

DISCLOSURE OF INFORMATION TO THE SHAREHOLDERS OF
PT SOLUSI BANGUN INDONESIA TBK (“**PERSEROAN**”) IN RELATION TO THE
CAPITAL INCREASE PLAN WITH PREEMPTIVE RIGHTS (“**PRE-EMPTIVE RIGHTS**”)

THE INFORMATION MENTIONED IN THIS DISCLOSURE OF INFORMATION IS
IMPORTANT TO BE READ AND NOTICE BY THE COMPANY’S SHAREHOLDERS TO
MAKE A DECISION ON CAPITAL INCREASE PLAN WITH PRE-EMPTIVE RIGHTS.

THIS DISCLOSURE OF INFORMATION IS MADE ON 19 FEBRUARY 2021
 (“**DISCLOSURE OF INFORMATION**”) TO CONDUCT CAPITAL INCREASE PLAN
 WITH PRE-EMPTIVE RIGHTS TO THE COMPANY’S SHAREHOLDERS IN
 COMPLIANCE WITH FINANCIAL SERVICES AUTHORITY/OTORITAS JASA
 KEUANGAN (“**POJK**”) REGULATION NO. 32/POJK.04/2015 ON CAPITAL INCREASE
 PLAN FOR PUBLIC COMPANY WITH PRE-EMPTIVE RIGHTS AS AMENDED BY OJK
 REGULATION NO. 14/POJK.04/2019 YEAR 2019 ON AMENDMENT TO OJK
 REGULATION NUMBER 32/POJK.04/ 2015 ON CAPITAL INCREASE PLAN FOR
 PUBLIC COMPANY WITH PRE-EMPTIVE RIGHTS (“**POJK 32/2015**”)



PT SOLUSI BANGUN INDONESIA Tbk (SMCB)
Domiciled in South Jakarta

Business Activities:

Industry, Trading, Mining, Transportation and Hazardous Waste Treatment

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Talavera Office Park
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The general meeting of shareholders of the Company will be held on 30 March 2021 in order to approve the capital increase plan with Pre-emptive Rights to the shareholders of the Company along with the annual general meeting of shareholders (hereinafter referred to as "**GMS**").

All information contained in this Disclosure of Information is only a recommendation, which is subject to the approval of the GMS and Prospectus issued in the context of capital increase with Pre-Emptive Rights.

THE DISCLOSURE OF INFORMATION AND THE INFORMATION CONTAINED IN IT IS NOT INTENDED AS A PUBLIC OFFERING DOCUMENT OR RECOMMENDATION TO BUY, EITHER DIRECTLY OR INDIRECTLY, OF THE COMPANY'S SECURITIES.

This disclosure of information is issued on 19 February 2021



INFORMATION RELATING TO THE CAPITAL INCREASE WITH PREEMPTIVE RIGHTS

In connection with the Company's capital increase plan with Pre-Emptive Rights in this Disclosure of Information, the Company intends to issue a maximum of 1,380,000,000 new shares of the Company with a nominal value of Rp 500 per share ("**New Shares**").

With respect to such matter, the Company intends to increase its issued and paid-up capital in connection with the conducting of Pre-Emptive rights in which a change of Article 4 of the Company's articles of association.

Increasing of issued and paid-up capital will be conducted following the completion of capital increase transaction with Pre-Emptive Rights that will be conducted in accordance with prevailing laws and after obtaining an effective statement of the Pre-Emptive registration of the Company is accepted by Otoritas Jasa Keuangan ("**OJK**").

These New Shares will be issued from the Company's portfolio shares and will be listed on the Indonesia Stock Exchange ("**IDX**") in accordance with the prevailing laws and regulations, including the Indonesian Stock Exchange Regulation No. I-A regarding the Registration of Shares and Equity Securities Other Than Shares, Issued by the Listed Company, as last amended based on the Attachment to the Decree of the Directors of PT BEI No. Kep-00183/BEI/12-2018 dated 26 December 2018. These New Shares have the same and equal rights in all respects including the right to dividends with other shares of the Company.

In accordance with POJK 32/2015, the implementation of capital increase with Pre-Emptive Rights is subject to:

1. The approval from the Company's shareholders at the GMS in connection with the capital increase with Pre-Emptive Rights; and
2. The submission of the Registration Statement by the Company to OJK in connection with the plan to the capital increase with Pre-Emptive Rights is declared effective by the OJK.

For the avoidance of doubt, the Company has the right to issue part or all of the maximum number of shares approved for issuance based on the resolution of the GMS. The payment for shares to increase the capital by granting Pre-Emptive Rights will be made in the form of cash.

PT Semen Indonesia Industri Bangunan ("**SIIB**") as a major shareholder of the Company intends not to exercise its Pre-Emptive Rights that is owned by SIIB and to assign it to Taiheiyo Cement Corporation ("**TCC**"), a company established under laws of Kingdom of Japan. TCC conducts in cement industry and its derivative products. The implementation of Pre-Emptive Rights by TCC will be conducted in accordance with applicable laws. It is important to be known that in 2019 SIIB had conducted mandatory tender offer as mandated by OJK Regulation No. 9/POJK.04/2018 regarding Acquisition of Public Company ("**POJK No. 9/2018**"). Therefore, this corporate action by the Company is a part of obligation provided under POJK No. 9/2018 to conduct refloat of shares in the Company.

Other provisions relating to the capital increase plan with Pre-Emptive Rights, including the final exercise price of the Pre-Emptive Rights and the final amount of the New Shares to be issue as well as other important information, will be disclose in the Prospectus issue in the

context of capital in crement, which will be made available to shareholders entitled in due time, in accordance with applicable regulations.

ESTIMATED SCHEDULE OF CONDUCTING CAPITAL INCREASE

In accordance with POJK 32/2015, the Company will submit a Registration Statement in relation with the capital increase with Pre-Emptive Rights to OJK after obtaining approval from the GMS which will be held on 30 March 2021 to approve the plan of the Company's capital increase with Pre-Emptive Rights, and the capital increase with Pre-Emptive Rights will be conducted after the Registration Statement is declared effective by the OJK.

Referring to the provisions of Article 8 paragraph 3 POJK 32/2015, the period between the date of approval by the EGMS and the effectiveness of the Registration Statement is not more than 12 (twelve) months.

OUTLINE ESTIMATES OF THE USE OF FUNDS

The Company intends to use the funds received from the capital increase with Pre-Emptive Rights (after deducting all commissions, costs, fees and other expenses) (i) for partially early repayment of the Company's loan principal to the bank and/or financial institutions; and/or (ii) for working capital purposes and/or investment by the Company and / or its subsidiaries.

The management of the Company has the right to adjust the use of funds by considering the circumstances and other factors deemed appropriate.

Final information regarding the use of the funds will be disclosed in the prospectus issued in the context of the capital increase with Pre-Emptive Rights which will be made available to shareholders in time, in accordance with applicable laws and regulations.

IMPACT OF CAPITAL INCREASE TO FINANCIAL CONDITIONS AND SHAREHOLDERS OF THE COMPANY

Impact to the financial condition of the Company

The capital increase with Pre-Emptive Rights plan is to strengthen the Company's capital structure to increase the ability of the Company to improve and develop its business activities and competitiveness to support the Company's long-term growth. And by having cash ability of the Company then the Company can reduce interest fee of the company. And along with the business growth, the performance of the Company is expected to become higher and give benefit value to the shareholders of the Company.

Impact to the shareholders of the Company

Through conducting capital increase with Pre-Emptive Rights, the Company's shareholders not using their Pre-Emptive Rights may be expected to be dilluted of the percentage of share ownership in the Company up to a maximum of 15.26%.

GENERAL MEETING OF SHAREHOLDERS

With respect to the intention of the Company to increase capital with Pre-Emptive Rights, the Company is required to obtain an approval from shareholders on a GMS that will be held with the details as below:

Day/Date : Tuesday, 30 March 2021
Time : 09.30 WIB – end
Venue : Space Ballroom, Aloft Hotel Lobby Floor
Jl. TB Simatupang Kav.8-9 Cilandak, Jakarta Selatan 12560

The announcement of the GMS will be conducted through IDX website through www.idx.co.id and Company's website through www.solusibangunindonesia.com and also website eASY.KSEI provider through <https://easy.ksei.co.id/egken/> on 19 February 2021.

This announcement of this disclosure of information will be conducted through IDX website through www.idx.co.id and Company's website through www.solusibangunindonesia.com on 19 February 2021.

ADDITIONAL INFORMATION

The capital increase with Pre-Emptive Rights will be carried out after obtaining the GMS approval and the effective statement from the OJK on the Registration Statement submitted by the Company in relation with the additional capital by granting this Pre-Emptive Rights.

To obtain additional information regarding the above matter, please contact the Company during working hours at the following address:

PT Solusi Bangun Indonesia Tbk

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Email : corpsec.sbi@sig.id

Jakarta, 19 February 2021
Directors of PT Solusi Bangun Indonesia Tbk



Direktorat Jenderal Pajak


Agung Wiharto
Director

METERAI TERAAN
18.02.2021
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