

Reporting of Information Regarding Material Information or Facts and Affiliated Party Transaction

We hereby, on behalf of the Company, submit the Report of Material Information or Fact as required under the Financial Services Authority Regulation No. 31/POJK.04/2015 concerning the Disclosure of Material Information or Facts by Issuers or Public Companies ("**POJK 31/2015**"), and the Affiliated Transaction Reports as required under the Financial Services Authority Regulation No. 42/POJK.04/2020 concerning Affiliated Transactions and Conflict of Interest Transactions ("**POJK 42/2020**"), as follows:

A. Description of the Transaction

On October 18, 2021, PT Trimegah Sekuritas Indonesia Tbk ("**Company**") and Mr. Stephanus Turangan, President Director of the Company, have established a new subsidiary named PT Trimegah Sekuritas ("**New Securities Company**" or "**PSB**") based on Deed of Establishment No. 48 dated October 11, 2021, made before Jose Dima Satria, Bachelor of Law, Master of Notary, Notary at South Jakarta Administrative City ("**Deed of Establishment of PSB**").

The establishment of the PSB has obtained Legalization of Legal Entity from the Minister of Law and Human Rights of the Republic of Indonesia ("**Menkumham**") based on the Decree of the Menkumham No. AHU-0065663.AH.01.01.TAHUN 2021 dated October 18, 2021, which has been registered in the Company Register No. AHU-0181022.AH.01.11.TAHUN 2021.

The PSB is established with the following capital structure:

- Authorized Capital: Rp4,000,000,000 divided into 80,000,000 shares, each share has a nominal value of Rp50.
- Issued and Paid-up Capital: Rp1,000,000,000 divided into 20,000,000 shares, each share has a nominal value of Rp50.

The shareholder composition of the PSB based on the Deed of Establishment of the PSB is as follows:

Description	Nominal per Share Rp50		
	Number of Shares	Nominal Value (Rp)	%
Authorized Capital	80,000,000	4,000,000,000	
<u>Issued and paid-up capital:</u>			
1. the Company	19,980,000	999,000,000	99.9
2. Stephanus Turangan	20,000	1,000,000	0.1
Total issued and paid-up capital	20,000,000	1,000,000,000	100.0
Total portfolio shares	60,000,000	3,000,000,000	-

The establishment of the PSB is an initial step in implementation of the Company's business plan to separate the Company's business activities as a Securities Company that conducts business activities as a Broker-Dealer and Underwriter ("**spin off**"), and changes in the Company's business activities.

In connection with the transaction plan above, the Company will acquire the necessary approvals, either from the Company's shareholders or the Financial Services Authority, and take into account the applicable laws and regulations. Furthermore, the Company will carry out business activities as a Holding Company that supports the business activities of the subsidiaries engaged in, among others, the Capital Market industry.

The purpose of the spin-off plan is to open-up opportunities for the Company to continue to innovate and develop business activities that among others, support the development of the Capital Market, and also to optimize the use of the Company's capital.

By conducting the spin-off, both the Company and the subsidiary are expected to be more focused on carrying out their respective business activities, and will work cooperatively in developing the business as a group more optimally, hereby increasing value for the Company's shareholders.

After acquiring the business licenses as a Securities Company from the Financial Services Authority, the PSB will receive transfer of part of the Company's assets and liabilities earned from its business activities as a Securities Company. Then, assets and liabilities that are not transferred by the Company to the PSB will be managed by the Company with due observance of the provisions of the applicable laws and regulations.

The implementation of the spin-off and changes of the Company's business activities will involve several corporate actions carried out by the Company and the PSB, including but not limited to applying for the PSB's business license as a Securities Company, returning the Company's Securities Company's business license, and transfer of the Company's assets and liabilities to the PSB, as well as changes in the Company's business activities.

B. Parties Involved in the Transaction and the Affiliation Relationship with the Company

The Company together with Mr. Stephanus Turangan have established the PSB, with ownership of 99.9% and 0.1% of the total issued and paid-up capital of the PSB respectively. Currently, Mr. Stephanus Turangan serves as the President Director of the Company and owns 0.4% of the Company's shares.

C. Impact of Event, Material Information or Facts on the Company

Considering that the spin-off plan will be followed by changes in the Company's business activity, the Company's business activity which is originally a Securities Company will change to a Holding Company that supports the business activities of the subsidiaries engaged in, among others, the Capital Market industry.

Considering that the PSB is a subsidiary the financial statements of which is consolidated with the Company, the spin-off plan has no impact on financial performance and business continuity of the Company.

D. Other Information

As disclosed in the Description of the Transaction section, the Company has established the PSB together with Mr. Stephanus Turangan, who is the President Director of the Company.

Based on this fact, the establishment of the PSB is an Affiliated Transaction as referred in POJK 42/2020.

Based on the provision of Article 2 of POJK 42/2020, a Public Company that conducts activities and/or transactions with its affiliates must comply with the provisions of POJK 42/2020.

Referring to the provision of Article 6 paragraph (1) letter c of POJK 42/2020, the Company is exempted from the obligations as referred to in Article 3, and the obligations as referred to in Article 4 paragraph (1) of POJK 42/2020 if the Company conducts transactions with the transaction value not exceeding 0.5% of the Company's paid-up capital.

As the Company pays a capital of Rp999,000,000 (nine hundred ninety nine million Rupiah), the value of this Affiliated Transaction does not exceed 0.5% of the Company's paid-in capital, therefore the Company is only required to report the Affiliated Transaction to the Financial Services Authority no later than the end of the second working day after the date of the Affiliated Transaction.

Other than the information disclosed above, there are no other event, information, or material facts that we have not disclosed in connection with the above information.

E. Statement of the Board of Commissioners and Board of Directors

The Board of Commissioners and the Board of Directors of the Company hereby declare that the Affiliated Transaction does not contain Conflict of Interest, and all material information or has been disclosed according to POJK 42/2020, POJK 31/2015, and this Disclosure of Information is not misleading.

Jakarta, October 21, 2021
The Board of Directors