

**AMENDMENT AND/OR ADDITION OF
INFORMATION DISCLOSURE TO THE SHAREHOLDERS OF
PT DIAN SWASTATIKA SENTOSA TBK
("INFORMATION DISCLOSURE")**

THIS INFORMATION DISCLOSURE IS PREPARED BY PT DIAN SWASTATIKA SENTOSA TBK ("COMPANY") IN COMPLIANCE WITH FINANCIAL SERVICES AUTHORITY'S REGULATION NUMBER 14/POJK.04/2019 IN RELATION TO THE AMENDMENT OF FINANCIAL SERVICES AUTHORITY'S REGULATION NUMBER 32/POJK.04/2015 ON CAPITAL INCREASE OF PUBLIC COMPANY BY GRANTING PRE-EMPTIVE RIGHTS AND FINANCIAL SERVICES AUTHORITY'S REGULATION NUMBER 31/POJK.04/2015 ON DISCLOSURE OF INFORMATION OR MATERIAL FACTS BY ISSUERS OR PUBLIC COMPANIES

If you have difficulty understanding the information contained in this Information Disclosure, you should consult a legal advisor, public accountant, financial advisor, or other professionals.



PT Dian Swastatika Sentosa Tbk
("Company")

Business Activities:

Power and steam generation, wholesale trading, real estate development and services, infrastructure, management consulting, and holding company

Head Office

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Jl. M.H. Thamrin No. 51
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This Information Disclosure is issued in Jakarta on December 8, 2021

A handwritten signature in blue ink, consisting of a stylized 'C' followed by a flourish.

I. DEFINITIONS

IDX	: means PT Bursa Efek Indonesia or Indonesia Stock Exchange
Exchange Day	: means the day on which securities trading is held on the IDX, which is Monday to Friday, unless such day is a national holiday or declared as a stock market holiday by the IDX
Information Disclosure	: means the information as attached in this announcement
MOLHR	: means the Minister at the Ministry of Law and Human Rights of the Republic of Indonesia
OJK	: means the Financial Services Authority as referred in Law Number 21 of 2011
Regular Market	: means a market in which securities trading on the IDX is carried out based on a continuous auction market bidding process by members of the IDX and the settlement is carried out on the second Exchange Day after the transaction day
Cash Market	: means a market in which securities trading on the IDX is carried out based on a continuous auction market bidding process by members of the IDX and the settlement is carried out on the same Exchange Day as the transaction day
Independent Shareholders	: means shareholders who do not have personal economic interest in relation to a certain transaction and are: a) not a member of the board of directors, member of the board of commissioners, ultimate shareholder, and controller of the Company; or b) not affiliated with any member of the board of directors, member of the board of commissioners, ultimate shareholder, and controller of the Company
Company	: means PT Dian Swastatika Sentosa Tbk, a public limited liability company established based on and subject to the laws of the Republic of Indonesia
IDX Regulation No. I-A	: means the Decision Letter of the Board of Directors of PT Bursa Efek Indonesia No. Kep-00183/BEI/12-2018 dated December 26, 2018 in relation to the Amendment of IDX Regulation No. I-A on Listing of Shares and Equity Securities Other than Shares Issued by the Listed Company
POJK 14/2019	: means OJK Regulation Number 14/POJK.04/2019 dated April 29, 2019 in relation to Amendment of Financial Services Authority Regulation Number 32/POJK.04/2015 on Capital Increase of Public Company by Granting Pre-Emptive Rights
POJK 15/2020	: means OJK Regulation Number 15/POJK.04/2020 dated April 20, 2020 on the Planning and Implementation of General Meeting of Shareholders for Public Companies

POJK 31/2015	: means OJK Regulation Number 31/POJK.04/2015 dated December 16, 2020 on Disclosure of Information or Material Facts by Issuers or Public Companies
EGMS	: means Extraordinary General Meeting of Shareholders held in accordance with the provisions of the Company's articles of association
Stock Split	: means stock split of the Company with a ratio of 1:10 (one to ten)

II. INTRODUCTION

Information as contained in this Information Disclosure is conveyed to the shareholders of the Company in order for the shareholders to obtain complete information regarding the Company's plan to execute capital increase without Pre-Emptive Rights ("**Capital Increase**") as regulated in POJK 14/2019 and POJK 31/2015.

The Company was established based on the Deed of Establishment of a Limited Liability Company of PT Dian Swastatika Sentosa No. 6 dated August 2, 1996, as amended by the Deed of Amendment No. 35 dated October 8, 1996, both deeds were made before notary Linda Herawati, S.H. The deeds were approved by the MOLHR based on Decree No. C2-9854.HT.01.01.TH'96 dated October 28, 1996 and have been published in the State Gazette of the Republic of Indonesia No. 46 dated June 10, 1997, Supplement No. 2258.

Since the Company's initial public offering on December 10, 2009 until now, the Company has not conducted any corporate actions related to capital increase with or without pre-emptive rights.

In addition to the Capital Increase, the Company also intends to separately seek shareholders' approval to execute the corporate action of Stock Split which is planned to be implemented in early 2022.

The Company has amended its articles of association several times, with the latest amendment on adjustment and amendment of articles of association by considering Government Regulation No. 24 Year 2018 on Electronically Integrated Business Licensing Services and Indonesian Central Agency of Statistics's Regulation No. 19 of 2017 in relation to the Amendments to the Regulation of the Indonesian Central Statistics Agency No. 95 of 2015 concerning Standard Classification of Indonesian Business Fields, POJK 15/2020, and OJK's Regulation No. 16 of 2020 on The Implementation of Electronic General Meeting of Shareholders of Public Companies. The amendment and restatement of the articles of association was stated in the Deed of Declaration of Meeting Resolution No. 113 dated June 29, 2020 made before notary Hannywati Gunawan, S.H. which has received approval from MOLHR in Decree No. AHU-0051729.AH.01.02.Tahun 2020 dated July 28, 2020. Based on the deed, the number of the issued and paid-up capital, up to the announcement of this Information Disclosure, is of 770,552,320 (seven hundred seventy million five hundred fifty-two thousand three hundred and twenty) shares.

To support the development of business, increase the liquidity of Company's shares, and strengthen the capital structure, the Company plans to issue new shares up to a maximum of 10% (ten percent) of the fully issued and paid-up capital of the Company, or: i) maximum 770,552,320 (seven hundred seventy million five hundred fifty-two thousand three hundred and twenty) common shares with nominal value of Rp25 (twenty-five Rupiah) per share if the Capital Increase is executed after the execution of Stock Split, or ii) maximum 77,055,232 (seventy-seven million fifty-five thousand two hundred and thirty-two) common shares with nominal value of Rp250 (two hundred fifty Rupiah) per share if the Capital Increase is executed before or without the execution of Stock Split.

Currently, the Company is still exploring the possibility of inviting strategic investors to invest in the Company's Capital Increase. In the event that the Company has obtained a commitment from strategic

investor(s) before the EGMS' implementation, the Company will immediately announce the additional information, by also observing the provisions of IDX Circular Letter No. SE-00009/BEI/12-2020 on Procedure of Implementation of Additional Shares Listing with Pre-emptive Rights and Without Pre-emptive Rights and POJK 14/2019, which regulates the obligation to announce the plan of Capital Increase no later than 5 (five) working days prior to its execution through the Company's website and IDX website.

This Capital Increase plan will not result in change of control in the Company, and will be carried out with due observance of OJK regulations, IDX regulations, and the provisions of the Company's articles of association. Since there is no change of control in the Company, the Company only needs to provide notification to the Company's creditors.

Since the Company announced the information disclosure related to the Capital Increase plan on November 15, 2021 until the publication of this Information Disclosure, the Company has not received objections from any party, including the Company's creditors.

The Company plans to seek shareholders' approval during the Company's EGMS, which is planned to be held on Wednesday, December 22, 2021.

III. INFORMATION ABOUT THE COMPANY

The Company is a public limited liability company established under the laws of the Republic of Indonesia and domiciled in Central Jakarta, with its head office located at Sinar Mas Land Plaza, Tower 2, 24th Floor, Jl. M.H. Thamrin No. 51, Central Jakarta 10350, with telephone number: +6221 31990258, facsimile number: +6221 31990259, and email address: corsec@dss.co.id.

The Company was established based on the Deed of Establishment of a Limited Liability Company of PT Dian Swastatika Sentosa No. 6 dated August 2, 1996, as amended by the Deed of Amendment No. 35 dated October 8, 1996, both deeds were made before notary Linda Herawati, S.H. The deeds were approved by the MOLHR based on Decree No. C2-9854.HT.01.01.TH'96 dated October 28, 1996 and have been published in the State Gazette of the Republic of Indonesia No. 46 dated June 10, 1997, Supplement No. 2258.

The Company has amended its articles of association several times. The latest amendment was based on the Deed of Declaration of Meeting Resolution No. 113 dated June 29, 2020 made before notary Hannywati Gunawan, S.H. regarding amendment and restatement of the entire articles of association of the Company. The Deed has received approval from MOLHR in Decree No. AHU-0051729.AH.01.02.Tahun 2020 dated July 28, 2020 and has been notified to the MOLHR as stated in the Receipt of Notification on Amendments to the Company's Articles of Association No. AHU-AH.01.03-0313278 dated July 28, 2020 and has been registered in the company register No. AHU-0122514.AH.01.11.Tahun 2020 dated July 28, 2020.

i. Purpose and Objectives of Business Activities

The purpose and objectives of the Company are to engage in the field of power and steam generation, wholesale trade, real estate development and services, infrastructure, management consulting, and holding company.

To achieve the above-mentioned purpose and objectives, the Company may carry out business activities as follows:

- a. plan, build, and operate power plants and related facilities
- b. provide power and steam generation services
- c. conduct wholesale trading business of various kinds of goods without specifying certain goods
- d. establish and/or run a business in the infrastructure sector, including establishing/building telecommunications infrastructure and telecommunications support services in the field of ownership and/or provision and/or leasing of towers and their supporting facilities

e. carry out investment activities in other companies

ii. Current Key Business Activities

Currently, the key business activities carried out by the Company, among others, power and steam generation, coal and gold mining and trading, technology business, and fertilizer and chemical trading.

iii. Shareholders Composition

Based on Deed of Declaration of Meeting Resolution No. 113 dated June 29, 2020, the Company's shareholders composition is as follows:

Remarks	Number of Shares	Nominal Value (Rp) @ Rp250 per share	Percentage
Authorized Capital	2,400,000,000	600,000,000,000	
Fully Issued and Paid-Up Capital			
PT Sinar Mas Tunggal ¹⁾	461,552,320	115,388,080,000	59.90%
Public (respectively <5%) ²⁾	309,000,000	77,250,000,000	40.10%
Total Issued and Paid-Up Capital	770,552,320	192,638,080,000	100.00%
Treasury Shares	1,629,447,680	407,361,920,000	

Remarks:

- 1) PT Sinar Mas Tunggal is owned by the Widjaja family. The controlling shareholders of PT Sinar Mas Tunggal are Mr. Franky Oesman Widjaja (President Commissioner), Mr. Indra Widjaja (Vice President Commissioner), and Mr. Muktar Widjaja. Besides Mr. Franky Oesman Widjaja and Mr. Indra Widjaja, other members of the Board of Commissioners and all members of the Board of Directors of the Company do not own shares of the Company either directly or indirectly.
- 2) There is no public shareholder who holds more than 5% shares ownership in the Company.

The Capital Increase will be done by the Company with a maximum amount of 10% (ten percent) of the fully issued and paid-up capital of the Company, so that it will not cause a change of control in the Company.

Since the Company's initial public offering on December 10, 2009 until now, the Company has not conducted Company's share buyback.

iv. Management and Supervision

As stated in Deed No. 110 dated May 28, 2021, the compositions of the members of the Board of Commissioners and the Board of Directors of the Company are as follows:

Board of Commissioners

President Commissioner : Franky Oesman Widjaja
Vice President Commissioner : Indra Widjaja
Independent Commissioner : Dr.-Ing. Evita Herawati Legowo
Independent Commissioner : Dr. Robert A. Simanjuntak
Independent Commissioner : Dr. Ir. Andy Noorsaman

Board of Directors

President Director : Lay Krisnan Cahya
Vice President Director : Lokita Prasetya
Director : Hermawan Tarjono
Director : Handhianto Suryo Kentjono
Director : Daniel Cahya
Director : Alex Sutanto

IV. INFORMATION OF THE CAPITAL INCREASE PLAN

1. REASONS AND OBJECTIVES OF CAPITAL INCREASE

The Company plans to obtain additional fund to support the development of business, strengthen the capital structure, and increase the liquidity of Company's shares.

2. BENEFITS OF CAPITAL INCREASE

The benefits obtained by the Company with the implementation of this Capital Increase are among others:

- a. The Company may invite strategic investors who are interested in investing to the Company.
- b. The Company will obtain additional fund that will strengthen the Company's capital structure and support the Company to develop business so it can provide added value for the shareholders.
- c. The Company will obtain additional fresh fund, free from interest expenses and collaterals, from new investors.
- d. The number of the Company's outstanding shares will increase, which is expected to support the Company's plan to increase the liquidity of the Company's shares.

3. ISSUANCE OF NEW SHARES

The Company intends to conduct Capital Increase after the execution of stock split with the assumption of stock split ratio of 1:10, so the number of new share issuance is a maximum of 10% (ten percent) of the fully issued and paid-up capital of the Company, or a maximum of 770,552,320 (seven hundred seventy million five hundred fifty-two thousand three hundred and twenty) common shares with nominal value of Rp25 (twenty-five Rupiah) per share. The execution of the Stock Split plan, among others, depends on the approval of the Company's general meeting of shareholders which will be held separately. In the event the Stock Split is not or has not been executed, the Company will conduct the Capital Increase by the issuance of new shares in the maximum of 10% (ten percent) of the fully issued and paid-up capital of the Company, or a maximum amount of 77,055,232 (seventy-seven million fifty-five thousand two hundred and thirty-two) common shares with nominal value of Rp250 (two hundred fifty Rupiah) per share.

The shares which will be issued in relation to the Company's Capital Increase possess the same rights, positions, and degrees in all respects as the shares that have been fully issued and paid-up in the Company, including the right to dividends and the right to vote in the general meeting of shareholders, as well as other corporate actions that will be carried out by the Company. All shares offered are new shares issued from the Company's portfolio and will be listed on IDX.

The Company has received an in-principle approval letter from IDX Number S-08533/BEI.PP2/11-2021 dated November 12, 2021 in relation to the Company's Capital Increase and Stock Split plan.

Currently, the Company is still exploring the possibility of inviting strategic investors to invest in the Company's Capital Increase. The exercise price of the newly issued shares from the Capital Increase will refer to IDX Regulation No. I-A, which is at least 90% (ninety percent) of the average closing price of the Company's shares trading on the IDX for 25 (twenty-five) consecutive Exchange Days on the Regular Market prior to the date of application for additional shares listing resulting from the Capital Increase. The exercise price of additional shares must not be lower than the lowest price limit (minimum) for shares that can be traded in the Regular Market and Cash Market.

In implementing the Capital Increase, the Company refers to the provisions of the laws and regulations in the capital market sector, including POJK 14/2019 and IDX Regulation No. I-A. In the event that the Company has obtained a commitment from potential strategic investor(s) before the EGMS implementation, the Company will immediately announce the additional information, by also observing the provisions of IDX Circular Letter No. SE-00009/BEI/12-2020 on Procedure of Implementation of Additional Shares Listing with Pre-emptive Rights and Without Pre-emptive Rights and POJK 14/2019 which regulates the obligation to announce the plan of Capital Increase no later than 5 (five) working days prior to its execution through the Company's website and IDX website. The Company will file the application for shares listing to IDX which will be submitted at least 6 (six) Exchange Days before the date of additional shares listing.

4. ESTIMATED TIMELINE OF CAPITAL INCREASE

The Company plans to obtain the approval of the Independent Shareholders in the Company's EGMS which will be held on Wednesday, December 22, 2021. The execution of the Capital Increase will be carried out at once or gradually within a period of no later than 2 (two) years from the date the Company holds the EGMS which approves this Capital Increase, which is until December 21, 2023.

In accordance with the provisions of POJK 14/2019, related to the execution of Capital Increase, the Company will announce:

- a. The plan of the execution of Capital Increase, at least 5 (five) working days prior to the execution of Capital Increase;
- b. The results of the execution of Capital Increase, at least 2 (two) working days after the execution of the Capital Increase.

The Company plans to implement the Capital Increase after the execution of Stock Split, in which the Stock Split plan has received an in-principle approval letter from IDX Number S-08533/BEI.PP2/11-2021 dated November 12, 2021. However, the Company does not rule out the possibility to implement the Capital Increase before or without the execution of Stock Split, if the market situation is favorable.

Currently, the Company is not yet able to determine the specific Capital Increase implementation period yet. In the event that the Company is able to determine the timing of the Capital Increase before the EGMS, the Company will immediately announce the additional information.

5. IMPACT OF THE STOCK SPLIT ON THE CAPITAL INCREASE

The Company plans to execute stock split with a ratio of 1:10. The Stock Split execution is expected to increase the liquidity of the Company's shares and increase the interest of investors, especially retail investors, to buy the Company's shares.

Meanwhile, the Capital Increase is aimed at strategic investors who will purchase the Company's shares in large amount. Therefore, the Company estimates that there will be no significant impact on the implementation of the Capital Increase resulting from the Stock Split.

6. PLAN OF THE UTILIZATION OF THE PROCEEDS FROM CAPITAL INCREASE

With regard to the provisions of the applicable laws and regulations, the fund received by the Company from the implementation of this Capital Increase, after being deducted with associated costs, will be used by the Company to support the development of business, finance new projects in the Company and/or subsidiaries, and/or strengthen the capital structure, including to prepay part(s) of the Company's loan(s).

Currently, the Company is still exploring the possibility of inviting strategic investors to invest in the Company's Capital Increase, so the Company is currently not able to announce the amount of fund that may be raised through this Capital Increase, as well as the allocation of fund that will be used for business development or loan prepayment to creditors, including determination of specific loan facility(-ies) which will be paid.

The businesses and new projects planned to be developed and funded by the Company through its subsidiaries, among others, include the development of renewable energy business and technology business. Currently, the Company has not determined which of its subsidiaries will receive the proceeds from the Capital Increase, considering that the renewable energy business and technology business that will be developed may be carried out by existing subsidiaries in the relevant division or by subsidiaries which will be established later by the Company.

The Company's loan facility agreements with the creditors, as long as no change of control occurs, do not contain provisions that prohibit the Company from implementing the Capital Increase, nor provisions that in the Company's view might potentially hinder the usage of its proceeds. When determining the loan facility(-ies) to be paid to the creditor(s), the Company will observe the applicable provisions in each loan facility agreement, including the loan interest rate and applicable penalties in the case of early prepayment.

In the event that the Company has obtained a commitment from potential strategic investor(s), the Company will announce further information in relation to the implementation of the Capital Increase, including the specific plan for the use of the proceeds from the Capital Increase in the next Company's information disclosure, with due observance to the applicable and relevant laws and regulations. In the event that the transactions related to the use of proceeds from the Capital Increase is a material transaction or affiliated and/or conflict of interest transaction, the Company will observe and comply with OJK's Regulation Number 17/POJK.04/2020 on Material Transactions and Changes in Business Activities and OJK's Regulation Number 42/POJK.04/2020 on Affiliated and Conflicts of Interest Transactions.

V. FINANCIAL PRO-FORMA AND MANAGEMENT DISCUSSION

A. FINANCIAL PRO-FORMA

The Capital Increase is expected to have a positive impact on the Company, as presented on the table below.

(in USD)

A	B	C	D
Description	Before Capital Increase (based on Reviewed Financial Statement as of June 2021)	Adjustments	After Capital Increase
Asset	3.014.329.751	151.444.149	3.165.773.900
Equity	1.880.441.300	151.444.149	2.031.885.449
Revenues	937.569.112	0	937.569.112
Profit for the Period	95.903.529	0	95.903.529
Return on Asset Ratio	3,18%	-0,15%	3,03%
Return on Equity Ratio	5,10%	-0,38%	4,72%
Current Ratio	193,52%	31,30%	224,82%
Liabilities-to-Asset Ratio	37,62%	-1,80%	35,82%
Liabilities-to-Equity Ratio	60,30%	-4,50%	55,80%

The Company's consolidated financial pro-forma after the Capital Increase plan is prepared by using the following assumptions:

- a. The implementation of the Capital Increase has been approved in the Company's EGMS.
- b. Total issued and fully paid-up capital as of June 30, 2021 is 770,552,320 (seven hundred seventy million five hundred fifty-two thousand three hundred and twenty) shares with a nominal share value of Rp250 (two hundred and fifty Rupiah) per share or a total nominal value of Rp192,638,080,000 (one hundred ninety-two billion six hundred thirty-eight million and eighty thousand Rupiah).
- c. The Company conducts a Stock Split with a ratio of 1 (one) old share being replaced with 10 (ten) new shares.
- d. Total fully issued and paid-up capital, after Stock Split and Capital Increase, increases to Rp211,901,888,000 (two hundred eleven billion nine hundred one million eight hundred and eighty-eight thousand Rupiah).
- e. New shares are issued at a nominal value of i) Rp25 (twenty-five Rupiah) with a maximum number of 770,552,320 (seven hundred seventy million five hundred fifty-two thousand three hundred and twenty) shares with an exercise price of 90% (ninety percent) of the average closing price for Company's shares trading from October 8, 2021 to November 12, 2021, which is Rp2,849 (two thousand eight hundred and forty-nine Rupiah) if the Capital Increase is carried out after the Stock Split, or ii) at a nominal value of Rp250 (two hundred and fifty Rupiah) with a maximum number of 77,055,232 (seventy-seven million fifty-five thousand two hundred and thirty-two) shares with an exercise price of 90% (ninety percent) of the average closing price for trading shares of the Company from October 8, 2021 to November 12, 2021, which is Rp28,490 (twenty-eight thousand four hundred and ninety Rupiah) if the Stock Split is not or has not been executed.
- f. All proceeds from the Capital Increase, after being deducted with associated costs, will be used to support the development of business, finance new projects in the Company and/or its subsidiaries, and/or strengthen the capital structure, including to repay part of the outstanding loans of the Company.
- g. The exchange rate used in the pro-forma table above is IDR 14,496/USD.
- h. In addition to the return on assets (ROA) ratio and return on equity (ROE) ratio, there are other financial ratios that may be affected by the Capital Increase, including current ratio, as well as liabilities-to-asset ratio and liabilities-to-equity ratio.
- i. Column D in the pro-forma table above has not reflected the use of fund from the Capital Increase, considering that currently the Company has not received a commitment from potential strategic investors hence the Company is not yet able to determine the amount of fund that can be raised through the Capital Increase and the specific plans for the use of proceeds from the Capital Increase. In the event that the use of the proceeds from the Capital Increase is used to pay off part of the loan of the Company, the ratios as shown in the table above may differ.

B. MANAGEMENT DISCUSSION AND ANALYSIS ON THE COMPANY'S FINANCIAL CONDITION

The following table is a summary of the consolidated financial position of the Company based on the Company's financial statements for the period ended on June 30, 2021 which has been reviewed by the Public Accountant Firm Mirawati Sensi Idris (an independent member firm of Moore Global Network Limited) in its report dated August 26, 2021, signed by public accountant Maria Leckzinska, with the conclusion that nothing has come to attention that causes the interim consolidated financial statements not to be presented fairly in all material respects.

(in USD)

Description	30 June 2021	31 December 2020
Asset	3,014,329,751	2,900,230,622
Liability	1,133,888,451	1,311,320,300
Equity	1,880,441,300	1,588,910,322

(in USD)
For the six-month periods ended

Description	30 June 2021	30 June 2020
Revenues	937,569,112	771,609,951
Operating Profit	184,306,525	118,442,005
Profit before Tax	139,431,889	58,886,755
Profit for the Period	95,903,529	42,282,900

Asset

The Company's total assets as of June 30, 2021 were USD 3,014.3 million, increasing 3.9% compared to December 31, 2020 which was valued at USD 2,900.2 million. The increase in assets came from an increase in non-current assets of USD 302.6 million offset by a decrease in current assets of USD 188.5 million. The increase in non-current assets mainly came from an increase in long-term investment by 56.3% from USD 587.9 million to USD 918.9 million, offset by 4.6% decrease in property, plant, and equipment from USD 448.3 million to USD 427.9 million. The decrease in current assets was mainly due to a 42.3% decrease in cash and cash equivalents from USD 611.0 million to USD 352.3 million, offset by a 36.7% increase in other receivables from USD 64.0 million to USD 87.5 million.

Liability

The Company experienced 13.5% decrease in liabilities as of June 30, 2021 to USD 1,133.9 million from USD 1,311.3 million as of December 31, 2020. This decrease was mainly due to the decrease in current liabilities from USD 724.5 million to USD 483.9 million or as much as 33.2%. The biggest change occurred in long term loan to banks and financial institutions – current portion, from the amount from USD 222.0 million to USD 43.3 million. Long-term liabilities increased by 10.8% from USD 586.8 million as of December 31, 2020 to USD 650.0 million as of June 30, 2021. The increase was mainly due to an increment in senior secured notes which as of December 31, 2020 was USD 147.2 million and became USD 274.9 million as of June 30, 2021, offset by a decrease in long term loan to banks and financial institution – net of current portion which as of December 31, 2020 amounted to USD 259.0 million to USD 202.9 million as of June 30, 2021.

Equity

As of June 30, 2021, the Company recorded total equity of USD 1,880.4 million, an increase from the previous year which amounted USD 1,588.9 million as of December 31, 2020. This increase was mainly due to comprehensive income for the period.

Revenues

The Company recorded an increase in revenues of 21.5% from USD 771.6 million for the six-month period ended on June 30, 2020 to USD 937.6 million for the six-month period ended on June 30, 2021. The increase was mainly due to the increase in revenues from coal mining and trading by 43.7% from the previous period of USD 581.0 million to USD 834.8 million mainly due to an increase in the volume and average selling price of coal in the current period, offset by a decrease in revenues from construction, operation service and financial of power plant by 76.6% from the previous period of USD 108.0 million to USD 25.3 million mainly because the Company did not consolidate PT DSSP Power Mas Utama (now PT Datang DSSP Power Indonesia) and its subsidiaries, due to the transfer of 75% shares of PT DSSP Power Mas Utama (now PT Datang DSSP Power Indonesia) to a Chinese investor per December 23, 2020.

Operating Profit

Operating profit for the six-month period ended on June 30, 2021 was recorded at USD 184.3 million, an increase of 55.6% compared to USD 118.4 million for the six-month period ended on June 30, 2020. The increase was mainly related to the increase of gross profit of 28.8% from USD 292.1 million to USD 376.2 million, which is in line with the increase in revenues.

Profit before Tax

The Company recorded profit before tax for the six-month period ended on June 30, 2021 of USD 139.4 million, an increase of 136.8% compared to the previous period which recorded profit before tax of USD 58.9 million. This profit growth is mainly caused by the Company's success in increasing the operating profit and a 24.9% decrease in interest expense from USD 51.4 million for the six-month period ended on June 30, 2020 to USD 38.6 million for the six-month period ended on June 30, 2021.

Profit for the Period

The Company's profit for the period for the six-month period ended on June 30, 2021 was USD 95.9 million, an increase of 126.8% compared to the previous period which recorded profit for the period of USD 42.3 million. This profit growth is mainly caused by the success of the Company in increasing profit before tax.

VI. CAPITAL STRUCTURE

The following is the capital structure of the Company before and after Capital Increase, with the assumption that: i) the Capital Increase is executed after Stock Split, and ii) the Capital Increase of 10% (ten percent) is executed in a total of 770,552,320 (seven hundred seventy million five hundred fifty-two thousand three hundred and twenty) common shares with a nominal value of Rp25 (twenty-five Rupiah) per share:

Remarks	After Stock Split and Before Capital Increase			After Stock Split and After Capital Increase		
	Number of Shares	Nominal Value (Rp) @ Rp25 per share	Percentage	Number of Shares	Nominal Value (Rp) @ Rp25 per share	Percentage
Authorized Capital	24,000,000,000	600,000,000,000		24,000,000,000	600,000,000,000	
Fully Issued and Paid-Up Capital						
PT Sinar Mas Tunggal	4,615,523,200	115,388,080,000	59.90%	4,615,523,200	115,388,080,000	54.45%
Public (respectively <5%)	3,090,000,000	77,250,000,000	40.10%	3,090,000,000	77,250,000,000	36.46%
Capital Increase Investor(s)	-	-	0.00%	770,552,320	19,263,808,000	9.09%
Total Issued and Paid-Up Capital	7,705,523,200	192,638,080,000	100.00%	8,476,075,520	211,901,888,000	100.00%
Treasury Shares	16,294,476,800	407,361,920,000		15,523,924,480	388,098,112,000	

The following is the capital structure of the Company before and after Capital Increase, with the assumptions that: i) the Capital Increase is executed before or without the execution of Stock Split, and ii) the Capital Increase of 10% (ten percent) is executed in a total of 77,055,232 (seventy-seven million fifty-five thousand two hundred and thirty-two) common shares with a nominal value of Rp250 (two hundred and fifty Rupiah) per share:

Remarks	Before Stock Split and Before Capital Increase			Before Stock Split and After Capital Increase		
	Number of Shares	Nominal Value (Rp) @ Rp250 per share	Percentage	Number of Shares	Nominal Value (Rp) @ Rp250 per share	Percentage
Authorized Capital	2,400,000,000	600,000,000,000		2,400,000,000	600,000,000,000	
Fully Issued and Paid-Up Capital						
PT Sinar Mas Tunggal	461,552,320	115,388,080,000	59.90%	461,552,320	115,388,080,000	54.45%
Public (respectively <5%)	309,000,000	77,250,000,000	40.10%	309,000,000	77,250,000,000	36.46%
Capital Increase Investor(s)	-	-	0.00%	77,055,232	19,263,808,000	9.09%
Total Issued and Paid-Up Capital	770,552,320	192,638,080,000	100.00%	847,607,552	211,901,888,000	100.00%
Treasury Shares	1,629,447,680	407,361,920,000		1,552,392,448	388,098,112,000	

VII. RISK AND IMPACT OF CAPITAL INCREASE

The implementation of Capital Increase will cause an increase of the number of the Company's issued and paid-up shares. With the assumption that new shares corresponding to a maximum of 10% (ten percent) of the issued and paid-up capital of the Company are issued, shareholders of the Company who do not take part in the Capital Increase will experience dilution of share ownership of up to 9.09% (nine point zero nine percent).

VIII. GENERAL MEETING OF SHAREHOLDERS

The implementation of the Capital Increase as disclosed in this Information Disclosure will seek for the approval from the Company's Independent Shareholders at the Company's EGMS which will be held on:

Day, Date : Wednesday, 22nd of Desember 2021
Time : 09.00 a.m. Western Indonesia Time until finished
Venue : Sinar Mas Land Plaza, Tower 2, 39th Floor, Danamas Room
Jl. MH. Thamrin No. 51
Central Jakarta – 10350

The EGMS agendum is as follows:

“Approval of the issuance of new shares in relation to the Company's plan to conduct Company's Capital Increase up to a maximum of 10% of the issued and paid-up capital of the Company, and the amendment of the Company's Articles of Association in relation to the Capital Increase.”

In relation to the abovementioned agenda, the quorum provisions are as follows:

1. The EGMS in relation to the Capital Increase agenda may be held if attended by shareholders representing more than 1/2 (one half) of the total shares with valid voting rights owned by Independent Shareholders. Decisions in the EGMS regarding Capital Increase are valid if approved by more than 1/2 (one half) of the total number of shares with valid voting rights owned by Independent Shareholders.
2. In the event that the quorum as referred to in number 1 is not fulfilled, a second EGMS may be held provided that the second EGMS is valid and entitled to make decisions if the EGMS is attended by shareholders representing more than 1/2 (one half) of the total shares with valid voting rights owned by Independent Shareholders. The decision in the second EGMS is valid if it is approved by more than 1/2 (one half) of the total shares with valid voting rights owned by the Independent Shareholders.
3. In the event that the quorum as referred to in number 2 is not fulfilled, the third EGMS may be held provided that the third EGMS is valid and entitled to make decisions if the EGMS is attended by Independent Shareholders of shares with valid voting rights, and in the attendance quorum and decision quorum as determined by OJK at the request of the Company.

The EGMS will be held in accordance with the provisions as stipulated in POJK 15/2020.

Shareholders who are entitled to attend or to be represented in the Meeting are those whose names are registered in the Company's shareholders register as administered by the Securities Administration Bureau PT Sinartama Gunita on Monday, November 29, 2021 at 16.00 Western Indonesia Time.

By considering compliance with applicable regulations related to the handling of the Covid-19 pandemic, the Company may restrict the physical presence of shareholders or their proxies.

The following are important dates in connection with the Company's EGMS:

Submission of EGMS Agenda to OJK	:	8 November 2021
EGMS Announcement ^{1) 2)}	:	15 November 2021
Information Disclosure regarding Capital Increase ^{1) 2)}	:	15 November 2021
Notice of EGMS ^{1) 2)}	:	30 November 2021
EGMS	:	22 Desember 2021

Remarks:

- 1) Announced in Indonesian and English
- 2) Announced through the, the Company's website, IDX website, and the website of the Electronic General Meeting System facility provider PT Kustodian Sentral Efek Indonesia

IX. STATEMENT OF THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS

The Board of Directors and Board of Commissioners of the Company have reviewed the Capital Increase plan including the level of risks and benefits of the Capital Increase plan for the Company and all shareholders, and therefore believe that the Company's Capital Increase plan is in the best interest of the Company and all shareholders.

The Board of Directors and the Board of Commissioners of the Company are fully responsible for the accuracy of all information contained in this Information Disclosure and state that they have fully disclosed the material facts and there are no other material facts that are not included, which could provide a misleading understanding in connection with the Capital Increase.

The Board of Directors and the Board of Commissioners of the Company state that this Capital Increase is not a material transaction as referred in POJK 17/2020, where the Capital Increase value is a maximum of 10% (ten percent) of the Company's fully issued and paid-up capital based on the consolidated financial statements for the period ended on June 30, 2021.

X. ADDITIONAL INFORMATION

To obtain additional information in relation to the Capital Increase, shareholders of the Company can submit the request to Corporate Secretary of the Company during working hours of the Company to the address below:

Corporate Secretary
PT Dian Swastatika Sentosa Tbk
Sinar Mas Land Plaza, Tower 2, 24th Floor
Jl. M.H. Thamrin No. 51
Central Jakarta 10350
Indonesia
Telephone: +6221 31990258
Facsimile: +6221 31990259
Email: corsec@dss.co.id
Website: www.dssa.co.id

Jakarta, December 8, 2021
Board of Directors of the Company