

**DISCLOSURE OF INFORMATION
TO THE SHAREHOLDERS OF PT MD ENTERTAINMENT TBK (THE "COMPANY")
ON THE PROPOSED MATERIAL TRANSACTION AND AFFILIATED TRANSACTION
("DISCLOSURE OF INFORMATION")**

This Disclosure of Information is announced in order to comply with the provisions of the Financial Services Authority Regulation / *Otoritas Jasa Keuangan* ("OJK") No. 17/POJK.04/2020 regarding Material Transactions and Changes in Business Activities ("POJK No. 17/2020") and OJK Regulation No. 42/POJK.04/2020 regarding Affiliated Transactions and Conflict of Interest Transactions ("POJK No. 42/2020").



PT MD ENTERTAINMENT TBK

Main Business Activities:

Film Production

Domiciled in Jakarta, Indonesia

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IF YOU HAVE ANY DIFFICULTY IN UNDERSTANDING THE INFORMATION CONTAINED IN THIS DISCLOSURE OF INFORMATION OR DOUBT IN MAKING A DECISION, IT IS ADVISEABLE TO CONSULT WITH YOUR SECURITIES BROKER, INVESTMENT MANAGER, LEGAL ADVISOR, PUBLIC ACCOUNTANT, OR OTHER PROFESSIONAL ADVISORS.

THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS OF THE COMPANY, BOTH INDIVIDUALLY AND JOINTLY, ARE FULLY RESPONSIBLE FOR THE COMPLETENESS AND CORRECTNESS OF ALL MATERIAL INFORMATION OR FACTS CONTAINED IN THIS DISCLOSURE OF INFORMATION. THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS OF THE COMPANY DECLARE THE COMPLETENESS OF INFORMATION AS DISCLOSED IN THIS DISCLOSURE OF INFORMATION AND AFTER CONDUCTING CAREFUL ASSESSMENT, CONFIRM THAT THE INFORMATION DISCLOSED IN THIS DISCLOSURE OF INFORMATION IS ACCURATE AND THERE ARE NO MISSTATEMENT OF MATERIAL FACTS THAT NOR OMISSION OF MATERIAL FACTS THAT MAY CAUSE THE MATERIAL INFORMATION IN THIS DISCLOSURE OF INFORMATION BECOME INACCURATE AND/OR MISLEADING.

THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS OF THE COMPANY DECLARE THAT THE TRANSACTION CONSTITUTES A MATERIAL TRANSACTION FOR THE COMPANY AS REFERRED TO IN POJK NO. 17/2020. HOWEVER, IT IS NOT A MATERIAL TRANSACTION THAT REQUIRES THE APPROVAL OF THE GENERAL MEETING OF SHAREHOLDERS ("GMS") AND IS EXEMPT FROM OBTAINING AN APPRAISER'S REPORT AND/OR FAIRNESS OPINION, AS THE TRANSACTION INVOLVES A LOAN DIRECTLY RECEIVED FROM A BANK.

THE BOARD OF DIRECTORS OF THE COMPANY DECLARES THAT THE INFORMATION CONTAINED IN THIS DISCLOSURE OF INFORMATION IS INTENDED TO PROVIDE COMPLETE INFORMATION AND DESCRIPTION TO THE COMPANY'S SHAREHOLDERS REGARDING THE MATERIAL TRANSACTION AND AFFILIATED TRANSACTION, AS PART OF COMPLIANCE WITH POJK NO. 17/2020 AND POJK NO. 42/2020.

THIS DISCLOSURE OF INFORMATION IS IMPORTANT TO BE READ AND UNDERSTOOD BY THE SHAREHOLDERS OF THE COMPANY IN ORDER TO MAKE ANY INFORMED DECISIONS REGARDING THE MATERIAL TRANSACTION AND AFFILIATED TRANSACTION.

THIS DISCLOSURE OF INFORMATION IS SIMULTANEOUSLY ANNOUNCED ON THE INDONESIA STOCK EXCHANGE WEBSITE AT WWW.IDX.CO.ID AND THE COMPANY'S WEBSITE AT MDENTERTAINMENT.COM/.

This Disclosure of Information is published in Jakarta on 15 October 2024.

DEFINITIONS AND ABBREVIATIONS

Affiliate	:	shall have the meaning as referred to in Article 1 point (1) of the Capital Market Law.
BMRI	:	means PT Bank Mandiri (Persero) Tbk, a publicly listed company established under the laws of the Republic of Indonesia, with its registered office at Plaza Mandiri, Jalan Jenderal Gatot Subroto Kav. 36-38, Jakarta 12190, engages in business activities in the financial services sector – banking.
JFS	:	means PT Jakarta Film Studio, a subsidiary of the Company with 99.99% ownership by the Company, established under the laws of the Republic of Indonesia and with its registered office at Jakarta Timur.
MLHR	:	means the Ministry of Law and Human Rights of the Republic of Indonesia.
Disclosure of Information on Material Transaction	:	means the Addition and/or Amendment to the Disclosure of Information to the Company's Shareholders regarding the Proposed Material Transaction and the Proposed Addition of Main Business Activities, issued in Jakarta by the Company on 4 October 2024.
Financial Statements	:	means the audited Financial Statements of the Company that have been audited by the accounting firm Jamaludin, Ardi, Sukimto, & Partners for the period ending on 30 April 2024.
MOLHR	:	means the Minister of Law and Human Rights of the Republic of Indonesia.
NETV	:	means PT Net Visi Media Tbk, a publicly listed company established under the laws of the Republic of Indonesia and having its registered office at Graha Mitra, 4th Floor, Jl. Jend. Gatot Subroto Kav. 21, Karet Semanggi, Jakarta 12930.
OJK	:	means <i>Otoritas Jasa Keuangan</i> /the Financial Services Authority, an independent institution as referred to in Law No. 21 of 2011 on the Financial Services Authority as amended by UUP2SK, whose duties and authorities include regulation

- and supervision of financial service activities in the banking sector, capital market, insurance, pension funds, financing institutions, and other financial institutions.
- Loan Collateral Provision : means (i) the Provision of Share Pledge, (ii) the Provision of Deposit Guarantee, (iii) the Provision of JFS Land Collateral, and (iv) the Provision of MD Land Collateral.
- Provision of Share Pledge : means the pledge of the Company's shares, amounting to 80% of the shares which will be owned by the Company in NETV, or a total of 33,109,887,166 NETV shares which will be owned by the Company after the Proposed Transaction (as defined below).
- Provision of Deposit Guarantee : means the provision of a deposit guarantee in the name of the Company amounting to Rp20,000,000,000.
- Provision of JFS Land Collateral : means the provision of collateral by JFS, a subsidiary of the Company, in the form of:
- a. Land covering an area of 22,137 m² and a building with an area of approximately 5,121.5 m² located at Jalan Raya Ceger No. 1, Ceger, Cipayung, East Jakarta, DKI Jakarta, based on Building Use Rights Certificates (SHGB) No. 253, 268, 255, 261, 256, 263, 254, which will be secured with a mortgage valued at Rp139,265,900,000.
 - b. Land covering an area of 817 m² and a building with an area of approximately 318 m² located at Jalan Raya Ceger No. 1, Ceger, Cipayung, East Jakarta, DKI Jakarta, based on Building Use Rights Certificate (SHGB) No. 269, which will be secured with a mortgage valued at Rp7,566,300,000.
- Provision of MD Land Collateral : means the provision of collateral by the Company in the form of:
- a. Land covering an area of 5,349 m² and MD Tower I and MD Tower II buildings with an area of approximately 19,111 m² located at Jalan Setia Budi Selatan No. 7, Setia Budi, South Jakarta, DKI Jakarta, based on Building Use Rights Certificates (SHGB) No. 760, 756, 753, 784, 786, 796, which will be secured with a mortgage valued at Rp622,185,800,000.
 - b. Land covering an area of 197 m² located at Jalan Setia Budi Timur No. 27, Setia Budi, South Jakarta, DKI Jakarta, based on Building Use Rights Certificates (SHGB) No. 764 and 765, which will be secured with a mortgage valued at Rp5,827,300,000.
- The Company's Loan Agreement – BMRI : means Deed of Credit Agreement No. 71 dated 11 October 2024, made before Christina Dwi Utami, S.H., M.Hum., M.Kn., Notary in West Jakarta, executed between the Company as the debtor and BMRI as the creditor.

Company	:	means PT MD Entertainment Tbk, domiciled in Jakarta, a public company which shares are listed on the IDX, established and operated under the laws of the Republic of Indonesia.
POJK No. 17/2020	:	means OJK Regulation No. 17/POJK.04/2020 on Material Transaction and Change of Business Activities.
POJK No. 42/2020	:	means OJK Regulation No. 42/POJK.04/2020 on Affiliated Party Transactions and Conflict of Interest Transactions.
UUPM	:	means Law No. 8 of 1995 on Capital Markets as amended by UUP2SK.
UUP2SK	:	means Law No. 4 of 2023 on the Development and Strengthening of the Financial Sector.

RECITALS

The Company has signed the Company's Loan Agreement – BMRI on 11 October 2024 with BMRI as the creditor, secured by:

- a. Provision of Share Pledge;
- b. Provision of JFS Land Collateral;
- c. Provision of MD Land Collateral; and
- d. Provision of Deposit Guarantee.

The proposed use of proceeds from the Company's Loan Agreement – BMRI is to finance the cash flow gap in relation to the Company's corporate action for acquiring NETV, as previously announced to the public in the Disclosure of Information dated 28 August 2024, and the Addition and/or Amendment to the Disclosure of Information dated 4 October 2024.

The Company's Loan Agreement – BMRI and Loan Collateral Provision constitute material transactions as referred to in POJK No. 17/2020, where the transaction value meets the threshold for material transactions, reaching more than 20% (twenty percent) of the Company's equity or approximately 47.39% (forty-seven point three nine percent) of the Company's equity based on the Financial Statements. However, considering that: (i) the Company's Loan Agreement – BMRI is a loan transaction directly received from a domestic bank as regulated in Article 11 letter (b) of POJK No. 17/2020, and (ii) the Loan Collateral Provision is a transaction providing collateral to a domestic bank for a loan directly received by the Company as regulated in Article 11 letter (c) of POJK No. 17/2020, thus, the Company is not required to use an appraiser or obtain GMS approval. The Company is only obligated to announce the disclosure of information to the public, submit the disclosure of information and its supporting documents to the OJK, and report the implementation of the material transaction in the annual report.

Furthermore, the Provision of JFS Land Collateral for the Company's Loan Agreement – BMRI constitutes an affiliated transaction that only needs to be reported to the OJK no later than 2 (two) business days after the signing of the Company's Loan Agreement – BMRI, because: (i) the transaction involves providing collateral to a domestic bank for a loan directly received by the Company, as regulated in Article 6 letter (e) of POJK No. 42/2020, and (ii) JFS is a controlled company of the Company, with 99.99% (ninety-nine point ninety-nine percent) of JFS's paid-up capital owned by the Company, as regulated in Article 6 letter (b1) of POJK No. 42/2020.

Considering that the Provision of JFS Land Collateral is an integral part of the Company's Loan Agreement – BMRI and cannot stand alone, in accordance with Article 24 of POJK No. 42/2020, if the value of the affiliated transaction meets the criteria for a material transaction as referred to in POJK No. 17/2020, the public company is only required to comply with the provisions of POJK No. 17/2020.

DESCRIPTION OF THE PROPOSED MATERIAL TRANSACTION

1. OBJECT AND VALUE OF THE PROPOSED MATERIAL TRANSACTION

(a) Parties:

1) the Company

Brief History

The Company, domiciled in South Jakarta, was established under the name PT MD Media, based on Deed of Establishment No. 5 dated 1 August 2002, made before Frans Elsius Muliawan, S.H., Notary in Jakarta, which received approval from the MOLHR according to Decree No. C-17650.HT.01.TH.2002 dated 13 September 2002, and was registered in the Company Register under No. 090519244732 with No. 5899/BH.09.05/XI/2002 dated 21 November 2002, and announced in the State Gazette of the Republic of Indonesia No. 76 dated 23 September 2003, Supplement No. 8852/2003.

The Company's Articles of Association have undergone several amendments, the latest being with Deed No. 4 dated 10 July 2024, made before Tri Firdaus Akbarsyah, S.H., M.Kn., Notary in South Jakarta, which has been approved by the MOLHR based on Decree No. AHU-0043005.AH.01.02.Tahun 2024 dated 16 July 2024, and registered in the Company Register at the MOLHR under No. AHU-0144075.01.11.TAHUN 2024 dated 16 July 2024.

2) JFS

Brief History

JFS, domiciled in Jakarta, established under the name of PT Studio Tujuh, based on Deed of Establishment No. 10 dated 12 December 2005 made before Yulida Desmartini SH, Notary in Jakarta, which has been approved by the Minister of Justice and Human Rights pursuant to Decree No. IX. Human Rights in accordance with Decree No. C-11361 HT.01.01.TH 2006 dated 21 April 2006, and was registered in the Company Register under No. 090519253105 with No. 4200/BH.09.05/III/2008 dated 26 March 2008, and announced in the State Gazette of the Republic of Indonesia No. 103 dated December 23, 2008. Indonesia No. 103 dated 23 December 2008, Supplement No. 29114/2008.

JFS's Articles of Association have undergone several amendments, the latest being with Deed of Minutes of the Extraordinary General Meeting of Shareholders of PT Jakarta Film Studio No. 24 dated 28 October 2021, made before Tri Firdaus Akbarsyah, S.H., M.H., Notary in Jakarta, which has been notified to the MOLHR as evidenced by the Letter of Acceptance of Notification of Changes to Company Data No. AHU-AH.01.03-0468758 dated 3 November and has been registered in the Company Register at the MLHR under No. AHU-0192001.AH.01.11.TAHUN 2021 dated 3 November 2021.

3) Creditor

PT Bank Mandiri (Persero) Tbk.

(b) Loan Amount:

the Term Loan Facility with a maximum amount of Rp794.750.000.000, with the following details:

- 1) Tranche 1 : Maximum of Rp529.500.000.000
- 2) Tranche 2 : Maximum of Rp265.250.000.000

(c) Maturity:

A maximum of 61 (sixty one) months from the signing of the Company's Loan Agreement – BMRI up to and including the date that falls within 1 (one) month from the date of the Company's Loan Agreement – BMRI.

(d) Interest:

9,25% per annum, subject to review at any time and adjustable according to the prevailing interest rate at BMRI. BMRI reserves the right to change the interest rate and/or reference rate (if applicable) from time to time at BMRI's discretion.

(e) Purpose of the Loan:

To finance the cash flow gap in relation to the Company's corporate action for acquiring NETV.

(f) Financial Covenants:

Covenants customarily applicable to similar facilities, including but not limited to:

- 1) *Debt Service Coverage Ratio* (DSCR) of at least 100%.
- 2) *Debt to Equity Ratio* (DER) of maximum 100%.
- 3) *Current Ratio* (CR) of at least 100%.

(g) Negative Covenants:

As long as there are loans obligations under the Company's Loan Agreement – BMRI, without written approval from BMRI, the Company will not and will not try to::

- 1) Change of the ultimate beneficial owner of the Company which is currently held by Mr. Manoj Dhamoo Punjabi;
- 2) Enter into obligations as a guarantor of debt and/or create or permit any security over any of its assets;

- 3) Transfer/assign all or part of the Company's rights and/or obligations under the agreement to another party;
- 4) Engage in any transaction or series of transactions (whether related or not) and whether voluntarily or not to sell, lease, transfer, or otherwise dispose of any asset, except those made in the ordinary course of the Company's business;
- 5) Make any fundamental changes to the general nature of its business activities as conducted on the date of the agreement;
- 6) Incur any financial debt, except for any financial debt incurred under any financing document related to the Company's Loan Agreement – BMRI;
- 7) Make or maintain any loan, grant any credit (except in the ordinary course of business), or provide or permit any guarantee or indemnity to remain outstanding (except as required under any financing document related to the Company's Loan Agreement – BMRI) for or in favor of any party, or otherwise voluntarily assume any responsibility, whether actual or contingent, in relation to the obligations of anyone else;
- 8) The Company is not allowed, on its own initiative, to file for winding-up, financial debt restructuring, or declare itself bankrupt.

(h) Collateral:

The Company's Loan Agreement – BMRI will be secured by:

- 1) A pledge of 80% of the Company's shares in NETV;
- 2) Provision of JFS Land Collateral;
- 3) Provision of MD Land Collateral; and
- 4) Provision of Deposit Guarantee.

2. EXPLANATION, CONSIDERATIONS, AND BACKGROUND OF THE MATERIAL TRANSACTION AND ITS IMPACT ON THE COMPANY'S FINANCIAL CONDITION

Explanation, Considerations, and Background of the Material Transaction

As (i) stated in the Disclosure of Information on Material Transaction and (ii) approved in the Company's Extraordinary General Meeting of Shareholders on 8 October 2024, the Company intends to carry out a series of transactions for the acquisition of NETV ("**Proposed Transaction**"). To partially finance the Proposed Transaction, the Company has signed the Company's Loan Agreement – BMRI. The Company's Loan Agreement – BMRI is a material transaction as referred to in POJK No. 17/2020 and is expected to help fund the Company's business expansion through the Proposed Transaction.

The Proposed Transaction is expected to have a positive impact on the Company, considering that the expansion of the Company's business activities resulting from the Proposed Transaction will broaden the Company's role in the media and entertainment industry, including

television broadcasting. Thus, this will enable the Company to become one of the competitive players in Indonesia's media and entertainment market and is expected to increase value for the shareholders.

This Proposed Transaction will help develop the Company's business by increasing the Company's access to television distribution channels. The Company has a proven track record in producing successful television content; with this transaction, NETV will gain access to the Company's production capabilities, making NETV more competitive. Therefore, this transaction will benefit both the Company and NETV.

Impact of the Material Transaction on the Company's Financial Condition

As previously mentioned, the Company's Loan Agreement – BMRI is intended to finance the Proposed Transaction. In the Disclosure of Information on Material Transaction related to the Proposed Transaction, the Company has provided a detailed analysis of the impact of the Proposed Transaction on the Company's finances.

This detailed analysis includes proforma financial information as of 30 April 2024 reviewed by Jamaludin, Ardi, Sukimto, & Rekan Accounting Firm (“**Proforma Report**”) which shows the impact of the Proposed Transaction on the Company's financial position. As stated in the Disclosure of Information on Material Transaction, the Proforma Report assumes that the Company will obtain a bank loan of Rp795,000,000,000, which is very close to the amount of the proposed bank loan in accordance with the Company's Loan Agreement – BMRI of Rp794,750,000,000, with a difference of only 0.03%.

By adjusting the Proforma Report to the actual loan amount proposed in accordance with the Company's Loan Agreement – BMRI, the impact of debt financing on the Company's financial position and how the Company's financial position will change further after the Proposed Transaction is completed can be seen in the table below.

Description	Audit Position 30 April 2024	After the the Company's Loan Agreement – BMRI Financing	Change from 30 April 2024 Audit Position (%)	After the Proposed Transaction	Change from 30 April 2024 Audit Position (%)
Cash and cash equivalent	Rp533,216,716,617	Rp1,327,966,716,617	149%	Rp346,173,768,906	-35%
Total Bank Debt	Rp0	Rp794,750,000,000	Not Calculated	Rp794,750,000,000	Not Calculated
Total Assets	Rp1,772,909,400,047	Rp2,567,659,400,047	45%	Rp3,702,980,136,067	109%
Total Liabilities	Rp95,772,495,416	Rp890,522,495,416	830%	Rp1,180,464,078,292	1133%
Total Equity	Rp1,677,136,904,632	Rp1,677,136,904,632	0%	Rp2,522,516,057,775	50%

STATEMENT OF THE BOARD DIRECTORS AND THE BOARD OF COMISSIONERS OF THE COMPANY

1. This Disclosure of Information is complete and has been prepared in accordance with the provisions stipulated in POJK No. 17/2020.
2. The Company's Loan Agreement – BMRI and Loan Collateral Provision constitute material transactions as referred to in POJK No. 17/2020. Since the transaction involves a loan directly received from a domestic bank, the Company is not required to use an appraiser and does not need GMS approval to execute the transaction.

3. The Provision of JFS Land Collateral constitutes an affiliated transaction that only needs to be reported to the OJK under POJK No. 42/2020 because: (i) the transaction involves providing collateral to a domestic bank for a loan directly received by the Company, and (ii) JFS is a controlled company of the Company, with at least 99% (ninety-nine percent) of JFS's paid-up capital owned by the Company. The Provision of JFS Land Collateral is an integral part of the Company's Loan Agreement – BMRI and cannot stand alone. Thus, in accordance with Article 24 of POJK No. 42/2020, if the value of the affiliated transaction meets the criteria for a material transaction as referred to in POJK No. 17/2020, the public company is only required to comply with the provisions of POJK No. 17/2020.
4. The Company's Loan Agreement – BMRI and Loan Collateral Provision are not conflict-of-interest transactions as referred to in POJK No. 42/2020.
5. The information disclosed in this Disclosure of Information is true, and there are no misleading statements regarding material facts or omissions of material facts that could render the material information in this Disclosure of Information inaccurate and/or misleading.

AFFILIATED TRANSACTION

1. Affiliations and Nature of the Affiliated Relationships of the Parties Involved in the Material Transaction

The affiliated transactions, namely the Provision of JFS Land Collateral, is provided by an Affiliate of the Company, namely JFS, a controlled company of the Company whose shares are at least 99% (ninety-nine percent) owned from JFS's paid-up capital.

Considering the aforementioned affiliated transaction: (i) is conducted between the Company and its controlled company, whose shares at least 99% (ninety-nine percent) owned from the paid-up capital of the controlled company, and (ii) involves providing collateral to a domestic bank for a loan directly received by the Company, hence the affiliated transaction relating to the Provision of JFS Land Collateral is only required to be reported to the OJK no later than 2 (two) business days after the signing of the the Company's Loan Agreement – BMRI.

2. Explanation, Considerations, and Reasons for Entering into the Transaction Compared to Similar Transactions That Are Not Conducted with Affiliated Parties

Given that the pertaining affiliated transaction is the Provision of JFS Land Collateral for the loan directly received by the Company from BMRI under the Company's Loan Agreement – BMRI, the pertaining security generally can only be provided by affiliated parties, wherein: the Company and its controlled company providing the JFS Land Collateral have their financial statements consolidated into the Company's financial statements.

ADDITIONAL INFORMATION

To obtain further information, the shareholders of the Company may submit their requests to the Company's Corporate Secretary, during normal business hours at the following address:

PT MD Entertainment Tbk

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Telephone: +62-21 29855777

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