

Number: AE/005/I-22/MP/aps Jakarta, 3 January 2022

Encl.: -

То

Executive Head of Capital Market Financial Services Authority

Gedung Sumitro Djojohadikusumo Jl. Lapangan Banteng Timur No. 2-4 Jakarta 10710

For the attention of: **Director of Corporate Financial Valuation Real Sector, Financial Services**Authority

President Director
PT Bursa Efek Indonesia

Gedung Bursa Efek Indonesia, Tower I Jl. Jend. Sudirman Kav. 52-53 Jakarta 12190

For the attention of: Director of Corporate Valuation, PT Bursa Efek Indonesia

Re: Report of Material Information or Facts

Dengan hormat,

For and on behalf of PT Adaro Energy Tbk ("the Company"), we herewith submit the following Report of Material Information or Facts:

Name of the issuer or public company:

Business sector:

Telephone:

Facsimile:

HOT Adaro Energy Tbk.

Mining and Energy

+62 21 2553 3000

+62 21 5794 4709

E-mail address:

corsec@adaro.com

| 1. | Date of event | January 1, 2022 |
|----|---------------------------------------|---|
| 2. | Type of material information or facts | All companies holding PKP2B, IUP, IUPK Operation and Production, IUPK as Continuation of Contract/Agreement Operations, and Coal Transportation and Sales Permit: (a) are prohibited from selling coal overseas from January 1 to 31, 2022, (b) obliged to supply all of its coal production to meet electricity needs for the public interest in accordance with the obligation to fulfill domestic needs and/or assignments from the Government to companies and/or contracts with PT PLN (Persero) and Independent Power |



| | | Producers (IPP), and (c) in the case of coal available at the loading port and/or already loaded on to ships, to immediately send the coal to the coal fired power plants of PT PLN (Persero) and IPP, the implementation of which must be concluded immediately with PT PLN (Persero). |
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| 3. | Description of material information or facts | On 31 December 2021, the Company through its subsidiaries, received several letters: (1) letter from the Ministry of Energy and Mineral Resources of the Republic of Indonesia Directorate General of Coal and Mineral No. B-1605/MB.05/DJB.B/2021 dated December 31, 2021 regarding the Fulfillment of Coal Needs for General Electricity ("Letter B-1605"), (2) Letter from the Ministry of Energy and Mineral Resources of the Republic of Indonesia No. B-1611/MB.05/DJB.B/2021 dated December 31, 2021 regarding Coal Export Ban, including (3) letter from the Ministry of Transportation Directorate General of Sea Transportation No. UM.006/26/1/DA-2021 dated December 31, 2021 regarding "Temporary Ban on Coal Exports. Based on Letter B-1605, all holders of CCOW (PKP2R) |
| | | (PKP2B), IUP, IUPK Operation and Production, IUPK as Continuation of Contract/Agreement Operations, and holders of Coal Transportation and Sales Permit (a) are prohibited from selling coal overseas from January 1, 2022 to January 31, 2022; (b) must supply all of its coal production to meet electricity needs for public interest from the Government to companies and/or contracts with PT PLN (Persero) and IPP; and (c) in the event that coal is already available at the loading port and/or has been loaded on a ship, it must immediately be sent to the CFPP belonging to PT PLN (Persero) and IPP, the implementation of which will be concluded with PT PLN (Persero). |
| | | There is also information in Letter B-1605 that the ban on coal export will be evaluated and reviewed based on the realization of coal supply for coal fired power plants of PT PLN (Persero) and IPP. |



| | | Currently the Company's subsidiaries, namely PT Adaro Indonesia, Balangan Coal Companies (PT Semesta Centramas, PT Laskar Semesta Alam, and PT Paramitha Cipta Sarana), PT Mustika Indah Permai, and PT Maruwai Coal ("the Subsidiaries"), as holders of mining licenses impacted by the issuance of those Letters are taking necessary steps as a respond to this situation, both to the Government's policies and to existing engagements with other related parties, especially considering that the Subsidiaries have fulfilled their obligations related to prioritizing domestic needs in accordance with the applicable laws and regulations. |
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| 4. | The impact of the material event, information or facts on the issuer's or public company's operational activities, legal status, financial condition or business continuity | The Company and its subsidiaries are currently still studying the impact that may arise from the issuance of those Letters, as well as its effect on the Company's operational, legal, financial condition and business continuity activities. |

Thank you for your attention.

Sincerely yours,

PT ADARO ENERGY TBK

Mahardika Putranto
Corporate Secretary

Cc:

- PT Adaro Energy Tbk Board of Directors