

DISCLOSURE OF INFORMATION PT CHANDRA ASRI PETROCHEMICAL TBK

This Information Disclosure is prepared in order to fulfil the requirements of the Financial Services Authority Regulation of the Republic of Indonesia Number 42/POJK.04/2020 regarding Affiliate Transaction and Conflict of Interest Transactions ("**POJK 42/2020**").



PT Chandra Asri Petrochemical Tbk
(the "Company")

Line of Business:
Petrochemical

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Subject: Disclosure of Information on Affiliate Transaction related to the Implementation of Land Sale and Purchase Transactions between PT Chandra Asri Perkasa and PT Pancapuri Indoperkasa

This Disclosure of Information is published in Jakarta on 30 June 2021

I. BACKGROUND

On 29 June 2021, PT Chandra Asri Perkasa ("**CAP2**"), a subsidiary of the Company, together with PT Pancapuri Indoperkasa ("**PPI**") have signed a Master Agreement for the Transaction of Land ("**Master Agreement**"), whereby PPI agrees to provide several plots of land that will be used for the construction of the CAP2 petrochemical complex. Based on the Master Agreement, land transactions will be conducted in stages depending on the readiness of the land and the completeness of the related documents. PPI is committed to provide lands for CAP2 with an area of approximately 1,216,688 (One Million Two Hundred Sixteen Thousand Six Hundred Eighty Eight) m² located in Gunung Sugih Village, Ciwandan District, Banten,

where several plots of land area of approximately 878,665 (Eight Hundred Seventy Eight Thousand Six Hundred Sixty Five) m2 has been owned by PPI and partly an area of approximately 338,023 (Three Hundred Thirty Eight Thousand Twenty Three) m2 is in the process of being acquired by PPI (the “**Transaction**”).

The transaction that has been conducted is an Affiliate Transaction as referred to in POJK 42/2020 due to the affiliation relationship between CAP2 and PPI in terms of ownership and control of the company, as explained further in this Disclosure of Information.

This Disclosure of Information is prepared in order to fulfil the requirements of Article 22 of POJK 42/2020, which stipulates that in the event that an Affiliate Transaction is conducted by a controlled company that is not a public company and its financial statements are consolidated with a public company, the public company is obliged to conduct the procedures as regulated in POJK 42/2020.

The Affiliate Transaction conducted by CAP2, which is a controlled company of the Company, has gone through the procedures as stipulated in Article 3 of POJK 42/2020 and has been carried out in accordance with generally accepted business practices.

In accordance with the provision of Article 4 paragraph 1 of POJK 42/2020, this Transaction is an Affiliate Transaction conducted by CAP2 which is a controlled company of the Company, and thus the Transaction must be disclosed by the Company to the public no later than 2 (two) working days after the signing of the Master Agreement is conducted and is obliged to use an Appraiser in determining the fair value of the object of the Affiliate Transaction, in which the fairness of the transaction needs to be announced to the public. The Appraisal Report used is a report from the Public Appraisal Service Office (“**KJPP**”) (i) Suwendho Rinaldy & Partners No. 00231/2.0059-02/PI/04/0242/1/VI/2021 dated 11 June 2021 regarding the Property Valuation Report Controlled by PT Pancapuri Indoperkasa (“**Asset Appraisal Report**”) and (ii) Kusnanto & Partners No. 00084/2.0162-00/BS/04/0382/1/VI/2021 dated 29 June 2021 regarding the Fairness Opinion Report on the Transaction (“**Fairness Opinion Report**”). The Asset Appraisal Report and the Fairness Opinion Report provide a fair value for the value of the object of this Transaction and Transaction.

This Affiliate Transaction is not (i) a Conflict of Interest Transaction, (ii) a Material Transaction as referred to in the Financial Services Authority Regulation Number 17/POJK.04/2020 regarding Material Transactions and Changes in Business Activities, and (iii) a transaction that may result in a disruption of business continuity of the Company, so that it does not require prior approval from the Company's independent shareholders at the general meeting of shareholders as regulated in POJK 42/2020.

In conducting this Transaction, the Company and CAP2 will always comply with the provisions of the applicable laws and regulations, including but not limited to regulations in the Capital Market sector, and other laws and regulations including Law No. 40 of 2007 regarding Limited Liability Companies as last amended by Law No. 11 of 2020 regarding Job Creation.

II. INFORMATION REGARDING THE TRANSACTION

A. Background and Reason of the Transaction

CAP2 is the Company's controlled company which is engaged in the petrochemical industry and currently has not undergone its commercial operations. Before being able to undergo its business activities, CAP2 must first build a petrochemical factory complex in Cilegon.

In order to build a petrochemical plant complex and conduct its operational activities, CAP2 requires several parcels of land around the area of the Company's petrochemical plant complex so that CAP2's operational activities can later be integrated and support the Company's operational activities. On the other hand, PPI, a company engaged in industrial estate, can commit to providing the necessary Land for CAP2 to build a petrochemical plant complex. The transaction will be conducted in stages by considering the readiness of the land and the completeness of the related documents.

B. Benefits of Transaction for CAP2

PPI offers land that is ready to use and located right around the petrochemical complex owned by the Company. This very strategic location will make it easier for CAP2 together with the Company to plan and realize the development of the Company's petrochemical complex and CAP2 in the future. This is believed to have a positive impact and will provide more value for the shareholders and stakeholders of the Company and CAP2.

C. Consideration of Conducting Transactions With PPI Compared to Conducting Similar Transactions With Parties which Not Affiliated with CAP2

PPI is a company engaged in industrial estate and land owned by PPI is located within the PPI industrial area which is located in Gunung Sugih Village, Ciwandan District, Banten and is located right around the area where the petrochemical complex will be built by CAP2. The location of the land in the vicinity of the Company's petrochemical complex will facilitate the realization plan for the construction of the CAP2 petrochemical complex which is integrated with the Company's petrochemical complex.

On the other hand, there are other industrial areas that are not affiliated with CAP2, but if viewed from a location perspective, they are very far from the Company's petrochemical complex so that if CAP2 conducts a similar transaction by buying land in another industrial area, it will not be feasible (not feasible) with the plan. CAP2 together with the Company to build an integrated petrochemical complex. The development of the CAP2 factory in the same area as the Company will facilitate the Company's operational and production activities in the future.

D. Description of the Transaction

i. Transaction Date

CAP2 and PPI signed the Master Agreement on 29 June 2021.

ii. Object of Transaction

PPI's assets are in the form of land with an area of approximately 1,216,688 (One Million Two Hundred Sixteen Thousand Six Hundred Eighty Eight) m2 located in Gunung Sugih Village, Ciwandan District, Banten, which (i) several parcels of land with an area of approximately 878,665 (Eight Hundred Seventy Eight Thousand Six Hundred Sixty Five) m2 are already owned by PPI; and (ii) part of the parcel of land covering an area of 338,023 (Three Hundred Thirty Eight Thousand Twenty Three) m2 is in the process of being acquired by PPI ("**Land**").

iii. Summary of the Master Agreement

The Master Agreement for the Transaction of Land dated 29 June 2021 was made between CAP2 and PPI, whereby PPI agreed to provide several parcels of land to be used for the construction of the CAP2 petrochemical complex with an area of approximately 1,216,688 (One Million Two Hundred Sixteen Thousand Six Hundred Eighty Eight) m2. Land transactions will be conducted in stages depending on the readiness of the land and the completeness of the related documents. The land to be transacted is entirely located in Gunung Sugih Village, Ciwandan District, Banten, where (i) several parcels of land with an area of approximately 878,665 (Eight Hundred Seventy Eight Thousand Six Hundred Sixty Five) m2 are owned by PPI; and (ii) a portion of the land area of 338,023 (Three Hundred Thirty Eight Thousand Twenty Three) m2 is in the process of being acquired by PPI.

Transaction Price:

The total price of this Transaction is US\$ 292,005,120.00 (Two Hundred Ninety Two Million Five Thousand One Hundred Twenty United States Dollars) or does not exceed US\$ 240.00 (Two Hundred Forty United States Dollars) per m2 or other amount whose value is equivalent to that in Rupiah or other permitted currencies for similar transactions, excluding Value Added Tax or other transaction fees.

Period of the Agreement:

The Master Agreement is effective as of the signing of the Master Agreement, which is 29 June 2021 and will remain in effect until the date of the signing of the last sale and purchase deed for the Transaction or no later than 2 (Two) years from the date of the Master Agreement, whichever occurs first.

Obligations of the Parties:

- PPI is obliged to ensure that prior to the signing of the deed of sale and purchase for each Land Transfer Transaction, the following conditions shall be fulfilled:
 - a. The Land parcel(s) that will be transferred is ready to be handed over to CAP2 and the relevant land certificate of the said share of Land parcel(s) have indicated PPI as the holder of Land title.
 - b. Land clearing has been carried out (in the form of clearing and emptying land from physical control of third parties, as well as demolition of illegal buildings and cutting trees) and stakes and as well as signposts have been installed showing land ownership by PPI.

- CAP2 is obliged to:
 - a. Pay in full amount the transaction price of each Land parcel that being transferred;
 - b. Comply with and follow the rules and regulations that apply in Kawasan Industri Pancapuri, including regulations regarding occupational health and safety and the environment in accordance with applicable regulations.

Governing Law:

Laws of the Republic of Indonesia.

Dispute Settlement:

Serang District Court, Banten Province.

iv. Transaction Price

The total price of this Transaction is US\$ 292,005,120.00 (Two Hundred Ninety Two Million Five Thousand One Hundred Twenty United States Dollars) or does not exceed US\$ 240.00 (Two Hundred Forty United States Dollars) per m2 or other amount whose value is equivalent to that in Rupiah or other permitted currencies for similar transactions, excluding Value Added Tax or other transaction fees ("**Total Transaction Price**"). The Transaction Price of each Land parcel will vary but as a whole will not exceed the total Transaction value. Each Transaction will use Rupiah or any other currency permitted under the applicable laws of the Republic of Indonesia.

v. The Parties whose Conducting the Transactions and its Relationships with CAP2

1. CAP2 as the Buyer
 - a. General Information

CAP2 was established according to and based on the laws of the Republic of Indonesia, domiciled in West Jakarta and having its address at Wisma Barito Pacific, Tower A, 7th Floor, Jalan Letnan Jendral Siswondo Parman Kaveling 62-63, Slipi Village, Palmerah District, West Jakarta City 11410, which deed its establishment is contained in Deed No. 1 dated 3 April 2017, drawn up before Mina Ng, SH, M.Kn., Notary in Jakarta, which has been approved by the Minister of Law and Human Rights of the Republic of Indonesia ("**Menkumham**") based on Decree Number AHU-0015544.AH. 01.01.Tahun 2017 dated 3 April 2017 was registered in the Company Register at the Ministry of Law and Human Rights of the Republic of Indonesia ("**Kemenkumham**") under No. AHU-0043270.AH.01.11.Tahun 2017 dated 3 April 2017.

The Articles of Association contained in the deed of establishment have been amended and the last amendment was contained in the Deed of Statement of Shareholders' Decision Amendment to the Articles of Association no. 57 dated 16 March 2020, drawn up before Jose Dima Satria, S.H., M.Kn., Notary in South Jakarta, which has been notified to the Menkumham as stated in the Letter of Acceptance of Notification of Amendment to the Articles of Association No. 57. AHU-AH.01.03-0150676 dated 18 March 2020, registered in the

Company Register at the Ministry of Law and Human Rights under No. AHU-0054769.AH.01.11.Tahun 2020 dated 18 March 2020.

b. Line of Business

Based on Article 3 of CAP2's articles of association, the purpose and objective of CAP2 is to engage in manufacturing and wholesale trade. To achieve these aims and objectives, CAP2 may carry out business activities, including the following:

1. Conduct basic organic chemical industry sourced from petroleum, natural gas, and coal;
2. conduct wholesale trade in solid, liquid, and gaseous fuels and related products;
3. conduct wholesale trade of basic chemical materials and goods;
4. conduct wholesale trade of rubber and plastic in basic form;
5. organize transportation through motorized transportation for general goods and special goods as well as transportation through pipelines to ensure the continuity of delivery of industrial products to consumers;
6. conduct warehousing and temporary goods warehousing activities related to petrochemical industry production before the goods are sent to the final destination for commercial purposes; and
7. conduct leasing and leasing activities without the option of industrial machinery and equipment.

As of the date of this Disclosure of Information, CAP2 has not yet conduct its commercial operations.

c. Management Structure

The latest composition of the Board of Commissioners and Board of Directors of CAP2 is as follows:

Board of Commissioners

President Commissioner	:	Baritono Prajogo Pangestu
Commissioner	:	Suhat Miyarso, MSC

Board of Directors

President Director	:	Erwin Ciputra
Vice President Director	:	Chatri Eamsobhana
Director	:	Fransiskus Ruly Aryawan
Director	:	Andre Khor Kah Hin
Director	:	Somkoun Sriwattagaphong
Director	:	Suryandi

d. Capital Structure and Shareholding Composition

Capital structure and shareholding composition of CAP2 on the date of this Disclosure of Information is issued are as follows:

Authorized Capital : Rp 6.660.500.000.000,-
Issued Capital : Rp 3.729.880.000.000,-
Paid Up Capital : Rp 3.729.880.000.000,-

The CAP2's authorized capital is divided into 500.000 shares, each with par value of Rp 13.321.000 per share.

Meanwhile, the composition of CAP2's shareholding based on the CAP2 Shareholder Register dated 11 June 2021 is as follows:

No.	SHAREHOLDERS NAME	AMOUNT (Rp)	TOTAL SHARES	%
1.	Perseroan	3.729.866.679.000	279.999	99,99
2.	PT Nusantara Polymer Solutions	13.321.000,	1	0,01
Total		3.729.880.000.000	280.000	100

Thus, CAP2 is a controlled company of the Company as referred to in POJK 42/2020.

2. PPI as the Seller
a. General Information

PPI is a limited liability company whose articles of association are contained in the Deed of Establishment No. 70 dated 6 March 1990 made before Benny Kristianto, S.H., Notary in Jakarta and has been ratified by the Minister of Law and Human Rights in accordance with Decree No. C2.934.HT.01.01-Th.93 dated 10 February 1993. The Articles of Association have been completely amended to comply with Law No. 40 of 2007 regarding Limited Liability Companies, contained in Deed No. 158 dated 15 August 2008, drawn up before Benny Kristianto, S.H., Notary in Jakarta and has been ratified by the Minister of Law and Human Rights in accordance with Decree No. AHU-00771.AH.01.02.Tahun 2010 dated 7 January 2010.

PPI's Articles of Association have been amended and the latest amendments were contained in the Deed of Statement of Decisions Outside the PPI General Meeting of Shareholders No. 46 dated 17 March 2020 made before Hj, Hasanawati Juweni Shande, SH., M.Kn, Notary in Serang, which has been notified to the Minister of Law and Human Rights as it turns out in the Letter of Acceptance of Notification of Amendment to the Articles of Association No. AHU-0025344.AH.03.02.Year 2020 dated 24 March 2020, registered in the Company Register at the Ministry of Law and Human Rights under No. AHU-0058289.AH.01.11.Tahun 2020 24 March 2020.

The PPI office is registered at Wisma Barito Pacific Tower B, 6th Floor, Jl. Let. Jend. S. Parman Kav. 62-63, Slipi, Palmerah, West Jakarta.

b. Line of Business

PPI is engaged in industrial estate which is owned or leased.

c. Management Structure

The latest composition of the Board of Commissioners and Board of Directors of PPI is as follows:

Board of Commissioners

President Commissioner : Loeki Sundjaja Putra
Commissioner : Yafeth Sonda

Board of Directors

President Directors : Leo Muljadi
Director : Abraham Sinatrawan
Director : Jeffrey ZA. Baadilla

d. Capital Structure and Shareholding Composition

PPI's current capital structure and share ownership are as follows:

Authorized Capital : Rp 20.000.000.000
Paid Up Capital : Rp 20.000.000.000
Issued Capital : Rp 20.000.000.000

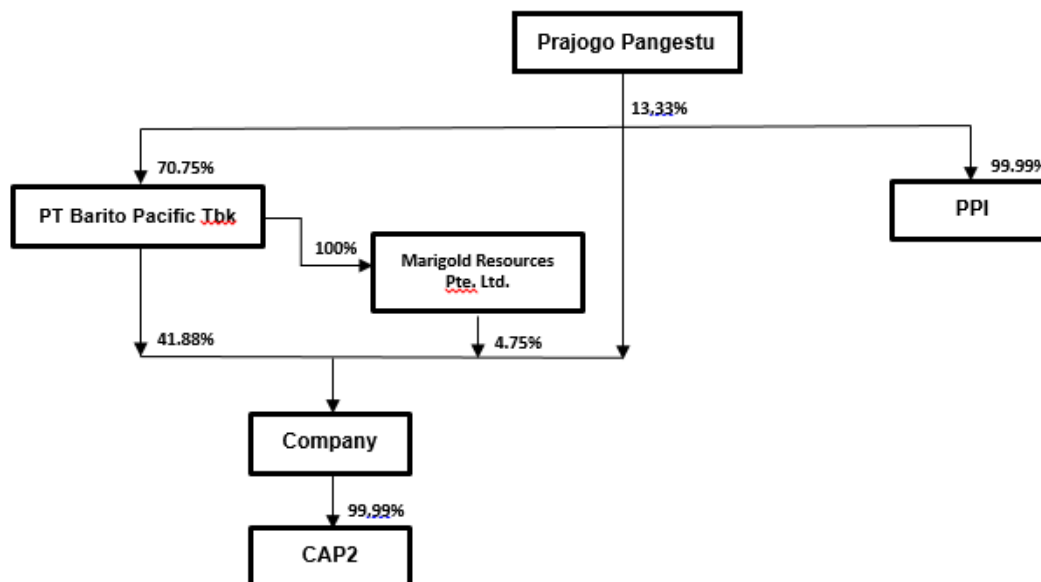
PPI authorized capital is divided into 20.000 shares, each with par value of Rp 1.000.000.00 per share.

Meanwhile, the composition of PPI's share ownership is based on the Deed of Decision of the PPI Shareholders, made before Nanny Wiana Setiawan, SH, Notary in Central Jakarta, which has been notified to the Menkumham as stated in the Letter of Acceptance of Notification of Changes in Company Data No. 18 dated 16 October 2017 registered in the Company Register at the Ministry of Law and Human Rights under No. AHU-AH.01.03-0187751 dated November 6, 2017, registered in the Company Register at the Ministry of Law and Human Rights under No. AHU-AH.01.03-0187751 dated 6 November 2017 are as follows:

No.	SHAREHOLDERS NAME	AMOUNT (Rp)	TOTAL SHARES	%
1.	Prajogo Pangestu	19.999.000.000,00	19.999	99,99
2.	Agus Salim Pangestu	1.000.000,00	1	0,01
Total		20.000.000.000,00	20.000	100

vi. **Nature of Affiliate Relationship of the Parties whose Conducting Transactions with CAP2**

1. Affiliate relationship in terms of company ownership and control¹:



The relationship between CAP2 and PPI was formed because CAP2 is a controlled company of the Company where Prajogo Pangestu is the controller of the Company directly or indirectly through PT Barito Pacific Tbk and Marigold Resources Pte Ltd, also a shareholder in PPI.

III. SUMMARY OF VALUATION REPORT

1. **Summary of KJPP Asset Valuation Report Suwendho Rinaldy and Partners (“SRR”)**

SRR as the official KJPP with Business License No. 2.09.0059 based on the Decree of the Minister of Finance No. 1056/KM.1/2009 dated August 20, 2009 which is registered as a capital market supporting profession at the Financial Services Authority with a Registered Certificate (STTD) of Capital Market Supporting Profession No. 1056/KM.1/2009. STTD.PPB-05/PM.2/2018 dated June 4, 2018 (Property and Business Appraisal) (substitute for STTD No. 02/BL/STTD-P/AB/2006 dated May 31, 2006 (Property Appraiser and Business Appraiser)) has been appointed by the Company's management as an independent appraiser to provide an opinion on the market value of the property controlled by PT Pancapuri Indoperkasa.

¹ According to Shareholder Register as of 31 May 2021

The following is a summary of the property valuation report as stated in the Property Valuation Report Controlled by PT Pancapuri Indoperkasa No. 00231/2.0059-02/PI/04/0242/1/VI/2021 dated 11 June 2021.

a. Purpose and Objectives of the Assignment

The purpose of the valuation of the Valuation Object is to provide an opinion on the market value of the Valuation Object as of 31 December 2020 which is expressed in Rupiah. The assignment of the assessment of the Valuation Object is carried out to meet the needs of the Company in the interest of the plan to purchase the Valuation Object.

b. Assumptions and Limiting Conditions

The assumptions and limiting conditions used in this assessment are as follows:

- The appraisal report of the Object of Appraisal is a non-disclaimer opinion report.
- SRR has reviewed the documents used in the appraisal process for the Object of Appraisal.
- The data and information used in the assessment of the Object of Appraisal are sourced from and/or validated by MAPPI.
- SRR is responsible for the implementation of the preparation of the appraisal report of the Appraisal Object.
- The appraisal report of the Appraisal Object is a report that is open to the public unless there is confidential information, which may affect the Company's operations.
- SRR is responsible for the appraisal report of the Appraisal Object and the final score conclusion.
- SRR has reviewed the legal status of the Object of Appraisal.

c. Main Assumptions

The assessment does not take into account the costs and taxes incurred due to the sale and purchase, as stipulated in Bapepam and LK Regulation No. VIII.C.4 concerning "Guidelines for Valuation and Presentation of Property Valuation Reports in the Capital Market" contained in the Decree of the Chairman of Bapepam and LK No. Kep-478/BL/2009 dated 31 December 2009 ("**Regulation VIII.C.4**") and Indonesian Valuation Standards 2018 ("**SPI 2018**").

d. Appraisal Object

The object assessed in this appraisal is the Object of Appraisal, which is a property controlled by PT Pancapuri Indoperkasa in the form of a land area of 878,665.00 m² located in Gunung Sugih Village, Ciwandan District, Cilegon City, Banten Province.

e. Inspection of Appraisal Object

Physical review of the Appraisal Object has been done on 7 June 2021.

f. Date of Appraisal

The valuation date is set on 31 December 2020. This date was chosen based on consideration of the importance and purpose of the assessment.

g. Appraisal Approach

The approach used in this assessment is the market data approach. Market data approach is an appraisal approach that uses transaction data or offers on comparable and similar properties to the object of the valuation based on a comparison and adjustment process.

The market data approach is carried out by taking into account and considering sales data and/or data on offers of comparable and similar properties and having similar characteristics both in physical terms such as location, area and shape of land, side of land facing the road (frontage), nature of ownership/type of certificate, topography, condition of the ground surface, and whether or not it is easy to reach (accessibility), and others if any. The data is then analyzed by providing adjustments to the differences and similarities in physical characteristics such as location, area and shape of the land, the side of the land opposite the road (frontage), the nature of ownership/type of certificate, topography, land surface conditions, and whether or not it is easy to achieve (accessibility), and others if any, between the object of the valuation and the property comparison data that has been collected to produce an indication of the market value of the object of the valuation..

h. Value Conclusion

Based on the foregoing matters and factors that are closely related to the valuation, SRR concludes that Rp 3,084,069,000,000.00 (Three Trillion Eighty Four Billion Sixty Nine Million Rupiah) is the market value of the Object of Appraisal as of 31 December 2020, or if expressed in United States Dollars, equivalent to US\$ 218,650,684.00 (Two Hundred Eighteen Million Six Hundred Fifty Thousand Six Hundred Eighty Four United States Dollars).

2. Summary of KJPP Kusananto & Partners Fairness Opinion Report ("KR")

KR as an official appraiser (based on the Decree of the Minister of Finance No. 2.19.0162 dated 15 July 2019 and registered as a capital market supporting professional services office at the Financial Services Authority with a Capital Market Supporting Professional

Registration Certificate from the Financial Services Authority No. STTD.PB-02/PM.22/2018 (business appraiser), has also been appointed by the Company's management as an independent appraiser for the fairness of the Transaction in accordance with the offer letter No. KR/210528-001 dated 28 May 2021, which has been approved by the Company's management.

The following is a summary of KR's Fairness Opinion Report on the Transaction as stated in report No. 00084/2.0162-00/BS/04/0382/1/VI/2021 dated 29 June 2021, with a summary as follows:

a. Parties involved in the Transaction

The parties involved in the Transaction are CAP2 and PPI.

b. Object of Fairness Opinion Transaction

The object of the transaction in the fairness opinion is the Transaction.

c. The Purpose and Objectives of the Fairness Opinion

The purpose and objective of the preparation of the fairness opinion report on the Transaction is to provide an overview to the Board of Directors of the Company regarding the fairness of the Transaction from a financial aspect and to comply with the applicable provisions, namely POJK 42/2020.

This fairness opinion is prepared by complying with the provisions of OJK Regulation No. 35/POJK.04/2020 concerning "Assessment and Presentation of Business Valuation Reports in the Capital Market" dated 25 May 2020 and Indonesian Valuation Standards 2018.

d. Limiting Conditions and Main Assumptions

The fairness opinion analysis on the Transaction is prepared using the data and information as disclosed above, which data and information have been reviewed by KR. In carrying out the analysis, KR relies on the accuracy, reliability and completeness of all financial information, information on the legal status of the Company and other information provided to KR by the Company or publicly available and KR is not responsible for the accuracy of such information. Any changes to such data and information may materially affect the final outcome of KR's opinion. KR also relies on assurances from the Company's management that they do not know the facts that cause the information provided to KR to be incomplete or misleading. Therefore, KR is not responsible for changes in the conclusions of KR's fairness opinion due to changes in the data and information.

The projections of the Company's consolidated financial statements before and after the Transaction are prepared by the Company's management. KR has reviewed the projected financial statements and the projected financial statements have described the operating conditions and performance of the Company. In general, there are no significant adjustments that KR needs to make to the Company's performance targets.

KR does not inspect the Company's fixed assets or facilities. In addition, KR also does not provide an opinion on the tax impact of the Transaction. The services that KR provides to the Company in connection with the Transaction are only the provision of a fairness opinion on the Transaction and are not accounting, auditing, or taxation services. KR did not conduct research on the validity of the Transaction from the legal aspect and the implications of the taxation aspect. The Fairness Opinion on the Transaction is only viewed from an economic and financial perspective. The fairness opinion report on the Transaction is a non-disclaimer opinion and is a report that is open to the public unless there is confidential information, which may affect the Company's operations. Furthermore, KR has also obtained information on the legal status of the Company and CAP2 based on the articles of association of the Company and CAP2.

KR's work related to the Transaction does not constitute and cannot be construed as in any form, a review or audit, or the implementation of certain procedures on financial information. Nor should such work be intended to reveal weaknesses in internal control, errors or irregularities in financial statements, or violations of law. In addition, KR does not have the authority and is not in a position to obtain and analyze a form of other transactions outside the existing Transactions and may be available to the Company and the effect of these transactions on the Transaction.

This fairness opinion is prepared based on market and economic conditions, general business and financial conditions, as well as Government regulations related to the Transaction on the date this fairness opinion is issued.

In preparing this fairness opinion, KR uses several assumptions, such as the fulfillment of all conditions and obligations of the Company and all parties involved in the Transaction. The transaction will be carried out as described in accordance with the predetermined time period and the accuracy of the information regarding the transaction disclosed by the management of the Company.

This fairness opinion must be viewed as a single unit and the use of part of the analysis and information without considering other information and analyzes as a whole as a whole can lead to misleading views and conclusions on the process that underlies the fairness opinion. The preparation of this fairness opinion is a complicated process and may not be possible through incomplete analysis.

KR also assumes that from the issuance date of the fairness opinion up to the date of this Transaction, there has been no change whatsoever that will materially affect the assumptions used in the preparation of this fairness opinion. KR is not responsible for reaffirming or completing, updating KR's opinion due to changes in assumptions and conditions, as well as events that occurred after the date of this report. Calculations and analysis in the context of giving the fairness opinion have been carried out correctly and KR is responsible for the fairness opinion report.

The conclusion of this fairness opinion applies if there are no changes that have a material impact on the Transaction. These changes include, but are not limited to, changes in conditions both internally to the Company and externally, namely market

and economic conditions, general business, trade and financial conditions, as well as Indonesian government regulations and other related regulations after the date of this fairness opinion report. issued. If after the issuance date of this fairness opinion report there are changes mentioned above, the fairness opinion on the Transaction may differ.

The fairness opinion analysis on this Transaction was conducted under uncertain conditions, including, but not limited to, the high level of uncertainty due to the Covid-19 pandemic. The principle of prudence is required in the use of the fairness opinion report, especially regarding changes that occur from the date of the assessment to the date of use of the fairness opinion report. Changes in assumptions and conditions as well as events that occur after the date of this report will materially affect the conclusion of the fairness opinion.

e. Approach and Procedure for Fairness Opinion on Transactions

In evaluating the fairness opinion on the Transaction, KR has conducted an analysis through the approaches and procedures for the fairness opinion on the Transaction on the following matters:

- I. Analysis of Transactions;
- II. Qualitative and Quantitative Analysis of Transactions; and
- III. Analysis of the Fairness of the Transaction.

f. Conclusion

Based on the scope of work, assumptions, data, and information obtained from the management of the Company used in the preparation of this report, a review of the financial impact of the Transaction as disclosed in this Fairness Opinion Report, KR is of the opinion that the Transaction is **fair**.

IV. STATEMENT

The Board of Directors of the Company states that this Transaction has gone through adequate procedures and ensures that the Transaction is carried out in accordance with generally accepted business practices, namely a procedure that compares the terms and conditions of transactions that are equivalent to transactions between parties who have no affiliation and are carried out in compliance with the fair transaction (arm's-length principle).

The Board of Commissioners and Board of Directors of the Company declare that all material information or facts contained in the Information Disclosure in connection with the Transaction have been disclosed and the information does not contain false or misleading information or facts. Transactions in this Disclosure of Information do not contain a Conflict of Interest as referred to in POJK 42/2020.

V. ADDITIONAL INFORMATION

For further information regarding the above matters, please contact the Company during business hours at the address:

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E-mail: corporatesecretary@capcx.com
U.P.: Corporate Secretary

Thus the Disclosure of Information that we can convey. We thank you for your attention and cooperation.

Yours faithfully,

PT Chandra Asri Petrochemical Tbk

[signed]

Andre Khor Kah Hin
Direktur

[signed]

Suryandi
Direktur