

**Tunas Sawa Erma (TSE) Group's Statement on the Development of the Oil
Palm Plantation of Inggyash Ghuzi Cooperative**

MERAUKE, August 14, 2026 - PT Papua Agro Lestari (PAL), an oil palm plantation company under Tunas Sawa Erma (TSE) Group, has demonstrated its commitment to supporting community empowerment by allocating 20% of its Rights to Cultivate (HGU) to Inggyash Ghuzi Cooperative for plasma plantation development, as mandated by the applicable laws and regulations in Indonesia.

The HGU transfer process was carried out by upholding the principles of FPIC (Free, Prior and Informed Consent), facilitated by an independent consultant, AZ Law Office Conflict Resolution Center. The community expressed its consent to the proposed HGU transfer for plasma plantation development. Currently, Inggyash Ghuzi Cooperative holds the HGU certificate following the official issuance of the HGU transfer permit from PT PAL by the Ministry of Agrarian Affairs and Spatial Planning/National Land Agency (ATR/BPN) of the Republic of Indonesia.

Following the issuance of the official decree (SK) and HGU certificate, Inggyash Ghuzi Cooperative will proceed with the development and independent management of the plasma plantation together with its appointed implementation partner, PT Bina Papua Luhurkarya.

PT Papua Agro Lestari will continue its commitment to supporting sustainable community development through its Corporate Social Contributions (CSC) programs. This commitment is part of the company's philosophy to build harmonious, beneficial, and sustainable relationships with communities and stakeholders for mutual progress and prosperity.

Sincerely,

Tunas Sawa Erma Group Management

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