



PT SEMEN BATURAJA (PERSERO) Tbk

Invitation of Annual General Meeting of Shareholders

The Board of Directors of PT Semen Baturaja (Persero) Tbk (the "Company"), hereby invites all shareholders of the Company to attend the Annual General Meeting of Shareholders (the "Meeting") which will be held on:

Day/Date : Wednesday, 28 February 2018
Time : 02.00 P.M West Indonesia Time – finish
Place : Hotel Sari Pan Pacific
Jl. M.H Thamrin No.6, Central Jakarta 10340

With the following agenda:

1. Approval of the Annual Report of the Board of Directors regarding the circumstances and progress of the Company during Financial Year 2017, including Board of Commissioners' Supervision Report and the ratification of the Company's Financial Statements 2017, as well as to fully grant a release and discharge (***volledig acquit et de charge***) to the Board of Directors and the Board of Commissioners of the Company for the actions of management and supervision carried out during the Financial Year 2017;
2. The ratification of the Annual Report and the Financial Statement 2017 on the Partnership and Community Development Program financial year 2017, as well as to grant a release and discharge (***acquit et de charge***) to the Board of Directors and the Board of Commissioners of the Partnership and Community Development Program financial year 2017;
3. Determination for the utilization of the Company's Net Profit including dividend for the financial year 2017;
4. Determination of the remuneration of the Board of Directors and the Board of Commissioners of the Company for financial year 2017 and honorarium of the Board of Directors and the Board of Commissioners of the Company for financial year 2018;
5. Appointment of Public Accountant to conduct the audit of the Company's Financial Statements and partnership and Community Development Program Financial Statements for the financial year 2018;
6. Delegation of the authority to the Board of Commissioners to increase the issued and paid up capital related to the implementation of the Management and Employee Stock Option Plan (*MESOP*) Program;
7. Report on the utilization of the Funds from the Initial Public Offering;
8. Changes in the Board of the Company.

Explanation of the agenda as follows:

1. The 1st agenda of the Meeting shall be in accordance to: (i) article (18) paragraph (8) of the Company's Articles of Association, (ii) Article 66 and Article 69 of Law no. 40 Year 2007 regarding Limited Liability Company ("UUPT");
2. The 2nd agenda of the Meeting shall be in accordance to: article (18) paragraph (3), Minister of SOE Regulation no. PER-09 / MBU / 07/2015 on Partnership and Community Development Program;
3. The 3rd agenda of the Meeting shall be in accordance to:
 - (i) Article 21 paragraph (2) letter b of the Company's Articles of Association, (ii) Article 70 and Article 71 of UUPT;

4. The 4th agenda of the Meeting shall be in accordance to:
 - (i) Article 11 paragraph (19) and Article (14) paragraph (30) of the Articles of Association of the Company, (ii) Article 11 of the Regulation of the Financial Services Authority No. 34 / POJK.04 / 2014
 - (iii) Articles (96) and (113) of UUPT, and (iv) Regulation of the Minister of SOEs no.PER-04/MBU/2014 concerning Guidelines for honorarium of Directors, Board of Commissioners and Supervisory Board of State-Owned Enterprises;
5. The 5th agenda of the Meeting shall be in accordance to:
 - (i) of Article (15) paragraph (2) letter b.5 and Article (21) paragraph (2) letter c of the Company's Articles of Association, (ii), Article (71) Paragraph (1) of Law no. 19 of 2003 on State-Owned Enterprises ("UU BUMN");
6. The 6th agenda of the Meeting, shall be in to Article 41 paragraph (1) of the Company Law, the increase in the Company's capital shall be based on the resolution of the **General Meeting of Shareholders**. Furthermore, in accordance with Article (41) paragraph (2) of the UUPT, the GMS may submit the authority to the Board of Commissioners in order to approve the execution of the GMS resolution for maximum period of 1 year. Considering that the Company still has Management and Employee Stock Option Plan (MESOP) options that have not yet been implemented by employees, the Company needs to extend the transfer of the authority to the Board of Commissioners in the course of such program;
7. The 7th agenda of the Meeting shall be in accordance to provisions Article 6 POJK Number 30 / POJK.04 / 2015 dated December 16, 2015 on Report on the utilization of the Funds from the Initial Public Offering;
8. The 8th agenda of the Meeting shall be accordance with Letter of the Minister of SOE No.S-67 / MBU / 01/2018 dated January 30, 2018 regarding the Approval of Agenda of Annual General Meeting of Shareholders of Financial Year 2017.

Notes :

1. Advertisement of this invitation shall serve as the Meeting invitation;
2. Those who are entitled to attend the Meeting shall be the Company's Shareholders whose names are recorded in the Company's Register of Shareholders on February 5, 2018 up to 16.15 WIB;
3.
 - a. The Shareholders who are unable to attend the Meeting in person may be represented by proxies at the meeting with a valid Power Of Attorney, subject to members of the Board of Directors, the Board of Commissioners, and employees of the Company may act as the proxies of Shareholders of the Company in the Meeting, votes cast by them as proxies are not counted in the voting.
 - b. Form of Power of Attorney can be obtained during office hour at the Securities Administration Bureau ("BAE") of PT Datindo Entrycom, Jl. Hayam Wuruk No. 28 Jakarta 10120. The shareholders or their proxies who will attend the Meeting are requested to bring and submit a photocopy of valid identity to the registration officer before entering the Meeting room. For shareholders in Collective Custody shall submit a Written Confirmation for Meeting (KTUR) which may be obtained through the Exchange Member or Custodian Bank;
4. For shareholders in the form of Legal Entities are required to bring a complete photocopy of its Articles of Association and the latest administrative structure;
5. In accordance with the provisions of Article 15 of POJK No. 32, the Meeting agenda materials are available from the date of Announcement for Annual General Meeting of Shareholders until the date of General Meeting of Shareholders, except for the 8th agenda of the Meeting, in accordance with Article 15.7.b of POJK No.32 and the Articles of Association of the Company Article 23 paragraph 10.7, shall be available no later than the Meetings are held. Meeting material in the form of a copy of a physical document may be obtained at the Company's Head Office in Palembang or Representative Office in Jakarta at the Company's working hours if requested in writing by the Shareholders of the Company;

6. To conduct the Meeting in an orderly and timely manner, the shareholders or their proxies are requested to attend the Meeting 30 (thirty) minutes before the Meeting begins;

Jakarta, Februari 6, 2018

PT Semen Baturaja (Persero) Tbk.

The Board Of Directors