

DISCLOSURE OF INFORMATION WITH RESPECT TO AN AFFILIATED TRANSACTION

To comply with the provisions of the Capital Market and Financial Institutions Supervisory Board Rule (OJK) No. IX.E.1 on Affiliated Transaction and Conflicts of Interest in Certain Transactions (“Rule IX.E.1”)

PT SURYA TOTO INDONESIA, Tbk.

(“Company”)

Business line:

Engaged in the production and sale of sanitaryware, fittings, and kitchen system

Head Office:

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Indonesia

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BRIEF DESCRIPTION OF THE TRANSACTION

On 11 December 2017, loans of associates PT Surya Graha Pertiwi and PT Surya Pertiwi Nusantara, are converted into paid-up capital. In addition, the Company increases paid-up capital of PT Surya Graha Pertiwi.

Description of affiliated transactions are as follow:

1. On 11 December 2017, loan balance of PT Surya Graha Pertiwi amounted to Rp 123,100,000,000 (one hundred twenty-three billion and one hundred million Rupiah), are converted into paid-up capital.
2. On 11 December 2017, the Company increases paid-up capital of PT Surya Graha Pertiwi amounted to Rp 66,900,000,000 (sixty-six billion and nine hundred million Rupiah)
3. On 11 December 2017, loan balance of PT Surya Pertiwi Nusantara amounted to Rp 122,500,000,000 (one hundred twenty-two billion and five hundred million Rupiah) are converted into paid-up capital, therefore, the loan balance as of 11 December 2017 remains in amount of Rp 63,669,634,827 (sixty three billion six hundred sixty nine million six hundred thirty four thousand and eight hundred twenty seven Rupiah).
4. Total amount of three transactions above is Rp 312,500,000,000 (three hundred twelve billion and five hundred million Rupiah) or 18% of Total Equity of the Company on 30 November 2017, therefore those transactions are not defined as material transaction.

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Based on Cashflow Projection of PT Surya Graha Pertiwi and PT Surya Pertiwi Nusantara, both associates will suffer cashflow difficulties in the beginning of their operations and will reduce their performance. Therefore, loan of associates on 11 December 2017 are converted into paid-up capital and interest loan until 11 December 2017 are required to be paid to the Company.

The Disclosure of Information is issued in Jakarta, on 14 December 2017