

**THE DISCLOSURE INFORMATION TO THE SHAREHOLDERS OF PT BARITO PACIFIC Tbk
IN CONNECTION TO THE PROPOSED CAPITAL INCREASE WITH PRE-EMPTIVE RIGHTS
AND THE PROPOSED ACQUISITION**

THE INFORMATION CONTAINED IN THIS DISCLOSURE INFORMATION IS IMPORTANT AND IMPORTANT FOR THE ATTENTION FOR SHAREHOLDERS OF PT BARITO PACIFIC Tbk (THE "COMPANY") REGARDING THE PROPOSED CAPITAL INCREASE BY ISSUING PRE-EMPTIVE RIGHTS AND PROPOSED ACQUISITION

THIS INFORMATION IS ISSUED BY THE COMPANY IN COMPLIANCE WITH THE FINANCIAL SERVICES AUTHORITY/OTORITAS JASA KEUANGAN ("OJK") REGULATION NO. 32/POJK.04/2015 ABOUT CAPITAL INCREASE IN PUBLIC COMPANIES WITH PRE-EMPTIVE RIGHTS ("POJK 32/2015") AND REGULATION NO. IX.E.2 ABOUT MATERIAL TRANSACTION AND THE CONVERSION OF MAIN BUSINESS LINE ("RULE IX.E.2").

BOARD OF COMMISSIONERS AND DIRECTORS OF THE COMPANY STATED THAT THE PROPOSED ACQUISITION ARE (I) MATERIAL TRANSACTION FOR THE COMPANY AS STATED IN THE REGULATION NO. IX.E.2 AND (II) AFFILIATED TRANSACTION, BUT DOES NOT CONTAIN ANY CONFLICT OF INTEREST AS STATED IN THE REGULATION NO. IX.E.1 ABOUT AFFILIATED TRANSACTION AND CERTAIN CONFLICT OF INTEREST TRANSACTION ("REGULATION NO. IX.E.1")

If you are having difficulty understanding the information contained in this Information Disclosure, you should consult with legal counsel, public accountant, financial advisor or other professionals.



PT BARITO PACIFIC Tbk

Business Activities

Comprises of Forestry Related Business, Plantation, Mining, Industry, Property, Trading, Renewable Energy and Transportation

Domiciled in Banjarmasin, Indonesia

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THE COMPANY'S BOARD OF COMMISSIONERS AND DIRECTORS ARE, SEVERALLY OR JOINTLY, FULLY RESPONSIBLE FOR THE ACCURACY AND COMPLETENESS OF ALL INFORMATION CONTAINED IN THIS DISCLOSURE INFORMATION. THE COMPANY'S BOARD OF COMMISSIONERS AND DIRECTORS STATED that THE INFORMATION PRESENTED IN THIS DISCLOSURE INFORMATION ARE COMPLETE AND AFTER CAREFULLY STUDY, CONFIRMING THAT THE INFORMATION CONTAINED IN THE DISCLOSURE INFORMATION IS TRUE AND THERE ARE NO MATERIAL AND RELEVANT FACTS THAT HAVE NOT BEEN DISCLOSED WHICH CAN CAUSE THE MATERIAL INFORMATION IN THIS DISCLOSURE OF INFORMATION TO BE INCORRECT AND/OR MISLEADING.

This Disclosure Information is published in Jakarta on 13 December 2017

IMPORTANT DATES AND EXPECTED TIME SCHEDULE

1. Notification of Extraordinary General Meeting of Shareholders (“**EGMS**”) agenda to OJK. 6th December 2017
2. Announcement of the EGMS to the shareholders of the Company 13rd December 2017
3. Announcement of the Disclosure of Information on Proposed Capital Increase by Issuing Pre-Emptive Rights Issuance and Proposed Acquisition to the shareholders of the Company 13rd December 2017
4. Shareholders who are entitled to attend the EGMS 27th December 2017
5. EGMS invitation to the shareholders of the Company 28th December 2017
6. EGMS 22nd January 2018
7. Announcement of the summary of EGMS results in one (1) daily newspaper, the IDX website and the Company’s website 23rd January 2018
8. Submission of the summary of EGMS results to OJK and IDX 23rd January 2018
9. Submission of registration statement of the Proposed Capital Increase by Issuing Pre-Emptive Rights to OJK 23rd January 2018
10. Estimation date of effective statement from OJK 9th March 2018

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I. INTRODUCTION

Informations as stated in this Disclosure of Informations addressed to Company's shareholders regarding to the Company's plans to:

1. Limited Public Offering through the Capital Increase with Pre-Emptive Rights ("**Pre-Emptive Rights**") of the maximum amount of 5,600,000,000 new shares of the Company with the nominal value of Rp 500 per share ("**New Shares**") or 40.12% from issued and fully paid shares in the Company ("**Proposed LPO II**"); and
2. Acquisition of 66.67% shares of Star Energy Group Holdings Pte Ltd ("**SEGHPL**") from Mr. Prajogo Pangestu ("**PP**") ("**Proposed Acquisition**").

Proposed LPO II and Proposed Acquisition are series of transaction and cannot be separated one to the other and hereinafter are referred to as the "**Proposed Transaction**".

II. PROPOSED LPO II

Number of Shares Offered

The Company plans to issue new capital with Pre-Emptive Rights in the maximum amount of 5,600,000,000 shares. The new shares to be offered in this LPO II are entirely new shares issued from the portfolio of the Company with the nominal value of Rp 500 per shares. The new shares offered in this Proposed LPO II have equal rights in all respects with all of the Company's existing issued and fully paid shares.

Impact of the Proposed LPO II on the Company's Financial Condition and Shareholders

The the Company expected to raise maximum fund of USD 1,000,000,000 (one billion United States Dollar of America) which to be used as described further below for the Proposed LPO II.

Pre-Emptive Rights will be granted to all shareholders of the Company. The shareholders of the Company who do not exercise their pre-emptive rights in the Proposed LPO II may be diluted at a maximum of 28.63%.

Payment of Shares in Other Forms

The implementation of the Pre-Emptive Rights can be in form of sum of money on shares to be issued. The payment on such shares may also be made in an other form than money. Based on POJK 32/2015, the payment with the other forms than money shall meet the following requirements:

- a. Directly related to the usage of the proceeds; and
- b. Use the appraisers to determine the fair value of the other form than money used as the payment and the fairness of the payment transaction for shares in the other form than money

III. ESTIMATION OF PROPOSED LPO II

In accordance with the provisions of Article 8 paragraph (3) POJK 32/2015, the period between the date of approval of the EGMS in relation to the Proposed LPO II until the effectiveness of the registration statement is not more than 12 (twelve) months. The Company plans to conduct further capital increase in the 12 (twelve) months period.

IV. ESTIMATION OF THE USE OF PROCEEDS FROM PROPOSED LPO II

Estimation of the use of proceeds funds from the Proposed LPO II after deducting share issuance costs are as follows:

1. About 52% will be used to settle the remaining purchase price in connection with the Proposed Acquisition through the issuance of shares of the Company exercised by PP (transactions inbreng);
2. About 24% will be used to pay the Company's financial liabilities; dan
3. The remaining funds will be used for:
 - (i) The Company and its subsidiaries' working capital;
 - (ii) Business development of the Company and its subsidiaries;
 - (iii) Future company acquisition.

In the case that the Company will have an acquisition in the future, then the Company will always fulfill to capital market regulations applicable at the time of transaction.

V. BRIEF DESCRIPTION REGARDING THE COMPANY

A. The Company's Brief History

The Company was established within the framework of the Domestic Capital Investment Law No. 6, year 1968 based on Notarial Deed No. 8 of Kartini Muljadi, S.H. dated April 4, 1979 under the name of PT Bumi Raya Pura Mas Kalimantan. The Company's Articles of Association was approved by the Ministry of Justice in its Decision Letter No. J.A.5/195/8 dated July 23, 1979 and was published in State Gazette of Republic of Indonesia No. 84, Supplement No. 24 dated October 19, 1979. Based on Notarial Deed No. 33 of Benny Kristianto, S.H. dated August 29, 2007, the Company changed its name to PT Barito Pacific Tbk that has been approved from Menkumham No. 107-09808HT.01.04-TH2007, dated September 6, 2007, and has been published in BNRI No 87, Tambahan No. 10722 dated October 30, 2007.

The Company's Articles of Association has been amended several times, most recently by Notarial Deed No. 42 dated June 8, 2017 of Kumala Tjahjani Widodo, S.H., M.Kn., S.H., notary in Jakarta, which has been notified to Menkumham concerning as reflected in the Letter of Acceptance of Notification of Amendment of the Articles of Association No. AHU-AH.01.03-0148692 dated June 21, 2017 and has been registered in the Company Registration at Kemenkumham No. AHU-0080303.AH.01.11.Tahun 2017 dated June 21, 2017.

The Company is domiciled in Banjarmasin with its plants located in Jelapat, Banjarmasin. The Company's office in Jakarta is located at Wisma Barito Pacific, Jl. Letjen S. Parman Kav. 62-63 Jakarta.

B. Capital Structure and Shareholders Ownership

Based on shareholder register issued by Share Registrar, PT Sirca Datapro Perdana, the Company's share ownership as of Nopember 30, 2017 are as follows:

Description	Number of shares	Nominal value Rp. 500,- per share	%
Authorized Capital	55,800,000,000	27,900,000,000,000	
Issued and Paid up Capital			
1. Prajogo Pangestu	9,703,154,806	4,851,577,403,000	69.51
2. PT Barito Pacific Lumber	202,293,800	101,146,900,000	1.45
3. PT Tunggal Setia Pratama	64,120,000	32,060,000,000	0.46
4. Agus Salim Pangestu	74,666	37,333,000	0.00
5. Others < 5%	3,911,641,096	1,955,820,548,000	28.02
Sub Total	13,881,284,368	6,940,642,184,000	99.44
Treasury Stock	78,501,200	39,250,600,000	0.56
Total Issued and Paid Up Capital	13,959,785,568	6,979,892,784,000	100.00
Portfolio Share	41,840,214,432	20,920,107,216,000	

C. The Company's Management and Supervision

Based on Notarial Deed No.41 of Kumala Tjahjani Widodo, S.H., M.H., M.Kn., Notary in Jakarta dated June 8, 2017, the composition of the Board of Commissioners and Directors of the Company at the time of this Disclosure Information is published are as follows:

Board of Commissioner

President Commissioner	:	Prajogo Pangestu
Commissioner	:	Harlina Tjandinegara
Independen Commissioner	:	Alimin Hamdy

Director

Presiden Director	:	Agus Salim Pangestu
Vice Presiden Director	:	Rudy Suparman
Director	:	Salwati Agustina
Independen Director	:	Henky Susanto

D. Business Activities

According to article 3 of the Company's Articles of Association, the Company's scope of business activities comprises of forestry related business, plantation, mining, industry, property, trading, renewable energy and transportation.

The Company has direct and indirect ownership interest of more than 50% in, and/or have control over the management of the following subsidiaries:

Subsidiaries	Domiciled	Effective Ownership Percentage %	Years of Commercial Operation
Petrochemicals			
PT Chandra Asri Petrochemical Tbk	Jakarta	46.26	1993
PT Styrimdo Mono Indonesia	Jakarta	46.26	1993
PT Petrokimia Butadiene Indonesia	Jakarta	46.25	2013
PT Chandra Asri Perkasa	Jakarta	46.26	Development Stage
Logging and Timber Manufacturing			
PT Tunggal Agathis Indah Wood Industries	Ternate	100.00	1986
PT Mangole Timber Producers	Manado	100.00	1983
PT Barito Kencanamahardika	Jakarta	51.00	Development Stage
Industrial Timber Plantations			
PT Kirana Cakrawala	Ternate	60.00	2003
PT Kalpika Wanatama	Ambon	60.00	2003
PT Rimba Equator Permai	Pontianak	100.00	Development Stage
Glue			
PT Binajaya Rodakarya	Banjarmasin	100.00	1992
PT Wiranusa Trisatrya	Manado	100.00	1991
Property			
PT Griya Idola	Jakarta	100.00	1991
PT Griya Tirta Asri	Jakarta	100.00	Development Stage
PT Mambruk Cikoneng Indonesia	Anyer	100.00	1987
Plantation			
PT Agropratama Subur Lestari	Jakarta	60.00	Not Yet Operational
PT Wahanaguna Margapratama	Jakarta	60.00	Not Yet Operational
PT Royal Indo Mandiri	Jakarta	100.00	2005
PT Grand Utama Mandiri	Kalimantan Barat	99.99	2012
PT Tintin Boyok Sawit Makmur	Kalimantan Barat	99.99	2010
PT Tintin Boyok Sawit Makmur Dua	Kalimantan Barat	99.99	2013
PT Hamparan Asri Cemerlang	Jakarta	100.00	Not Yet Operational
PT Citra Nusantara Asri	Jakarta	100.00	Not Yet Operational
PT Persada Kridha Asri	Jakarta	100.00	Not Yet Operational
Others			
PT Redeco Petrolin Utama	Jakarta	23.48	1987
Marigold Resources Pte Ltd	Singapore	100.00	2005
Altus Capital Pte Ltd	Singapore	46.26	2009
PT Barito Wahana Lestari	Jakarta	100.00	Development Stage

VI. THE COMPANY'S FINANCIAL HIGHLIGHTS

The following is summary of financial data which figures are derived from or calculated based on the consolidated financial statements of the Company and its subsidiaries for the nine months period ended September 30, 2017 and for the year ended 31 December 2016 audited by KAP Satrio Bing Eny & Partners (Member of Deloitte Touche Tohmatsu Limited), and for the years ended December 31, 2015 and December 31, 2014 audited by KAP Osman Bing Satrio & Eny (Member of Deloitte Touche Tohmatsu Limited) that are fairly presented in all material respects, as well as the results of operations and cash flows for the period of 9 months and the years ended on that date in accordance with Indonesian Financial Accounting Standards. The Company's financial data are as follows:

(in thousand of USD)

Description	September 30 2017	December 31 2016	December 31 2015	December 31 2014
Total Assets	3,264,479	2,570,590	2,253,084	2,325,396
Total Liabilities	1,284,850	1,122,222	1,057,175	1,274,085
Total Equities	1,979,629	1,448,368	1,195,909	1,051,311
Sales	1,823,263	1,961,307	1,406,139	2,476,887
Gross Profits	420,864	487,456	139,113	109,946
Comprehensive Net Income (Loss)	218,568	276,115	184	(3,916)

VII. DESCRIPTION OF THE PROPOSED TRANSACTION

A. Background and Reasons

In line with the Company's mission to establish a foothold in renewable and resource-oriented industrial sectors that have growth from upstream to downstream by diversifying and integrating into the resource industry for future developments, particularly in the renewable energy sector, the Company intends to acquire SEGHP L engaged in renewable energy. SEGHP L has subsidiaries that own business activities in the renewable energy and has several important contracts, including: (i) Joint Operation Contract ("**JOC**") and Energy Sales Contract ("**ESC**") for the Wayang Windu Project, respectively, between PT PLN (Persero) and PT Pertamina Geothermal Energy and Star Energy Geothermal (Wayang Windu) Ltd. ("**SEGWW**"); (ii) JOC and ESC Joint Operation Contracts for the Salak Project, respectively, between PT Pertamina Geothermal Energy, SEGSP L and SEGSL, (iii) JOC for Darajat Projects made between PT Pertamina Geothermal Energy, SEGDI, SEGDI I and (iv) ESC for Darajat Projects made between PT Pertamina Geothermal Energy, SEGDI, SEGDI I and DGI. With the acquisition of SEGHP L, it is expected that the Company's investment portfolio will increase and in turn can increase value added for all shareholders of the Company.

B. Transaction Benefits

The expected benefits will be obtained by the Company through the execution of this Proposed Transaction, among others, as follows:

- Business development and establishing a vision of the Company to become a leader in renewable energy;
- Increase the Company's future profits by increasing the revenue or profit margin;
- Adding business lines with different business segments to deliver maximum results; and
- Increased investment of quality assets.

C. Brief Description Regarding the Terms and Condition of the Agreements

SEIL, SEHL and the Company have executed memorandum of understanding dated 20 December 2016 and supplemental of memorandum of understanding dated 21 March 2017 regarding the acquisition of SEGHPL from SEIL and SE Holdings. Moreover, on 12 December 2017, the Company, SEIL and PP have executed Memorandum of Understanding ("**MOU**") with the following conditions:

- (i) SEIL and SEHL have been merged, which SEIL is become the surviving entity. Therefore, all assets of SEHL are by law is transferred to SEIL;
- (ii) SEIL will transfer all of its shares in SEGHPL to PP; and
- (iii) Deposit (as defined below) is shall be deemed have been paid by the Company and PP acknowledges and confirms receipt of the Deposit.

Pursuant to MOU, the Company has made a payment on the deposit of the acquisition price of: (i) US\$58,598,967 and (ii) US\$175,713,840 ("**Deposit**").

On December 12, 2017, the Company and PP has entered into Conditional Sale and Purchase Agreement regarding the Proposed Acquisition ("**CSPA**"). Below is the summary of CSPA:

- Parties involved in Transaction:

The parties which are involved in the transaction pursuant to CSPA are the Company and PP.

- Object and Value of Proposed Acquisition:

Transaction Object pursuant to CSPA is 66,67% shares in SEGHPL with value of transaction of USD 755.00 million which will be paid with: (i) Deposit (ii) new shares issued by the Company.

- Condition Precedent

Completion of the Proposed Acquisition is conditional upon the following conditions being satisfied or waived, among others:

- a. the internal restructuring in SEGHPL has been completed whereas PP is the majority shareholder of SEGHPL;
- b. obtain financing to fund the remaining purchase price;
- c. the Company have obtain the corporate approval, including Board of Commissioner approval and General Meeting of Shareholder's approval on the Proposed Acquisition and Proposed LPO II.

D. Description of Seller

Brief Description of Seller

Name : Prajogo Pangestu
 Address : Jl. Widya Chandra V No. 32 RT. 004/001,
 Senayan – Kebayoran Baru
 Jakarta Selatan

E. Description of Target Company

1. SEGHPL

General

SEGHPL is a limited liability company incorporated and domiciled in Singapore, under Singapore law registered with no registration 201208322M. SEGHPL has a registered office at 9 Battery Road, # 15-01 MYP Center, Singapore 049910.

Business Activities

SEGHPL are currently engaged in nvestment holding.

Capital Structure and Share Ownership

Capital structure and shareholders ownership of SEGHPL at the date of this Disclosure of Information is published are as follows:

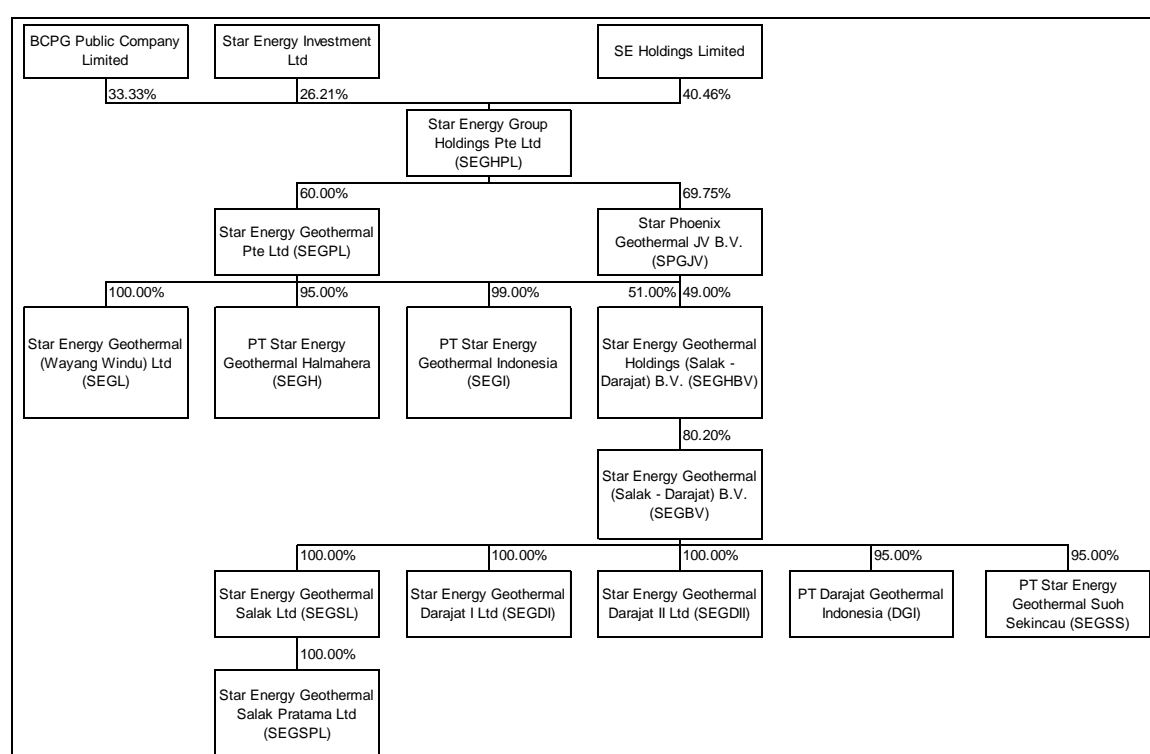
Description	Number of Shares	Nominal Value (USD)	%
1. Star Energy Investment Limited	220,136	220,139,000	26.21
2. Star Energy Holdings Limited	339,864	339,868,000	40.46
3. BCPG Public Company Limited	280,000	280,003,000	33.33
Total	840,000	840,010,000	100.00

Management and Supervision

The composition of the Director of SEGHPL at the date of this Disclosure of Information are as follows:

Director : Chaiwat Kovavisarach
 Director : Bundit Sapianchai
 Director : Agus Salim Pangestu
 Director : Tan Ek Kia
 Director : Rudy Suparman
 Director : Hendra Soetjipto Tan

The ownership structure of SEGHPL and its subsidiaries as of September 30, 2017 is as follows:



2. Star Energy Geothermal Pte Ltd (“SEGPL”)

General

SEGPL is a limited liability company incorporated and domiciled in Singapore, under Singapore law registered under no registration 200516906H. SEGPL has a registered office at 9 Battery Road, # 15-01 MYP Center, Singapore 049910.

Business Activities

The currently business activities engaged by SEGPL is investment holding.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGPL at the date of this Disclosure of Information is published are as follows:

Descriptions	Number of Shares	Nominal Value (USD)	%
1. Star Energy Group Holdings Pte. Ltd.	918,841	62,661,936	60.00
2. DGA SEG B.V.	306,281	20,887,357	20.00
3. Phoenix Power B.V.	306,281	20,887,357	20.00
Total	1,531,403	104,436,650	100.00

Management and Supervision

The composition of the Director of SEGHPL at the date of this Disclosure of Information are as follows:

Director	:	Tan Ek Kia
Director	:	Hendra Soetjipto Tan
Director	:	Bundit Sapianchai
Director	:	Niwat Adirek
Director	:	Niwat Adirek
Director	:	Ryota Sakakibara

3. Star Phoenix Geothermal JV B.V. (“**SPGJV**”)

General

SPGJV is a limited liability company established in Netherlands on December 15, 2016, under Netherlands law registered under registration number 000036023167. SPGJV has a registered office at Strawinskyiaan 3127, 8th floor, 1077ZX, Amsterdam.

Business Activities

The currently business activities engaged by SPGJV is trading.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SPGJV at the date of this Disclosure of Information is USD 1 which is divided into 1 share owned by SEGHPL and Phoenix Power B.V by 69.75% and 30.25%, respectively.

Management and Supervision

The composition of the Director of SPGJV at the date of this Disclosure of Information are as follows:

Director	:	Tessa Susanne Manon van Dijk
Director	:	Yvone Maria Theuns-Wimmers
Director	:	Nehemia Santosa Lo
Director	:	Niwat Adirek
Director	:	Hendra Soetjipto Tan
Director	:	Rudy Suparman

4. SEGWW

General

SEGWW is a limited liability company established in British Virgin Island on May 15, 1995, under British Virgin Island law registered under number registration 150029. SEGWW has a head office at Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands.

Business Activities

The currently business activities engaged by SEGWW is geothermal operations and geothermal power plants.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGWW at the date of this Disclosure of Information is USD 207,143,000 which is divided into 207,143,000 shares owned entirely by SEGHPL.

Management and Supervision

The composition of the Director of SEGWW at the date of this Disclosure of Information are as follows:

Director : Rudy Suparman
Director : Hendra Soetjipto Tan

5. PT Star Energy Geothermal Halmahera (“**SEGH**”)

General

SEGH is a limited liability company established under Republic of Indonesia law. SEGH has a registered office at Wisma Barito Pacific Tower A 8-11 Floor, Jl. Let. Jend. S. Parman Kav. 62-63, Jakarta 11410, Indonesia.

Business Activities

The currently business activities engaged by SEGH is geothermal power generation.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGH at the date of this Disclosure of Information is published are as follows:

Descriptions	Number of Shares	Nominal Value (Rupiah)	%
1. Star Energy Geothermal Pte. Ltd	95,000	9,500,000,000	95.00
2. PT Star Energy Investment	5,000	500,000,000	5.00
Total	100,000	10,000,000,000	100.00

Management and Supervision

The composition of the Commissioner and Director of SEGH at the date of this Disclosure of Information are as follows:

Commissioner

Commissioner : Esjin Kariko

Director

Director : Rudy Suparman
Director : Hendra Soetjipto Tan

6. PT Star Energy Geothermal Indonesia (“SEGI”)

General

SEGI is a limited company established under the laws of the Republic of Indonesia. SEGI has registered office at Wisma Barito Pacific Tower A 3rd Floor Jl. Let. Jend. S. Parman Kav. 62-63, Jakarta 11410, Indonesia.

Business Activities

The business activities engaged by SEGI is currently engaged in management consulting.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGI at the date of this Disclosure of Information is published are as follows:

Descriptions	Number of Shares	Nominal Value (Rupiah)	%
1. Star Energy Geothermal Pte. Ltd	108,900	10,890,000,000	99.00
2. PT Sarana Karya Mandiri	1,100	110,000,000	1.00
Total	110,000	11,000,000,000	100.00

Management and Supervision

The composition of the Commissioner and Director of SEGI at the date of this Disclosure of Information are as follows:

Commissioner

Commissioner : Esjin Kariko

Director

Director : Rudy Suparman
Director : Hendra Soetjipto Tan

7. Star Energy Geothermal Holdings (Salak – Darajat) B.V. (“**SEGHBV**”)

General

SEGHBV is a company incorporated in the Netherlands on December 15, 2016, Pursuant to the laws of Netherlands registered with registration number 67491715.

SEGHBV is located in Strawinskyiaan 3127, 8th floor, 1077ZX Amsterdam.

Business Activities

The business activities engaged by SEGHBV is investment companies.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGHBV at the date of this Disclosure of Information is published are as follows:

Description	Number of Shares	Nominal Value (USD)	%
1. Star Phoenix Geothermal JV B.V.	4,900	4,900	49.00
2. Star Energy Geothermal Pte. Ltd.	5,100	5,100	51.00
Total	10.000	10.000	100.00

Management and Supervision

The composition of the Director of SEGHBV at the date of this Disclosure of Information are as follows:

Director : Hendra Soetjipto Tan
Director : Niwat Adirek
Director : Rudy Suparman
Director : Yvonne Maria Theuns-Wimmers
Director : Nehemia Santosa Lo
Director : Tessa Susanne Manon van Dijk

8. Star Energy Geothermal (Salak – Darajat) B.V. (“**SEGBV**”)

General

SEGBV is a company incorporated in the Netherlands on December 16, 2016, under the laws of Netherlands registered with registration number 36035815. SEGBV is located in Strawinskyiaan 3127, 8th floor, 1077ZX Amsterdam.

Business Activities

The business activities engaged by SEGBV is in Financial Holdings.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGBV at the date of this Disclosure of Information is published are as follows:

Descriptions	Number of Shares	Nominal Value (USD)	%
1. Star Energy Geothermal Holdings (Salak – D B.V.	8,020	8,020	80.20
2. ACEHI Netherlands B.V.	1,980	1,980	19.80
Total	840,000	840,010,000	100.00

Management and Supervision

The composition of the Director of SEGBV at the date of this Disclosure of Information are as follows:

Director	:	Hendra Soetjipto Tan
Director	:	Niwat Adirek
Director	:	Rudy Suparman
Director	:	Patrice Rene Clausse
Director	:	Bundit Sapianchai
Director	:	Yvonne Maria Theuns-Wimmers
Director	:	Nehemia Santosa Lo
Director	:	Tessa Susanne Manon van Dijk
Director	:	Clemens Cornelis van den Broek
Director	:	Pravienkoemar Mahabier

9. Star Energy Geothermal Salak Ltd (“**SEGS**L”)

General

SEGS L is a company incorporated in Bermuda on 13 November 1981 based on Bermuda law registered with registration number 9085, previously known as Union Geothermal of Indonesia, Limited, and changed its name to SEGS L on March 31, 2017. SEGS L is located in Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

Business Activities

The business activities engaged by SEGS L is in the activities of geothermal power generation and power generation.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGS L at the date of this Disclosure of Information is published is USD 12,000 which is divided into 12,000 shares owned entirely by SEGBV.

Management and Supervision

The composition of the Director of SEGSL at the date of this Disclosure of Information are as follows:

President Director :	Hendra Soetjipto Tan
Director :	Niwat Adirek
Director :	Rudy Suparman
Director :	Agus Salim Pangestu
Director :	Patrice Rene Clausse

10. Star Energy Geothermal Salak Pratama Ltd (“**SEGSPL**”)

General

SEGSPL is a company incorporated in Cayman Islands on May 1, 1996 based on Cayman Islands law registered with registration number 65836, previously known as Daya Bumi Salak Pratama, Ltd., and changed its name to SEGSPL on March 31, 2017. SEGSPL is located in offices in Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

Business Activities

The business activities engaged by SEGSPL is engaged in the planning, engineering, testing and commissioning of 3 (three) x 55 megawatts of power plant in Mount Salak, West Java, Indonesia ("**Power Plant**") and operates, manages and maintains, and supplies geothermal energy and all power which are required to the Power Plant and do all the necessary things in connection therewith.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGSPL at the date of this Disclosure of Information is published is USD 200 which is divided into 200 shares owned entirely by SEGBV.

Management and Supervision

The composition of the Director of SEGSPL at the date of this Disclosure of Information are as follows:

President Director :	Hendra Soetjipto Tan
Director :	Niwat Adirek
Director :	Rudy Suparman
Director :	Agus Salim Pangestu
Director :	Patrice Rene Clausse

11. Star Energy Geothermal Darajat I Ltd (“**SEGDI**”)

General

SEGDI is a company incorporated in the Commonwealth of the Bahamas on 25 June 1984 under Commonwealth of the Bahamas law registered under registration number 123838 (B), previously known as Chevron Darajat Limited and changed its name to SEGDI on March 31, 2017. SEGDI is located at Providence House, East Hill Street, Nassau Bahamas CB 12399.

Business Activities

The business activities engaged by SEGDI is exploration and exploitation activities of geothermal power, exploration and exploitation of oil and gas and general trading activities.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGDI at the date of this Disclosure of Information is published is USD 5,000 which is divided into 5,000 shares owned entirely by SEGBV.

Management and Supervision

The composition of the Director of SEGDI at the date of this Disclosure of Information are as follows:

President Director :	Hendra Soetjipto Tan
Director :	Niwat Adirek
Director :	Rudy Suparman
Director :	Agus Salim Pangestu
Director :	Patrice Rene Clausse

12. Star Energy Geothermal Darajat II Ltd (“**SEGDI**”)

General

SEGDI is a company incorporated in Bermuda on December 9, 1983 based on Bermuda law registered with registration number 10456, previously known as Texaco Darajat., Ltd and changed its name to SEGDI on March 31, 2017. SEGDI is located in Clarendon House, 2 Church Street , Hamilton HM 11, Bermuda.

Business Activities

The business activities engaged by SEGDI is in geothermal energy exploitation activities.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGDI at the date of this Disclosure of Information is published is USD 12,000 which is divided into 120 shares owned entirely by SEGBV.

Management and Supervision

The composition of the Director of SEGDI at the date of this Disclosure of Information are as follows:

President Director :	Hendra Soetjipto Tan
Director :	Niwat Adirek
Director :	Rudy Suparman
Director :	Agus Salim Pangestu
Director :	Patrice Rene Clause

13. PT Darajat Geothermal Indonesia (“DGI”)

Umum

DGI was established on February 28, 1997 based on Deed No 160 by Notary Sutjipto. This deed of establishment has been approved by the Minister of Justice of the Republic of Indonesia No. C2-5403-HT.01.01.TH'97 dated June 24, 1997 and has been published in the State Gazette of the Republic of Indonesia No. 2609, Supplement No. 39 dated May 15, 1998.

DGI's articles of association have been amended several times. The latest amendment of the articles of association is based on Deed No. 79 dated September 27, 2017 by Jose Dima Satria, Notary in Jakarta regarding changes in intent and purpose and business activities. This amendment of the articles of association has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia No. AHU-0019884-AH.01.02 Year 2017 dated 27 September 2017.

DGI has a head office at Sentral Senayan II, 25th Floor, Jalan Asia Afrika No. 8, Central Jakarta, 10270, Indonesia.

Business Activities

The business activities engaged by DGI is in electricity and geothermal power plants.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of DGI at the date of this Disclosure of Information is published are as follows:

Descriptions	Number of Shares	Nominal Value (Rupiah)	%
1. Star Energy Geothermal (Salak-Darajat) B.V	56,960,582	56,960,582,000	95.00
2. PT Barito Pacific Tbk	2,997,925	2,997,925,000	5.00
Total	59,958,507	59,958,507,000	100.00

Management and Supervision

The composition of the Board of Commissioner and Director of DGI at the date of this Disclosure of Information are as follows:

Board of Commissioner

President Commissioner	:	Rudy Suparman
Commissioner	:	Niwat Ardirek
Commissioner	:	Patrice Rene Clausse
Commissioner	:	Agus Salim Pangestu

Director

Director	:	Hendra Soetjipto Tan
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14. PT Star Energy Geothermal Suoh Sekincau (“**SEGSS**”)

General

SEGSS was established on April 27, 2010 based on Deed No. 21 by Notary Buchari Hanafi, previously known as PT Chevron Geothermal Sorik Marapi. This deed of establishment has been approved by the Minister of Justice of the Republic of Indonesia No. AHU-24518.AH.01.01.Tahun 2010 dated May 14, 2010.

SEGSS's articles of association has been amended several times. The latest amendment of the articles of association based on deed No. 80 dated September 27, 2017 by Jose Dima Satria, Notary in Jakarta regarding changes in the composition of shareholders and the composition of directors and commissioners. The amendment of this articles of association has been registered with the Ministry of Justice and Human Rights of the Republic of Indonesia. AHU-AH.01.03-0175293 Year 2017 dated 27 September 2017.

SEGSS has a head office at Sentral Senayan II, 25th Floor, Jalan Asia Afrika No. 8, Central Jakarta, 10270, Indonesia.

Business Activities

The business activities engaged by SEGSS is geothermal power plants.

Capital Structure and Shareholders Ownership

Capital structure and shareholders ownership of SEGSS at the date of this Disclosure of Information is published are as follows:

Descriptions	Number of Shares	Nominal Value (Rupiah)	%
Series A (@Rp904.600):			
1. Star Energy Geothermal (Salak-Darajat) B.V	7,125	6,445,275,000	11.88
2. PT Barito Pacific Tbk	375	339,225,000	0.63
Series B (@Rp952.000):			
1. Star Energy Geothermal (Salak-Darajat) B.V	21,375	20,359,687,500	35.63
2. PT Barito Pacific Tbk	1,125	1,071,562,500	1.88
Series C (@Rp991.000):			
1. Star Energy Geothermal (Salak-Darajat) B.V	28,500	28,243,500,000	47.50
2. PT Barito Pacific Tbk	1,500	1,486,500,000	2.48
Total	60,000	57,945,750,000	100.00

Management and Supervision

The composition of the Board of Commissioner and Director of SEGSS at the date of this Disclosure of Information are as follows:

Board of Commissioner

President Commissioner	:	Rudy Suparman
Commissioner	:	Agus Salim Pangestu
Commissioner	:	Istini Tatiek Siddharta
Commissioner	:	Niwat Adirek
Commissioner	:	Patrice Rene Clause

Director

Director	:	Hendra Soetjipto Tan
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F. Objects, Values and Proposed Transactions Scheme

The Company plans to conduct limited public offering through capital increase with Pre-Emptive Rights to the shareholders of the maximum amount of 5,600,000,000 (five billion six hundred million) new shares with a nominal value of Rp 500, - (five hundred Rupiah) per share and with maximum fund proceed of USD 1,000,000,000 (one billion United States Dollar) from the Proposed LPO II.

Based on MOU and CSPA, 66.67% of the shares in SEGHPL will be taken over by the Company from PP with a transaction value amounting USD 755.00 million, in which payments will be made through the realization of an investment advance of SEGHPL of USD 234.31 million and the remaining balance will be paid by shares of the Company issued in the Proposed LPO II (shares on cashless basis).

In connection to the fair market value of 66.67% of shares in SEGHPL, the Appraiser appointed by the Company, namely KJPP Jennywati, Kusnanto & Rekan ("**JKR**") has stated in their report No. JK/SV/171208-001 dated December 8, 2017, that the fair market value of SEGHPL as of September 30, 2017 amounted to USD 764.55 million.

If public is not exercise their Pre-Emptive Rights in Proposed LPO II, the share transfer of SEGHPL owned by PP paid by the share deposit (shares on cashless basis transaction) can reach maximum of 2,825,000,000 shares.

G. Nature of Affiliated Relationship of Parties Undertaking an Proposed Acquisition with the Company

Propose Acquisition is an affiliate transaction as referred in Regulation IX.E.1, considering:

- From capital structured, the Company will conduct the transaction with PP, which is the controlling shareholder of the Company
- From similar management:
 - Agus Salim Pangestu as President Director of the Company, also as Director SEIL; and
 - Rudy Suparman as Vice Priesident Director of the Company, also as Director SEIL.

Based on the Regulation IX.E.1, in the case that the Afilliated Transaction in which the value is fulfill the criteria of Material Transaction as referred to Regulation IX.E.2 and there is no conflict of interest, the Company shall only comply with the provision referred to Regulation IX.E.2.

H. Nature of Material Transaction

The Proposed Acquisition is a Material Transaction in which the transacted value in excess of 20% (twenty percent) but less than 50% (fifty percent) of the Company's equity, as stipulated in Regulation IX.E.2, so it does not require the approval of the Shareholders of the Company. However, for good corporate governance, the Company subjects itself to the provisions of Regulation IX.E.2 by requesting approval from the shareholders in the EGMS.

VIII. ANALYSIS OF THE IMPACT OF THE PROPOSED TRANSACTION ON THE COMPANY'S FINANCIAL CONDITIONS AND SHAREHOLDERS

A. General

In general, the objective of this transaction is to strengthen the Company's capital structure by increasing the portfolio of subsidiaries that can provide sustainable revenues for the Company and provide a positive contribution to shareholders and stakeholders. The Company is engaged in forestry, plantation, mining, industry, property, trading, renewable energy and transportation.

The Company plans to acquire SEGHPL shares from PP in which the payments are made with Deposit amounting USD 234.31 million and with the issuance of new shares of the Company. By acquisition of the SEGHPL, it is expected that the Company's revenue will increase. Furthermore, SEGHPL is a holding companies that engaged in renewable energy and has a contract of electricity sales agreement with PT Perusahaan Listrik Negara (PLN) where operating income SEGHPL from year to year to produce a relatively stable income without being affected by the conditions of world commodity prices. The expansion of business activities is expected to increase revenue and competitive advantage of the Company and is expected to strengthen the Company's business structure.

The Company will have a better capital structure that will also improve the Company's financial capability so it can invest and expand its business activities to a larger scale. Through the Proposed Acquisition, the Company will have a larger market capitalization supported by a portfolio in the renewable energy industry sector where SEGHPL is one of the geothermal power plant with an installed capacity of 875 MW, which capacity is one of the largest in world. The capacity still has the potential to be developed and improved in the future.

Considerations of the Company to conduct transactions with affiliated companies compared to those with not having affiliation because until now the Company did not find any company with similar business with SEGHPL.

B. Impact of Proposed Transaction on the Company's Financial Condition

(in thousand USD)

Description	Before Proposed Transaction	After Proposed Transaction	Growth %
Asset	3,264,479	6,705,682	105.41%
Liabilities	1,284,850	3,906,774	204.06%
Equity	1,979,629	2,798,908	41.39%

(in thousand USD)

Description	Before Proposed Transaction	After Proposed Transaction	Growth %
Net Sales	1,823,263	2,116,489	16.08%
Cost of Good Revenue	1,402,399	1,488,351	6.13%
Net Profit	220,414	281,449	27.69%

C. The Capital Structure Before and After Proposed Transaction

Assuming that the public is not exercise its Pre-Emptive Rights and PP subscribe shares on cashless basis (share swap) amounting up to 2,825,000,000 shares, the proforma capital structure and shareholder ownership of the Company before and after Proposed Transaction in connection with Pre-Emptive Rights, are as follows:

The Company Structure After Prosed LPO II With Assumption Public is Not Exercise Its Pre-Emptive Rights

Descriptions	Before LPO II			After LPO II		
	Number of Shares	Nominal Value (Rp 500,-/saham)	(%)	Number of Shares	Nominal Value (Rp 500,-/saham)	(%)
Authorized Shares	55,800,000,000	27,900,000,000,000		55,800,000,000	27,900,000,000,000	
Issued and Fully Paid Shares						
Standby Buyer				2,743,509,064	1,371,754,531,781	14.05%
Prajogo Pangestu (President Commissioner)	9,703,154,806	4,851,577,403,000	69.51%	12,528,154,806	6,264,077,403,000	64.15%
PT Barito Pacific Lumber	202,293,800	101,146,900,000	1.45%	202,293,800	101,146,900,000	1.04%
PT Tunggal Setia Pratama	64,120,000	32,060,000,000	0.46%	64,120,000	32,060,000,000	0.33%
Agus Salim Pangestu (President Director)	74,666	37,333,000	0.00%	74,666	37,333,000	0.00%
Others (less than 5.00% equity for each stockholder)	3,911,641,096	1,955,820,548,000	28.02%	3,911,641,096	1,955,820,548,000	20.03%
Sub-total	13,881,284,368	6,940,642,184,000	99.44%	19,449,793,432	9,724,896,715,781	99.60%
Treasury stock	78,501,200	39,250,600,000	0.56%	78,501,200	39,250,600,000	0.40%
Total Issued and Fully Paid Shares	13,959,785,568	6,979,892,784,000	100.00%	19,528,294,632	9,764,147,315,781	100.00%
Total Portfolio Shares	41,840,214,432	20,920,107,216,000		36,271,705,368	18,135,852,684,219	

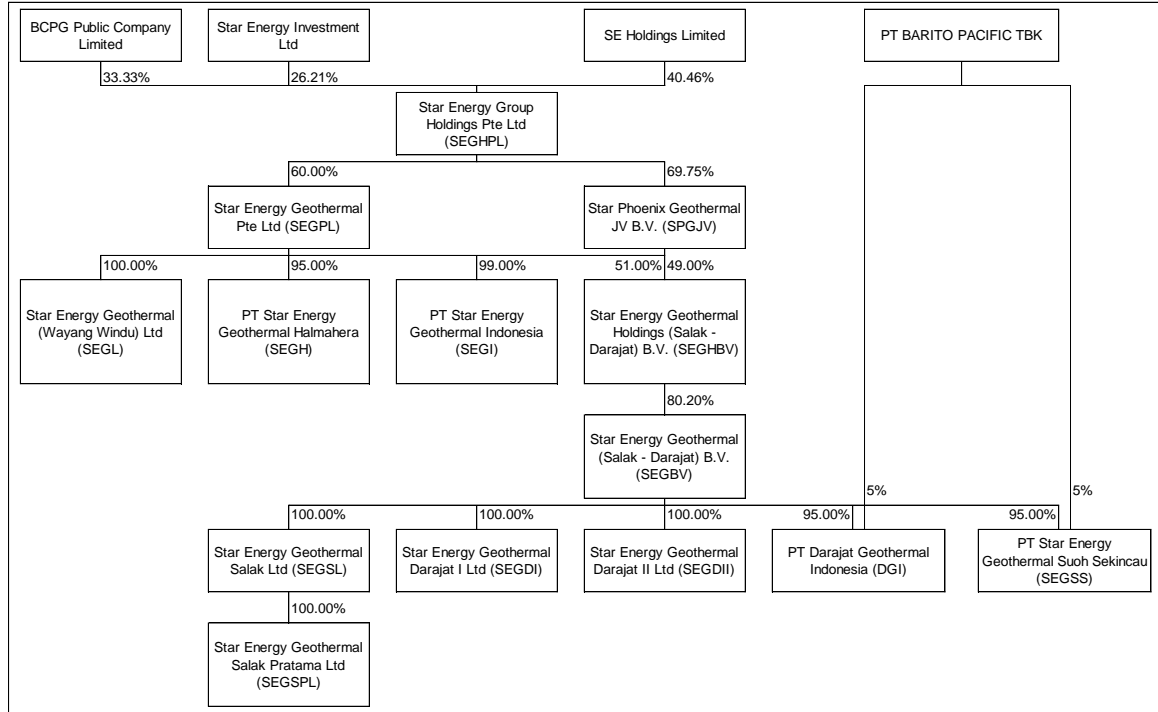
If the public is exercise its Pre-Emptive Rights, the proforma capital structure and shareholder ownership of the Company before and after Proposed Transaction in connection with Pre-Emptive Rights, are as follows:

The Company Structure After Proposed LPO II With Assumption Public is Exercise Its Pre-Emptive Rights

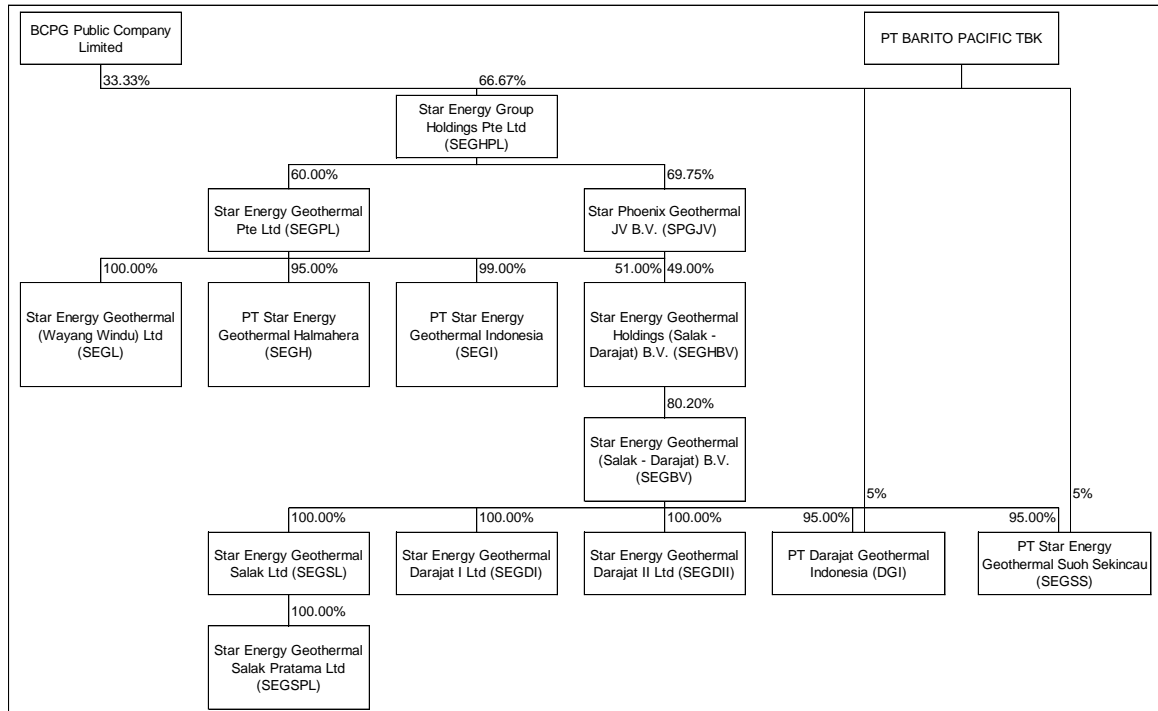
Descriptions	Before LPO II			After LPO II		
	Number of Shares	Nominal Value (Rp 500,-/saham)	(%)	Number of Shares	Nominal Value (Rp 500,-/saham)	(%)
Authorized Shares	55,800,000,000	27,900,000,000,000		55,800,000,000	27,900,000,000,000	
Issued and Fully Paid Shares						
Prajogo Pangestu (President Commissioner)	9,703,154,806	4,851,577,403,000	69.51%	13,595,597,612	6,797,798,806,220	69.62%
PT Barito Pacific Lumber	202,293,800	101,146,900,000	1.45%	283,444,422	141,722,210,934	1.45%
PT Tunggal Setia Pratama	64,120,000	32,060,000,000	0.46%	89,841,885	44,920,942,536	0.46%
Agus Salim Pangestu (President Director)	74,666	37,333,000	0.00%	104,618	52,309,219	0.00%
Others (less than 5.00% equity for each stockholder)	3,911,641,096	1,955,820,548,000	28.02%	5,480,804,894	2,740,402,446,873	28.07%
Sub-total	13,881,284,368	6,940,642,184,000	99.44%	19,449,793,432	9,724,896,715,781	99.60%
Treasury stocks	78,501,200	39,250,600,000	0.56%	78,501,200	39,250,600,000	0.40%
Total Issued and Fully Paid Shares	13,959,785,568	6,979,892,784,000	100.00%	19,528,294,632	9,764,147,315,781	100.00%
Total Portfolio Shares	41,840,214,432	20,920,107,216,000		36,271,705,368	18,135,852,684,219	

D. Structure of the Company Before and After Proposed Transaction

Structure of the Company Before Proposed Transaction



Structure of the Company After Proposed Transaction



IX. INDEPENDENT PARTIES APPOINTED FOR THE PROPOSED TRANSACTION

The independent parties involved in the implementation of the Proposed Transaction are:

1. Ernst & Young LLP, Public Accountants and Chartered Accountants Singapore as a public accountant to audit the consolidated financial statements of SEGHPL;
2. Public Accounting Firm Satrio Bing Eny and Partners as a public accountant to review proforma consolidated statements of financial positions and to audit the consolidated financial statements of the Company for the period nine months ended 30 September 2017; and
3. KJPP Jennywati, Kusnanto & Rekan as a independent appraisers to appraise 66.67% shares of SEGHPL and provide a fairness opinion of Proposed Acquisition.
4. Assegaf Hamzah & Partners as a legal consultant providing legal advice to the Company in relation to Proposed LPO II and Proposed Acquisition.

X. SUMMARY OF INDEPENDENT REPORT

Summary of Valuation Report of 66.67% shares of SEGHPL

The following is summary of the KJPP JKR valuation report of 66.67% shares of SEGHPL as stated in report No. JK/SV/171208-001 dated 8 December 2017 is as follows:

a. Transacting Parties in Proposed Acquisition

Transacting parties in Proposed Acquisition is the Company and PP.

b. Valuation Object

The Valuation Object is the fair market value of 66,67% shares of SEGHPL.

c. The Objective and Purpose of the Valuation

The objective of the valuation is to obtain an independent opinion on the fair market value of the Valuation Object stated in USD and/or its equivalency as of 30 September 2017.

The purpose of the valuation is to provide an overview on the fair market value of the Valuation Object which would then be used as a reference and consideration by the Company's management in accordance with the implementation of the Proposed Acquisition as well as to comply with Regulation IX.E.1 and IX.E.2.

d. Limiting Conditions and Major Assumptions

The assumptions and limiting conditions used by KJPP JKR are as follows:

- Valuation report represents a non-disclaimer opinion;
- Reflects that KJPP JKR has conducted a review of the documents used in the valuation process;
- Reflects that the data and information obtained come from a reliable source of accuracy;
- Using the financial projections which have been adjusted to reflecting the financial projections made by management with its fiduciary duty;
- Reflect that KJPP JKR is responsible for conducting the valuation and fairness of financial projection;
- Produce an valuation report that open to the public unless there are confidential information, which may affect the Company's operations;
- Reflect that KJPP JKR is responsible for the valuation report and the conclusion of the final value along with its accuracy; and
- Reflect that KJPP JKR has obtained information on the legal status of the Valuation Object from the assignor.

e. The Valuation Approaches Applied

The valuation of the Valuation Object relied on internal and external analysis. Internal analysis was performed based on the data provided by the management, historical analysis on SEGHPL's statements of financial position and statements of comprehensive income, review of GHPL's operating conditions and management as well as resources. SEGHPL's prospect in the future was evaluated based on the business plans and financial statements projections provided by the management that JKR have reviewed the fairness and consistency. External analysis was performed based on brief review on external factors considered as the value drivers, including a brief review on the prospects of the related industry.

In applying the valuation methods to determine the indicative fair market value of a "business interest", it is essential to rely on representative financial statements (statements of financial position and statements of comprehensive income), therefore adjustments are required on the net book value of statements of financial position and the normalization of profit of statements of comprehensive income which are commonly prepared by the management based on historical figures. The company's book value as reflected in statements of financial position and statements of comprehensive income represents the acquisition value and does not reflect the economic value that can be used fully as a reference of the company's fair market value during the valuation.

f. The Valuation Methods Applied

The valuation methods applied in the Valuation Object were discounted cash flow method, adjusted net asset method and guideline publicly traded company method.

Discounted future economic income method was used considering that the operations carried out by SEGHPL in the future will still fluctuate according to the estimated SEGHPL's business development. In performing the valuation through this method, SEGHPL's operations were projected based on the estimated SEGHPL's business development. Future cash flows generated by financial statements projections were converted into the present value using an appropriate discount rate to the level of risks. Indicative value was the total present value of future cash flows.

In performing the valuation using asset accumulation method, the value of all components of assets and liabilities should be adjusted to its market value or its fair market value, except for component that has indicated its market value (such as cash/bank or bank loan). Overall market value of the company was then obtained by calculating the difference between the market value of all assets (tangible and intangible) and the market value of liabilities.

Guideline publicly traded company method was used in the valuation despite the unavailability of information for similar companies with similar business scale and assets in public companies stock market, but it is expected that the available public companies stock data could be used as comparative data for the value of shares owned by SEGHPL.

The approaches and valuation methods above were considered to be the most suitable to be applied in this assignment and had been approved by the management of SEGHPL. It is possible that application of other valuation approaches and methods may give different results.

Furthermore, the values obtained from each methods are reconciled by weighting.

g. Conclusion

Based on the analysis of all data and information that KJPP JKR have received and by considering all relevant factors affecting the valuation, therefore in KJPP JKR opinion, the fair market value of the Valuation Object as of 30 September 2017 was USD 764.55 million.

Summary of the Fairness Opinion Report of Proposed Acquisition

The following is summary of the KJPP JKR fairness report on the Proposed Acquisition as stated in report No. JK/FO/171212-001 dated 12 December 2017 is as follows:

a. Transacting Parties in Proposed Acquisition

Transacting parties in Proposed Acquisition is the Company and PP.

b. The Transaction Object of Fairness Opinion

The transaction object in the Fairness Opinion of the Proposed Acquisition is the Company's plan to acquisition of 66.67% shares SEGHPL from PP with transaction value amounting USD 755.00 million.

c. Purpose and Objective of the Fairness Opinion

Purpose and objective of the preparation of the Fairness Opinion on the Proposed Acquisition is to provide an overview on the fairness of the Proposed Acquisition to the Company's Directors and to comply with the applicable regulations, i.e. Rule IX.E.1 and Rule IX.E.2.

d. Limiting Conditions and Major Assumptions

The assumptions and limiting conditions used by KJPP JKR are as follows:

- Fairness Opinion report represents a non-disclaimer opinion;
- Reflects that KJPP JKR has conducted a review of the documents used in the Fairness Opinion process;
- Reflects that the data and information obtained come from a reliable source of accuracy;
- Using the financial projections which have been adjusted to reflecting the financial projections made by management with its fiduciary duty;
- Reflect that KJPP JKR is responsible for conducting the valuation and fairness of financial projection;
- Produce an Fairness Opinion Report that open to the public unless there are confidential information, which may affect the Company's operations;
- Reflect that KJPP JKR is responsible for the Fairness Opinion Report and the conclusion of the final value along with its accuracy; and
- Reflect that KJPP JKR has obtained information on the legal status of the Valuation Object from the assignor.

e. Approaches and Procedures of the Fairness Opinion on the Proposed Acquisition

In evaluating the Fairness Opinion on the Proposed Acquisition, KJPP JKR had performed analysis through the approaches and procedures of the Fairness Opinion on the Proposed Transaction as follows:

- I. Analysis of the Proposed Acquisition;
- II. Qualitative and quantitative analysis of the Proposed Acquisition; and
- III. Analysis of the fairness on the Proposed Acquisition.

f. Conclusion

Based on the scope of works, assumptions, data and information acquired from the Company's management which was used in the preparation of this fairness opinion report, a review of the financial impact on the Proposed Acquisition as disclosed in the fairness opinion report, therefore in JKR's opinion, the Proposed Acquisition is fair.

XI. SUMMARY OF CONSOLIDATED FINANCIAL STATEMENT PROFORMA REPORT

The figures presented in the following is summary of important financial data are taken from the proforma of the consolidated statement of financial position by assuming the Proposed Transaction has occurred since September 30, 2017 which has been reviewed by KAP Satrio Bing Eny & Partners (Member of Deloitte Touche Tohmatsu Limited). The consolidated statements of financial position are prepared based on the historical consolidated financial statements as of September 30, 2017 prepared under the historical consolidated financial statements of the Company and its subsidiaries which have been audited by KAP Satrio Bing Eny & Partners (Member of Deloitte Touche Tohmatsu Limited).

Management's assumptions to show what the significant effects on the historical consolidated financial statements as of September 30, 2017 had the Transactions occurred on September 30, 2017, are described below:

1. The acquisition of additional 66.7% in the equity interest of SEGHPL was based on the September 30, 2017 audited financial statements of SEGHPL based on the Financial Reporting Standards in Singapore where as there are no material difference with the Indonesian Financial Standard based on the Management analysis.
2. Consideration transferred amounting to USD 755,000 thousand includes the cost to acquire 66.7% ownership interest of the total subscribed and paid-up capital of SEGHPL after deducted with advances of investment amounted USD 234,313 thousand and the remainder will be paid with the Company's shares issued in the LPO II Plan which will be taken by PP.
3. Share to be issued amounting 5,600,000,000 shares with par value Rp 500 per share or total amount of Rp 2,800,000 million (equivalent USD 207,530 assuming exchange rate of Rp 13,492 per 1 USD) are recognised as capital stock. The difference in net proceeds of LPO II after deducting the nominal value is confirmed as additional paid-in capital.

For the purpose of the pro forma consolidated financial information, direct share issuance costs of USD 50,000 thousand related to LPO II, are assumed to be financed through the net proceeds of LPO II.

Capital stock and additional paid-in capital recorded at historical cost net of share issuance cost.

4. The purchase of SEGHPL's shares is recorded in accordance with PSAK 38, Business Combinations Under Common Control. The difference between the book value of SEGHPL's identifiable net assets and consideration transferred including estimated transaction cost directly related to the acquisition amounting to USD 556,042 thousand are recorded as additional paid-in capital.

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
September 30, 2017

	PT Barito Pacific Tbk and its subsidiaries US\$ '000	Star Energy Groups Holding Pte, Ltd and its subsidiaries US\$ '000	Total US\$ '000	Proforma Adjustments US\$ '000	Proforma Consolidated Statement of Financial Position After Effects of The Transactions US\$ '000
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	667.341	27.249	694.590	-	694.590
Restricted cash in banks	12.004	130.571	142.575	-	142.575
Other financial assets - current	13.791	-	13.791	-	13.791
Trade accounts receivable from third parties	210.221	100.816	311.037	-	311.037
Other accounts receivable from third parties	12.937	-	12.937	429.313	442.175
				(75)	
Finance lease receivables	-	4.749	4.749	-	4.749
Inventories - net	210.683	25.678	236.361	-	236.361
Prepaid taxes	37.847	-	37.847	-	37.847
Advances and prepaid expenses	31.999	26	32.025	(48)	31.977
Other current assets	-	28.631	28.631	-	28.631
Total Current Assets	1.196.823	317.720	1.514.543	429.190	1.943.733
NONCURRENT ASSETS					
Other accounts receivable from third parties	-	59.364	59.364	-	59.364
Finance lease receivable	-	406.780	406.780	-	406.780
Deferred tax assets - net	558	-	558	-	558
Advances on investment	234.313	-	234.313	(234.313)	-
Investments in subsidiaries	-	-	-	755.000	-
				(755.000)	
Investments in associates and joint venture	40.305	-	40.305	-	40.305
Other financial assets - noncurrent	990	-	990	-	990
Advances for purchase of property, plant and equipment	11.486	-	11.486	-	11.486
Derivative financial assets	1.541	-	1.541	-	1.541
Industrial timber plantations - net	8.286	-	8.286	-	8.286
Plantation assets - net	41.466	-	41.466	-	41.466
Investment properties - net	10.123	-	10.123	-	10.123
Property on operating lease	-	324.587	324.587	-	324.587
Property, plant and equipment - net	1.631.437	319.470	1.950.907	-	1.950.907
Oil and gas properties and other property, plant and equipment - net	-	109.957	109.957	-	109.957
Restricted cash in banks	18.453	-	18.453	-	18.453
Claims for tax refund	63.969	-	63.969	-	63.969
Intangible assets	-	1.683.261	1.683.261	-	1.683.261
Deferred charges	-	26.720	26.720	-	26.720
Other noncurrent assets	4.729	-	4.729	(1.533)	3.196
Total Noncurrent Assets	2.067.656	2.930.139	4.997.795	(235.846)	4.761.949

	PT Barito Pacific Tbk and its subsidiaries US\$ '000	Star Energy Groups Holding Pte, Ltd and its subsidiaries US\$ '000	Total US\$ '000	Proforma Adjustments US\$ '000	Proforma Consolidated Statement of Financial Position After Effects of The Transactions US\$ '000
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Trade accounts payable to third parties	421.898	2.344	424.242	-	424.242
Other accounts payable and advance payments received	12.186	2.498	14.684	(123)	14.561
Taxes payable	14.948	35.825	50.773	-	50.773
Accrued expenses	8.596	31.812	40.408	-	40.408
Derivative financial liabilities	-	2.635	2.635	-	2.635
Current maturities of long-term loans					
Long-term loans	212.930	130.600	343.530	-	343.530
Finance lease obligation	45	-	45	-	45
Total Current Liabilities	670.603	205.714	876.317	(123)	876.194
NONCURRENT LIABILITIES					
Deferred tax liabilities - net	141.268	752.582	893.850	-	893.850
Other accounts payable					
Related parties	87	-	87	-	87
Third parties	28	7.106	7.134	-	7.134
Long-term liabilities - net of current maturities:					
Long-term loans	398.167	1.639.728	2.037.895	-	2.037.895
Bonds payable	36.768	-	36.768	-	36.768
Derivative financial liabilities	287	3.154	3.441	-	3.441
Post-employment benefits obligation	35.369	13.763	49.132	-	49.132
Decommissioning cost	2.273	-	2.273	-	2.273
Total Noncurrent Liabilities	614.247	2.416.333	3.030.580	-	3.030.580
TOTAL LIABILITIES	1.284.850	2.622.047	3.906.897	(123)	3.906.774
EQUITY					
Equity attributable to owners of the Company					
Capital stock	811.899	840.010	1.651.909	207.530 (840.010)	1.019.429
Additional paid-in capital	161.600	-	161.600	742.470 (556.042)	348.028
Other equity component	179.189	(608.558)	(429.369)	608.558	179.189
Other comprehensive income	(205.976)	(2)	(205.978)	2	(205.976)
Retained earnings	104.167	66.972	171.139	(66.972)	104.167
Total	1.050.879	298.422	1.349.301	95.536	1.444.837
Less costs of treasury stock	(4.407)	-	(4.407)	-	(4.407)
Total Equity attributable to the owners of the Company	1.046.472	298.422	1.344.894	95.536	1.440.430
Non-controlling interests	933.157	327.390	1.260.547	99.464 (1.533)	1.358.478
TOTAL EQUITY	1.979.629	625.812	2.605.441	193.467	2.798.908
TOTAL LIABILITIES AND EQUITY	3.264.479	3.247.859	6.512.338	193.344	6.705.682

**PROFORMA CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
For The Period Nine Months Ended September 30, 2017**

	PT Barito Pacific Tbk and its subsidiaries US\$ '000	Star Energy Groups Holding Pte, Ltd and its subsidiaries US\$ '000	Total US\$ '000	Proforma Adjustments US\$ '000	Proforma Consolidated Statement of Financial Position After Effects of The Transactions US\$ '000
NET REVENUES	1.823.263	293.850	2.117.113	(624)	2.116.489
COST OF REVENUES AND DIRECT COSTS	1.402.399	86.576	1.488.975	(624)	1.488.351
GROSS PROFIT	420.864	207.274	628.138	-	628.138
Selling expenses	(32.378)	-	(32.378)	-	(32.378)
General and administrative expenses	(40.452)	-	(40.452)	-	(40.452)
Finance costs	(42.226)	(78.010)	(120.236)	-	(120.236)
Loss on foreign exchange - net	(3.751)	(734)	(4.485)	-	(4.485)
Share in loss of associates and joint venture - net	(4.792)	-	(4.792)	-	(4.792)
Other gains and losses - net	5.927	11.577	17.504	-	17.504
PROFIT BEFORE TAX	303.192	140.107	443.299	-	443.299
INCOME TAX EXPENSE - NET	(82.778)	(79.072)	(161.850)	-	(161.850)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	220.414	61.035	281.449	-	281.449
DISCONTINUED OPERATIONS					
Profit after income tax expense from discontinued operations	-	4.507	4.507	-	4.507
PROFIT FOR THE PERIOD	220.414	65.542	285.956	-	285.956
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefits obligation, net of tax	(1.809)	(3.063)	(4.872)	-	(4.872)
Items that may be reclassified subsequently to profit or loss:					
Effective portion of changes in fair value of cashflow hedge	-	(5.789)	(5.789)	-	(5.789)
Foreign currency translation adjustment	(31)	-	(31)	-	(31)
Unrealized loss on available- for-sale securities	(6)	-	(6)	-	(6)
Total other comprehensive loss for the period	(1.846)	(8.852)	(10.698)	-	(10.698)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	218.568	56.690	275.258	-	275.258
PROFIT FOR THE PERIOD ATTRIBUTABLE TO:					
Owners of the Company					
from continuing operations	95.608	33.771	129.379	(11.246)	118.133
from discontinued operations	-	4.513	4.513	(1.503)	3.010
Non-controlling interests					
from continuing operations	124.806	27.258	152.064	11.246	163.310
from discontinued operations	-	-	-	1.503	1.503
Profit for the period	220.414	65.542	285.956	-	285.956
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:					
Owners of the Company					
from continuing operations	94.713	28.815	123.528	(9.595)	113.933
from discontinued operations	-	4.535	4.535	(1.510)	3.025
Non-controlling interests					
from continuing operations	123.855	23.340	147.195	9.595	156.790
from discontinued operations	-	-	-	1.510	1.510
Total Comprehensive Income for the Period	218.568	56.690	275.258	-	275.258

XII. BOARDS OF COMMISSIONERS AND DIRECTORS STATEMENTS

Board of Commissioners and Directors stated that they had studied carefully the informations provided regarding the Proposed Acquisition as described in this Disclosure of Information, all of the material information regarding to the transaction have been disclosed in the Disclosure of Information and the material information is correct and not misleading. Furthermore, Board of Commissioners and Directors declared fully responsible for the correctness of all information contained in this Disclosure of Information.

XIII. EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

Extraordinary General Meeting of Shareholders (EGMS) of the Company regarding Proposed Acquisition and Capital Increase by Issuing Pre-Emptive Rights will be held on Monday, January 22, 2018 at 10.00 WIB at Wisma Barito Pacific Tower B, M Floor, Jl. Let. Jend. S. Parman Kav. 62-63, Jakarta 11410 with the following Agenda:

1. Approval on the capital increase of the Company by issuing Pre-Emptive Rights to the Company's shareholders through a limited public offering mechanism in accordance with POJK 32/2015.
2. Approval on the amendment of Article 4 paragraph (2) of the Company's articles of association in regarding the exercise of Pre-Emptive Rights.

Pursuant to Article 12 of the Company's Articles of Association and Article 26 of the Financial Services Authority Regulation Number 32/POJK.04/2014 concerning Proposed and Implementation of the Company's General Meeting of Shareholders as amended by Financial Services Authority Regulation No. 10/POJK.04/2017 ("**POJK 32/2014**"), Agenda 1 and 2 of EGMS may be held under the following conditions:

- i. GMS shall be held if the EGMS is attended by shareholders representing more than 1/2 (one half) of the total number of shares with valid voting rights.
- ii. The resolutions of the EGM as referred to in point i above shall be valid if it is approved by more than 1/2 (one half) of total votes cast at the GMS.
- iii. In the event that the quorum referred to in point 1 above is not reached, the second EGM shall be held provided that the second EGM is attended by shareholders representing at least 1/3 (one third) of the total number of shares with valid voting rights.
- iv. The second EGMS decision shall be valid if it is approved by more than 1/2 (one half) of all shares with voting rights present at the EGM.
- v. In the event that the quorum of attendance at the second GMS referred to in Point iii above is not reached, the third EGMS may be held if it is attended by shareholders with valid voting rights and quorum determined by The Financial Services Authority upon request by the Public Company.

3. Approval on the proposed acquisition of 66.67% shares in Star Energy Group Holdings Pte. Ltd., which is a material transaction as referred to in Regulation IX.E.2.

Based on Article 16 paragraph (2) of the Company's articles of association and Article 28 of POJK 32/2014, the approval by GMS for acquisition shall be conducted under the following conditions:

- i. EGMS shall be held if the GMS is attended by shareholders representing at least 3/4 (three fourths) of the total number of shares with valid voting rights.
- ii. The resolutions of the EGMS as referred to in point i above shall be valid if it is approved by more than 3/4 (three fourths) of total votes cast at the GMS.
- iii. In the event that the quorum referred to in point 1 above is not reached, the second EGMS shall be held provided the second EGMS is attended by shareholders representing at least 2/3 (two thirds) of the total shares with valid voting rights.
- iv. The second EGMS decision shall be valid if it is approved by more than 3/4 (three fourths) of total votes cast at the GMS.
- v. In the event that the quorum of attendance at the second GMS referred to in Point iii above is not reached, the third EGMS may be held if it is attended by shareholders with valid voting rights and quorum determined by The Financial Services Authority upon request by the Public Company.

The Company have made an announcement that the EGM will be held on December 13, 2017 through Bisnis Indonesia newspaper, Indonesia Stock Exchange website and the Company's website.

In the event that the Proposed Transaction is not obtain the approval from EGM, such proposed transaction will be submitted in 12 (twelve) months after the EGM is convened.

XIV. ADDITIONAL INFORMATIONS

For more informations, please contact The Company at:

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