

**DISCLOSURE OF INFORMATION TO SHAREHOLDERS
RELATING TO THE MATERIAL TRANSACTION**



PT Indointernet Tbk.
Domiciled in South Tangerang

Business Activities
Engaged in telecommunications, information services activity, programming and computer consultation

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THIS DISCLOSURE OF INFORMATION TO THE SHAREHOLDERS IS PROVIDED BY THE COMPANY IN COMPLIANCE WITH THE FINANCIAL SERVICE AUTHORITY (OJK) REGULATION NO. 17/POJK.04/2020 ON MATERIAL TRANSACTION AND CHANGE OF BUSINESS ACTIVITY (“OJK REGULATION 17/2020”) SPECIFICALLY ON THE PURCHASE OF LAND BY THE COMPANY’S SUBSIDIARY, PT EKAGRATA DATA GEMILANG. BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS OF THE COMPANY STATED THAT THE TRANSACTION IS CONSIDERED TO BE A MATERIAL TRANSACTION WITH A TRANSACTION VALUE OF MORE THAN 20% BUT LESS THAN 50% OF EQUITY OF THE COMPANY AS STIPULATED IN OJK REGULATION 17/2020.

THE INFORMATION AS STATED IN THIS DISCLOSURE OF INFORMATION IS IMPORTANT TO BE READ AND CONSIDERED BY THE SHAREHOLDERS OF THE COMPANY. IF YOU FIND ANY DIFFICULTY TO UNDERSTAND THE INFORMATION AS STATED IN THIS DISCLOSURE OF INFORMATION PLEASE CONSULT TO YOUR LEGAL ADVISOR, PUBLIC ACCOUNTANT, FINANCIAL ADVISOR, OR OTHER PROFESSIONALS.

THE COMPANY’S BOARD OF DIRECTORS STATE THAT THE INFORMATION AS STATED IN THIS DISCLOSURE OF INFORMATION IS TO PROVIDE INFORMATION AND COMPLETE DESCRIPTION TO THE COMPANY’S SHAREHOLDERS REGARDING THE TRANSACTION AS PART OF THE COMPLIANCE OF THE COMPANY TO OJK REGULATION 17/2020.

THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS, SEVERALLY AND JOINTLY, ARE FULLY RESPONSIBLE FOR THE ACCURACY AND THE COMPLETENESS OF THE INFORMATION AS STATED IN THIS DISCLOSURE OF INFORMATION. THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS DECLARE THAT THE INFORMATION STATED IN THIS DISCLOSURE OF INFORMATION IS COMPLETE AND AFTER GIVING DUE AND CAREFUL EXAMINATION, EMPHASIZE THAT THE INFORMATION STATED IN THIS DISCLOSURE OF INFORMATION IS CORRECT AND THAT THERE ARE NO RELEVANT AND MATERIAL FACTS OMITTED WHICH CAN CAUSE THE INFORMATION STATED HEREIN TO BE UNTRUE AND/OR MISLEADING.

This Disclosure of Information is issued in Jakarta on 19 April 2021.

DEFINITION

Deed of Land Sales and Purchase	:	Deed of Sales and Purchase No. 11, dated 15 April 2021, and Deed of Sales and Purchase No. 12 dated 15 April 2021, both drawn up before Aryanti Artisari, S.H., M.Kn., Land Deed Official (<i>Pejabat Pembuat Akta Tanah</i> or PPAT) in South Jakarta.
EDG	:	PT Ekagrata Data Gemilang, a limited liability company duly established under the law of the Republic of Indonesia and domiciled in South Tangerang City, the Company's controlled company.
Director	:	The incumbent Member of the Company's Board of Directors as of the date of this Disclosure of Information.
Commissioner	:	The incumbent Member of the Company's Board of Commissioners as of the date of this Disclosure of Information.
Financial Statement	:	The Quarterly Financial Statement of The Company as of 31 March 2021 with limited review issued by Kurniawan, Kusmadi dan Matheus, a Public Accountant Office.
MOLHR	:	The Minister of Law and Human Rights of the Republic of Indonesia.
Financial Services Authority or OJK	:	An independent institution whose duties and authorities cover regulatory, supervisory, inspection, and investigation within the capital markets sector, insurance, pension funds, financial institutions, and other financial service bodies, as stipulated in Law No. 21 of 2011 dated 22 November 2011. Since 31 December 2012, the functions, duties, and authority to regulate and supervise financial activities in the capital market sector have shifted from the Minister of Finance and Bapepam LK to OJK.
OJK Regulation 17/2020	:	Financial Services Authority Regulation No. 17/POJK.04/2020 on Material Transaction and Change of Business Activity dated 20 April 2020.
Company's Shareholders	:	Company's shareholders whose names are registered in the Company's shareholder register which issued by the Securities Administration Bureau.
Independent Appraiser	:	KJPP Wiseso Saladin & Rekan.
Company	:	PT Indointernet Tbk, a limited liability company duly established and organised under the law of the Republic Indonesia and domiciled in South Tangerang City.
SS	:	PT Sentragraha Sentosa
Transaction	:	Purchase transaction of 2 (two) plots of land located at Kunungan area, South Jakarta from PT Sentragraha Sentosa by EDG.

INTRODUCTION

Information contained in this Disclosure of Information is delivered to the Shareholders in relation to the purchase of 2 plots of land by EDG, located at Kuningan area, South Jakarta with the total amount of IDR 241,720,000,000 (two hundred forty-one billion seven hundred twenty million Rupiah) pursuant to the Deed of Land Sales and Purchase which executed by EDG and SS. EDG is a subsidiary of the Company that 99.83% of the total of its issued and paid-up capital is owned by the Company.

Based on the Company's Financial Statement, the total equity value of the Company is in the amount of IDR 930.836.855.426 (nine hundred thirty- billion eight hundred thirty six million eight hundred fiftyfive thousand four hundred twenty eight Rupiah). Therefore, the total value of the Transaction constitutes 25.97% (twenty-five point ninety seven percent) of the Company's equity value. As a result, the Transaction is considered a Material Transaction under Article 3 of POJK 17/2020, whereby the Company is required to announce the disclosure of information to its shareholders.

DESCRIPTION ON THE TRANSACTION

On 15 April 2021, EDG as a purchaser has executed two Deed of Land Sale and Purchase regarding this Transaction, namely Deed of Sales and Purchase No. 11 ("**Deed No. 11/2021**") and Deed of Sales and Purchase No. 12 ("**Deed No. 12/2021**") with SS as the seller, both were drawn up before Aryanti Artisari, S.H., M.Kn., *Pejabat Pembuat Akta Tanah* (PPAT) in South Jakarta.

Pursuant to the Deed of Land Sales and Purchase, EDG agreed to purchase two plots of land from SS with the following details:

A. Transaction Object

The objects of the Transaction are two plots of land with a total area of approximately 6,000 m², which is located at Kuningan area, South Jakarta.

B. Transaction Value

Based on the Deed of Land Sales and Purchase, the aggregate Transaction value is IDR 241,720,000,000 (two hundred forty-one billion seven hundred twenty million Rupiah).

C. Related Parties of the Transaction

1. PT Ekagrata Data Gemilang ("EDG"), as the purchaser

Brief Description

EDG, located in South Jakarta Administrative City, was established based on Deed of Establishment No. 11 dated 9 November 2018, drawn up before Nathalia Alvina Jinata, S.H., Notary in Jakarta, which was ratified by the MOLHR by virtue of Decree No. AHU-053781.AH.01.01.TAHUN 2018 dated 12 November 2018 and registered in the Company Register at the MOLHR under No. AHU-0151443.AH.01.11.Tahun 2018 dated 12 November 2018 ("**EDG's Deed of Establishment**").

The articles of association under EDG's Deed of Establishment has been amended by Deed of Resolutions of Extraordinary General Meeting of Shareholders No. 21 dated 24 February 2021, drawn up before Nathalia Alvina Jinata, S.H., Notary in Jakarta, which was ratified by the MOLHR by virtue of Decree No. AHU-0012331.AH.01.02.TAHUN2021 dated 26 February 2021 and registered in the Company Register at the MOLHR under No. AHU-0037130.AH.01.11.TAHUN 2021 dated 26 February 2021.

EDG's Articles of Association as contained in the EDG's Deed of Establishment and its amendment is referred to as "EDG's Articles of Association".

Purposes and Objectives and Business Activities

Based on Article 3 of EDG's Articles of Association, the purposes and objectives of EDG are to carry out hosting activities (data storage on servers), and related activities thereto.

Capital Structure and Shareholding Composition

Capital structure and shareholders' composition of EDG are as follows:

Description	Nominal Value of IDR 1,000,000/share		
	Number of Shares	Nominal Value (IDR)	%
Authorised Capital	534,087	534,087,000,000	
1. Perseroan	533,198	533,198,000,000	99.83
2. Otto Toto Sugiri	889	889,000,000	0.17
Total Issued and Paid-up Capital	534,087	534,087,000,000	100.00
Total Number of Shares in Portfolio	534,087	534,087,000,000	

Management and Supervision

The latest composition of EDG's Board of Directors and Board of Commissioners is as follows:

Board of Commissioners

Commissioner: Karla Winata

Board of Directors

Director: Den Tossi Ishak

2. PT Sentragraha Sentosa ("SS"), as the seller.

SS is a third party that is not affiliated with the Company.

D. LEGAL ASPECT ON THE TRANSACTION

In regard to such Transaction, EDG and SS have entered into Deed of Sales and Purchase No. 12 dated 15 April 2021 and Deed of Sales and Purchase No. 11 dated 15 April 2021, which both were drawn up before Aryanti Artisari, S.H., M.Kn., Land Deed Official (*Pejabat Pembuat Akta Tanah* or PPAT) in South Jakarta. As stated under both Deed of Land Sales and Purchase, EDG has paid all of its payment obligations to SS.

Based on the (i) Notary Confirmation Letter No. 01/IV/PPAT/2021 and (ii) Notary Confirmation Letter No. 02/IV/PPAT/2021 dated 15 April 2021, the Transaction Object are in a validation process of the Duty on the Acquisition of Land and Building Rights (*Bea Pengalihan Hak atas Tanah dan Bangunan* or BPHTB) following with transfer of title of the SHGBs in South Jakarta Land Office.

CONSIDERATION AND RATIONALE OF THE TRANSACTION AND ITS IMPACT OF THE COMPANY'S FINANCIAL CONDITION

A. Consideration and Rational of the Transaction

EDG is a company that is engaged in hosting activity where one of its focuses for its business activities is the establishment of the data center. Due to the changes in various industries towards digitalization, specifically, to support the acceleration of economic growth in various fields, the necessity for data centers has become one of the main focuses of the Company. Therefore, the Company is currently in the process of building an *Edge Data Center* and plans to develop several other data centers. As a part of the construction of *Edge Data Center*, EDG requires land which is located at a low latency intersection within the downtown area of DKI Jakarta.

After more than a year since the pandemic outbreak in Indonesia and globally, this has resulted in a decline in the property market which has an impact on the number of lands sold at prices below the market value. In this regard, EDG views that this period is the right momentum to acquire land in the best location with the best price for the construction and development of *Edge Data Center*.

With this rationale, EDG decided to carry out the Transaction which is the purchase of two plots of land located at Kuningan area, South Jakarta with a total area of approximately 6,000 m² from SS with the amount of transaction value of IDR 241,720,000,000 (two hundred forty-one billion seven hundred twenty million Rupiah).

B. The Impact of Transaction on the Company's Financial Condition

On the one hand, the Transaction will result in a decrease in the Company's cash, while on the other hand, it will increase the Company's asset. This is an inevitable circumstance as the decrease of the Company's cash is essentially utilized for the business development purpose that will increase the subsidiaries' and the Company's profit in the future. Furthermore, the Company's Board of Directors believes that the Transaction does not potentially disrupt the continuity of the Company's business.

The following is a summary of the impact of the Transaction on the Company's financial condition by using the Financial Statement:

	31/3/ 2021	Penyesuaian	31/3/ 2021
Posisi Keuangan	reviu	Proforma	Proforma
dln jutaan			
Asset			
Asset Lancar	714,069	(241,720)	472,349
Asset tidak Lancar	531,536	241,720	773,256
Jumlah Asset	1,245,605		1,245,605
Liabilities & Ekuitas			
Liabilities			
Liabilities Jangka Pendek	297,992		297,992
Liabilities Jangka Panjang	16,776		16,776
Jumlah Liabilities	314,768		314,768
Ekuitas	930,837		930,837
Jumlah liabilities & ekuitas	1,245,605		1,245,605

SUMMARY OF APPRAISER REPORT

As stipulated under the OJK Regulation 17/2020, to ensure the fairness of the Transaction to be carried out by the Company, the Company has appointed a Public Appraisal Service Office (*Kantor Jasa Penilai Publik* or KJPP) Wiseso Saladin & Rekan (“**WSR**”) to provide a Fairness Opinion on the Transaction, as presented in the Report No. 00035/2.0137-00/PI/05/0015/1/III/2021 dated 16 March 2021, with the following summary:

A. Identity of Parties

EDG as the assignor.

B. Object of Appraisal

The objects of appraisal consisted of 2 (two) plots of land with a total area of approximately 6,000 m², which is located at Kuningan area, South Jakarta, DKI Jakarta Province, Indonesia (“**Object of Appraisal**”).

C. Purpose of Appraisal

The Client is planning to acquire the Valuation Object. In connection with this purpose, the Client requires independent valuation services to determining the Market Value of the Valuation Object. Since the Client is a subsidiary of PT Indointernet Tbk, the Client is also planning to make disclosure of information to the shareholders regarding the transaction, and to report OJK.

We do not allow our valuation report to be used for other purposes.

D. Assumption and Limiting Conditions

In preparing a independent valuation regarding this transaction, WSR used several assumptions, including:

- (i) This valuation report is an independent valuation report with non-disclaimer opinion;
- (ii) We have reviewed the documents used in the valuation process;
- (iii) The data and information that we have obtained has been validated by the association of valuer profession;
- (iv) Whenever relevant and applicable, we use adjusted financial projections that reflect the fairness of financial projections made by the management with their fiduciary duty;
- (v) We are responsible for the valuation process and the fairness of financial projections (if applicable);
- (vi) This property valuation report is open to the public unless there is confidential information that could affect the company’s operation;
- (vii) We are responsible for this property valuation report and the final value conclusion;
- (viii) We assume that the Valuation Object is free from all liens and encumbrances, encompassing both physical and legal encumbrances.
- (ix) This valuation does not take into account the partial ownership interests of the Client and/or its affiliated companies or shareholders;
- (x) The Valuation Object is held under proper and valid ownership documents and that they can be sold or transferred in the open market without the benefit of a deferred contract, leaseback, joint venture, management agreement that could serve to increase the values;
- (xi) The Valuer makes no allowances for any charges, mortgages loans, expenses or taxation which may be incurred in acquiring or disposing the Valuation Object;
- (xii) This valuation is based on an evaluation of the current economic condition, which does not take into account nor make any provision for the effect of any sharp rise or decline in future economic conditions caused by the global financial crisis;

- (xiii) We are relying on to the ownership document given by the Client. We do not conduct investigations to verify ownership or to verify the existence of leasing interests, encumbrances or restrictions that affect ownership rights, and we also do not conduct independent investigations to determine whether any documents provided to us have been changed other than those that exist. We have no reason to doubt that correctness and accuracy of the information provided to us by the Client and we have relied on these material facts, which have been confirmed to us;
- (xiv) That all information relating to the Valuation Object as provided by the Client to us is correct and accurate;
- (xv) This valuation and report speak only as of the Valuation Cut-Off Date. The Valuer takes no responsibility for any events, conditions or circumstances affecting the Market Value of the Valuation Object that take place subsequent to either the Valuation Cut-Off Date or the issuance date of this report, whichever occurs first;
- (xvi) We remain cautious due to uncertainty for the pace of global economic recovery in the midst of the outbreak which may have future impact on the real estate market. Given the unknown future impact that COVID-19 might have on the real estate market and the difficulty in differentiating between short term impacts and long-term structural changes, we recommend that you keep the valuations contained within this report under frequent review; and
- (xvii) The Valuer reserves the right to revise this valuation should any of the information provided by the and/or the above assumptions that the Valuer has adopted in this valuation proof to be inaccurate.

E. Approach and Method of Appraisal

To determine the Market Value of the Valuation Object, we have adopted Market Approach using Direct Comparison Method.

F. Conclusion of the Appraisal

WSR's opinion for the Object of Appraisal's market value as of 24 February 2021 is **IDR 448.680.000.000 (four hundred forty-eight billion six hundred eighty Rupiah)**.

STATEMENTS FROM THE COMPANY'S BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS

The Company's Board of Directors and Board of Commissioners stated the following:

1. All of the material information is properly disclosed in the Disclosure of Information, and such information is not misleading; and
2. The Transaction is not an affiliated party transaction and does not contain conflict of interest as stipulated under OJK Regulation No. 42/POJK.04/2020 on Affiliated and Conflict of Interest Transactions.

ADDITIONAL INFORMATION

For any additional information regarding the Transaction, the Company's Shareholder may submit to the Company's Corporate Secretary, every day and at business hours on the following address:

PT Indointernet Tbk.

Head Office

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