

**DISCLOSURE OF INFORMATION TO SHAREHOLDERS OF PT COMMUNICATION CABLE SYSTEMS INDONESIA Tbk ("THE COMPANY") IN ORDER TO COMPLY WITH THE PROVISIONS OF THE FINANCIAL SERVICES AUTHORITY ("OJK") REGULATION NUMBER 32/POJK.04/2015 CONCERNING THE ADDITION OF CAPITAL OF PUBLIC COMPANIES BY GRANTING THE PRE-EMPTIVE RIGHTS AS AMENDED BY OJK REGULATION NUMBER 14/POJK.04/2019 CONCERNING AMENDMENTS TO OJK REGULATION NUMBER 32/POJK.04/2015 CONCERNING THE ADDITION OF CAPITAL OF PUBLIC COMPANIES BY GRANTING PRE-EMPTIVE RIGHTS ("POJK NO. 32/2015")**



**PT. Communication Cable Systems Indonesia Tbk**

**Main Business Activities:**

Engaged in fiber optic cable manufacturing industry  
Domiciled in West Jakarta

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**THE INFORMATION AS STATED IN THIS INFORMATION DISCLOSURE ("DISCLOSURE OF INFORMATION") IS IMPORTANT TO BE CONSIDERED BY THE SHAREHOLDERS OF THE COMPANY TO MAKE DECISIONS IN CONNECTION WITH THE PLAN TO INCREASE THE COMPANY'S CAPITAL WITH PRE-EMPTIVE RIGHTS ("*HAK MEMESAN EFEK TERLEBIH DAHULU - HMETD*").**

**ALL INFORMATION CONTAINED IN THIS DISCLOSURE OF INFORMATION ARE PROPOSED TO THE AGREEMENT OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS ("*EGMS*") AND PROSPECTUS TO BE ISSUED IN ORDER TO INCREASE IN CAPITAL WITH GRANTING HMETD.**

**EGMS WHICH WILL BE AGENCED TO APPROVE THE COMPANY'S PLAN TO MAKE A CAPITAL ADDITION WITH HMETD AS DISCLOSED IN THIS INFORMATION DISCLOSURE WILL BE HELDED ON THURSDAY, APRIL 29, 2021 IN ACCORDANCE WITH THE ANNOUNCEMENT OF EGMS ON THE E-AGMS PROVIDER WEBSITE, THE COMPANY'S WEB SITE, INDONESIA STOCK EXCHANGE WEBSITE.. WHERE THE INFORMATION DISCLOSURE HAS BEEN ANNOUNCED ON THE COMPANY'S WEBSITE AND THE INDONESIAN STOCK EXCHANGE WEBSITE ON MARCH 23, 2021.**

**THIS DISCLOSURE OF INFORMATION IS ONLY INFORMATIONAL AND DOES NOT CONSTITUTE AN OFFER OR OPPORTUNITY TO SELL, OR AN OFFER OR SOLICITATION TO ACQUIRE OR TAKE PART IN A NEW SHARE (AS DEFINED BELOW) IN ANY JURISDICTION WHERE SUCH OFFER OR SOLICITATION IS UNLAWFUL. NO PARTY MAY ACQUIRE RIGHTS OR NEW SHARES EXCEPT ON THE BASIS OF INFORMATION CONTAINED IN THE PROSPECTUS TO BE ISSUED IN ORDER TO INCREASE CAPITAL BY GRANTING PRE-EMPTIVE RIGHTS.**

**THE DISTRIBUTION OF THIS INFORMATION TO JURISDICTIONS OTHER THAN INDONESIA MAY BE LIMITED BY THE LAWS OF THE COUNTRY CONCERNED. FAILURE TO COMPLY WITH SUCH RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE CAPITAL MARKET REGULATIONS OF ANY SUCH JURISDICTION**

## **I. MAXIMUM AMOUNT OF PLAN FOR INCREASE IN CAPITAL WITH HMETD**

With reference to POJK No. 32/2015, hereby the Board of Directors of the Company plans to increase the issued and paid-up capital of the company by granting Pre-emptive Rights (*Hak Memesan Efek Terlebih Dahulu* - HMETD) to the Company's shareholders through the mechanism of a Limited Public Offering ("LPO") with a maximum HMETD of 170,000,000 (one hundred and seventy million) shares or 17 % (seventeen percent) of the paid-up capital of the company at the time of the announcement of the EGMS, including:

- a. Approval of amendments to the Articles of Association of the Company in connection with the increase in capital placed and paid up by the Company within the framework of the Limited Public Offering;
- b. Granting power and authority to the Board of Directors of the Company with the right substitution to carry out all necessary actions in connection with the Limited Public Offering, including but not limited to making or requesting the creation of all deed, letters, or documents, which are required, present before, authorized parties/officials including notaries, applying to the parties/authorized officials to obtain approval or report the matter to the authorized parties/officials and register it in the list of companies referred to in the applicable legislation.

The shares to be issued by the Company are registered shares with a nominal value equal to the nominal value of the issued shares of the Company, which is Rp. 100 (one hundred Rupiah) per share. The issuance of the Company's shares through the Capital Increase with HMETD will be carried out in accordance with the terms and exercise price in accordance with the prevailing laws and regulations in the Capital Market.

New shares will be issued from the Company's portfolio and listed on the Indonesia Stock Exchange ("IDX") in accordance with applicable laws and regulations, including IDX Regulation Number IA concerning Registration of Shares and Equity Securities Other Than Shares issued by Listed Companies, Decision of the Exchange Directors No. Kep-00183 /BEI/12-2018 dated 26 December 2018 ("IDX Regulation No. 1-A"). The new shares will have the same rights as other shares of the Company that were issued by the Company prior to the LPO, including the right to dividends.

In accordance with POJK No. 32/2015, the implementation of Capital Increase by granting HMETD can be implemented after:

1. The Company obtained approval from the EGMS in connection with the increase in capital by granting HMETD;
2. The Company submits a registration statement in the context of increasing capital by granting HMETD and supporting documents to the OJK; and
3. The Company's registration statement, which will be submitted to the OJK, in connection with the plan to increase capital by granting HMETD is declared effective by the OJK.

The provisions of capital increase by granting HMETD, including the final implementation price of HMETD and the final amount of New Shares to be issued, will be disclosed in the Prospectus issued in the framework of PUT, which will be provided to the shareholders of the Company who are entitled in due course, in accordance with the prevailing laws and regulations.

## **II. ESTIMATION OF INCREASE IN CAPITAL IMPLEMENTATION PERIOD WITH HMETD**

The Company plans to implement Capital Increase with HMETD at the end of the first semester of 2021 and/or based on the provisions of POJK No. 32/2015 that the implementation of Capital Addition with HMETD must obtain an effective statement from the OJK within a period of not more than 12 (twelve) months from the date of approval of the EGMS.

**III. ANALYSIS ON THE EFFECT OF CAPITAL INCREASE WITH HMETD ON FINANCIAL CONDITION AND SHAREHOLDERS**

Capital Addition with HMETD conducted by the Company can strengthen the Company's capital structure and invite local and foreign investors to participate in investing their capital in the Company so as to provide added value for the Company's performance.

After the implementation of Capital Increase with HMETD, the Company's shareholders who do not exercise their right to pre-empt securities, the percentage of overall share ownership will be diluted by a maximum of 14.53% (fourteen points fifty-three percent).

**IV. LARGE ESTIMATES OF THE USE OF FUNDS**

These funds resulted from the Capital Increase with HMETD, after deducting emission costs, will be used entirely by the Company for working capital of the Company.

**Jakarta, 23rd March 2021**  
**PT Communication Cable Systems Indonesia Tbk**  
**Board of Directors**