

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 the execution of conditional shares sale and purchase agreement by and between, among others, the Company and PT Merdeka Battery Materials, which is a Controlled Company of the Company.

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 Transactions and Conflict of Interest Transactions.

THIS INFORMATION DISCLOSURE IS IMPORTANT TO BE READ AND CONSIDERED BY THE SHAREHOLDERS OF THE COMPANY.

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 DIRECTORS AND BOARD OF COMMISSIONERS OF THE COMPANY, EITHER SEVERALLY OR JOINTLY, ARE FULLY RESPONSIBLE FOR THE ACCURACY AND COMPLETENESS OF THE INFORMATION AS DISCLOSED IN THIS INFORMATION DISCLOSURE. THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS OF THE COMPANY REPRESENT THE COMPLETENESS OF THE INFORMATION AS DISCLOSED IN THIS INFORMATION DISCLOSURE AND AFTER GIVING DUE AND CAREFUL EXAMINATION, EMPHASIZE THAT THE INFORMATION CONTAINED IN THIS INFORMATION DISCLOSURE ARE TRUE AND THERE ARE NO IMPORTANT MATERIAL AND RELEVANT FACTS THAT HAVE NOT BEEN DISCLOSED OR REMOVED IN THIS INFORMATION DISCLOSURE CAUSING THE INFORMATION PROVIDED ON THIS INFORMATION DISCLOSURE TO BE UNTRUE AND/OR MISLEADING.

THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS 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

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This Information Disclosure
is issued in Jakarta on 17 January 2023

DEFINITIONS

“Affiliate”	: Affiliate means	<ol style="list-style-type: none"> 1. family relations due to marriage and descent up to the second degree, both horizontally and vertically; 2. relationship between a party and employees, directors, or commissioners of the party; 3. relationship between 2 (two) companies where there is 1 (one) or more same members of the board of directors or board of commissioners; 4. the relationship between a company and a party, both directly or indirectly, controlling or being controlled by the said company; 5. relationship between 2 (two) companies that are controlled, both directly or indirectly, by the same party; or 6. the relationship between a company and the principal shareholders.
“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, principal shareholders, or Controllers that may be harmful to the public company concerned.	
“Indonesia Stock Exchange”	: Stock exchange as defined in Article 1 point 4 Capital Market Law, in this case, held by PT Bursa Efek Indonesia, domiciled in Jakarta.	
“MBM”	: PT Merdeka Battery Materials, domiciled in South Jakarta, a limited liability company established and operated under the laws of the Republic of Indonesia.	
“MOLHR”	: Minister of Law and Human Rights of the Republic of Indonesia.	
“Financial Services Authority or OJK”	: The independent institution, as referred to in Law No. 21 of 2011 on Financial Services Authority (“ OJK Law ”), whose duties and authorities include the regulation and supervision of financial service activities in the sectors of banking, capital market, insurance, pension funds, financial institution, and other financial institutions, whereby since 31 December 2012, OJK is an institution that replaces and accepts the rights and obligations to carry out regulatory and supervisory functions from the Capital Market and Financial Institutions Supervisory Agency with following the provisions of Article 55 OJK Law.	
“Shareholders”	: Parties who have the benefit of the Company’s shares, both in the form of scripts and in collective custody which are kept and administered in the securities account at Indonesia Central Securities Depository, registered in the Shareholder Register of the Company which is administered by the Securities Administration Bureau appointed by the Company.	
“Independent Appraiser or KJPP”	: Public Appraisal Office of Iskandar and Partners, 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”	: Conditional Shares Sale and Purchase Agreement relating to the PT Batutua Pelita Investama (“BPI”) signed by and between, among others, the Company and PT Merdeka Battery Materials effective on 13 January 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 public limited 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 35/2020”	: OJK Regulation No. 35/POJK.04/2020, enacted on 25 May 2020 regarding the Appraisal and Presentation of Business Appraisal Report in the Capital Market.
“POJK 42/2020”	: OJK Regulation No. 42/POJK.04/2020, enacted on 1 July 2020 regarding Affiliated Transaction and Conflict of Interest Transaction.
“Capital Market Law”	: Law No. 8 of 1995 dated 10 November 1995 on Capital Market, State Gazette of the Republic of Indonesia No. 64 Year 1995.
“Rupiah or Rp or IDR”	: A reference to Rupiah, Rp, or IDR is a reference to the lawful currency of the Republic of Indonesia.
“Affiliated Transaction”	: Any activity and/or transaction conducted by a public company or a controlled company with an Affiliate of a public company or an Affiliate of a member of the board of directors, a member of the board of commissioners, the principal shareholders, or the Controller, including any activity and/or transaction conducted by a public company or controlled company for the benefit of an Affiliate of a public company or an Affiliate of a member of the board of directors, member of the board of commissioners, principal shareholders or the Controller.
“Conflict of Interest Transaction”	: Transactions that are carried out by public companies or controlled entities with any party, both with Affiliates and parties other than Affiliates that contain a Conflict of Interest.

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 the Company and MBM have signed the Agreement which becomes effective on 13 January 2023 with the detail as stipulated in the Summary of Transaction Agreement ("**Transaction**").

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

The Affiliated Transaction carried out by the Company has complied with the procedures as set forth in Article 3 of POJK 42/2020 and has been executed in accordance with generally accepted business practices. In accordance with the provisions of Article 4 paragraph 1 of POJK 42/2020, this Transaction is an Affiliated Transaction that is required to use an Appraiser in determining the fairness of the Affiliated Transaction in 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 Partners No. 00007/2.0118-00/BS/02/0596/1/I/2023 dated 12 January 2023 on Fairness Opinion Report of Proposed Transaction of Shares Sale Owned by PT Merdeka Copper Gold Tbk in PT Batutua Pelita Investama to PT Merdeka Battery Materials ("**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, domiciled in South Jakarta, established under the name of PT Merdeka Serasi Jaya, pursuant to Deed of Establishment of Limited Liability Company No. 2 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 published 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 Articles of Association No. 9 dated 12 May 2022, drawn up before Jose Dima Satria, S.H., M.Kn., Notary in Administrative City of South Jakarta, which has been notified to the MOLHR by virtue of the Receipt of Notification of Amendment of the Articles of Association No. AHU-AH.01.03-0237201 dated 13 May 2022 ("**Deed 9/2022**").

According to Article 3 of the Company's Articles of Association, the purposes and objectives of the Company are as follows:

1. carrying out activities of holding companies where the main activity is ownership and/or control of assets of a group of subsidiary companies both domestic and overseas which, among others include but not limited to, engaged in the mining sector; and
2. conducting other management consulting activities, i.e. to provide advice, guidance and business operations for various management functions, strategy and organizational scheming, human resources planning, practices and policies, management consulting of agronomist processing and agricultural economist including but not limited to mining, agriculture, and the like, design of accounting methods and procedures, cost accounting programs, budget control supervision procedures, providing advice and assistance to businesses and community services in planning, organizing, efficiency and control, management information, processing and tabulating all types of data covering all stages of processing and writing reports from data provided by customers, or only part of the processing stages and others.

To carry out the main business activities above, the Company may carry out business activities as follows:

1. providing funding and/or financing required by the companies in which the Company participates its equity, both directly and indirectly; and
2. providing funding and/or financing required by other companies in order to carry out the equity participation in such company or group companies or the investment framework of any other assets in such company or group companies.

Capital Structure and Shareholders' Composition of the Company

Pursuant to Deed of Statement of Meeting Resolution of the Amendment of Articles of Association No. 69 dated 25 September 2019 made before Liestiani Wang, S.H., M.Kn., Notary in South Jakarta which has been notified to the MOLHR based on Receipt of Notification of the Amendment of Articles of Association No. AHU-AH.01.03-0339775 dated 2 October 2019 *juncto* Deed 9/2022, 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 each with a par value of Rp20 (twenty Rupiah).

According to the Shareholders Register of the Company dated 31 December 2022 issued by PT Datindo Entrycom as Share Registrar of the Company, the shareholders of the Company are as follows:

Description	Nominal Value of Rp20 per Share		
	Number of Shares	Nominal Value (Rp)	(%)
A. Authorized Capital	70,000,000,000	1,400,000,000,000	
B. Issued and Paid up Capital			
1) PT Saratoga Investama Sedaya Tbk	4,423,174,297	88,463,485,940	18.345

Description	Nominal Value of Rp20 per Share		
	Number of Shares	Nominal Value (Rp)	(%)
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	80,066,431	1,601,328,620	0.332
7) Hardi Wijaya Liong	69,596,728	1,391,934,560	0.289
8) Andrew Phillip Starkey	527,000	10,540,000	0.002
9) Albert Saputro	177,800	3,556,000	0.001
10) Simon James Milroy	521,403	10,428,060	0.002
11) Titien Supeno	176,400	3,528,000	0.001
12) Public (respectively under 5%)	12,234,193,000	244,683,860,000	50.741
Treasury Stock	68,296,800	1,365,936,000	0.283
Total of Issued and Fully Paid up Shares	24,110,850,771	482,217,015,420	100.000
C. Portofolio Shares	45,889,149,229	917,782,984,580	

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

Pursuant to Deed of Statement of Meeting Resolution No. 57 dated 10 June 2022, drawn up before Jose Dima Satria, S.H., M.Kn., Notary in Administrative City of South Jakarta, which has been notified to the MOLHR as reflected in the Receipt of Notification of Change of the Company's Data No. AHU-AH.01.09.0022717 dated 16 June 2022, 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 : Garibaldi Thohir
Commissioner : Tang Honghui
Commissioner : Yoke Candra
Independent Commissioner : Muhamad Munir
Independent Commissioner : Budi Bowoleksono

Board of Directors

President Director : Albert Saputro
Vice President Director : Simon James Milroy
Director : Gavin Arnold Caudle
Director : Hardi Wijaya Liong
Director : Andrew Phillip Starkey
Director : David Thomas Fowler
Director : Titien Supeno
Director : Chrisanthus Supriyo

2. MBM

MBM, domiciled in South Jakarta, was initially established under the name of PT Hamparan Logistik Nusantara, established pursuant to the Deed of Establishment No. 66 dated 20 August 2019, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been ratified by the MOLHR by virtue of its Decree No. 0041804.AH.01.01.TAHUN 2019 dated 22 August 2019.

The latest amendment of the Articles of Association of MBM is stated in the Deed of Statement of Shareholders' Circular Resolutions on the Changes of Articles of Association No. 7 dated 4 January 2023, drawn up before Jose Dima Satria, S.H., M.Kn., Notary in Administrative City of South Jakarta, which has been approved by MOLHR based on Decree No. AHU-0000594.AH.01.02.TAHUN 2023 dated 5 January 2023 and notified to the MOLHR based on the Receipt of Notification of the Amendment of Articles of Association No. AHU-AH.01.03-0001642 dated 5 January 2023 ("**Deed 7/2023**").

According to Article 3 of MBM's Articles of Association, the purposes and objectives of MBM are to engage in activities of holding companies and other management consulting activities.

To carry out the main business activities above, MBM may carry out the business activities as follows:

1. Holding companies activity, including ownership and/or control of its group of subsidiary companies; and
2. Other management consulting activities in which its main activities (as relevant) are providing advice, guidance, and business operations and other management organizational issues, such as strategic and organizational planning; decisions related to finance; marketing objectives and policies; human resource planning, practices and policies; scheduling planning and control of production.

To carry out the main business activities above, the Company may carry out business activities as follows:

- (i) services provided as counsellors and negotiators in planning merger and acquisition of company; and
- (ii) providing services including assistance in advice, guidance, and business operations and other management organizational issues, such as strategic and organizational planning; decisions related to finance; marketing objectives and policies; human resource planning, practices and policies; scheduling planning and control of production. These services include financial support, advisory assistance, guidance, and operation of various management functions, management consulting for agronomists and agricultural economists in agriculture and the like, design of accounting methods and procedures, cost accounting programs, budget monitoring procedures, providing advice and assistance for business and community services in planning, organizing, efficiency and control, information management and others, including infrastructure investment study services.

Capital Structure and Shareholders Composition of MBM

Pursuant to the Deed 7/2023, MBM's capital structure and shareholding composition are as follows:

Authorized Capital	:	IDR35,000,000,000,000
Issued Capital	:	IDR8,829,636,000,000
Paid-up Capital	:	IDR8,829,636,000,000

The Authorized Capital of MBM is divided into 350,000,000,000 shares each with a par value of IDR100.00. Thus, the shareholders' composition of MBM is as follows:

No.	Shareholders' Name	Shares Amount	Value (IDR)	%
1.	PT Merdeka Energi Nusantara (previously PT Batutua Tambang Abadi)	52,870,630,000	5,287,063,000,000	59.88
2.	PT Prima Puncak Mulia	4,074,520,000	407,452,000,000	4.61
3.	Winato Kartono	6,796,280,000	679,628,000,000	7.70
4.	PT Prima Langit Nusantara	4,473,170,000	447,317,000,000	5.07
5.	Hardi Wijaya Liong	2,912,690,000	291,269,000,000	3.30
6.	Garibaldi Thohir	11,967,190,000	1,196,719,000,000	13.55
7.	Edwin Soeryadjaya	2,290,880,000	229,088,000,000	2.59
8.	Philip Suwardi Purnama	2,598,120,000	259,812,000,000	2.94
9.	Agus Superiadi	232,880,000	23,288,000,000	0.26
10.	Trifena	80,000,000	8,000,000,000	0.10
Total		88,296,360,000	8,829,636,000,000	100.00
Portfolio Shares		261,703,640,000	26,170,364,000,000	

Composition of the Board of Commissioners and Board of Directors of MBM

Based on Deed of Statement of Shareholders' Circular Resolutions in Lieu of Extraordinary General Meeting of Shareholders No. 54 dated 17 May 2022, drawn up before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been approved by MOLHR by virtue of Decree No. AHU-0033209.AH.01.02.TAHUN 2022 dated 17 May 2022 and notified to MOLHR by virtue of the Receipt of Notification of Amendment to the Articles of Association No. AHU-AH.01.03-0237960 dated 17 May 2022 and Receipt of Notification of Changes of Data No. AHU-01.09-0012843 dated 17 May 2022 ("**Deed 54/2022**"), the composition of the Board of Directors and Board of Commissioners of MBM as of the issuance date of this Information Disclosure is as follows:

Board of Commissioners

President Commissioner : Simon James Milroy
 Commissioner : Albert Saputro
 Commissioner : David Thomas Fowler

Board of Directors

President Director : Devin Antonio Ridwan
 Director : Andrew Phillip Starkey
 Director : Eko Widodo

Transaction Value

Pursuant to the Agreement, the total value of the Transaction is IDR1,245,662,520,000.00 (one trillion two hundred forty-five billion six hundred sixty-two million five hundred twenty thousand Rupiah). Therefore, the Transaction is not a material transaction as referred to POJK 17/2020 considering that the value of the Transaction does not reach 20% (twenty percent) of the Company's equity value in accordance with the Company and its subsidiaries' Interim Consolidated Financial Statements for the period ended on 30 September 2022 which was limitedly reviewed by Tanubrata Sutanto Fahmi Bambang & Rekan as Public Accountant Firm.

Nature and Affiliated Relations with the Company

The natures of the affiliation relationship between MBM with the Company are as follows:

- a. MBM is a Controlled Company of the Company with shares owned indirectly through PT Merdeka Energi Nusantara in the amount of 59.88% (fifty-nine point eight eight per cent); and
- b. there are members of the Board of Directors and/or Board of Commissioners of MBM who also serve as members of the Board of Directors of the Company.

Summary of Transaction Agreement

Conditional Shares Sale and Purchase Agreement effective as of 13 January 2023

Party:

1. MBM; and
2. The Company.

Scope of the Agreement:

Based on the Agreement, the Company and MBM agree that subject to the satisfaction or waiver of the last of the conditions precedent (as stipulated in the Agreement) or such other date as the Company and MBM may agree, the Company will sell 1,447,766 (one million four hundred forty-seven thousand seven hundred sixty-six) of its shares in BPI to MBM.

Transaction Value:

The Transaction value or the total purchase price of the Company's shares in BPI to MBM is up to IDR1,245,662,520,000.00 (one trillion two hundred forty-five billion six hundred sixty-two million five hundred twenty thousand Rupiah).

Applicable Law:

Laws of the Republic of Indonesia

Dispute Resolution:

Indonesian National Arbitration Board (BANI)

SUMMARY OF APPRAISER'S REPORT

KJPP Iskandar and Partners who has been appointed by the Company's Board of Directors as independent appraisers in accordance with the proposal letter/contract work agreement No. 175.1/IDR/DO.2/Pr-BFO/IX/2022 dated 28 September 2022, has been requested to provide an assessment of and provide an opinion of the Transaction's fairness.

Fairness Assessment Report on Transaction

The following is a summary of the KJPP's fairness assessment on the Transaction as stated in its report No. 00007/2.0118-00/BS/02/0596/1/1/2023 dated 12 January 2023 as follows:

a. Transacting Parties

The transacting Parties are the Company and MBM, where the Company acts as the seller of its shares in BPI and MBM as the buyer of shares owned by the Company in BPI.

b. Appraisal Object

The appraisal object is the proposed Transaction of shares sale owned by the Company in BPI to MBM.

c. Purpose and Objective of Appraisal

The purpose of the appraisal is to provide an independent appraisal of the fairness opinion on the Transaction for the purpose of the Transaction's implementation.

d. Assumptions and Main Limit Conditions

1. This Appraisal report is a non-disclaimer opinion.
2. The appraiser has reviewed the documents used in the appraisal process.
3. The data and information obtained 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 upon 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 assignor.
9. This opinion should be viewed as a whole and that the use of any part of analysis and information without considering the entirety of the information and analysis may cause a misleading view of the process where the opinion is based. The arrangement of this opinion is a complex process and may not be possible through incomplete analysis.
10. The Fairness Opinion is arranged by considering the market and economic conditions, general business and financial conditions, as well as government regulations on the issued date of this Opinion. This Fairness Opinion is only conducted upon the proposed Transaction as described above.
11. The Fairness Opinion is prepared in accordance with the principle of information and data integrity. In arranging this Fairness Opinion, KJPP bases and is based on information and data as provided by the Company's management according to the nature of fairness is true, complete, reliable, and not misleading. KJPP does not carry out audits and compliance tests in detail upon the explanations and data provided by the Company's management, both verbally and in writing, and thus KJPP can not provide guarantees or be responsible for the correctness and completeness of the information or explanations.
12. This Fairness Opinion is only arranged by considering the perspective of the Company's Shareholders and does not consider the viewpoints of other stakeholders and other aspects.

e. Approach and Methods

In accordance with the scope of appraisal, the approach and methods used are as follows:

1. conduct Transaction analysis;
2. conduct a qualitative analysis of the proposed Transaction;
3. conduct a quantitative analysis of the proposed Transaction;
4. conduct an analysis of the fairness of the transaction value; and
5. conduct an analysis of other relevant factors.

f. Conclusion

The analysis result on the value of the Transaction is higher but still within the range of its market value giving a conclusion that the value of the Transaction is fair.

The analysis result of the financial impact from the Transaction that will be conducted for the Company's interest is to increase the effectivity of the production activity of raw materials for battery manufacturing which will have a positive impact on the Company in consolidation, giving a conclusion that by conducting the Transaction it will provide an additional value to the Company aligned with the Company's interest.

The analysis result of the business consideration applied from the Company's management related to the proposed Transaction which will be conducted on behalf of the Shareholders is to integrate BPI's business under MBM that will focus on the mining and processing of nickel and copper which will increase the shares value of the Company, giving a conclusion that the business consideration applied from the Company's management is aligned with the Shareholders' interest.

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 September 2022 before and after carrying out the Affiliated Transaction:

Description	Before Transaction Execution	Adjustment	After Transaction Execution
ASSETS			
Current Assets			
Cash or cash equivalents	364,877,965	-	364,877,965
Trade receivables	61,615,988	-	61,615,988
Other receivables	11,268,246	-	11,268,246
Inventories - current portion	244,325,563	-	244,325,563
Claims for tax refund	29,340,080	-	29,340,080
Advances and prepayments - current portion	34,508,800	-	34,508,800
Investment in equity instrument and other securities	48,549,410	-	48,549,410
Derivative financial instrument - current portion	2,764,985	-	2,764,985
Total Current Assets	797,251,037	-	797,251,037
Non-Current Assets			
Advances and prepayments - non-current portion	141,178,914	-	141,178,914
Advance of investment	1,819,397	-	1,819,397
Investment in shares	1,087,207	-	1,087,207
Loan to related parties - non-current portion	64,791,931	-	64,791,931
Inventories - non-current portion	52,156,551	-	52,156,551
Prepaid taxes	81,784,583	-	81,784,583
Property, plant and equipments	1,100,019,600	-	1,100,019,600
Right-of-use assets	16,114,556	-	16,114,556
Mining properties	578,414,126	-	578,414,126
Exploration and evaluation assets	446,405,625	-	446,405,625
Goodwill	251,921,203	-	251,921,203
Deferred tax assets	25,045,070	-	25,045,070
Derivative financial instrument - non-current portion	-	-	-
Other non-current assets	15,783,946	-	15,783,946
Total Non-Current Assets	2,776,522,709	-	2,776,522,709
TOTAL ASSETS	3,573,773,746	-	3,573,773,746
LIABILITIES AND EQUITY			
Current Liabilities			
Trade payables	123,019,383	-	123,019,383
Accrued expenses	53,755,860	-	53,755,860
Unearned revenue	2,132,340	-	2,132,340
Taxes payable	38,437,788	-	38,437,788
Other payables	50,657,544	-	50,657,544
Borrowings - current portion			
Bank Loans and Credit Facility	35,464,063	-	35,464,063
Bonds payable	282,133,001	-	282,133,001
Lease liabilities	22,241,005	-	22,241,005
Derivative financial instrument - current portion	7,610,241	-	7,610,241
Provision for mining rehabilitation - current portion	100,643	-	100,643
Total Current Liabilities	615,551,868	-	615,551,868
Non-Current Liabilities			
Borrowings - non-current portion			
Bonds payable	534,242,268	-	534,242,268
Bank Loans and Credit Facility	231,899,732	-	231,899,732
Lease liabilities	16,995,771	-	16,995,771
Loan from third parties	74,600,500	-	74,600,500
Deferred tax liabilities	338,214	-	338,214
Derivative financial instrument - non-current portion	11,864,981	-	11,864,981
Post-employment benefits liability - non-current portion	21,635,512	-	21,635,512
Provision for mining rehabilitation - non-current portion	40,052,661	-	40,052,661
Total Non-Current Liabilities	931,629,639	-	931,629,639
TOTAL LIABILITIES	1,547,181,507	-	1,547,181,507
Equity			
Share capital	37,792,783	-	37,792,783
Additional paid-in capital	690,575,911	-	690,575,911
Treasury stock	(17,859,134)	-	(17,859,134)
Cash flow hedging reserve	(13,620,542)	-	(13,620,542)
Other equity components	19,841,955	-	19,841,955
Retained earnings	320,237,005	-	320,237,005
Non-controlling interests	989,624,261	-	989,624,261
Total Equity	2,026,592,239	-	2,026,592,239
TOTAL LIABILITIES AND EQUITY	3,573,773,746	-	3,573,773,746

*) US Dollar, please refer to the Consolidated Financial Statements of the Company dated 30 September 2022

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

By conducting the Transaction, it is expected that BPI, as a part of MBM group, can conduct its business activities in an efficient and effective manner and hence will provide an additional value to MBM through its subsidiaries which conduct business activities among other nickel mining and basic metal non-iron manufacture, that will provide benefit to the Company. Currently, there are no other alternatives to conduct the Transaction with another party aside from affiliated parties since the nature of the Transaction is the internal restructuring of MBM.

Furthermore, before the Transaction is conducted, the Company has also conducted an assessment by internal procedures using similar terms and conditions if the Transaction is conducted with an unaffiliated party by applying similar terms and conditions with the Transaction, thus the Transaction is carried out in accordance with generally accepted business practices.

**STATEMENT OF THE BOARD OF COMMISSIONERS
AND BOARD OF DIRECTORS 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 Company and its subsidiaries' Interim Consolidated Financial Statements for the period ended on 30 September 2022 which was limitedly reviewed 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 Transactions have been carried out in accordance with prevailing regulations and generally accepted business practices.

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ADDITIONAL INFORMATION

Referring to the explanation of the Transaction in this disclosure of information, the Company hereby informs that the completion based on the Agreement has occurred on 16 January 2023 ("**Completion**"). Following the Completion, MBM has effectively become the shareholder of BPI with the ownership of 99.99% (ninety-nine point nine nine percent) of the total issued and paid-up capital of BPI.

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, South Jakarta 12190
Telephone: +62 21 3952 5580 Facsimile: +62 21 3952 5589
Email: corporate.secretary@merdekacoppergold.com
Website: www.merdekacoppergold.com

Initial: 