

MEETING AGENDA
ANNUAL GENERAL MEETING OF SHAREHOLDERS FISCAL YEAR 2016
PT SEMEN BATURAJA (PERSERO) Tbk



JAKARTA,
APRIL 2017

MEETING AGENDA FISCAL YEAR 2016

PT SEMEN BATURAJA (PERSERO) TBK



1. Approval of the Annual Report of the Board of Directors regarding the condition and running of the Company during the 2016 Financial Year, including the Report on the Implementation of the Supervisory Duties of the Board of Commissioners during the 2016 Financial Year and Ratification of the 2016 Financial Year Financial Report, as well as providing full redemption and release of responsibility (volledig acquit et de charge) to the Directors and The Company's Board of Commissioners for the management and supervision actions that have been carried out during the 2016 Financial Year;
2. Ratification of the Annual Report including the Financial Statements of the 2016 Fiscal Year Partnership and Community Development Program, as well as granting repayment and acquit et de charge to the Directors and Board of Commissioners of the Company for the management and supervision of the Partnership and Community Development Program that has been carried out during Fiscal Year 2016 ;
3. Determination of the use of the Company's Net Profit, including the distribution of Dividends for the 2016 Financial Year;
4. Determination of tantiem for the Directors and Board of Commissioners of the Company for the 2016 Fiscal Year and the Income of the Directors and Board of Commissioners for the 2017 Fiscal Year;
5. Appointment of a Public Accountant Office to audit the Company's Financial Statements and the Financial Statements of the 2017 Fiscal Year Partnership and Community Development Program;
6. Delegation of authority to the Company's Board of Commissioners to increase the issued and paid up capital associated with the implementation of the MESOP Program;
7. Report on the Use of Funds from the Initial Public Offering and Changes to the Use of Funds from the Initial Public Offering;
8. Approval of Amendment to the Company's Articles of Association;
9. Inauguration of SOE Ministerial Regulation Number PER-03 / MBU / 12/2016 concerning amendment to SOE Ministerial Regulation Number PER-09 / MBU / 07/2015 concerning Partnership Programs and BUMN Environmental Development Programs for the activities of the Partnership Program and the Company's Environmental Development Program;
10. Changes in the composition of the Company's Management

Approval of the Annual Report of the Board of Directors regarding the condition and running of the Company during the 2016 Financial Year, including the Report on the Implementation of the Supervisory Duties of the Board of Commissioners during the 2016 Financial Year and Ratification of the 2016 Financial Year Financial Report, as well as providing full redemption and release of responsibility (volledig acquit et de charge) to the Directors and The Company's Board of Commissioners for the management and supervision actions that have been carried out during the 2016 Financial Year;

Legal Basis :

1. Article 18 paragraph 8 of the Articles of Association. "Approval of the Annual Report includes the ratification of the financial statements referred to in paragraph (2), carried out by the Annual GMS at the latest at the end of the 5th (Five) months after the fiscal year ends".
2. Article 66 of Law No. 40 of 2007 concerning Limited Liability Companies. "The Board of Directors submits an annual report to the GMS after being reviewed by the Board of Commissioners no later than 6 (six) months after the Company's fiscal year ends".
3. Article 69 of Law No. 40 of 2007 concerning Limited Liability Companies. "The approval of the annual report, including the ratification of the financial statements and the Board of Commissioners' supervisory report, is carried out by the GMS".

Eludication :

1. The Annual Report includes the Board of Commissioners Oversight Report and the 2016 Annual Financial Report of the Company which will be requested for approval and endorsement at the 2016 Annual Annual GMS which has been uploaded and can be downloaded on the Company's website (www.semenbaturaja.co.id) Indonesia Stock Exchange website (www.idx.co.id) starting on April 5, 2017.
2. The Company's Annual Financial Report for the fiscal year ended December 31, 2016 has been audited by the Public Accounting Firm Herman Dodi Tanumihardja & Partners in accordance with his Report in letter Number: 04 / GA / HDT-ANT / SB / II / 2017 dated February 14, 2017 with the opinion "Naturally in all material respects".

Ratification of the Annual Report including the Financial Statements of the 2016 Fiscal Year Partnership and Community Development Program, as well as granting repayment and acquit et de charge to the Directors and Board of Commissioners of the Company for the management and supervision of the Partnership and Community Development Program that has been carried out during Fiscal Year 2016 ;

Legal Basis :

Article 18 paragraph (3) Minister of SOE Regulation No. PER-09 / MBU / 07/2015 concerning BUMN Partnership and Community Development Program. "Ratification of the Annual Report of the Partnership Program and the BL Program as well as providing repayment and acquittal at de charge to the Directors and Board of Commissioners / Supervisory Board for the management and supervision of the Partnership Program and the BL Program".

Determination of the use of the Company's Net Profit, including the distribution of Dividends for the 2016 Financial Year;

Legal Basis :

1. Article 70 and 71 of the PT Law, it is stated that the use of net income including for reserves, other uses and dividends is decided by the General Meeting of Shareholders
2. Article 21 paragraph 2 letter b of the Company's Articles of Association, the Board of Directors shall submit a proposal to use the Company's net profit, if the Company has a positive profit.

Elucidation :

The Company's net profit for the year ended December 31, 2016 amounted to Rp.259.09 billion, planned to be allocated, among others, to the following matters:

1. Distribution of Dividends to Shareholders and
2. Allowance

Determination of tantiem for the Directors and Board of Commissioners of the Company for the 2016 Fiscal Year and the Income of the Directors and Board of Commissioners for the 2017 Fiscal Year;

Legal Basis :

1. Article 96 and Article 113 of Law No. 40 of 2007 concerning Limited Liability Companies
2. Attachment of SOE State Minister Regulation Number: PER-04 / MBU / 2014 dated March 10, 2014 concerning Guidelines for Determining the Income of Directors, Board of Commissioners, and Supervisory Board of State-Owned Enterprises
3. Article of Association of the Company Article 11 paragraph 18.
4. Article 11 Financial Services Authority Regulation No. 34 / POJK.04 / 2014.

Elucidation :

Based on the above rules, the amount of salary or honorarium and other benefits for members of the Directors and Board of Commissioners of the Company is determined by the GMS, where the authority of the GMS can be delegated to the Company's Board of Commissioners.

Appointment of a Public Accountant Office to audit the Company's Financial Statements and the Financial Statements of the 2017 Fiscal Year Partnership and Community Development Program;

Legal Basis :

1. Article 68 of the Law on Limited Liability Companies
2. Article 71 paragraph (1) of Law Number 19 of 2003 concerning SOEs.
3. Article 15 paragraph 2.b.5. Company's Articles of Association

Elucidation :

In accordance with the Articles of Association of the Company, in the Annual General Meeting of Shareholders a Public Accounting Firm is determined to audit the Company's current books based on a proposal from the Board of Commissioners or to authorize the Board of Commissioners to establish a Public Accounting Firm.

Delegation of authority to the Company's Board of Commissioners to increase the issued and paid up capital associated with the implementation of the MESOP Program;

Legal Basis :

Decision of EGMS number: 20 dated March 14, 2013.

Elucidation :

Based on the Extraordinary General Meeting of Shareholders on March 14, 2013 as stipulated in the Minutes of the Extraordinary General Meeting of Shareholders No. 20 dated March 14, 2013 made before Fathiah Helmi, SH, Notary in Jakarta, Shareholders approved the plan for the Provision of Stock Purchasing Options to Management and Employees (Management & Employee Stock) Option Plan / MESOP).

The MESOP Program is the granting of share purchase options to program participants to buy new shares to be issued from the Company's portfolio, amounting to 1.65% (one point six five percent) of the Company's issued and paid-up capital after the Initial Public Offering. The determination of the MESOP program is authorized by the Board of Directors with the approval of the Board of Commissioners. Supervision and implementation of the MESOP program is carried out by the Board of Commissioners and its implementation follows the applicable provisions and is reported to the GMS. The Board of Commissioners consulted with the Series A Shareholders before giving approval to the Directors in setting the MESOP program. The shares to be issued in connection with the implementation of the MESOP program will come from the Company's portfolio of shares.

Report on the Use of Funds from the Initial Public Offering and Changes to the Use of Funds from the Initial Public Offering;

Legal Basis :

Financial Services Authority Regulation No. 30 / POJK.04 / 2015 dated 16 December 2015 concerning Realization Report on the Use of Funds from Public Offering. (POJK 30)

Elucidation :

- POJK 30 Article 6 paragraph (1) Public Company must be responsible for the realization of the use of funds from the Public Offering in each annual GMS until all the funds from the Public Offering have been realized.
- In accordance with the 2016 Quarter IV Report number LP.05.09 / 91A / 2017 concerning the Realization Report on the Use of Funds from the Public Offering up to December 31, 2016, it has been used for the Procurement & Development of Baturaja II Plant Land amounting to Rp.32,206 billion, purchasing machinery & equipment major Rp.887.460 billion and electronic & automation equipment and engineering design Rp.63.390 billion. The total use of proceeds from the public offering as of December 31, 2016 amounted to Rp.983,056 billion.
- The remaining Proceeds from the Public Offering amounting to Rp.284.744 billion is currently placed in the form of a certificate of deposit.
- POJK 30 Article 9 paragraph (1.b) Issuers intending to make changes to the use of funds resulting from a Public Offering of shares must obtain prior approval from the GMS.
- It is hereby conveyed that the Company plans to change the allocation of plans for the use of funds from the Company's Public Offering in order to finance the construction of the Cement Plant.

Approval of Amendment to the Company's Articles of Association;

Legal Basis :

SOE Minister's Letter number S-163 / MBU / 03/2017 dated March 10, 2017 concerning Submission of Draft Standards for the Articles of Association of BUMN Tbk Non-Banking Sector.

Eludication :

Draft Standards of the Open SOE (Tbk) has been prepared, so that adjustments can be made in the nearest RUPS.

Inauguration of SOE Ministerial Regulation Number PER-03 / MBU / 12/2016 concerning amendment to SOE Ministerial Regulation Number PER-09 / MBU / 07/2015 concerning Partnership Programs and BUMN Environmental Development Programs for the activities of the Partnership Program and the Company's Environmental Development Program;

Legal Basis :

SOE Minister Regulation No. PER-03 / MBU / 12/2016 concerning amendments to SOE Minister Regulation No. PER-09 / MBU / 07/2015 concerning Partnership Programs and Environmental Development Programs of State-Owned Enterprises

Eludication :

BUMN Minister Regulation Number PER-03 / MBU / 12/2016 concerning amendment to BUMN Minister Regulation Number PER-09 / MBU / 07/2015 concerning the Partnership Program and the Environmental Development Program for State-Owned Enterprises on 16 December 2016, the amount of funds for the Partnership Program and Community Development (PKBL) will be calculated as the Company's cost.

Changes in the composition of the Company's Management

Legal Basis :

Article 5 paragraph 4.c.2 and Article 11 paragraph 10 of the Company's Articles of Association stipulates that prospective members of the Board of Directors and members of the Board of Commissioners can only be nominated by Dwiwarna Series A shareholders.

Elucidation :

In accordance with article 15 paragraph 7 of the Financial Services Authority Regulation No. 32 / POJK-04/2014 dated 8 December 2014 concerning Plans and Holding of a General Meeting of Shareholders of a Public Company which regulates that:

In the case of a meeting agenda regarding the appointment of members of the Board of Directors and / or members of the Board of Commissioners, a curriculum vitae of prospective members of the Board of Directors and / or members of the Board of Commissioners to be appointed must be available at a time other than the time referred to in letter a but no later than when the GMS is convened. , as long as it is regulated in laws and regulations.

Therefore, material related to the agenda of the Company's Management Change Meeting will be delivered by the Dwiwarna Series A shareholders at the time of the GMS



Thank You
