



# NEWS RELEASE

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## **Adaro Energy Delivers Solid Dividend Payout**

### ***Creating maximum value for shareholders supported by strong business fundamentals***

**Jakarta, April 23<sup>rd</sup>, 2018** – PT Adaro Energy Tbk (IDX: ADRO) today held its Annual General Meeting of Shareholders (AGMS) at the Raffles Hotel, Jakarta. The AGMS was attended by Adaro Energy's Board of Commissioners (BoC), Board of Directors (BoD) and legitimate shareholders or their proxies and achieved the quorum required by prevailing laws and regulations.

Adaro Energy's President Director and Chief Executive Officer, Mr. Garibaldi Thohir, said:

**"2017 was remarkable year for Adaro Energy. We marked our 25<sup>th</sup> years of operations with strong operational and financial results, supported by improved coal market condition. We were able to overcome the industry challenges through sustained cost discipline and operational excellence as well as achieved significant milestones in non-coal mining businesses during the year. We maintain our commitment to distribute regular cash dividend to the shareholders. Our strong results enable us to pay more than US\$250 million in dividend for fiscal year 2017. We will continue to implement our strategy, capture the opportunities offered by the excellent market momentum and take part in the development of the country".**

Adaro Energy's AGMS discussed a total of five (5) agenda. During the first agendum, the shareholders approved and ratified Adaro Energy's Annual Report and the consolidated financial statements for FY2017, as well as granted full release and discharge (*acquitt et décharge*) to all BoD and BoC members for the managerial and supervisory actions carried out in the fiscal year ended on December 31<sup>st</sup>, 2017.

During the presentation of financial and operational results, Mr. David Tendian, Adaro Energy's Director and Chief Financial Officer, informed the shareholders that Adaro Energy's EBITDA guidance for 2018 has been revised from US\$1.3-1.5 billion to US\$1.1-1.3 billion, mainly due to the new domestic pricing regulation recently issued by the Ministry of Energy and Mineral Resources.

On the second agendum, the shareholders agreed to the company's plan to distribute a final cash dividend of US\$250 million for fiscal year 2017, a 150% increase from fiscal year 2016.

This includes the interim cash dividend of US\$100 million paid on January 12<sup>th</sup>, 2018. The remaining net profit will be set aside in a reserve fund, as prescribed by Article 70 of Law No. 40/2007, and appropriated to retained earnings.

On the third agendum, the shareholders approved the re-appointment of all members of the company's BoC, effectively since the end of the AGMS until the closing of the company's AGMS on 2023. Therefore, the composition of the company's BoC is as follows:

- President Commissioner: Edwin Soeryadjaja
- Vice President Commissioner: Ir. Theodore Permadi Rachmat
- Commissioner: Arini Saraswaty Subianto
- Independent Commissioner: Ir. Palgunadi Tatit Setyawan
- Independent Commissioner: Dr. Ir. Raden Pardede

Due to health reasons, Mr. Siswanto Prawiroatmodjo has been unable to perform his duties as a member of the company's BoD. At the AGMS, the management and the shareholders proposed and approved that Mr. Siswanto Prawiroatmodjo's term of office as a member of the company's BoD would end upon the closing of the AGMS, and granted full release and discharge (*acquit et décharge*) for the managerial and supervisory actions of the company carried out since January 1<sup>st</sup>, 2017 until the closing of the AGMS. The management thanks Mr Siswanto Prawiroatmodjo for his service and contribution to Adaro Energy.

The shareholders also approved the assignment of Mr. Julius Aslan as an Independent Director of the company effective immediately upon the AGMS until the closing of the company's Annual General Meeting of Shareholders in 2021. Therefore, the composition of the company's BoD is as follows:

- President Director: Garibaldi Thohir
- Vice President Director: Christian Ariano Rachmat
- Director: David Tendian
- Director: Chia Ah Hoo
- Director: Mohammad Syah Indra Aman
- Independent Director: Julius Aslan

On the fourth agendum, the shareholders approved the appointment of Daniel Kohar from Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan, a member firm of PricewaterhouseCoopers global network in Indonesia, to conduct an audit of the company's Consolidated Financial Statements for fiscal year 2018, and his replacement appointed and/or approved by the company's BoC.

On the last agendum, the shareholders authorized to assign the Nomination and Remuneration Committee, whose function is carried out by the company's BoC, to determine the honorarium or salary, and other remunerations for members of the company's BoC and BoD for fiscal year 2018 by taking into account the company's financial condition.

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