

## DISCLOSURE OF INFORMATION CONCERNING AFFILIATED TRANSACTIONS

This Disclosure of Information is made to comply with Regulation of Bapepam LK No.IX.E.1 regarding Affiliated Transactions and Conflict of Interest on Certain Transactions



PT TOBA BARA SEJAHTRA Tbk  
("COMPANY")

Domiciled in South Jakarta

**Business Activity:**  
Engaged in coal mining sector through subsidiaries

**Head Office:**  
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This disclosure of information ("**Disclosure of Information**") contains information regarding the series of transactions in the form of (i) *Perjanjian Pengakuan Hutang* (Acknowledgement of Indebtedness Agreement) dated 25 January 2017 between PT Toba Bara Sejahtra Tbk and PT Toba Sejahtra, (ii) Novation Agreement dated 25 January 2017 between PT Toba Bara Sejahtra, Tbk, PT Toba Sejahtra and Highland Strategic Holdings Pte. Ltd., and (iii) Acknowledgement of Indebtedness Agreement dated 25 January 2017 between Highland Strategic Holdings Pte. Ltd. and PT Toba Bara Sejahtra Tbk. The series of transactions are affiliated transactions as regulated in Regulation No. IX.H.1 point 3.d Attachment of Decision of Chairman of Bapepam-LK No. KEP-264/BL/2011 dated 31 May 2011 on Acquisition of Public Company ("**Regulation No.IX.H.1**") and Regulation No. IX.E.1 Attachment of Decision of Chairman of Bapepam-LK No. Kep-412/BL/2009 dated 25 November 2009 on Affiliated Transactions and Conflict of Interest on Certain Transactions ("**Regulation No. IX.E.1**").

Board of Directors and Board of Commissioners of Company, whether individually or collectively, hold full responsibility over truth of all information and material facts which are contemplated in the Disclosure of Information and confirm that the information which is set out in the Disclosure of Information is accurate, there is no important and material information which has not been disclosed thus causing the information which has been set out in the Disclosure of Information becomes inaccurate and/or misleading.

Affiliated Transactions (as defined below) do not contain any Conflict of Interests as defined in Regulation No. IX.E.1 including nominal of less than 20% (twenty percent) of the Company's equity thus does not include as Material Transaction as contemplated in Regulation of Bapepam No. IX.E.2 on Material Transactions and Change of Main Business Activities.

### I. DESCRIPTION OF THE TRANSACTION

#### A. GENERAL

Highland Strategic Holdings Pte. Ltd. ("**Highland**") and PT Toba Sejahtra ("**Toba Sejahtra**") have executed a *Perjanjian Jual Beli Bersyarat* (Conditional Sale and Purchase Agreement) on 9 November 2016 ("**PJBB**"), which based on the PJBB Highland agrees to buy 1,243,518,189 shares of the Company owned by Toba Sejahtra ("**Transaction**"). Completion of transaction is expected to be completed within 180 (one hundred and eighty) days from the date of PJBB, by still paying attention to the fulfillment of several conditions precedent by the Parties.

The acquisition is constituted as direct acquisition by Highland from Toba Sejahtra. Upon the completion of transaction, based on Regulation IX.H.1, Highland will conduct a mandatory tender offer, where the lowest price that will be offered to the public shareholders pursuant will refer to Regulation IX.H.1.

Highland constitutes an investment company which is domiciled at 3 Jalan Pisang, Singapore 199070, telephone: +65-6291-1751, fax: +65-6725-0752 which focuses on Investments in Indonesia. The acquisition is meant to diversify the investment portfolio of Highland.

Highland will also continue and take over the obligations of Toba Sejahtra towards the Company based on the following agreements

1. Acknowledgement of Indebtedness Agreement or *Perjanjian Pengakuan Hutang* between the Company and Toba Sejahtra dated 25 January 2017  
The Company and Toba Sejahtra have executed an acknowledgement of indebtedness agreement ("**Perjanjian Pengakuan Hutang**") in which Toba Sejahtra acknowledged to having outstanding loan towards the Company with a value of US\$ 25,772,898
  2. Novation Agreement between the Company, Toba Sejahtra and Highland dated 25 January 2017  
The Company, Toba Sejahtra and Highland have executed a novation agreement ("**Novation Agreement**") in which Toba Sejahtra has transferred all rights and obligations over debt which was made based on *Perjanjian Pengakuan Hutang* and Highland agreed to receive transfer of rights and obligations from Toba Sejahtra.
  3. Acknowledgement of Indebtedness Agreement between Highland and the Company dated 25 January 2017  
Highland and the Company have executed an acknowledgement of indebtedness agreement ("**Acknowledgement of Indebtedness Agreement**") where Highland acknowledged of having debt towards the Company with value of USD 25,772,898.
- (*Perjanjian Pengakuan Hutang*, Novation Agreement and Acknowledgement of Indebtedness Agreement collectively referred to as "**Affiliated Transactions**").

The above Affiliated Transactions are constituted as affiliated transactions of the Company, Toba Sejahtra and Highland as contemplated in Regulation No. IX.E.1 since the transactions which are conducted with Toba Sejahtra and Highland which are constituted as affiliates of the Company. Hence, according to Regulation No. IX.E.1 number 2.a, the Company is obliged to announce Disclosure of Information over any Affiliated Transactions to the public and deliver the announcement proof and supporting documents to Bapepam-LK (now Financial Service Authority or *Otoritas Jasa Keuangan*). Over the abovesaid Affiliated Transactions, the Company has appointed a Public Appraiser Firm Jennywati, Kusnanto & rekan as their independent consultant to give advice over fairness of Affiliated Transactions.

## B. A DESCRIPTION OF AFFILIATED TRANSACTIONS

### 1. Object of Transaction

The Object of Transaction is Toba Sejahtra's debt to the Company which is the controlling shareholder of the Company with total value of US\$ 25,772,898 based on *Perjanjian Pengakuan Hutang* ("Object of Transaction"). The Object of Transaction will be novated until all obligations of Toba Sejahtra based on the Object of Transaction are taken over by Highland based on agreements which are defined as Affiliated Transactions.

### 2. Transaction Value

US\$ 25,772,898.

### 3. Parties involved in Affiliated Transactions

#### 1. The Company

The Company is a party which has claims over Toba Sejahtra based on *Perjanjian Pengakuan Hutang* which later on will own receivables towards Highland based on Novation Agreement and Acknowledgement of Indebtedness Agreement.

#### a. Brief History

The Company is a limited liability company which was established under the laws of Republic of Indonesia, domiciled in South Jakarta and having an office in Wisma Bakrie 2, 16<sup>th</sup> floor, Jl. HR Rasuna Said Kav. B-2, South Jakarta 12920. The Company was established based on Deed of Establishment of the Company No. 1 dated 3 August 2007, made before Tintin Surtini, SH, MH, MKn., substitute of Surjadi, SH, Notary in Jakarta, as amended with Deed of Amendment of Articles of Association No. 11 dated 14 January 2008, made before Surjadi, SH, Notary in Jakarta, which has been approved by Ministry of Law and Human Right ("**MOLHR**") based on Decision Letter No. AHU-04084.AH.01.01.Year 2008 dated 28 January 2008, and has been registered in the Company Register under No. AHU-0006192.AH.01.09.Year 2008 dated 28 January 2008, and announced in the State Gazette of Republic of Indonesia No. 70 dated 2 September 2011, Supplement No. 26707.

The Company's name has been changed from the name of "PT Buana Persada Gemilang" to "PT Toba Bara Sejahtra" based on Deed of Statement of Shareholder's Resolution No. 173 dated 22 July 2010, made before Jimmy Tanal, SH, substitute of Hasbullah Abdul Rasyid, SH, MKn., Notary in South Jakarta. The above change has been approved by MOLHR based on Decision Letter No. AHU-40246.AH.01.02.Year 2010 dated 13 August 2010 and has been registered in the Company Register under No. AHU-0061023.AH.01.09.Year 2010 dated 13 August 2010.

With connection to Initial Public Offering, the Company has amended its Articles of Association to be conformed with the Articles of Association of a public company and simultaneously changing the name of the Company to "PT Toba Bara Sejahtra Tbk" based on Deed of Statement of Collective Agreement of Shareholders No. 65 dated 30 March 2012, made before Dina Chozie, SH, Notary Candidate, substitute of Fathiah Helmi, SH, Notary in Jakarta ("**Deed No. 65/2012**"), which has been approved by MOLHR based on Decision letter No. AHU-17595.AH.01.02.Year 2012 dated 5 April 2012, and has been registered in the Company Register with No. AHU-0029340.AH.01.09.Year 2012 dated 5 April 2012 and has been notified to MOLHR based on Letter of Notification Approval No. AHU-AH.01.10-13691 dated 19 April 2012 and registered in the Company Register No. AHU-0034103-AH.01.09.Year 2012 dated 19 April 2012.

The Articles of Association of the Company has been amended from time to time as lastly amended by the Deed of Statement of Shareholders' Resolution on the Amendment of Articles of Association Number 56 dated 16 April 2015, made before Aryanti Artisari, S.H., Notary in South Jakarta, which such amendment of articles of association was approved by Ministry of Law and Human Rights based on Letter Number AHU-AH.01.03-0932267 dated 15 May 2015.

#### b. Business Activity

In accordance with the Company's Articles of Association, objectives and purposes of the Company are to engage in trading, construction, industry, transport, and services sectors.

The Company now engages in coal mining sector through subsidiaries.

#### c. Capital Structure and Shares Ownership

Based on shareholders register which is issued by *Biro Administrasi Efek* (Shares Administration Bureau) of the Company which is PT Datindo Entrycom as per 25 January 2017, the structure of capital and shares ownership of the Company is as follows:

Description	Nominal Value Rp200 per Share		
	Total Shares	Total Nominal Value (Rp)	(%)
<b>Authorized Capital</b>	<b>6,000,000,000</b>	<b>1,200,000,000,000</b>	
<b>Issued and Fully Paid-Up Capital</b>			
1. Highland Strategic Holdings Pte. Ltd.	1,243,518,189	248,703,637,800	61.79%
2. PT Toba Sejahtra			
3.	201,231,811	40,246,362,200	10.00%
4. Bintang Bara B.V.	201,250,000	40,250,000,000	10.00%
5. PT Bara Makmur Abadi	125,755,000	25,151,000,000	6.25%
6. PT Sinergi Sukses Utama	102,700,000	20,540,000,000	5.10%
7. Roby Budi Prakoso	73,355,000	14,671,000,000	3.64%
8. Davit Togar Pandjaitan	15,000,000	3,000,000,000	0.75%
9. Public	49,681,000	9,936,200,000	2.47%
<b>Total Issued and Fully Paid-Up Capital</b>	<b>2,012,491,000</b>	<b>402,498,200,000</b>	<b>100.00%</b>
<b>Shares in Portfolio</b>	<b>3,987,509,000</b>	<b>797,501,800,000</b>	

#### d. Composition of Board of Commissioners and Board of Directors

According to Deed of Minutes of the Company's Extraordinary General Meeting of Shareholders No. 46 dated 31 October 2016, which has been notified to the MOLHR pursuant to Notification Receipt of Data Change No AHU-AH.01.03-0099142 dated 16 November 2016, the composition of the Board of Directors and the Board of Commissioners are as follows:

**Board of Directors:**

President Director	: Justarina Sinta Marisi Naiborhu
Director	: Pandu Patria Sjahrir
Director	: Arthur Mangaratua Ebenhaezer Simatupang
Director	: Sudharmono Saragih
Independent Director	: Alvin Firman Sunanda

**Board of Commissioners:**

President Commissioner	: Jusman Syafii Djamal
Independent Commissioner	: Bacelius Ruru
Independent Commissioner	: Farid Harianto

**e. Phone and Facsimile Number**

Phone number	: (62-21) 5794 5779
Facsimile number	: (62-21) 5794 5778

**f. Summary of Important Financial Data**

Below is Financial Summary of the Company based on unaudited financial statement for 9 (nine) months period which ended on 30 September 2016 and 2015 and audited financial statements for the years which ended on 31 December 2015, 2014 and 2013 by Purwantono, Sungkoro & Surja Public Accounting Firm with fair opinions in all material aspects.

**Consolidated Statement of Financial Position***(in USD)*

DESCRIPTION	30 September 2016*	31 December 2015	31 December 2014	31 December 2013
Current Assets	74,509,559	96,509,176	111,494,756	129,230,555
Long-term Assets	187,249,299	185,862,461	189,246,002	182,442,545
<b>Total Assets</b>	<b>261,758,858</b>	<b>282,371,637</b>	<b>300,740,758</b>	<b>311,673,100</b>
Short-Term Liabilities	64,014,871	68,957,698	90,822,175	145,553,893
Long-Term Liabilities	46,627,940	58,295,740	67,973,451	35,580,594
<b>Total Liabilities</b>	<b>110,642,811</b>	<b>127,253,438</b>	<b>158,795,626</b>	<b>181,134,487</b>
<b>Total Equity</b>	<b>151,116,047</b>	<b>155,118,199</b>	<b>141,945,132</b>	<b>130,538,613</b>
<b>Total Liabilities and Equity</b>	<b>261,758,858</b>	<b>282,371,637</b>	<b>300,740,758</b>	<b>311,673,100</b>

\*not audited

**Consolidated Statement of Comprehensive Income***(in USD)*

DESCRIPTION	30 September 2016*	30 September 2015*	31 December 2015	31 December 2014	31 December 2013
Net Income	192,091,133	268,552,116	348,662,183	499,965,642	421,849,737
Gross Profit	36,811,151	51,531,268	70,523,088	86,201,207	79,552,405
Profit Before Income Tax					
Tax	16,607,383	30,943,181	39,114,397	53,564,378	50,403,019
Profit For The Year	9,725,204	20,325,579	25,724,095	35,548,674	34,603,793
Total Comprehensive Income For The Year	7,066,599	22,984,830	29,817,622	31,677,024	36,132,722

\*not audited

**2. Toba Sejahtra**

Prior to the completion date of transaction based on PJBB, Toba Sejahtra is the controlling shareholder of the Company that currently has liabilities to the Company based on *Perjanjian Pengakuan Hutang*.

**a. Brief History**

Toba Sejahtra is a limited liability company which was established under the laws of Indonesia on 6 August 2004, and currently is engaging in mining, energy, plantation and property sectors. Now, Toba Sejahtra's businesses cover, among others natural resources utilization (thermal coal and oil & gas), power plant (as Independent Power Producer of coal- and gas-fired power plants), as well as agricultural and plantation resources (palm and forestry).

**b. Capital Structure and Shares Ownership**

According to Deed of Statement of Extraordinary General Meeting of Shareholders of Toba Sejahtra No. 4 dated 14 January 2009, which has been notified to the MOLHR pursuant to Notification Receipt of Data Change No. AHU-AH.01.10-07601 dated 11 June 2009, capitalization and shareholders composition of Toba Sejahtra are as follows:

Description	Nominal Value Rp 1.000.000 per Share		
	Total Shares	Total Nominal Value (Rp)	(%)
<b>Authorized Capital</b>	<b>10,000</b>	<b>10,000,000,000</b>	
<b>Issued and Fully Paid-Up Capital</b>			
1. Luhut Pandjaitan	4,999	4,999,000,000	99.98%
2. David Togar Pandjaitan	1	1,000,000	0.02%
<b>Total Issued and Fully Paid-Up Capital</b>	<b>5,000</b>	<b>5,000,000,000</b>	<b>100.00%</b>
<b>Shares in Portfolio</b>	<b>5,000</b>	<b>5,000,000,000</b>	

**c. Composition of Board of Commissioners and Board of Directors**

According to Deed of Minutes of the Company's Extraordinary General Meeting of Shareholders No. 2 dated 1 November 2016, which has been notified to the MOLHR pursuant to Notification Receipt of Data Change No. AHU-AH.01.03-0099142 dated 16 November 2016, composition of the Board of Directors and Board of Commissioners of Toba Sejahtra are as follows:

**Board of Directors:**

Director : Justarina Sinta Marisi Naiborhu

**Board of Commissioners:**

President Commissioner : Jusman Syafii Djamal  
Commissioner : Fachrul Razi  
Commissioner : H. Sumardi

**3. Highland**

After the completion date of transaction based on PJBB, Highland is the party who will become the controlling shareholder of the Company and take over the obligations of Toba Sejahtra to the Company pursuant to the abovementioned agreements.

**a. Brief History**

Highland was established in accordance with Certificate Confirming Incorporation of Company with a Unique Entity Number of 201630006E dated 1 November 2016. Since the establishment up to date, the Company has never made any changes to the Articles of Association nor the composition of the Board of Directors.

**b. Business Activity**

Highland is an Investment Company and Business and Management Consulting Services domiciled in Singapore.

**c. Capital Structure and Share Ownership**

Based on *Accounting and Corporate Regulatory Authority* (ACRA) dated 24 January 2017, the capital structure and the composition of shareholders of Highland are as follows:

Description	Nominal Value US\$1 per Share				(%)
	Number of Common Shares	Total of Nominal Value (US\$)	Number of Preferred Shares	Total of Nominal Value (US\$)	
<b>Issued and Fully Paid Up Capital</b>					
1. Watiga Trust Pte. Ltd.	100,000	100,000	20,000,000	20,000,000	100
<b>Total of Issued and Fully Paid Up Capital</b>	<b>100,000</b>	<b>100,000</b>	<b>20,000,000</b>	<b>20,000,000</b>	<b>100</b>

**d. Management and Supervision**

Based on the List of Highland Board of Directors dated 7 November 2016, the composition of the incumbent Board of Directors of Highland as of the date of this Disclosure of Information on Mandatory Tender Offer was issued are as follows:

Director : Richards Matthew Paul  
Director: Dicky Yordan

**C. CHARACTERISTICS OF THE AFFILIATED RELATIONSHIP FROM THE PARTIES WHO ARE CONDUCTING THE TRANSACTION WITH THE COMPANY**

Prior to the completion date of transaction based on PJBB, Toba Sejahtra is an affiliate and a controlling shareholder of the Company as its share ownership is amounting to 71.79% (seventy one point seventy nine percent). After the completion date of transaction based on PJBB, Highland is a controlling shareholder of the Company after the takeover of the Company from Toba Sejahtra amounting to 61.79% (sixty one point seventy nine percent). Based on Affiliated Transactions, Toba Sejahtra and Highland have executed a contract that resulted in the amendment of the agreement which have been executed by the Company.

**D. EXPLANATIONS, CONSIDERATIONS AND RATIONALES FOR THE AFFILIATED TRANSACTIONS**

Toba Sejahtra which is now a minority shareholder of the Company is only an investment company which has investment shares on the Company which originally amounted to 71.79% to become 10.00%, hence there is a potential risk of default on debts owed by Toba Sejahtra to the Company. Thus, in order to minimize the default risk on debts owned by Toba Sejahtra to the Company, Highland is expected to be able to pay the debts to the Company and interest thereon.

**E. STATEMENTS OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS THAT ALL MATERIAL INFORMATIONS HAS BEEN DISCLOSED AND NOT MISLEAD;**

The Board of Commissioners and the Board of Directors are fully responsible for the accuracy of the entire material information or material facts as set out in this Disclosure of Information and hereby confirm that until the date of this information to shareholders, there are no other significant or material facts in relation to this information to shareholders which may cause this Disclosure of Information to be incorrect and/or misleading. The Board of Commissioners and the Board of Directors state that a transaction as contemplated in this Disclosure of Information is an affiliated transaction related to the transaction of acquisition of a public company in accordance with Regulation No. IX.E.1 and Regulation No. IX.H.1 however it is not constituted as a conflict of interest transaction as contemplated in Regulation IX.E.1.

**II. SUMMARY OF REPORT OF INDEPENDENT APPRAISER**

Public Appraiser Firm of Jennywati, Kusnanto & rekan ("JKR") has been appointed by the management of the Company as an Independent Appraiser in accordance with offer letter No. JK/161107-001 dated 7 November 2016, has been requested to give fairness opinion upon the fairness on the Affiliated Transactions.

Below is a summary of the report of fairness opinion KJPP JKR on the Planning Transaction as set out in the report No. JK/FO/170125-001 dated 25 January 2017 with the summary as follows:

**a. Parties involved in the Affiliated Transactions**

Parties involved in Affiliated Transactions are the Company, Toba Sejahtra and Highland.

**b. Object of Transaction of Fairness Opinion**

Object of Transaction in Fairness Opinion on the Affiliated Transactions is the transaction whereas Toba Sejahtra conducts divestment to Highland on related parties' debts to the Company in amount of USD 25,772,898.

**c. Objective of Fairness Opinion**

The purpose and objective of report of the fairness opinion on the Affiliated transactions is to provide an overview to the Board of Directors of the Company on the fairness of the Affiliated Transactions and to comply with the applicable provisions, namely Regulation IX.E.1.

**d. Scope of Conditions and Key Assumptions**

The analysis of Fairness Opinion on Affiliated Transactions was prepared by using data and information as mentioned above, the data and information which has been analyzed by JKR. In performing the analysis, JKR is depending on accuracy, reliability and completeness of all financial information, information on the legal status of the Company and other information which given to JKR by the Company or which are already available for public and JKR is not responsible for the accuracy of those information. Any changes on the data and information may affect the final result of JKR opinion materially. JKR also depends on the guarantee of the management of the Company that they do not recognize the facts which cause the information given to JKR become incomplete or misleading. Therefore, JKR is not responsible for any conclusion changes on JKR Fairness Opinion due to changes in the data and information.

Projection of consolidated financial statement prior and after the Affiliated Transactions are formulated by the Company's management. JKR has analyzed such projected financial statement and such projected financial statement has reflected the operational and performance condition of the Company. In outline, there is no significant adjustment that shall be done by JKR on the performance objectives of the Company.

JKR does not inspect the fixed asset or facility of the Company. Otherwise, JKR does not give an opinion on the taxation effect of the Affiliated Transactions. In relation with the Affiliated Transactions, the services which given by JKR to the Company is only a Fairness Opinion on the Affiliated Transactions and not an accounting, auditing and taxation services. JKR does not research on the legality of the Affiliated Transactions in a legal perspective and taxation aspect implication. The Fairness Opinion on the Affiliated Transactions is only analyzed from the economy and financial aspect. The fairness opinion on the Affiliated Transactions is a non-disclaimer opinion and not a report open for public unless it has a confidential information, which may affect the operational of the Company. Furthermore, JKR has obtained the information on the legal status of the Company and Toba Sejahtra in accordance with the articles of association of the Company or Toba Sejahtra.

The work of JKR which related with the Affiliated Transactions is not or shall not be construed in any form, as an analysis or audit or the performance of certain procedures on the financial information. Such work also shall not be deemed as a disclosure of weakness, error or deviation on the financial statement or breach of law. Moreover, JKR does not have an authority and nor position to obtain or analyze any forms of other transactions outside the Affiliated Transactions which may be available to the Company and whose transactions may have implications on the Affiliated Transactions.

This Fairness Opinion is formulated in accordance to the market and economy condition, general business condition and financial and Government's regulations in relation to the Affiliated Transactions on the date which this Fairness Opinion is issued.

In the formulation process of this Fairness Opinion, JKR is used some assumptions, such as the fulfillment for all the Company's condition and responsibility with all involved parties on the Affiliated Transactions. The Affiliated Transactions would be performed in accordance with the stipulated schedule and the information accuracy on the Affiliated Transactions which has been disclosed by the Company's management.

This Fairness Opinion shall be deemed as an integral part of using the analysis and information without wholly considering the information and analysis as an unity may cause a misleading perspective and conclusion on the process which underlie the Fairness Opinion. This Formulation is complex and cannot be performed in an incomplete analysis.

JKR has also assumed that since the date of the issuance of the Fairness Opinion until the occurrence date of these Affiliated Transactions there is no changes that materially affect the assumptions used in the formulation of this Fairness Opinion. JKR is not responsible to re-state or complete, update the JKR's opinion because of the changes on the assumptions and conditions and events which occurred after the date of this letter. The calculation and analysis in order to grant the Fairness Opinion has been done properly and JKR shall be responsible on the fairness opinion report.

The conclusion of the Fairness Opinion, is effective if there are no changes which materially affect the Affiliated Transactions. Such changes including, but not limited to, changes of the conditions whether internal or external of the Company, such as market condition and economy, business general condition, trade and finance and also the regulations and other relevant regulations after the issuance of this fairness condition. If after the date of the issuance of this fairness opinion report the abovementioned changes occurred, thus the Fairness Opinion on the Affiliated Transaction may be in different.

**e. Approach and Procedure of the Appraisal on the Affiliated Transactions**

In accordance with the evaluation of the Fairness Opinion on this Affiliated Transactions, JKR has analyzed in an approach and procedure of the Fairness Opinion on the Affiliated Transactions such as:

- I. Analysis on the Affiliated Transactions;
- II. Qualitative and Quantitative Analysis on the Affiliated Transactions; and
- III. Analysis on the fairness of the Affiliated Transactions.

**f. Conclusion**

In accordance with the scope of work, assumptions, data and information which were obtained from the Company's management were used in the formulation of this fairness opinion report, analysis on the financial effect of the defined Affiliated Transactions in fairness opinion report, JKR concluded that the Affiliated Transactions are fair.

**III. ADDITIONAL INFORMATION**

For more information on the above matter please contact the Company during the business hours addressed at:

**PT Toba Bara Sejahtera Tbk**

Wisma Bakrie 2, 16<sup>th</sup> floor, Jl. HR Rasuna Said Kav. B-2, South Jakarta 12920, Indonesia  
Telepon: (62-21) 5794 5779, Faksimili: (62-21) 5794 5778  
Email : [corsec@tobabara.com](mailto:corsec@tobabara.com), Website: [www.tobabara.com](http://www.tobabara.com)

Jakarta, 27 January 2017

Yours Faithfully,

**Board of Directors of the Company**