

MEETING MATERIALS ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR FISCAL YEAR 2019

Sari Pacific Hotel
Jakarta, August 5th, 2020

2020
RUPS



Meeting Agenda

1. Approval of the Annual report of the Board of Directors regarding the circumstances and progress of the Company during Financial Year 2019, including the report of the Supervisory Board of Commissioners during Fiscal Year 2019 and Approval of the Financial Statements for Fiscal Year 2019, while granting release and discharge full responsibility (volledig acquit et de charge) to the Board of Directors and Board of Commissioners for the actions of management and supervision that have been implemented for Fiscal Year 2019;
2. The ratification of the Annual Report including the Financial Statement 2019 on the Partnership and Community Development Program financial year 2019, as well as to grant a release and discharge (acquit et de charge) to the Board of Directors and the Board of Commissioners for management and supervision of the Partnership and Community Development which had been running for Fiscal Year 2019;
3. Determination net profit utilization of the Company, including the distribution of dividends for the Fiscal Year 2019;
4. Determination of tantiem for the Board of Directors and the Board of Commissioners for Fiscal Year 2019, and the honorarium of the Board of Directors and the Board of Commissioners for the Fiscal Year of 2020;
5. The Appointment of Public Accounting Firm to audit the Financial Statement of the Company and the Financial Statement of the Partnership and Community Development in Fiscal Year of 2020;
6. Changes in the Company Management.

Agenda 1

Approval of the Annual report of the Board of Directors regarding the circumstances and progress of the Company during Financial Year 2019, including the report of the Supervisory Board of Commissioners during Fiscal Year 2019 and Approval of the Financial Statements for Fiscal Year 2019, while granting release and discharge full responsibility (volledig acquit et de charge) to the Board of Directors and Board of Commissioners for the actions of management and supervision that have been implemented for Fiscal Year 2019

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".

Elucidations:

1. The Annual Report includes the Board of Commissioners Oversight Report and the Annual Report on the Implementation of the Partnership and Community Development Program for Fiscal Year 2019 which will be requested for approval and endorsement at the Annual GMS for Fiscal Year 2019 to be uploaded and downloaded on the Company's website (www.semenbaturaja.co.id) as well as the Indonesia Stock Exchange website (www.idx.co.id).
2. The Annual Report of the Partnership and Community Development Program for the fiscal year ending December 31, 2019 has been audited by the Public Accounting Firm Djoko, Sidik & Indra in accordance with his Report in letter Number: 00006/2.0999/AU.1/04/1275-1/1/II/2020 dated February 14, 2020 with the opinion "Fair in all material respects".

The ratification of the Annual Report including the Financial Statement 2019 on the Partnership and Community Development Program financial year 2019, as well as to grant a release and discharge (acquit et de charge) to the Board of Directors and the Board of Commissioners for management and supervision of the Partnership and Community Development which had been running for Fiscal Year 2019

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"

Elucidation :

1. The Annual Report includes the Board of Commissioners Oversight Report and the Annual Report on the Implementation of the Partnership and Community Development Program for Fiscal Year 2019 which will be requested for approval and endorsement at the Annual GMS for Fiscal Year 2019 to be uploaded and downloaded on the Company's website (www.semenbaturaja.co.id) as well as the Indonesia Stock Exchange website (www.idx.co.id).
2. The Annual Report of the Partnership and Community Development Program for the Fiscal Year ending December 31, 2019 has been audited by the Public Accounting Firm Djoko, Sidik & Indra in accordance with his Report in letter Number: 00004/2.0999/AU.2/10/1275-1/1/II/2020 dated February 14, 2020 with the opinion "Fair in all material respects".

Determination net profit utilization of the Company, including the distribution of dividends for the Fiscal Year 2019

Legal Basis:

1. Article 70 and 71 of the Company Law, it is stated that the use of net profit 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 ending December 31, 2019 amounted to Rp 30 billion, planned to be allocated, among others, to the following matters:

1. Distribution of Dividends to Shareholders and
2. Allowance

Agenda 4

Determination of tantiem for the Board of Directors and the Board of Commissioners for Fiscal Year 2019, and the honorarium of the Board of Directors and the Board of Commissioners for the Fiscal Year of 2020

Legal Basis:

1. Article 96 of Law No. 40 of 2007 concerning Limited Liability Companies.
 - (1) Provisions regarding the amount of salaries and benefits of members of the Board of Directors are determined based on the resolution of the GMS.
 - (2) The GMS authority as referred to in paragraph (1) can be delegated to the Board of Commissioners.
 - (3) In the event that the authority of the GMS is delegated to the Board of Commissioners as referred to in paragraph (2), the amount of salary and benefits referred to in paragraph (1) is determined based on the decision of the Board of Commissioners meeting.
2. Article 113 of Law No. 40 of 2007 concerning Limited Liability Companies. "Provisions regarding approval of payment or honorarium and benefits for members of the Board of Commissioners set by the GMS"
3. Regulation of the Minister of State Owned Enterprises Number: PER-04/MBU/2014 dated March 10, 2014 concerning Guidelines for Determining the Income of the Board of Commissioners, the Board of Commissioners, and the Supervisory Board of State-Owned Enterprises.
4. Articles of Association of the Company Article 11 paragraph 19.

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.

Agenda 5

The Appointment of Public Accounting Firm to audit the Financial Statement of the Company and the Financial Statement of the Partnership and Community Development in Fiscal Year of 2020

Legal Basis:

1. Based on article 68 of the Limited Liability Company Law, the Board of Directors is required to submit the Company's financial statements to a Public Accountant to be audited.
2. In accordance with Article 71 paragraph (1) of Law Number 19 of 2003 concerning SOEs, the examination of the company's financial statements is carried out by an external auditor determined by the GMS for Persero.
3. The Board of Commissioners has received a recommendation from the Audit Committee which has conducted an evaluation of the performance of the KAP auditing the financial statements of the Company for 2018 and prior years as required in the Financial Services Authority Regulation No.13/POJK.03/2017 concerning the Use of Public Accountant Services and Public Accounting Firms in Financial Services Activities, related to independence, audit scope, compensation for audit services, expertise and experience of the Public Accounting Firm.

Elucidation :

Based on the above rules, the Annual General Meeting of Shareholders appoints Public Accountants and Public Accounting Firms as proposed by the Audit Committee of the Board of Commissioners to audit the Company's Financial Statements and the Partnership and Community Development Program for fiscal year 2020. For proposals the Public Accountant Office will be submitted at the time implementation of the GMS and furthermore requesting the GMS for the appointment of a Public Accountant to be delegated authority to the Board of Commissioners. The appointment of the Registered Public Accounting Firm to audit the Company's ongoing books is decided at the GMS based on a proposal from the Board of Commissioners and authorizes the Board of Commissioners to determine the Registered Public Accounting Firm.

Changes in the Company Management.

Legal Basis:

1. Regulation of the Financial Services Authority No.33/POJK.04/2014 Article 23 concerning Directors and Board of Commissioners of Issuers or Public Companies
2. Article 14 paragraph 14 Company's Articles of Association.
3. Company Letter Number: UM.02.13/1156/2020 concerning disclosure of information about the death of the President Commissioner.

Elucidation :

In accordance with article 18 paragraph 4 of the Financial Services Authority Regulation No.15/POJK.04/2020 dated 20 April 2020 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

