

INFORMATION DISCLOSURE CAPITAL INCREASE PLAN WITH PRE-EMPTIVE RIGHTS

**In order to comply with Regulation
No.32/POJK.04/2015 yo No.14/POJK.04/2021**



PT INDONESIA PRIMA PROPERTI Tbk
("the Company")

Business activities :

Business Activities in office rental, shopping centers (office space), apartments, hotels and housing developments along with all its facilities.

Domiciled in Central Jakarta, Indonesia

Headquarters :

Jl. Jenderal Sudirman Kav. 34, Central Jakarta 10220
Tel. (021) 50913988
Website www.ipp.co.id
Email: corsec@ipp.co.id

**Information Disclosure in order to
Increase the Company's Capital by Giving Pre-emptive Rights
(PMHMETD II) As referred to in
Financial Services Authority Regulation No.32/POJK.04/2015 yo No.14/POJK.04/2019**

This Disclosure of Information is published in Jakarta, 7 September 2022

PRELIMINARY

Facing the dynamic situation due to COVID-19 pandemic, the Company has made efforts to make adjustments to the implementation of the Company's business strategy. However, due to reduced Revenue, for example from rental and hotel income, the Company's Revenue decreased, which resulted the Company recording a Comprehensive Loss.

One of the efforts to improve the Company's financial condition in order to settle the Company's obligations as of 30 June 2022, the Company plans to do Capital Investment with Pre-emptive Rights (PMHMETD) through a 2022 Limited Public Offering as referred to in Regulation No.32/POJK.04/2015 yo No.14/POJK.04/2019.

PLAN DESCRIPTION OF CAPITAL INCREASE WITH PRE-EMPTIVE RIGHTS

A. MAXIMUM AMOUNT OF SHARE ISSUANCE PLAN BY GRANTING HMETD

The number of shares planned to be issued is a maximum of 1,250,000,000 (one billion two hundred and fifty million) Series B shares with a nominal value of Rp.200,- (two hundred rupiah) per share to be offered through PMHMETD or approximately 71.63% (seventy one point sixty three percent) of the current issued and fully paid-up capital of the Company, at a price to be determined and announced later in the in the PMHMETD Prospectus with due observance of the applicable rules and regulations including Rule Number I-A concerning Listing of Shares and Equity Securities Other than Shares Issued by the Listed Company, Decree of the Board of Directors of PT Bursa Efek Indonesia No.Kep-00101/BEI/12-2021 dated 21 December 2021, in Attachment II to Provision V.3.2. Furthermore, the exercise price is at least equal to the lowest price limit for shares traded in the Regular Market and Cash Market as stipulated in Rule Number II-A concerning Trading in Equity Securities. The determination of the amount and exercise price will take into account the latest conditions, including macroeconomic conditions, the capital market, the fundamental conditions and performance of the Company, the volatility of the Company's share price and input from the Shareholders.

B. ESTIMATED PERIOD OF CAPITAL INCREASE IMPLEMENTATION

Application for PMHMETD registration is carried out after obtaining approval from the Extraordinary General Meeting of Shareholders (EGMS). The EGMS is planned to be held on 14 October 2022. Thus, the effective implementation of the PMHMETD is estimated to be no later than 12 months after the approval date of the EGMS.

C. ANALYSIS OF THE EFFECT OF CAPITAL INCREASE ON FINANCIAL CONDITIONS AND SHAREHOLDERS

1. *Analysis of the Effect of Capital Increase on Financial Performance and Summary of Company Proforma*

The cash funds received by the Company from the implementation of the PMHMETD will be used to settle the Company's obligations thereby will reduce the Company's liabilities and increase the Company's equity.

The strengthening of the capital structure is also expected to support the Company's future business activities, which eventually will create value for shareholders and stakeholders.

2. *Analysis of the Effect of Capital Increase on the Company's Capital Structure*

All shareholders of the Company are entitled to obtain Pre-emptive Rights in accordance with the ratio of share ownership to participate in the PMHMETD by paying in cash the exercise price of the Pre-emptive Rights which will be determined in the Prospectus which has obtain effectiveness from the Financial Services Authority (OJK).

The Company's Capital Proforma as of August 31, 2022 before and after the Pre-emptive Rights with the assumption that all shareholders subscribe to the Pre-emptive Rights to which they are entitled are as follows :

INFORMATION	PRIOR TO PMHMETD			AFTER PMHMETD		
	TOTAL SHARE	TOTAL NOMINAL VALUE	%	TOTAL SHARE	TOTAL NOMINAL VALUE	%
Authorized Capital						
Series A Shares Nominal Value Rp. 1,000,- per share	495.000.000	495.000.000.000	-	495.000.000	495.000.000.000	-
Series B Shares Nominal Value Rp. 200,- per share	7.025.000.000	1.405.000.000.000	-	7.025.000.000	1.405.000.000.000	-
Total	7.520.000.000	1.900.000.000.000	-	7.520.000.000	1.900.000.000.000	-
Issued and fully deposited capital						
1. First Pacific Capital Group Series B Share	975.272.972	195.054.594.400	55,89	1.673.892.579	334.778.515.800	55,89
2. PT Manning Development Series B Share	76.859.700	15.371.940.000	4,40	131.916.792	26.383.358.400	4,40
3. Public with ownership less than 5%						
Series A Share	495.000.000	495.000.000.000	28,37	495.000.000	495.000.000.000	16,53
Series B Share	197.867.328	39.573.465.600	11,34	694.190.629	138.838.125.800	23,18
Total	692.867.328	534.573.465.600	39,71	1.189.190.629	633.838.125.800	39,71
Total issued and fully deposited capital	1.745.000.000	745.000.000.000	100,00	2.995.000.000	995.000.000.000	100,00
Shares in Portfolio						
Series A Share	-	-	-	-	-	-
Series B Share	5.775.000.000	1.155.000.000.000	-	4.525.000.000	905.000.000.000	-

Shareholders who do not exercise their Pre-emptive Rights will be subject to a maximum dilution of ownership of 58.26% (fifty eight point twenty six percent) of the percentage of share ownership in the Company.

D. FUND USE OVERVIEW ESTIMATION

The Company will use the fund from this PMHMETD implementation to pay the Company's obligations.

GENERAL MEETING OF SHAREHOLDERS

The Company has announced the notification of the Extraordinary General Meeting of Shareholders ("EGMS") through the website of the Financial Services Authority (OJK) and Indonesia Stock Exchange on 31 August 2022. List of Shareholders who are entitled to attend the EGMS are shareholders who are registered in the Company's Register of Shareholders and or sub account holder at the close of share trading on the stock exchange on 21 September 2022 or the representative with power of attorney. The EGMS will be held on October 14, 2022.

The EGMS agenda in relation to the PMHMETD plan are as follows :

Approval of the Implementation Plan for Capital Increase of the Company with Pre-emptive Rights ("PHMETD") in accordance with the provisions of OJK Regulation No.32/POJK.04/2015 concerning Increase in Capital of a Public Company by Granting Pre-emptive Rights, as amended by OJK Regulation No.14/POJK.04/2019 concerning Amendments of OJK Regulation No.32/POJK.04/2015 concerning Increase in Capital of a Public Company by Granting Pre-emptive Rights, along with the granting of power of authority and authority to the Board of Directors of the Company to :

- a. Determine the number of shares offered in the PMHMETD;
- b. Setting the price for the exercise of PMHMETD;
- c. Take all necessary actions in the implementation of the PMHMETD in accordance with the applicable laws and regulations; and
- d. Increase the issued and paid-up capital after the implementation of the PMHMETD.

In accordance with the provisions of Article 42 POJK No.15/POJK.04/2021 regarding the General Meeting of Shareholders of a public company and Article 21 paragraph 1 letter (a) of the Company's Articles of Association, the Meeting must be attended by more than 1/2 part of the total number of shares with voting rights that have been issued by the Company registered in the Register of Shareholders of the Company on 21 September 2022 at the share trading closing on Indonesia Stock Exchange or its representative with power of attorney, and approved by at least 1/2 part of all shares with voting rights present at the EGMS.

Second Meeting

If the quorum of the meeting is not reached, the Second EGMS can be held if attended by more than 3/5 of the total shares with voting rights that have been issued in the Company and approved by 1/2 of the shares with voting rights present at the EGMS.

Third Meeting

In the event that the quorum of attendance at the second EGMS above is not achieved, the third EGMS may be held under the condition that the third EGMS is valid and entitled with the provisions of the third EGMS to make decisions if attended by shareholders of shares with valid voting rights in the attendance quorum and decision quorum determined by the Financial Services Authority at the request of the Public Company.

If the PMHMETD does not obtain approval from the EGMS, the plan can only be resubmitted 12 (twelve) months after the EGMS is held.

ADDITIONAL INFORMATION

Shareholders who require additional information can contact the Company during business hours at the following address :

Corporate Secretary
PT INDONESIA PRIMA PROPERTY Tbk
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