

EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

PT Dian Swastatika Sentosa Tbk

Wednesday, February 23, 2022





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INTRODUCTION



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RULES OF THE MEETING

Rules of the Meeting will be uploaded separately on the Company's website and distributed to the shareholders or their proxies before the Meeting starts

HOLDING OF THE MEETING

To hold the Meeting and fulfil the provisions of Article 12, 13, and 14 of the Company's Articles of Association as well as the provisions of Article 12, 13, 14 and 17 of POJK 15/2020, the Company has conducted the procedures as follows:

- Submitted the plan of Meeting implementation and agenda to OJK on Wednesday, December 22, 2021
- Conducted Meeting Announcement to the Company's shareholders on Thursday, December 30, 2021
- Conducted Meeting Notice to the Company's shareholders on Friday, January 14, 2022



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FIRST AGENDUM

Approval of the acquisition of all shares of Dampier Coal (Queensland) Pty Ltd (being the owner of 80% shares of BHP Mitsui Coal Pty Ltd) by Stanmore SMC Holdings Pty Ltd

EXPLANATION

Proposed Transaction

- Stanmore SMC Holdings Pty Ltd, an indirect subsidiary of the Company domiciled in Australia, plans to conduct acquisition of shares of Dampier Coal (Queensland) Pty Ltd, with the purchase price of up to USD1.35 billion.

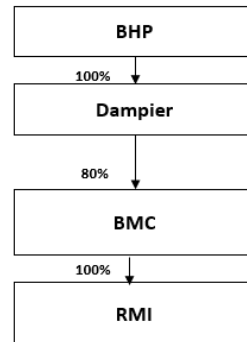
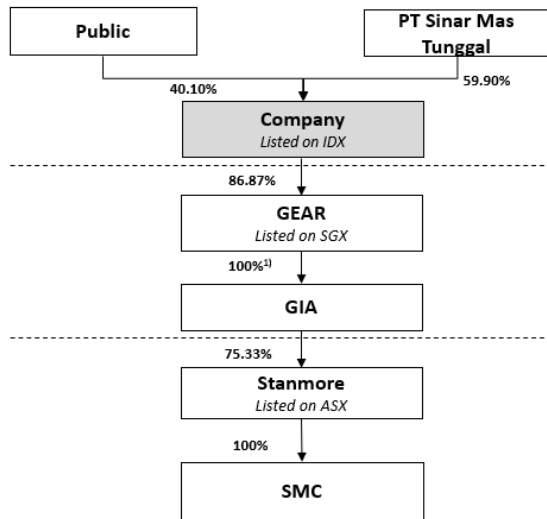
Proposed Financing

- One of the funding sources for the Proposed Acquisition is through financing facility of USD625,000,000 from a syndicate of financiers to SMC, which constitutes a series of transactions with the Proposed Acquisition.

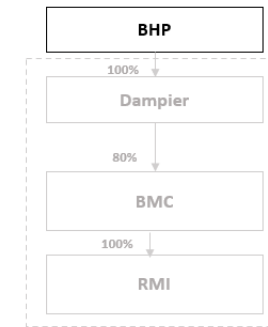
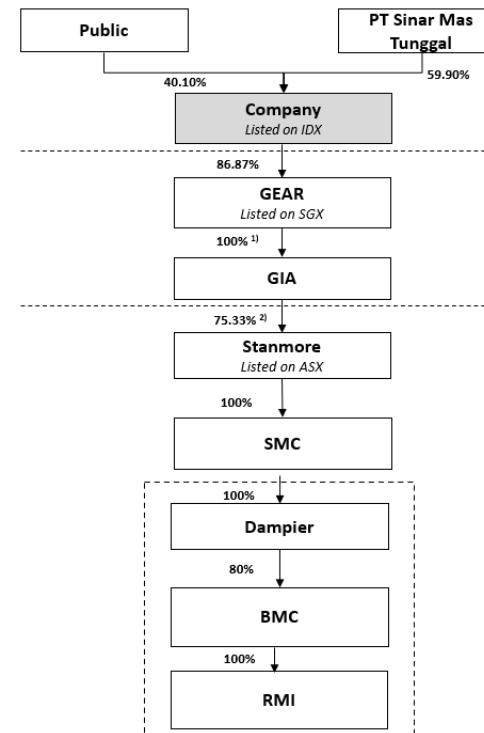
EXPLANATION

Transaction Structure

Before the Proposed Transaction:



After the Proposed Transaction:



- 1) The percentage of share ownership of GEAR in GIA as of June 30, 2021, is 79.67%. However, the percentage of share ownership of GEAR in GIA as of December 31, 2021, has increased to 100%.
- 2) The percentage of share ownership of GEAR, through GIA, in Stanmore may change after the implementation of the issuance of new shares by Stanmore which is planned to be conducted prior to the implementation of the Proposed Acquisition.

EXPLANATION

Nature and Materiality of the Proposed Acquisition and Proposed Financing

- The Proposed Acquisition and Proposed Financing are material transactions as referred to in POJK 17/2020.
- The Proposed Acquisition and Proposed Financing are not affiliated transactions as referred to in POJK 42/2020.
- The Proposed Acquisition and Proposed Financing are not conflict-of-interest transactions as referred to in POJK 42/2020.

EXPLANATION

Purpose and Benefits of the Proposed Acquisition:

This Proposed Transaction is expected to provide long-term added value for all shareholders of the Company, including the following:

- strengthening the Company's position as one of the largest players in metallurgical coal business in Asia and Oceania
- increasing the attractiveness of investment in the Company
- providing access to greater and more competitive funding resources for the Company and its subsidiaries through the enhancement of credibility and consolidated performance of the Company in the future (considering that after the completion of the Proposed Acquisition, the Company's consolidated assets will increase significantly, making it more attractive to potential creditors)

SECOND AGENDUM

Approval of the granting of guarantees by Stanmore Resources Limited for the obligations of Stanmore SMC Holdings Pty Ltd and by Golden Energy and Resources Limited for the obligations of Stanmore Resources Limited, in relation to the acquisition plan of all shares of Dampier Coal (Queensland) Pty Ltd

EXPLANATION

Proposed Guarantee

In connection with the Proposed Acquisition, Stanmore (as the owner of 100% shares in SMC) and GEAR (as the owner of 75.33% shares in Stanmore through GIA) have entered the SPA as guarantors. Stanmore has agreed to guarantee all of SMC's obligations under the SPA, and GEAR has agreed to guarantee Stanmore's obligations (as guarantor) with regards to the payment of the purchase price and break fee, up to a maximum aggregate amount of USD600,000,000 (after deducting other funds provided to Stanmore by GEAR).

EXPLANATION

Nature and Materiality of the Proposed Guarantee

The Proposed Guarantee is an affiliated transaction which is also a material transaction as regulated in POJK 42/2020 and POJK 17/2020, since SMC is (i) a direct subsidiary of Stanmore and (ii) an indirect subsidiary of GEAR. However, the Proposed Guarantee is not a conflict-of-interest transaction as referred to in POJK 42/2020.

THANK YOU

