PBJ as the borrower.

b. Appraisal Object

The object of the appraisal is the proposed loan provision transaction to PBJ by the Company.

c. Purpose and Objective of Appraisal

The purpose of the appraisal is to provide a fairness opinion on the proposed Transaction for the purpose of implementing the Transaction.

d. Principal Limiting Assumptions and Conditions

1. This appraisal report is a *non-disclaimer* opinion.
2. The appraiser reviewed the legal status of documents used in the appraisal process.
3. The data and information come from trustworthy sources.
4. The financial projection used is an adjusted financial projection that reflects the fairness of the financial projections made by management with the ability to achieve (*fiduciary duty*), if the appraisal uses financial projections.
5. The appraiser is responsible for the implementation of appraisal and fairness of the financial

projections.

6. This appraisal report is disclosed to the public, except for confidential information, which may affect the Company's operations.
7. The appraiser is responsible for this appraisal report and the conclusion of the final score.
8. The appraiser obtained information on the legal status of the appraisal object from the Company.
9. The assumptions and other limiting conditions are disclosed in the KJPP report.

e. Approach and Method

In accordance with the scope of the appraisal, the approaches and methods used are:

1. conducting Transaction analysis;
2. conducting a qualitative analysis of the proposed Transaction;
3. conducting a quantitative analysis of the proposed Transaction;
4. conducting an analysis of the guarantee related to the Transaction;
5. conducting an analysis of the fairness of the Transaction value; and
6. conducting an analysis of other relevant factors.

f. Conclusion

The amount of funds from the object of the Transaction in the form of a loan provision to PBJ by the Company can be repaid on maturity date, thus it can be concluded that the amount of funds from the object of the Transaction is **fair**.

The analysis results of the loan interest rates from the Company as the lender imposed to PBJ within the range of similar interest rates from previous transactions. Therefore, it can be concluded that the loan interest rates imposed by the Company on PBJ is **fair**.

The analysis results of the financial impact of the Transaction to be carried out on the interests of Shareholders concluded that the Transaction will increase the Company's revenue and profit which can provide added value to the Company in line with the interests of Shareholders.

The analysis results of business considerations used by the Company's management related to the proposed Transaction that will be carried out on the interests of Shareholders are to support the business development of PBJ and its subsidiaries, so that PBJ and its subsidiaries will immediately operate commercially and will have a contribution to increasing profits on a consolidated scale for the Company as the parent company of PBJ in accordance with the interests of Shareholders.

In accordance with the conclusion of the analysis result above, KJPP is of the opinion that the Transaction is **fair**.

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THE EFFECT OF THE TRANSACTION ON THE COMPANY'S FINANCIAL CONDITION

The Effect of the Transaction on the Company's Financial Condition

The table below shows an overview of the financial condition of the Company and its subsidiaries as of 30 June 2023 before and after carrying out the Affiliated Transaction:

| Description | Before Transaction Execution | Adjustment | After Transaction Execution |
|---|------------------------------|------------|-----------------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash or cash equivalents | 496,347.175 | 0 | 496,347.175 |
| Trade receivables | | | |
| - third parties | 131,306.502 | 0 | 131,306.502 |
| - related parties | 824.570 | 0 | 824.570 |
| Other receivables - third parties | 7,877.454 | 0 | 7,877.454 |
| Inventories - current portion | 447,497.973 | 0 | 447,497.973 |
| Claims for tax refund | 59,123.021 | 0 | 59,123.021 |
| Advances and prepayments - current portion | 29,548.521 | 0 | 29,548.521 |
| Investment in equity instrument and other securities | 41,331.265 | 0 | 41,331.265 |
| Total Current Assets | 1,213,856.481 | 0 | 1,213,856.481 |
| Non-Current Assets | | | |
| Advances and prepayments - non-current portion | 113,607.979 | 0 | 113,607.979 |
| Advance of investment | 6,113.705 | 0 | 6,113.705 |
| Investment in shares and associate entity | 730.393 | 0 | 730.393 |
| Loan from third party | 38,617.353 | 0 | 38,617.353 |
| Inventories - non-current portion | 59,335.480 | 0 | 59,335.480 |
| Prepaid taxes | 109,655.768 | 0 | 109,655.768 |
| Property, plant and equipments | 1,536,749.775 | 0 | 1,536,749.775 |
| Right-of-use assets | 19,672.952 | 0 | 19,672.952 |
| Mining properties | 604,817.947 | 0 | 604,817.947 |
| Exploration and evaluation assets | 492,534.522 | 0 | 492,534.522 |
| Goodwill | 358,694.582 | 0 | 358,694.582 |
| Deferred tax assets | 30,109.854 | 0 | 30,109.854 |
| Derivative financial instrument | 2,670.807 | 0 | 2,670.807 |
| Other non-current assets | 11,200.944 | 0 | 11,200.944 |
| Total Non-Current Assets | 3,384,512.061 | 0 | 3,384,512.061 |
| TOTAL CURRENT ASSETS | 4,598,368.542 | 0 | 4,598,368.542 |
| LIABILITIES AND EQUITY | | | |
| Current Liabilities | | | |
| Trade payables | | | |
| - third parties | 305,933.200 | 0 | 305,933.200 |
| - related parties | 180.741 | 0 | 180.741 |
| Accrued expenses | 74,970.009 | 0 | 74,970.009 |
| Unearned revenue | 19,809.504 | 0 | 19,809.504 |
| Taxes payable | 12,690.288 | 0 | 12,690.288 |
| Other payables | 5,866.808 | 0 | 5,866.808 |
| Borrowings - current portion: | | | |
| - Bank loans and credit facility | 3,231.405 | 0 | 3,231.405 |
| - Bonds payable | 323,102.062 | 0 | 323,102.062 |
| - Lease liabilities | 18,057.133 | 0 | 18,057.133 |
| Derivative financial instrument - current portion | 1,988.232 | 0 | 1,988.232 |
| Provision for mining rehabilitation - current portion | 62.848 | 0 | 62.848 |
| Total Current Liabilities | 765,892.230 | 0 | 765,892.230 |
| Non-Current Liabilities | | | |
| Borrowings - net of current portion: | | | |
| - Bank loans and credit facility | 283,318.140 | 0 | 283,318.140 |
| - Bonds payable | 703,036.528 | 0 | 703,036.528 |
| - Lease liabilities | 21,577.370 | 0 | 21,577.370 |
| - Loan from associate entity | 104,540.500 | 0 | 104,540.500 |
| Deferred tax liabilities | 94,019.871 | 0 | 94,019.871 |
| Post-employment benefits liability - non-current portion | 22,046.768 | 0 | 22,046.768 |
| Provision for mining rehabilitation - non-current portion | 39,657.387 | 0 | 39,657.387 |
| Total Non-Current Liabilities | 1,268,196.564 | 0 | 1,268,196.564 |
| TOTAL LIABILITIES | 2,034,088.794 | 0 | 2,034,088.794 |
| Equity | | | |
| Share capital: | | | |
| Authorized capital | 37,792.783 | 0 | 37,792.783 |
| Additional paid-in capital - net | 690,575.911 | 0 | 690,575.911 |
| Treasury stock | -17,309.450 | 0 | -17,309.450 |
| Other equity components | -31,353.643 | 0 | -31,353.643 |
| Retained earnings: | | | |
| - Appropriated | 1,400.000 | 0 | 1,400.000 |
| - Unappropriated | 232,170.131 | 0 | 232,170.131 |
| Non-controlling interests | 1,651,004.016 | 0 | 1,651,004.016 |
| Total Equity | 2,564,279.748 | 0 | 2,564,279.748 |
| TOTAL LIABILITIES AND EQUITY | 4,598,368.542 | 0 | 4,598,368.542 |

(*) Expressed in US Dollar and refer to the Interim Consolidated Financial Statements of the Company and its subsidiaries for the period ended 30 June 2023.

DESCRIPTION, CONSIDERATIONS, AND REASONS FOR THE AFFILIATED TRANSACTION COMPARED WITH OTHER SIMILAR TRANSACTIONS WHICH ARE NOT PERFORMED WITH AFFILIATED PARTIES

By implementing the Transaction, the Company may provide funding support that will be utilised by PBJ for the purpose of, including but not limited to, the general corporate, including for capital and operational expenditure, and the working capital of PBJ, and other purposes as required by PBJ.

Thus, the Transaction will be more efficient if carried out with the Company as the holding company of PBJ. Furthermore, it is expected that this Transaction can have a positive impact on the Company, which in turn creates added value for the Company's Shareholders indirectly.

The Transaction has also been assessed by internal procedures with using similar terms and conditions if the Transaction were conducted with a non-affiliated party, hence the terms and conditions of the Transaction are carried out by commonly accepted business practices. Furthermore, the Transaction is also more effective and efficient if it is carried out by the affiliated parties of the Company.

STATEMENT OF THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS OF THE COMPANY

The Board of Commissioners and Board of Directors of the Company, either individually or jointly, state that all material information related to the Transaction has been disclosed and the information is not misleading and the Transaction is not considered a Conflict of Interest Transaction as referred to POJK 42/2020 and is not a material transaction as referred to POJK 17/2020 considering that the Transaction value does not reach 20% (twenty percent) of the Company's equity value in accordance with the Interim Consolidated Financial Statements of the Company and its subsidiaries for the period ended on 30 September 2023 which was audited by Tanubrata Sutanto Fahmi Bambang & Rekan as Public Accountant Firm.

The Board of Directors of the Company stated that the Transaction was carried out in accordance with the procedures owned by the Company as required in POJK 42/2020 to ensure that Affiliated Transaction have been carried out in accordance with prevailing regulations and generally accepted business practices.

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ADDITIONAL INFORMATION

For further information, you can contact the Company at the following address:

PT Merdeka Copper Gold Tbk

Corporate Secretary

Treasury Tower, 67-68th floor, District 8 SCBD Lot. 28

Jl. Jend. Sudirman Kav. 52-53, Senayan, Kebayoran Baru, South Jakarta 12190, DKI Jakarta, Indonesia

Telephone: +62 21 3952 5580; Facsimile: +62 21 3952 5589

E-mail: corporate.secretary@merdekacoppergold.com

Website: www.merdekacoppergold.com

Initial:

