

**DISCLOSURE OF INFORMATION
TO THE SHAREHOLDERS OF
PT TBS ENERGI UTAMA TBK (THE "COMPANY") WITH REGARDS TO
THE LIMITED PUBLIC OFFERING BY GRANTING THE PRE-EMPTIVE RIGHTS**

THE INFORMATION AS CONTAINED IN THIS DISCLOSURE OF INFORMATION IS IMPORTANT AND NEEDS IMMEDIATE ATTENTION BY THE SHAREHOLDERS OF THE COMPANY IN RESPECT TO THE PLAN OF THE INCREASE OF CAPITAL BY GRANTING THE PRE-EMPTIVE RIGHTS ("HMETD").

THIS DISCLOSURE OF INFORMATION TO SHAREHOLDERS IS DISCLOSED BY THE COMPANY IN COMPLIANCE WITH INDONESIAN FINANCIAL SERVICES AUTHORITY/ OTORITAS JASA KEUANGAN REGULATION NO.32/POJK.04/2015 REGARDING CAPITAL INCREASE OF THE PUBLICLY LISTED COMPANIES THROUGH RIGHTS ISSUE AS AMENDED ON OTORITAS JASA KEUANGAN REGULATION NO. 14/POJK.04/2019 REGARDING AMANDEMENTS OF OTORITAS JASA KEUANAGN REGULATION NO. 32 / POJK.04 /2015 DATED 16 DECEMBER 2015 REGARDING CAPITAL INCREASE OF THE PUBLICLY LISTED COMPANIES THROUGH RIGHTS ISSUE ("POJK NO. 32/2015")

IF THERE ARE ANY DOUBT IN UNDERSTANDING THE INFORMATION AS CONTAINED IN THIS DISCLOSURE OF INFORMATION, YOU SHOULD CONSULT WITH YOUR OWN PROFESSIONAL ADVISERS.



**PT TBS ENERGI UTAMA Tbk
("The Company")**

Domiciled in South Jakarta

Business Activities:
Conducting Coal Mining Business through its Subsidiaries

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THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS OF THE COMPANY, SOLELY OR COLLECTIVELY, ARE RESPONSIBLE FOR THE COMPLETENESS AND ACCURACY OF ALL MATERIAL INFORMATION DISCLOSED IN THIS INFORMATION DISCLOSURE AND CONFIRM THAT THERE ARE NO UNDISCLOSED MATERIAL INFORMATION THAT MAY CAUSE THE INFORMATION IN THIS DISCLOSURE TO BE INNACURATE AND / OR MISLEADING.

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REASONS AND OBJECTIVES OF THE CAPITAL INCREASE BY GRANTING HMETD

In line with the Company's vision to become an integrated and sustainable energy company, the Company is committed to develop its business to energy sector focusing on renewable energy and electric vehicle. To support its business development, the Company needs to strengthen the capital structure. The strengthening of the capital structure will be primarily used to financing the Company's investments as well as for the Company's activities in general. In relation to that, the Company intends to increase its capital by granting HMETD.

I. DESCRIPTION OF CAPITAL INCREASE PLAN BY GRANTING HMETD

A. Maximum Amount of Capital Increase Plan with HMETD

The number of shares planned to be issued by the Company in order to increase the capital by providing the HMETD is up to 850.491.185 (eight hundred fifty million four hundred ninety-one thousand one hundred eighty-five) shares with a nominal value Rp.50.- (*fifty* Rupiah) per share ("**Limited Public Offering**").

The shares to be offered to the shareholders in the Limited Public Offering are all new shares issued from the Company's portepel and has the same rights and equivalent in all respects with the shares that have been issued and fully paid in the Company.

B. Estimation of Capital Increase Plan Implementation Period with HMETD

The implementation of capital increase will be carried out in accordance with POJK No.32/2015, where the period between the date of approval of the General Meeting of Shareholders until the effectiveness of the registration statement is no later than 12 (twelve) months.

C. Analysis on the Effect of Capital Increase with HMETD on the Company's Financial Condition and Shareholders

The capital increase from result of the HMETD will strengthen the Company's capital structure and support the Company's business development and expansion. The Company's capital increase in the long term is expected to improve business competitiveness and increase investment value returns for the Company's shareholders.

In the event that the capital increase plan with HMETD is conducted before the Company undertake the capital increase without HMETD in relation to the granting stock option to purchase shares for the management and employee of the Company, which has been approved by the shareholders of the Company in the Extraordinary General Meeting of Shareholders dated June 17th, 2021 ("**MESOP Plan**"), the capital increase with HMETD will increase the issued and paid-up capital of maximum up to 10.6% (ten point six percent) of the current issued and paid-up capital. Whereas if the capital increase with HMETD is conducted after the Company has implemented the capital increase without HMETD in relation to the Program MESOP then the Company's capital will increase maximum up to 12.6% (twelve point six percent).

Furthermore, the shareholders who do not exercise their HMETD will be subject to a share ownership dilution for a maximum of up to 11.16% (eleven point sixteen percent) of the percentage of the Company's share ownership (*for capital increase with HMETD, which conducted after the capital increase without HMETD in relation to the MESOP Program*) and for maximum up to 9.4% (nine point four percent) of the percentage of the Company's share ownership (*for capital increase with HMETD only*).

D. Estimation of the Use of Proceeds

All proceed obtained from the Capital Increase plan with HMETD, after deducting with the emissions costs that become the Company's obligations, will be used to strengthen the Company's capital structure and will be used entirely to finance the Company's investments as well as for the Company's general corporate purposes.

II. GENERAL MEETING OF SHAREHOLDERS

In accordance with the provisions of the applicable regulations, the implementation of capital increase with HMETD will be requested an approval from the Company's shareholders in the Extraordinary General Meeting of Shareholders to be held on Wednesday, June 8, 2022 ("**EGMS**"). The announcement of the EGMS will be made on Thursday, April 28, 2022 and the EGMS Invitation will be made on Tuesday, 17 May, 2022, and will be conducted through the Indonesia Stock Exchange website, the Company's website, and the website of electronic general meeting system facility provider PT Kustodian Sentral Efek Indonesia ("**KSEI**") (eASY.KSEI).

III. ADDITIONAL INFORMATION

To receive additional information related to the Limited Public Offering, the shareholders of the Company may contact the Company's Corporate Secretary during the working days and working hours of the Company at the head office.

This Disclosure Information is made and addressed to the shareholders of the Company in order to comply with the POJK No.32/2015.

Jakarta, April 28, 2022
PT TBS Energi Utama Tbk
Board of Directors