ANNOUNCEMENT

Referring to: (i) Financial Services Authority Regulation (Otoritas Jasa Keuangan – “OJK”) No.31/POJK.04/2015 regarding Disclosure on Material Information or Facts by Issuers or Public Companies; and (ii) Decision of the Directors of the Jakarta Stock Exchange No.KEP306/BEJ/07-2004 dated July 19, 2004 Regarding Regulation No. I-E about Disclosure of Information Obligation, hereby we disclose the following information or material facts:

Name of Issuer or Public Company : PT Kimia Farma (Persero) Tbk
Business Segment : Pharmaceutical, healthcare, chemical, biological, medical devices, food and beverage industries
Telephone : 021-384709
Facsimile : 021-3814441
Electronic Mail Address (e-mail) : corsec@kimiafarma.co.id


2. Type of Information or Material Facts

<table>
<thead>
<tr>
<th>2. Type of Information or Material Facts</th>
<th>Signing of the Conditional Share Sale and Purchase Agreement (&quot;Conditional Share Sale and Purchase Agreement&quot;).</th>
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3. Description of Information or Material Facts

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<tr>
<th>3. Description of Information or Material Facts</th>
<th>Whereas, the Conditional Share Sell and Purchase Agreement was signed by and between PT Kimia Farma (Persero) Tbk as the Buyer (&quot;Buyer&quot;), PT Rajawali Nusantara Indonesia as the Seller (&quot;Seller&quot;), and PT Phapros Tbk (&quot;Phapros&quot;) for all shares of Seller in Phapros with total of 476,901,860 (four hundred seventy six million nine hundred one thousand eight hundred and sixty) shares, which constitute 56.77% (fifty six point seven percent) of the issued and fully paid up capital of Phapros (&quot;Shares Outstanding&quot;).</th>
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<td>3. Description of Information or Material Facts</td>
<td>Whereas the Republic of Indonesia is the direct controller of the Buyer and the Seller, and indirectly controls Phapros.</td>
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<td>Whereas the purposes of the purchase of the Seller’s shares in Phapros by the Buyer is as follows:</td>
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<tr>
<td>3. Description of Information or Material Facts</td>
<td>a. Increase the market share of pharmaceuticals Buyer. With this acquisition, the Buyer would have a pharmaceutical market share of more</td>
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</table>
b. Enrich the drug production portfolio which currently have not owned by the Buyer, in producing pharmaceutical dosage form (drugs, medicinal ingredients and traditional medicines) and medical devices;

c. Accelerate the growth of Non-organic business of the Buyers, considering the growth of assets and profitability of Phapros is one of the best in the Pharmaceutical Industry; and

d. Cost efficiency. With this acquisition, Buyers can take advantage of the distribution channels owned by Phapros and carry out cost efficiencies in both marketing costs and research and development costs.

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<th>4. The impact of the events, information or material facts to the operational, legal activities, financial condition, or business continuity of the Issuer or Public Company</th>
<th>Impact of these important events, information or facts on the Company as follows:</th>
</tr>
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<tbody>
<tr>
<td><strong>1. Impact on Operational Activities</strong> The acquisition transaction of Phapros shares would make the Buyer's production capacity on a consolidated basis increased and the Buyer would be able to fulfill the demand related to pharmaceutical dosage form (drugs, cosmetics, medicinal raw materials), and other medical devices better. Thus, it will operationally:</td>
<td></td>
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</table>

(a) improve scalability and accessibility in domestic and international markets  
(b) build a competitive advantage to provide pharmaceutical dosage form products  
(c) increase efficiency and productivity to ensure affordability  
(d) manage the value chain in an integrated manner to ensure the availability  
(e) expand the synergies with the health services sector |
2. **Financial Impact**  
   This transaction will turn the Buyer into a controller (*controlling shareholder*) of Phapros which is also a Public Company. The buyer will consolidate Phapros Financial Statements and subsidiaries.

3. **Legal Impact**  
   There is no legal impact in the implementation of the Conditional Share Sale and Purchase Agreement.

4. **Impact on the Business Continuity of the Company**  
   This Acquisition will support the Buyer's business continuity.

5. **Other information**  
   Whereas the preliminary requirements in the Conditional Share Sale and Purchase Agreement will be fulfilled according to the Conditional Share Sale and Purchase Agreement signed on February 13, 2019.

We hereby conclude our points. Thank you for your attention.

Jakarta, February 13, 2019

PT KIMIA FARMA (PERSERO) Tbk