

INFORMATION DISCLOSURE

**In Order to Comply the Financial Services Authority Regulation No. 32 / POJK.04 / 2015
on Capital Increases of Public Companies with Pre-emptive Rights
("Information Disclosure")**

This Information Disclosure is important to be considered by the Shareholders of the Company to take decisions that will be taken at the Extraordinary General Meeting of Shareholders of the Company ("EGMS") which will be held on November 28, 2018 in order to comply with the provisions of the Financial Services Authority Regulation No. 32 / POJK.4 / 2015 dated 30 December 2014, on Capital Increases of Public Companies with Pre-emptive Rights ("POJK No. 32/2015").

If you have difficulty to understanding the information that contained in this Information Disclosure or hesitant in making a decision, you should consult a stockbroker, investment manager, legal advisor, public accountant or other professional advisor.



**PT Fajar Surya Wisesa Tbk.
("Company")**

Domiciled at Jakarta Pusat, Indonesia

Business Activities

Engaged in Industry and Packaging Paper Manufacture Company

Headquarters:

Jl. Abdul Muis No. 30

Jakarta 10160

Tel. (62-21) 344 1316

Faks. (62-21) 345 7643

Website: www.fajarpaper.com

Email: ir@fajarpaper.com

All information that contained in this Information Disclosure is only a proposal, that subject to the EGMS approval and Prospectus that will be issued in order to increase capital by providing Pre-emptive Rights ("Rights Issue").

This Information Disclosure is not intended as a stock offering document, unless the offer or purchase of shares does not contradict or does not constitute a violation of the prevailing laws and regulations in the country or jurisdiction outside the territory of Indonesia. No party can obtain Rights Issue or new shares except on the basis of the information contained in the Prospectus that will be issued in order to increase capital by providing this Rights Issue.

INFORMATION IN CONNECTION WITH CAPITAL INCREASES WITH RIGHTS ISSUE

The Company plans to conduct a limited public offering ("LPO") by issuing the Rights to shareholders for a maximum of 500,000,000 (five hundred million) shares which are ordinary shares on behalf of a nominal value of Rp500.00 (five hundred Rupiah) each share ("New Shares"). The number of shares to be issued will depend on the needs of the Company's funds and the price of the exercise of the Rights Issue. In the event of a change in the maximum number of shares to be issued, the Company will announce it together with the advertisement of the EGMS Call will be held on November 6, 2018. Rights issued in LPO will give the shareholders the right to buy New Shares.

Rights Issued Shares will be issued from the Company's portfolio and listed on the Indonesia Stock Exchange ("IDX") in accordance with the applicable laws and regulations, including the IDX Regulation No.I-A on the Listing of Shares and Equity Securities Other Than Shares Issued by the Listed Company, Attachment to the Decree of the Board of Directors of IDX No.Kep-00001 / BEI / 01-2014 dated January 20, 2014 ("IDX Regulation No.IA"). Shares from the Rights Issue will have the same rights as other Company shares issued by the Company prior to LPO, including the right to dividends.

In accordance with POJK No. 32/2015, the implementation of LPO can be carried out after:

1. The Company obtained approval from the EGMS in connection with LPO;
2. The Company submits a registration statement in the framework of LPO along with its supporting documents to FSA; and
3. The registration statement in the framework of the LPO was declared effective by the FSA.

The provisions of LPO, including the final exercise price of Rights Issue and the final amount of New Shares from the results of the exercise of Rights Issue which will be issued, will be disclosed in the Prospectus which will be issued in order to LPO, which will be provided to the Company's entitled shareholders on time, in accordance with applicable laws and regulations.

ESTIMATED TIME OF IMPLEMENTATION OF CAPITAL INCREASES WITH RIGHTS ISSUE

The Company intends to execute and complete capital increases by providing Rights Issue within a reasonable period of time to be carried out, but no more than 12 months from the date of receipt of EGMS approval in connection with capital increases by providing Rights Issue and subject to the declaration of the effectiveness registration statements (which will be submitted to FSA) in connection with capital increases by providing Rights Issue by FSA, in accordance with applicable laws and regulations.

OUTLINE ESTIMATES OF THE USE OF FUNDS

The Company intends to use all funds received from the LPO, both from the results of the exercise of Rights Issue, after deducting the issuance costs, among others to (i) reduce the Company's liabilities, and / or (ii) the Company's business development, and / or (iii) increase the working capital of the Company, and / or (iv) other business needs of the Company which will be determined further during the exercise of Rights.

ANALYSIS ON THE IMPACT OF THE CAPITAL INCREASE AGAINST THE FINANCIAL CONDITION OF THE COMPANY AND THE SHAREHOLDERS

The Company estimates that plans to capital increases by providing Rights Issue will have a positive effect on the Company's consolidated financial condition, which is among others to (i) reduce liabilities and improve the Company's debt to equity ratio, and (ii) increase the number of outstanding shares. So that with the increases in capital through Rights Issue is expected to increase the number of shares in

the market and will increase the frequency of trading in these shares or in other words can increase stock liquidity.

In this LPO, the Company expects as much participation from the Company's shareholders to implement Rights Issue and warrants obtained by shareholders.

ADDITIONAL INFORMATION

To obtain information regarding the plan to capital increases by providing Rights Issue as described above, the Company's shareholders can contact the Corporate Secretary, on every day and working hours of the Company, i.e. 08.00 - 17.00 WIB, at the address below :

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Jakarta, 22 October 2018

Board of Director