

DISCLOSURE OF INFORMATION

In compliance with the Financial Services Authority (*Otoritas Jasa Keuangan* or “**OJK**”) Regulation No.: 2/POJK.04/2013 *juncto* OJK Circular Letter No.: 3/SEOJK.04/2020 on Other Conditions such as Market Conditions that Fluctuate Significantly in the Implementation of Buyback of Shares Issued by the Issuer of Public Companies



JABABEKA & CO.

PT Kawasan Industri Jababeka Tbk.

Domicile in Kabupaten Bekasi
 (“**Perseroan**”)

Main business activities:

Development of Industrial Estate and Management of Industrial Estate

Head Office

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Representative Office

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INFORMATION TO SHAREHOLDERS IN CONNECTION WITH THE PROPOSED BUYBACK OF SHARES OF THE COMPANY IN SIGNIFICANTLY FLUCTUATING MARKET CONDITIONS

The Company intends to conduct a buyback of the Company’s shares that have been issued and registered in the Indonesia Stock Exchange (“**IDX**”) in accordance with the OJK Regulation No. 2/POJK.04/2013 *juncto*. OJK Circular Letter No. 3/SEOJK.04/2020 on Other Conditions such as Market Conditions that Fluctuate Significantly in the Implementation of Buyback of Shares Issued by the Issuer of Public Companies, with maximum amount of Rp300,000,000,000 (three hundred billion Rupiah) (“**Buyback of Shares**”). Referring to OJK Circular Letter No. 3/SEOJK.04/2020, the number of shares to be repurchased will not exceed 20% (twenty percent) of the paid up capital, provided that the minimum number of outstanding shares is 7.5% (seven point five percent) of the paid up capital. The Buyback of Shares of the Company is intended to be carried out within 3 months from 18 March 2020 until 17 June 2020. The Buyback of Shares will be carried out through the IDX.

The Disclosure of Information issued in Jakarta on 18 March 2020

SCHEDULE OF BUYBACK OF SHARES

1	Disclosure of Information to OJK and BEI	At the latest 18 March 2020
2	Announcement of Disclosure of Information through the IDX website and the Company's website www.jababeka.com	18 March 2020
3	Period of the Buyback of Shares	18 March 2020 until 17 June 2020

The period of the Buyback of Shares is three months starting from the date of this Disclosure of Information, 18 March 2020, until 17 June 2020. If all the allocated funds for the buyback of shares have been used and/or the number of shares to be repurchased have been fulfilled, the Company will announce the completion of the Buyback of Shares.

ESTIMATION COST OF THE BUYBACK OF SHARES AND ESTIMATION OF THE VALUE OF SHARES THAT WILL BE REPURCHASED

Financing of the Buyback of Shares will use Profit Balance of the Company.

Pursuant to Article 37 paragraph 1 (a) of the Company Law, "buyback of shares shall not result in the net assets of the Company becomes less than the issued capital plus the statutory reserve that has been set aside". The amount of unappropriated retained earnings as of 30 September 2019 amounts to Rp1,996,434,658,106 (one trillion nine hundred ninety six billion four hundred thirty four million six hundred fifty eight thousand one hundred and six Rupiah). The Company will allocate some amount of the above unappropriated retained earnings for the Buyback of Shares, with a maximum amount of Rp300,000,000,000 (three hundred billion Rupiah). The allocation includes transaction costs, brokerage fees and other cost in connection with the Buyback of Shares.

Estimation of the Number of Shares that will be Repurchased

The maximum amount allocated by the Company for the Buyback of Shares is Rp300,000,000,000 (three hundred billion Rupiah). Pursuant to OJK Circular Letter No. 3/SEOJK.04/2020, the number of shares that can be repurchased will not exceed 20% (twenty percent) of the paid up capital, provided that the minimum number of outstanding shares is 7.5% (seven point five percent) of the paid up capital.

SHARES PRICE LIMITATION FOR THE BUYBACK OF SHARES

The Buyback of Shares will be conducted at a price that is considered good and reasonable by the Company, with taking into account the applicable regulations.

METHODS FOR THE BUYBACK OF SHARES

1. The Buyback of Shares will be carried out through the IDX.
2. The Company will appoint a stockbroker to conduct the Buyback of Shares.
3. The Buyback of Shares will be conducted at prices lower or the same as the prices of the previous market transaction.
4. The following parties:
 - a. Commissioners, Directors, employees and Majority Shareholders of the Company;
 - b. Individual, who has the capacity or profession of because business relationship with the Company, that may obtain insider information; or
 - c. Those who are no longer the party mentioned in item (a) or (b) within 6 months period; are prohibited to carry out trading on the shares of the Company within the Buyback of Shares period.

ANALYSIS AND MANAGEMENT DISCUSSION ON THE IMPACT OF THE BUYBACK OF SHARES

Estimation on the reduction of the Company's income

Assuming the Company uses Rp300,000,000,000 (three hundred billion Rupiah), including the transaction cost, thereafter the assets and equity of the Company shall decrease in the amount of maximum Rp300,000,000,000 (three hundred billion Rupiah). With regard to the transaction, the impact on the Company's operational costs shall not be material, so the profit and loss is estimated to be in line with the Company's target. The Company believes that the Buyback of Shares will not have a negative impact to the business activity of the Company, considering that the Company has sufficient capital and cash flow to carry out the transaction in conjunction with the business activity of the Company.

Proforma of earnings per share of the Company

Below is the proforma of net profit per share calculated according to the Consolidated Financial Statements as of 30 September 2019, in connection with the Buyback of Shares with the maximum amount of Rp300,000,000,000 (three billion Rupiah).

(in million Rupiah)

	30 September 2019		
	Before buyback	Impact	After buyback
Total Asset	5,800,955	(300,000)	5,500,955
Profit for the period	58,960		58,960
Equity	6,118,455	(300,000)	5,818,455
Earnings per share	3.17		3.97

Assumption:

- the maximum Buyback of Shares is 20% of the total paid up capital

Impact on the business activities of the Company and growth of the Company

The Buyback of Shares is expected to maintain the stability of share prices in the future, which is currently does not reflect the fundamental conditions and prospects of the Company. The Company wishes to have positive stock price movement by doing the Buyback of Shares.

The Company believes that the Buyback of Shares shall not have a negative material impact to the business activity of the Company, considering that the Company has sufficient capital and cash flow to carry out the transaction in conjunction with the business activity of the Company.

COMPANY'S PLAN TO THE SHARES THAT WILL BE REPURCHASED

The Company plans to hold the shares that will be repurchased to be placed as treasury shares as stipulated under Article 12 of OJK Regulation No. 2/POJK.04/2013, which regulated that in the event of repurchased shares as a result from the buyback of shares held by the Company for a period of 3 years after the completion of the Buyback of Shares, the Company shall transfer the repurchased shares within 2 years. In the event that the Company has not yet completed the transfer of repurchased shares, the Company shall complete the transfer of shares within the additional period of one year.

Thirty days after the completion of the period of Buyback of Shares, the Company can transfer the repurchased shares in accordance with relevant regulations, especially Article 9 of OJK Regulation No. 2/POJK.04/2013, by way of:

- sell through the IDX or outside the IDX;
- withdraw by reducing the capital;
- share ownership program held by employees and/or management;

- d. debt into shares conversion and/or
- e. warrant

Shares that have been repurchased by the Company cannot be used to votes in the GMS and will not be calculated in determining the quorum of the GMS and also are not entitled to receive dividends.

ADDITIONAL INFORMATION

The Shareholders who require additional information may contact the Company during business hours at:

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