

INFORMATION DISCLOSURE TO THE SHAREHOLDERS



PT Elang Mahkota Teknologi Tbk (The “Company”)

Field of Business:

Engage in Services Sector (provisions of technology, media, telecommunication, health, online, solution and connectivity) and Trading Sector through Subsidiaries

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This Information Disclosure to Shareholders is addressed to the Company's Shareholders in relation to Company's plan of conducting Management and Employee Stock Ownership Program (MESOP Program) by granting shares for free without option rights to the program's participants, through issuance of new shares without pre-emptive rights for a maximum of 14,100,000 shares or representing 0.25% of the total issued and fully paid-up capital of the Company.

According to this MESOP Program, the shareholders of the Company will be subject to a dilution of its ownership of 0.25% up to the end of the MESOP Program. The dilution estimation is an estimate without taking into account the Company's corporate action in the form of Capital Addition without Preemptive Rights (PMTHMETD).

The Company is seeking approval of the Shareholders in Annual General Meeting of Shareholders to be convened in Jakarta on 25 June 2018.

The Board of Commissioners and the Board of Directors, severally or collectively, are fully held responsible for the completeness and accuracy of whole information and material facts contained herein and hereby confirm that information disclosed in this Information Disclosure is accurate and none of unstated material fact can cause material information in this Information Disclosure become inaccurate and/or misleading.

This Information Disclosure is issued on 18 May 2018

I. REASONS AND PURPOSE OF MESOP PROGRAM

The main business activities of the Company are in services sector (especially in the provisions of technology, media, telecommunication, health, online, solution and connectivity services) and trading sector.

The Company believes that consistent performance improvement from year to year can be achieved due to commitment from management and employees. The Company will continue to implement appropriate strategies to deliver maximum performance for the Company and maintain sustainable growth. The MESOP Program is aimed at increasing ownership of the Company, thereby improving the performance of each MESOP Program's Participant which will ultimately improve the performance of the Company.

The Board of Directors hereby informs the shareholders that the Company has obtained approval from the Company's Shareholders in relation to Company's plan of Increasing Capital without Pre-Emptive Rights ("**PMTHMETD**") for a maximum of 564,003,244 shares or 10% (ten percent) of the total issued and paid-up capital of the Company, based on the resolution of the Extraordinary General Meeting of Shareholders dated January 10, 2018 ("**EGMS**").

Referring to the outcome of the EGMS, the Company will execute PMTHMETD through the MESOP Program by issuing free shares to program's participants in which new shares will be issued from portfolios with a maximum of 14,100,000 shares or representing 0.25% of the total issued and fully paid-up capital of the Company and will be paid by the Company.

MESOP Program shall be conducted by the Company in reference to the provisions of Indonesia Financial Services Authority Regulation Number 38/POJK.04/2014 of 29 December 2014 concerning Capital Increases without Pre-Emptive Rights for Public Companies ("**POJK No. 38**").

II. INFORMATION CONCERNING MESOP PROGRAM

The MESOP Program is a program of offering to employees, members of the Board of Directors and/or members of the Board of Commissioners of the Company and/or Controlled Company that eligible to own the shares of the Company, which is in this case is a free grant of shares to the program participants for new shares to be issued by the Company in the amount of 14,100,000 (fourteen million one hundred thousand) shares at the exercise price to be determined by the Board of Directors with the approval of the Board of Commissioners of the Company, referring to the provisions of Article V of Enclosure II of Listing Regulation of PT Bursa Efek Indonesia Number I-A Decision Number Kep-00001/BEI/01-2014 dated January 20, 2014 regarding Amendment to Regulation concerning Stock and Equity Securities Listing In addition to Shares Issued by Listed Company ("**Rule No. I-A**"). Controlled Company shall be company which is controlled either directly or indirectly by the Company.

The number of shares to be issued in this MESOP Program will reduce the maximum number of shares to be issued by the Company for the purpose of PMTHMETD in accordance with the POJK No. 38 which was approved in the Company's EGMS on 10 January 2018.

1. MESOP Program Participants

- a. Members of the Board of Commissioners of the Company and Controlled Company, who served at the time of distribution of free shares as part of their compensation;
- b. Members of the Board of Directors of the Company who served at the time of distribution of free shares as part of their compensation;
- c. Employees of the Company and Controlled Company with Grade 15 or above that registered in the Company and Controlled Company's employee data who have worked for at least 6 (six) months prior to the date of distribution of free shares as part of their compensation in each distribution stage.

Eligible participants of the MESOP Program will be determined by the Board of Directors of the Company with regards to the approval of the Remuneration and Nomination Committee of the Company.

2. Shares Distribution Period

The MESOP Program will be implemented within 5 (five) years since the EGMS on 10 January 2018. Any share of the Company distributed to MESOP Program's participants will have a 4-year vesting period in which the shares will be issued 25% annually. Dividends will not be granted to the Company's shares that have not been issued and officially distributed to participants of the MESOP Program.

Shares will be distributed to MESOP Program participants in several stages to be determined by the Board of Directors of the Company under the approval of Remuneration and Nomination Committee of the Company. Remuneration and Nomination Committee of the Company shall conduct share calculations to be allocated to eligible participants based on the performance of the participants and with regards to their duties and responsibilities in making decisions that have a significant impact on the Company's performance.

3. Issue Price of Shares

The issue price of the MESOP shares will be determined by the Board of Directors with the approval of the Board of Commissioners of the Company with reference to the provisions of Article V of Rule No. I-A, which stipulates the exercise price of new issued shares at least equal to the average closing price of the Company's shares for 25 (twenty five) consecutive days before the Company publishes the announcement of invitation for the Company's general meeting of shareholders to schedule PMTHMETD. Thus, the exercise price of PMTHMETD is at least Rp 8,616 per share in reference to the average closing price of stock trading from 27 October 2017 until 30 November 2017 which has been approved in the EGMS on 10 January 2018.

4. Shares Lock-up

In order to comply with Rule No. I-A, new shares issued by the Company cannot be traded for 1 (one) year. Furthermore, other conditions will be determined by the Board of Directors with approval from Remuneration and Nomination Committee of the Company.

5. Status of MESOP Program Shares

Shares to be issued in connection with the MESOP Program shall have equal right, position and degree in all respects with fully paid-up shares in the Company, including in the right to dividend and may issue voting rights in the General Meeting of Shareholders as well as other corporate actions to be carried out by the Company. All issued shares are new shares issued from the portfolio of the Company and will be listed on the Indonesia Stock Exchange ("**IDX**").

6. MESOP Program Requirements

- a. Company has obtained the approval of General Meeting of Shareholders;
- b. Additional Shares Listing Request has been approved by IDX;
- c. In the event of MESOP Program participants resign from their positions from the Company or Controlled Company, all shares that will be given but not yet fulfill the vesting period will be forfeited and MESOP Program participants are not entitled to such shares. If the MESOP Program participant is dismissed by the Company or Controlled Company, then all shares that will be given but not yet fulfill the vesting period will be forfeited and MESOP Program participants will not be entitled to such shares.
- d. Other requirements determined by the Board of Directors with the approval from the Remuneration and Nomination Committee of the Company has been fulfilled.

Proforma of Capital and Shareholders of the Company Before and After the Issuance of New Shares in accordance with the Company's Shareholders Registrar as per 30 April 2018

REMARKS	Before Issuance of MESOP Program Shares			After Issuance of MESOP Program Shares		
	Number of Shares	Nominal Rp200,- /share (IDR)	%	Number of Shares	Nominal Rp200,- /share (IDR)	%
Authorized Capital	12.567.018.000	2.513.403.600.000	-	12.567.018.000	2.513.403.600.000	-
Issued and Paid-Up Capital :						
1 Eddy K. Sariaatmadja	1.364.829.947	272.965.989.400	24,20%	1.364.829.947	272.965.989.400	24,14%
2 PT Adikarsa Sarana	713.550.100	142.710.020.000	12,65%	713.550.100	142.710.020.000	12,62%
3 Ir. Susanto Suwanto	711.788.909	142.357.781.800	12,62%	711.788.909	142.357.781.800	12,59%
4 Piet Yaury	498.956.450	99.791.290.000	8,85%	498.956.450	99.791.290.000	8,82%
5 The Northern Trust Company S/A Archipelago Investment Pte Ltd	455.000.000	91.000.000.000	8,07%	455.000.000	91.000.000.000	8,05%
6 PT Prima Visualindo	459.404.998	91.880.999.600	8,15%	459.404.998	91.880.999.600	8,13%
7 Public	1.436.502.038	287.300.407.600	25,47%	1.450.602.038	290.120.407.600	25,66%
Total Issued and Paid-Up Capital	5.640.032.442	1.128.006.488.400	100,00%	5.654.132.442	1.130.826.488.400	100,00%
Shares in Portfolio	6.926.985.558	1.385.397.111.600	-	6.912.885.558	1.382.577.111.600	-

Therefore after the implementation of MESOP Program the shareholding of Company's shareholders will be diluted by 0,25%.

III. ANNUAL GENERAL MEETING OF SHAREHOLDERS ("AGMS")

The Company's AGMS for the approval of MESOP Program shall be held in Jakarta, on 25 June 2018. The Company has announced the convention of AGMS on 18 May 2018 in Investor Daily newspaper, IDX website and the Company's website www.emtek.co.id, with AGMS invitation dated 2 June 2018.

This Information Disclosure is prepared in compliance with the provisions of the Financial Service Authority Regulation No. 32/POJK.04/2014 dated 8 December 2014 concerning the Planning and Holding General Meetings of Shareholders of Public Limited Companies and POJK No. 38.

Jakarta, 18 May 2018
PT Elang Mahkota Teknologi Tbk
Board of Directors