

II. DESCRIPTION OF THE TRANSACTION

PT Wijaya Karya (Persero) Tbk, together with PT Hutama Karya (Persero) (“**HK**”) and PT Pelabuhan Indonesia I (Persero) (“**Pelindo I**”) have established a joint venture company called PT Prima Terminal Petikemas (“**PTP**”) pursuant to Deed of Establishment of Limited Liability Company No. 162 Dated 30 July 2013, made before Notary Rahmad Nauli Siegar, S.H, a Notary in Medan and has received approval from the Minister of Law and Human Rights of the Republic of Indonesia in its Letter Number No. AHU-46327.AH.01.01.Tahun 2013 dated 3 September 2013, and has been registered in the Companies Register No. AHU-0082776.AH.01.09.Tahun 2013 dated 3 September 2013. PTP’s objective and purpose was to develop and manage the Container Terminal Services Phase II at Belawan Port to accommodate increased traffic and business growth.

The Ministry of State-owned Enterprises issued a directive to merge Pelindo I, PT Pelabuhan Indonesia II (Persero), PT Pelabuhan Indonesia III (Persero), and PT Pelabuhan Indonesia IV (Persero). The merged entity adopted a new logo and name called PT Pelabuhan Indonesia (Persero) (“**Pelindo**”). Subsequently, Pelindo restructured its subsidiaries via transfer of shares in PTP to PT Pelindo Terminal Petikemas (“**SPTP**”), a sub-holding entity engaged in container terminals. As a majority shareholder in PTP, SPTP aims to improve its services and boost productivity towards international standards by seeking an experienced strategic partner for container terminal management according to international standards. To that end, SPTP proposed to acquire shares in PTP from HK and WIKA, where each entity held 15% (fifteen percent) of the issued and paid-up shares in PTP.

In connection with the above, the Company proposed to divest all of its shares of 183,370,000 (one hundred eighty-three million three hundred seventy thousand) or 15% of PTP’s issued shares (“**Divested Shares**”) for a total value of Rp187,954,250,000 (one hundred eighty-seven billion nine hundred fifty-four million two hundred fifty thousand rupiah) to SPTP, hereinafter referred to as “**Transaction**”.

In accordance with the Regulation of the Financial Services Authority No. 42/POJK.04/2020 dated 2 July 2020 on Affiliated Transactions and Conflict of Interest Transactions (“**POJK 42/2020**”) and the Regulation of the Financial Services Authority No. 17/POJK.04/2020 dated 20 April 2020 on Material Transactions and Changes in Business Activities (“**POJK 17/2020**”), the Company is in the opinion that the Transaction is:

1. an Affiliated Transaction as stated in the POJK 42/2020, because the Company and HK are state-owned enterprises and share a common majority shareholder, i.e. Ministry of State-owned Enterprises (*Kementrian BUMN*, “**KBUMN**”). SPTP is a subsidiary of Pelindo, whose majority shareholder is also KBUMN. Accordingly, the Company and SPTP share a common control, directly and indirectly, i.e. KBUMN.
2. not a Material Transaction as stated in the POJK 17/2020. The value of the Transaction was Rp187,954,250,000 (one hundred eighty-seven billion nine hundred fifty-four million two hundred fifty thousand rupiah). Based on the Company’s consolidated financial statement for the period ended on 31 March 2022, which has been audited by Public Accounting Firm Amir Abadi Jusuf, Aryanto, Mawar dan Rekan, the Company’s total equity was Rp17,447,139,029,124 (seventeen trillion four hundred forty-seven billion one hundred thirty-nine million twenty-nine thousand one hundred twenty-four rupiah). The Transaction constituted only 1.08% and was less than 20% of the Company’s total equity. Accordingly, the Transaction is not a Material Transaction.