

CERTIFIED ENGLISH TRANSLATION OF THE ARTICLES OF ASSOCIATION OF  
**PT. INDO-RAMA SYNTHETICS TBK**

**NAME AND PLACE OF DOMICILE**

**Article 1**

1. This limited liability company shall bear the name **PT. Indo-Rama Synthetics Tbk** (hereinafter in these Articles of Association shall be abbreviated as "the Company"), domiciled in Purwakarta Regency, West Java Province.
2. The Company may open branches or representative offices in any other places, both inside and outside the territory of the Republic of Indonesia as shall be stipulated by the Board of Directors.

**DURATION OF THE INCORPORATION OF THE COMPANY**

**Article 2**

The Company shall be incorporated for an unlimited period of time, commencing from the third day of January, nineteen hundred and seventy five (03-01-1975) with due observance of the Law Number: 25 of 2007 on Capital Investment.

**PURPOSES AND OBJECTIVES AS WELL AS BUSINESS ACTIVITIES**

**Article 3**

1. Purposes and Objectives of the Company are to do businesses in the fields of:
  - a. Processing Industry
  - b. Wholesale Trading
  - c. Electricity Supply
  - d. Financial Activities
  - e. Professional, Scientific and Technical Activities
2. To achieve the purposes and objectives mentioned above the Company may carry out the following business activities:
  - A. In the Processing Industry sector:
    - a. Yarn spinning industry;  
This group includes spinning fibers into yarns, except sewing threads. Including activities of texturizing, twisting, folding and washing of artificial or synthetic filament yarn and knitted yarn from wood pulp industry.
    - b. Sewing thread spinning industry;  
This group includes the manufacture of sewing thread, whether with fiber

or yarn as raw materials. Including texturizing, twisting, folding and washing of sewing thread.

- c. Weaving industry (not weaving of gunny sacks and other sacks);  
This group includes weaving business, whether made with traditional tools, non-machine looms, machine looms or other looms, except *Ikat* woven fabric. Gunny sacks and other sacks weaving business is included in group 13995 or 13996.
- d. Yarn finishing industry;  
This group includes bleaching, dyeing and other finishing of yarns and sewing threads.
- e. Fabric finishing industry;  
This group includes bleaching, dyeing and other finishing of fabric.
- f. Fabric printing industry;  
This group includes fabric printing business, including printing batik cloth.
- g. Other Textiles Industry which are not classified elsewhere;  
This group includes other textile industry businesses that have not/are not covered in any other textile industry group, such as rubber yarn, metal thread and fabric pipe/hose and others.
- h. Industry producing synthetic resin and plastic raw material;  
This group includes manufacturing of synthetic resin and plastic raw materials (pure plastic ore), such as alkyd, polyester, aminos, polyamides, epoxides, silicon, polyurethane, polyethylene (PE), polypropylene (PP), polystyrene, polyvinyl chloride, cellulose acetate and cellulose nitrate. Further processing of synthetic resin and plastic materials purchased to produce goods from these raw materials, such as plastic goods, films and film sheets that are not yet sensitive to light are included in group 26800.
- i. Industry producing synthetic filament fiber/yarn/strip;  
This group includes manufacturing of synthetic filament fiber (tow), yarn or strip, such as polyamide, polypropylene, acrylic, acetate cellulose etc. for further processing in the textile industry.
- j. Industry producing synthetic staple fiber;  
This group includes manufacturing of synthetic staple fibers, such as polyamide, polyester, viscose rayon, acrylic, cellulose acetate etc. (except glass fibers and optic fibers) for further processing in textile industry. Staple fiber is a broken synthetic fiber.

B. In the Wholesale Trading sector:

- a. Wholesale trading based on fee or contract;  
This group includes business as agents who receive commissions, brokers,

auctions, and other wholesale traders who trade goods domestically or abroad on behalf of other parties. The activities include commission agents, goods brokers and all other wholesale traders who sell on behalf of and for account of other parties; activities involved in joint sale and purchase or conducting transactions on behalf of companies, including through internet; and agents involved in trade such as agricultural raw materials, live animals; textile raw materials and semi-finished goods; fuels, ores, metals and chemical industries, including fertilizers; food, beverages and tobacco; textiles, clothing, fur, footwear and goods made of leather; timber and building materials; machinery, including office machines and computers, industrial equipment, ships, aircraft; furniture, household and hardware goods; auction house wholesale trading activities. Excluding wholesale trading activities of cars and motorbikes, included in group 451 up to 454.

- b. Wholesale trading of textile;  
This group includes wholesale trading of textile industry products, such as various textiles/fabrics, batik fabrics and others. Including household linen items (fabric for household use) and others.
- c. Wholesale trading of other products from textile;  
This group includes wholesale trading in other products of textile industry, such as cordage, carpets/rugs made of textile materials, sacks, various kinds of knitwear and other finished goods from textiles other than apparel.
- d. Wholesale trading of other textile, garment and footwear;  
This group includes wholesale trading of haberdashery, such as needles, sewing threads and others, wholesale trading of goods made of pelts and wholesale trading of umbrella.
- e. Wholesale trading of basic chemical materials and goods;  
This group includes wholesale trading of basic chemical or industrial chemical materials and goods, such as printer ink, essential oils, industrial gases, chemical adhesives, dyes, synthetic resins, methanol, paraffin, flavorings and fragrances, soda, industrial salts, acids and sulfur, etc.
- f. Wholesale trading of other products;  
This group includes wholesale trading of other products which are not included in the aforesaid wholesale trading groups. Including wholesale trading of fiber or textile fiber and others, wholesale trading of precious stones (gems, diamonds, sapphires, etc.).
- g. Wholesale trading of various products;  
This group includes wholesale trading of various types of goods without specifying certain items (without certain specificities).

- 3. To support the aforesaid main business activities, the Company may carry out the following supporting business activities:

A. In Electricity Supply sector:

- Electricity generation.

This group includes electricity generation and operation of generating facilities that produce electricity, which come from various energy sources, such as hydropower (hydroelectric), coal, gas (gas turbines), fuel oil, diesel and renewable energy, solar power, wind, ocean currents, geothermal (thermal energy), nuclear power and others.

B. In Financial Activities sector:

- Holding company activities.

This group includes the activities of holding companies, namely company that control assets of a group of subsidiary companies and their main activities are ownership of that group. "Holding Companies" are not involved in the business activities of their subsidiary companies. Its activities include providing services as counselors and negotiators in planning mergers and acquisitions of companies.

C. Professional, Scientific and Technical Activities:

- Other management consulting activities.

This group includes provision of advices, guidance and business operations and other organizational and management issues such as strategy and organizational planning; decisions relating to finance; marketing objectives and policies; human resources planning, practice and policies; production scheduling and controlling planning. The provision of services may include advices, guidance and operational assistance for various management functions, management consultations for agronomists and agricultural economists in agriculture and the like, the design of accounting methods and procedures, cost accounting programs, procedures for monitoring budgets, providing advices and assistances for business and public services in terms of planning, organizing, efficiency and supervision of, management information and others.

## **CAPITAL**

### **Article 4**

1. The authorized capital of the Company shall amount to Rp 500,000,000,000.00 (five hundred billion Rupiahs) divided into 1,000,000,000 (one billion) shares, each share having a nominal value of Rp 500.00 (five hundred Rupiahs).
2. From the aforementioned authorized capital a total of 654,351,707 (six hundred fifty four million three hundred fifty one thousand seven hundred seven) shares with a total nominal value of or amounting to Rp 327,175,853,500.00 (three hundred twenty seven billion one hundred seventy five million eight hundred fifty three thousand five hundred Rupiahs) have been issued and paid-up in full by the shareholders, all of whom have subscribed the shares.

3. 100% (one hundred percent) of the aforementioned issued capital, i.e. a total of Rp 327,175,853,500.00 (three hundred twenty seven billion one hundred seventy five million eight hundred fifty three thousand five hundred Rupiahs) constitutes payment/deposit made earlier and had been paid in full by each of the shareholders;
4. The payment of shares can be made in the form of cash or in other forms.  
The payment of shares in any other forms other than in the form of money, whether in the form of tangible assets or intangible assets must meet the following provisions:
  - a. The goods to be used as capital payment must be announced to the public at the time of sending notice of a General Meeting of Shareholders (hereinafter shall be referred to as the "GMS") regarding the payment;
  - b. The goods to be used as capital payment must be appraised by an Appraiser registered with the Financial Services Authority ("OJK") and are not put up as collateral in any manner whatsoever;
  - c. Obtaining approval from a GMS with the quorum as provided for in Article 14 of the articles of association.
  - d. In the event that the goods used as payment of capital are in the form of the Company's shares which are listed on the Stock Exchange, the price of which shall be stipulated based on the fair market value; and
  - e. In the event that the payment originates from the retained earnings, share premium, the Company's net profits, and/or the element of capital itself, then the retained earnings, share premium, the Company's net profits, and/or other elements of capital itself shall have been contained in the last Annual Financial Statements which have been audited by the Public Accountants registered with the OJK with unqualified opinion.
  - f. The total maximum of shares to be issued to the general public shall be decided in the GMS deciding to approve the Public Offer (Right Issue) and to grant power to the Board of Commissioners to state the realization of total shares, which have been issued in the said Public Offer.
5. The shares which are still in reserves (portfolio) shall be issued by the Company with the approval of the GMS on conditions and at a certain price stipulated by the Board of Directors and such price are not below the nominal value, with due observance of the provisions as contained in these articles of association and the laws and regulations in the field of Capital Market as well as regulations in the field of Stock Exchange at the place where the Company's shares are listed.
6. The issuance of Equity Securities (Equity Securities are Shares or Stocks which may be exchanged with (converted into) shares or Stocks containing the right to obtain shares from the Company as the issuer), shall be carried out under the following provisions:

- a. Any increase in the capital through the issuance of Equity Securities which are carried out based on order, the said matter shall be obligated to be carried out by granting Pre-emptive Right To Subscribe Securities (hereinafter shall be referred to as "HMETD") namely the rights inherent in the shares which give the relevant shareholder an opportunity to buy shares and/or other equity securities which can be converted into shares or which give the right to buy shares, before being offered to another party;
- b. The issuance of Equity Securities without providing HMETD to the shareholders can be conducted in the case the shares are:
  - 1. Issued to the Company's employees;
  - 2. Issued to other bondholders or holders of other Securities which can be converted into shares, which have been issued with the approval from a GMS;
  - 3. Issued within the framework of reorganization and/or restructuring that have been approved by a GMS; and/or
  - 4. Issued in accordance with regulations in the field of Capital Market, which permits capital addition without HMETD;
- c. The HMETD can be sold and transferred to another party, subject to the provisions of the Articles of Association and the prevailing laws and regulations in the field of Capital Market in Indonesia.
- d. Equity Securities to be issued by the Company and they are not subscribed by the holder of HMETD must be allocated to all shareholders who order additional Equity Securities, with the provisions that if the total of Equity Securities ordered exceeding the total of Equity Securities which shall be issued, the said Equity Securities which are not subscribed shall be obligated to be allocated equivalent or proportional to the total of HMETD exercised by each of shareholders who order additional Equity Securities.
- e. In the event that there are still remaining Equity Securities which are not subscribed by the shareholders as referred to in letter d above, in case there are standby purchasers, the said Equity Securities must be allocated to a certain Party who acts as the standby purchaser with the same price and terms and conditions.
- f. The issuance of shares in reserve (portfolio) to the holder of Securities which can be converted into shares or Securities with the rights to obtain shares, can be conducted by the Board of Directors based on the resolution of the previous GMS of the Company, which has approved the issuance of these Securities.
- g. Addition of paid-up capital becomes effective after the payment, and the share issued has the same rights as those shares that have the same classification issued by the Company, without prejudice to the obligation of the Company to

serve/send the notification to the Minister of Law and Human Rights (hereinafter shall be referred to as "the Minister").

7. Addition to the Company's Authorized Capital;

- a) The addition to the Company's authorized capital may only be conducted based on the resolution of a GMS. Amendment to the articles of association in the framework of amendment to the authorized capital must be approved by the Minister.
- b) The addition to authorized capital resulting in a decrease in the placed and paid-up capital up to less than 25% (twenty five percent) of the authorized capital, can be conducted as long as:
  - 1. It has obtained approval from a GMS to increase the authorized capital;
  - 2. It has obtained approval from the Minister;
  - 3. The addition to placed and paid-up capital up to at least 25% (twenty five percent) of the authorized capital is obliged to be made at the latest within a period of 6 (six) months after the approval of the Minister as referred to in point 2 above has been secured.
  - 4. In case of the addition to paid-up capital as referred to in point 3 above is not completely fulfilled, the Company must re-amend its articles of association, so that the authorized capital and paid-up capital fulfill the provisions of Article 33 paragraph (1) and paragraph (2) of the Law Number 40 of 2007 on Limited Liability Company (hereinafter shall be referred to as the "UUPT") within a period of 2 (two) months after the period of time as referred to in point 3 above is not fulfilled;
  - 5. The approval of GMS as referred to in point 1 above shall also include the approval to amend the articles of association as referred to in point 4 above.
- c) Amendment to the articles of association within the framework of addition to the authorized capital becomes effective after the payment of the capital, which results in the amount of paid-up capital at least 25% (twenty five percent) of the authorized capital and has the same right as those of other shares issued by the Company, without prejudice to the obligations of the Company to obtain the approval for the amendment to the articles of association from the Minister with regard to the addition of the paid-up capital.

8. The Company may repurchase the shares which have been issued, with due observance of the provisions of the prevailing laws and regulations particularly regulations in the field of Capital Market.

**SHARES**  
**Article 5**

1. All shares issued by the Company shall be registered shares.
2. The Company shall only acknowledge one person or 1 (one) legal entity as the owner of 1 (one) share.
3. In the event 1 (one) share due to any reasons shall be jointly owned by several persons, those who jointly have the shares shall be obliged to appoint in writing one person among them or another person as their joint empowered proxy and only this joint empowered proxy shall be registered in the Register of Shareholders and this joint empowered proxy must be considered as the rightful shareholder of the relevant shares and shall be entitled to exercise the rights granted by law upon the said shares.
4. Any shareholder shall be subject to these articles of association and to all decisions/resolutions lawfully made in a GMS and to the prevailing laws and regulations.
5. All shares issued by the Company may be placed as collateral based on the provisions of the laws and regulations on the provision of shares collateral, the laws and regulations in the field of Capital Market, and UUPT.
6. Proof of Share Ownership is as follows:
  - a. In the event the Company's Share is not included in the Collective Custody with the Depository and Settlement Agency, the Company is obliged to give proof of share ownership in the form of share certificate or collective share certificate to the shareholder.
  - b. In the event that the Company's Share is included in the Collective Custody with the Depository and Settlement Agency, the Company is obliged to issue certificate or written confirmation to the Depository and Settlement Agency as a proof of recording in the Company's register of shareholders.
7. With regard to all shares of the Company which are listed on the Stock Exchange, the laws and regulations in the field of Capital Market and regulations of the Stock Exchange at the place where the Company's shares are listed on shall apply.

## **SHARES CERTIFICATES**

### **Article 6**

1. The Company may issue proof of share ownership in the form of share certificate or collective share certificate in the names of their/its respective owners which are registered in the Company's Register of Shareholders, in accordance with the prevailing laws and regulations in the field of Capital Market and prevailing provisions of the Stock Exchange at the place where the Company's shares are listed/registered.
2. The Company may issue a collective share certificate as proof of ownership of 2 (two) shares or more owned by a shareholder.



3. On a share certificate at least the following items shall be included:
  - a. Name and address of the Shareholders;
  - b. The share certificate number;
  - c. The share nominal value;
  - d. Date of issuance of the share certificate;
4. On a collective share certificate at least the following items shall be included:
  - a. Names and addresses of the shareholders;
  - b. Collective share certificates number;
  - c. Total of shares and serial number of the relevant shares;
  - d. The share nominal value;
  - e. Date of issuance of the collective share certificate;
5. Each share certificate and/or collective share certificate and/or conversion bond and/or warrants and/or other stocks which can be converted into shares must be printed and serial number and date of issuance must be included thereon and the same must bear signature of the President Director or a member of the Board of Directors designated by the Board of Directors Meeting, the said signature shall be directly printed on the share certificate and/or collective share certificate and/or conversion bond and/or warrant and/or other securities which can be converted into shares (convertible securities), with due observance of the prevailing laws and regulations in the field of Capital Market.

## **REPLACEMENT OF SHARE CERTIFICATES**

### **Article 7**

1. In the event that the share certificates are damaged, the replacement of the said share certificates may be issued if:
  - a) The parties who propose written request for the replacement of share certificates are the owner of the said share certificates;
  - b) The Company has received the share certificates which are damaged;
2. The Company shall be obliged to destroy the original share certificates which are damaged after the replacement of share certificates have been granted/issued.
3. In the event that the share certificates are lost, the replacement of the said share certificates may be issued if:

- a) The party who proposes written request for the replacement of the share certificates is the owner of the said share certificates;
  - b) The Company has received a reporting document from the Police of the Republic of Indonesia with regard to the lost of the said share certificate;
  - c) The party who proposes written request for the replacement of share certificates shall grant guarantee as deemed necessary by the Board of Directors; and
  - d) The plan for the issuance of the replacement of the lost share certificates has been announced on the Stock Exchange at the place where the Company's shares are listed at the latest within a period of 14 (fourteen) days before the issuance of the replacement of share certificates.
4. All costs for the issuance of the replacement of share certificates must be borne by the shareholder concerned.
5. The issuance of the replacement of share certificates for a share certificate in accordance with this article shall cause the original share certificates to be rejected and shall be no longer valid, and those which are valid to the Company are the replacement of share certificates.
6. The provisions stated above regarding the issuance of the replacement of share certificates shall also be valid for the issuance of the replacement of collective share certificates or Equity Securities.

## **COLLECTIVE CUSTODY**

### **Article 8**

1. The provisions on Collective Custody shall at least contain the following matters:
- a. Shares in the Collective Custody with the Depository and Settlement Agency shall be registered/recorded in the Company's Register of Shareholders in the name of the Depository and Settlement Agency in the interest of the accountholder with the said Depository and Settlement Agency;
  - b. Shares in the Collective Custody with the Custodian Bank or Securities Company which have been recorded in the Securities account with the Depository and Settlement Agency shall be recorded/registered in the name of the intended Custodian Bank or Securities Company in the interest of the accountholder with the said Custodian Bank or Securities Company;
  - c. If the shares in the Collective Custody with the Custodian Bank constitutes a part of Mutual Fund Securities Portfolio in the form of collective investment contract and not included in the Collective Custody with the Depository and Settlement Agency, the Company will register/record the said shares in the Company's Register of Shareholders in the name of the Custodian Bank in the interest of the

owner of Participation Unit from the said Mutual Fund in the form of collective investment contract;

- d. The Company shall be obliged to issue certificates or confirmation to the Depository and Settlement Agency as referred to in letter a above or Custodian Bank as referred to in letter c above as proof of registration in the Company's Register of Shareholders;
- e. The Company shall be obliged to transfer the shares in the Collective Custody which are registered in the name of the Depository and Settlement Agency or Custodian Bank for Mutual Fund in the form of collective investment contract in the Company's Register of Shareholders into the name of the Party appointed/designated by the intended Depository and Settlement Agency or Custodian Bank;

A request for transfer must be proposed by the Depository and Settlement Agency or Custodian Bank to the Company or Securities Administration Agency appointed by the Company;

- f. The Depository and Settlement Agency, Custodian Bank or Securities Company shall be obliged to issue confirmation to the accountholder as proof of registration in the Securities account;
- g. In the Collective Custody, each share of the same type and classification issued by the Company shall be considered equivalent to and may be exchanged between one another;
- h. The Company shall be obliged to reject registration of shares into the Collective Custody if the said share certificates are lost or destroyed, except the Party (shareholders) who requests the intended transfer can provide sufficient proof/evidence and/or guarantee that the said Party is the rightful shareholder and such share certificates are truly lost or destroyed;
- i. The Company shall be obliged to reject a registration of shares into the Collective Custody if the said shares are being put up as collateral, placed in conservatory attachment based on ruling of a court of law or seized for an investigation of a criminal case;
- j. The holder of Securities account, the Securities of which is registered in the Collective Custody shall be entitled to present and/or to cast votes in a General Meeting of Shareholders in accordance with the total number of shares owned/possessed by him/her in the said account;
- k. The Custodian Bank and Securities Company shall be obliged to submit/surrender list of Securities account and the total number of the Company's shares owned/possessed by each accountholder with the said Custodian Bank and Securities Company to the Depository and Settlement Agency, to be subsequently surrendered/submitted to the Company at the latest 1 (one) business day before a notice of a General Meeting of Shareholders is served/sent;

- l. The Investment Manager shall be entitled to be present and to cast votes in a General Meeting of Shareholders upon the Company's shares which are included in the Collective Custody with the Custodian Bank which shall constitute a part of Mutual Fund Securities portfolio in the form of collective investment contract and not included in the Collective Custody with the Depository and Settlement Agency, with the provision that the said Custodian Bank shall be obliged to submit the name of the said Investment Manager at the latest 1 (one) business day before the General Meeting of Shareholders;
  - m. The Company shall be obliged to surrender dividends, bonus shares or other rights in connection with the ownership of shares to the Depository and Settlement Agency over the shares in the Collective Custody with the Depository and Settlement Agency, and subsequently the said Depository and Settlement Agency shall surrender the dividends, bonus shares or other rights to the Custodian Bank and Securities Company in the interest of each accountholder with the said Custodian Bank and/or Securities Company;
  - n. The Company shall be obliged to surrender dividends, bonus shares or other rights relating to the ownership of shares to the Custodian Bank over the shares in the Collective Custody with the Custodian Bank which constitute a part of Mutual Fund Securities Portfolio in the form of collective investment contract and not included in the Collective Custody with the Depository and Settlement Agency; and
  - o. The deadline of determination of the Securities accountholders who are entitled to obtain dividends, bonus shares or other rights relating to the ownership of shares in the Collective Custody shall be determined by a General Meeting of Shareholders with the provisions that the Custodian Bank and Securities Company shall be obliged to surrender a list of Securities accountholders as well as the total number of the Company's shares possessed/owned by each Securities accountholder to the Depository and Settlement Agency to be surrendered further to the Company at the latest 1 (one) business day after the date which become the basis for the determination of the shareholders who are entitled to obtain dividends, bonus shares, or other rights mentioned above.
2. Provisions on Collective Custody shall be subject to the laws and regulations in the field of Capital Market and provisions of the Stock Exchange in the territory of the Republic of Indonesia where the Company's shares are listed.

## **REGISTER OF SHAREHOLDERS AND SPECIAL REGISTER**

### **Article 9**

1. The Board of Directors shall be obliged to prepare, keep and maintain the Register of Shareholders and Special Register at the place where the Company has its place of legal domicile.
2. In the Register of Shareholders the following items shall be recorded:

- a. name(s) and address(es) of the shareholder(s) and/or the Depository and Settlement Agency or other parties appointed by the accountholder at the Depository and Settlement Agency;
  - b. the total, the number and the date of acquisition/receipt of share owned/possessed by the shareholders;
  - c. the total amount paid for each share;
  - d. names and addresses of individuals or legal entities who have lien over (mortgage right to) the shares or individuals or legal entity as the recipient of fiduciary security over the shares and date of acquisition/receipt of the said mortgage rights or the registration date of the said fiduciary security;
  - e. statement of payment for shares in the forms other than in term of cash;
  - f. other information which are considered necessary by the Board of Directors;
3. In the Special Register, the statement/information regarding the ownership right to shares of the members of the Board of Directors and the members of the Board of Commissioners and their families in the Company and the date of acquisition of the shares shall be recorded. The Board of Directors shall be obliged to keep and maintain the Register of Shareholders and Special Register to the best of their ability.
  4. With regard to any change of address of the shareholders whose names are registered in the Register of Shareholders or in the Special Register of the Company, the relevant shareholders shall be obliged to notify the Board of Directors in writing regarding the change of such address.

As long as such notification has not been duly received, all letters or Notices of a General Meeting of Shareholders, if it is deemed necessary in accordance with the prevailing laws and regulations, shall be addressed or delivered to the address of the shareholders as most recently recorded in the Register of Shareholders of the Company, unless otherwise stipulated in these articles of association.

5. The Board of Directors shall prepare the Register of Shareholders and Special Register at the office of the Company. Each of the shareholders or his/her/their lawful proxy may request in order that the Register of Shareholders and the Special Register concerned be shown to him/her/them at working hours of the Company.
6. The lawful shareholders of the Company shall be entitled to exercise all rights granted to a shareholder based on the provisions of the prevailing laws and regulations with due observance of the provisions of these articles of association.
7. Registration of name (owner's name) of more than 1 (one) person for 1 (one) share or transfer of ownership rights to 1 (one) share to more than 1 (one) person shall be prohibited.

Therefore in the event of joint ownership of 1 (one) share, the joint owners must appoint one person among them who shall represent them in the said ownership of shares and such person must be considered as the shareholder of said share, whose name must be registered as a shareholder in the Register of Shareholders and on the relevant share certificate.

In the event that the holders of joint ownership right to share are negligent to notify the Company in writing regarding the appointment of their joint representative/proxy, the Company shall be entitled to treat the shareholder whose name is registered in the Register of Shareholders of the Company as the only rightful shareholder of the said share(s).

8. The Company's Board of Directors may appoint and give authority to the Securities Administration Agency to do the registration of shares in the Register of Shareholders and Special Register.

Any registration or recording in the Register of Shareholders including registration on a sale, transfer, mortgage by collateral, pledge or fiduciary security relating to the Company's shares or rights or interests to the shares must be carried out in accordance these articles of association and the laws and regulations in the field of Capital Market.

## **TRANSFER OF OWNERSHIP RIGHTS TO SHARES**

### **Article 10**

1.
  - a. A transfer of ownership rights to shares must be proved by a document which is signed by or on behalf of the Party making the transfer (transferor) and by or on behalf of the Party receiving the transfer (transferee) of the relevant shares. Documents/deed of transfer of ownership right to shares must be in the form as determined by or which is acceptable to the Board of Directors.
  - b. A transfer of ownership right to shares which are included in the Collective Custody shall be carried out by transfer from a Securities account to another Securities account with the Depository and Settlement Agency, Custodian Bank and Securities Companies.

Documents/deed of transfer of ownership right to shares must be in the form as determined by and/or which is acceptable to the Board of Directors with the provisions that the documents of transfer of ownership right to shares which are registered on the Stock Exchange must fulfill the applicable regulations of the Stock Exchange at the place where the said shares are listed, without prejudice to the prevailing laws and regulations and the applicable provisions at the place where the Company's shares are listed.

2. A transfer of ownership right to shares which is contrary to the provisions contained in these articles of association or not in accordance with the prevailing laws and regulations or without approval from the relevant authorities if required, shall not apply to the Company.

3. The Board of Directors on their own discretion and by giving reasons for that purpose, may reject/refuse to register the transfer of ownership rights to shares in the Register of Shareholders if the provisions of these Articles of Association are not fulfilled.
4. If the Board of Directors rejects/refuses to register the transfer of ownership right to shares, the Board of Directors shall be obliged to submit/send notice of rejection/refusal to the party who will transfer his/her/its rights at the latest within a period of 30 (thirty) calendar days after the date of request for such registration is received by the Board of Directors and with due observance of the prevailing laws and regulations in the field of Capital Market and regulations of the Stock Exchange at the place where the Company's shares are listed.
5. In the event that a change of ownership right to a shares is made, the original/previous owner who is registered in the Register of Shareholders must be still considered as a shareholder until the name of a new shareholder has been included in the Register of Shareholders, and such inclusion shall be done with due observance of the prevailing laws and regulations and provisions in the field of Capital Market and the provisions of the Stock Exchange at the place where the Company's shares are listed.
6. Any persons who obtains the ownership right to a share as consequences of the death of a shareholder or due to any other reasons which cause the ownership rights to a share to be transferred before the law, by submitting proof of right as shall be required by the Board of Directors from time to time, may propose written request to be registered as a shareholder of the said share.

Registration may only be carried out if the Board of Directors duly accepts the said proof of rights and without prejudice to the provisions contained in these articles of association.

7. Forms and procedures for transfer of ownership right to shares traded in the Capital Market shall be obliged to fulfill the laws and regulations in the field of Capital Market and the provisions of the Stock Exchange at the place where the said shares are listed.

## **GENERAL MEETING OF SHAREHOLDERS**

### **Article 11**

1. GMS consists of the Annual GMS and other GMS, which in these articles of association is also called an Extraordinary GMS, which can be held at any time based on the needs of the Company with due observance of the OJK regulations including OJK Regulation Number 15/POJK.04/2020 (hereinafter shall be referred to as the POJK 15) and 16/POJK.04/2020 (hereinafter shall be referred to as the POJK 16) along with the substitute provisions thereof at a later date and/or the provisions of the prevailing laws and regulations, specifically regulations in the field of Capital Market.
2. The terms of GMS in these articles of association shall mean both Annual GMS and Extraordinary GMS, unless otherwise expressly stated.

3. In addition to the implementation of the GMS as referred to in the OJK Regulation (hereinafter referred to as the POJK) regarding the planning and holding of a GMS for a Public Company, the Company can hold an electronic GMS in accordance with the POJK concerning the Implementation of an Electronic General Meeting of Shareholders for Public Companies.

That which is meant by an electronic GMS is the implementation of a GMS by a Public Company using teleconferencing, video conferencing, or other electronic media.

4. The Company is obliged to hold an Annual GMS no later than 6 (six) months after the end of the financial year.
5. Under certain conditions, the OJK can set a time limit other than those stipulated in paragraph 4.
6. In the annual GMS:
  - a. The Board of Directors shall submit/present:
    - annual report which has been examined by the Board of Commissioners to obtain approval from a GMS;
    - financial report which has been audited by a Public Accountant to obtain approval and adoption of a GMS;
  - b. The use of profits shall be decided, if the Company has positive retained earnings;
  - c. Appointment of public accountants and/or granting power of attorney to the Board of Commissioners to appoint a registered public accountant;
  - d. The appointment of the members of the Board of Directors and/or the members of the Board of Commissioners of the Company (if any);
  - e. Other matters, which have been duly proposed to the meeting without prejudice to the provisions of these Articles of Association, shall be decided.
7. Appointment and dismissal of public accountant and/or public accountant firm who will provide audit services for annual historical financial information must be decided in accordance with the POJK 15 or its substitute provisions thereof at a later date and/or applicable laws and regulations, specifically regulations in the field of Capital Market.
8. The approval for an annual report and the adoption of financial statements by an annual GMS shall grant full release and discharge to the members of the Board of Directors and the members of the Board of Commissioners from the management and supervisions they carried out during the past financial year, to the extent that the said actions are dealt with in the said annual report and financial statements, unless fraud, swindle, and other criminal offences.
9. An Extraordinary GMS may be held at any time based on the needs to discuss and decide the items on the agenda of the meeting except for the items on the agenda of the



meeting as referred to in paragraph (6) letter a, letter b, and letter c, with due observance of the prevailing laws and regulations and the Company's articles of association.

10. Any shareholders may submit a request for the holding of a GMS and proposal for an item on the agenda of a GMS in accordance with the provisions of the POJK 15 or the substitute provisions thereof at a later date and or the provisions of the prevailing laws and regulations specifically regulations in the field of Capital Market.

## **PLACE, NOTIFICATION, NOTICE AND TIME OF HOLDING OF A GENERAL MEETING OF SHAREHOLDERS**

### **Article 12**

1. A GMS must be held in the territory of the Republic of Indonesia.
2. The Company is obliged to determine the place and time for the GMS to be held.
3. The place for the GMS is in accordance with the provisions of the POJK 15 or the substitute provisions thereof at a later date and or the provisions of the prevailing laws and regulations, specifically regulations in the field of Capital Market.

4. **GMS Implementation Procedure:**

In holding a GMS, the Company is required to fulfill the following conditions:

- a. submit notification of the item(s) on the agenda of the Meeting to the OJK;
  - b. announce the GMS to shareholders; and
  - c. issue a notice for the GMS to the shareholders.
5. a. **Notification of the GMS to the OJK;**
- b. **Announcement of the GMS and the Proposed Item(s) on the Agenda of the Meeting;**
- c. **GMS Notice and Meeting Agenda Materials; and**
- d. **Announcement Media and Announcement Language:**

shall be in accordance with the POJK 15 or the substitute provisions thereof at a later date and/or the provisions of the prevailing laws and regulations, specifically regulations in the field of Capital Market.

6. **Shareholders' rights, attendance of Other Parties in the GMS and Granting of Authorization Electronically and Provider of e-GMS;**  
shall be in accordance with the provisions of the POJK 15 and the POJK 16 or the substitute provisions thereof at a later date and/or the provisions of the prevailing laws

and regulations, specifically regulations in the field of Capital Market.

## **CHAIRMANSHIP, MINUTES OF A GENERAL MEETING OF SHAREHOLDERS AND RULES OF ORDER OF THE MEETING**

### **Article 13**

1. A GMS shall be chaired by a member of the Board of Commissioners appointed by the Board of Commissioners.  
In the event that all members of the Board of Commissioners are not present or all of them are not available or are unable to attend the meeting, which matters is not required to be proved to any third parties, the GMS shall be chaired by a member of the Board of Directors appointed by the Board of Directors. In the event that all members of the Board of Directors are not present or all of them are not available or are unable to attend such meeting, the GMS shall be chaired by a shareholder present in the said GMS selected by and from among those present in the said GMS.
2. In the event that a member of the Board of Commissioners appointed by the Board of Commissioners has a conflict of interest with the matters to be decided in a GMS, the GMS shall be chaired by another member of the Board of Commissioners who has no conflict of interest who is appointed by the Board of Commissioners.  
In the event that all members of the Board of Commissioners have conflict of interests, the GMS shall be chaired by a member of the Board of Directors who is appointed by the Board of Directors. In the event that one of the members of the Board of Directors who is appointed by the Board of Directors has a conflict of interest with the matters to be decided in the GMS, the said GMS shall be chaired by a member of the Board of Directors who has no conflict of interest.  
In the event that all members of the Board of Directors have conflict of interests, the GMS shall be chaired by an independent shareholder who is appointed by other shareholders who are present in the said GMS.
3. The Chairperson of the GMS shall be entitled to request those present in the meeting to produce his/her proof of authority to be present in the said meeting.
4. From all matters discussed and decided in a GMS, Minutes of Meeting shall be drawn up in the form of Notarial deed.
5. The said Minutes of Meeting shall become lawful evidence to all shareholders and any third parties regarding the decisions/resolutions made and anything occurs in the Meeting.
6. The rules of order for the holding of the GMS shall refer to the provisions set out in Article 39 of the POJK 15 or the substitute provisions thereof at a later date and or the provisions of the prevailing laws and regulations, specifically regulations in the field of Capital Market.

**QUORUM, VOTING RIGHT, RESOLUTION OF A GENERAL MEETING OF  
SHAREHOLDERS AND MINUTES OF GENERAL MEETING OF  
SHAREHOLDERS**

**Article 14**

**Quorum, Voting Right and Resolution of the GMS and Minutes of the GMS** shall comply with the provisions of the POJK 15 and the POJK 16 along with the substitute provisions thereof at a later date and/or the provisions of the prevailing laws and regulations, specifically regulations in the field of Capital Market.

**BOARD OF DIRECTORS**

**Article 15**

1. The Company shall be managed and led by a Board of Directors.
2. The Board of Directors shall consist of at least 2 (two) persons with the following composition:
  - a. 1 (one) President Director;
  - b. at least 1 (one) member of the Board of Directors.
3. Requirements for the member(s) of the Board of Directors must comply with the provisions of the UUPT, the laws and regulations in the field of Capital Market, and the laws and regulations related to the Company's business activities.
4. The members of the Board of Directors shall be appointed and dismissed/discharged by a GMS, and the said appointment shall be valid commencing from the date stipulated in the GMS which decides his/her/their appointment and shall cease at the closing of the 5<sup>th</sup> (fifth) Annual GMS after the date of his/her/their appointment with due observance of the provisions of the laws and regulations in the field of Capital Market, unless otherwise stipulated in the GMS.
5. The member of the Board of Directors whose term of office has come to an end (has expired) may be re-appointed in accordance with the resolutions of the GMS.
6. The Company shall be obliged to hold a GMS to decide an application for resignation of the member of the Board of Directors at the latest within a period of 90 (ninety) days after the receipt of such letter of resignation.
7. In the event that the members of the Board of Directors resign resulting in the total members of the Board of Directors being less than 2 (two) persons, the said resignation is lawful if it has been determined by a GMS and new members of the Board of Directors have been appointed, so it has fulfilled the requirements of the minimum numbers of the members of the Board of Directors.
8. In the event that there is a member of the Board of Directors who is suspended by the

Board of Commissioners, at the latest within a period of 90 (ninety) days after the date of suspension, the Company shall be obliged to hold a GMS.

9. In the event that a GMS as referred to in sub-paragraph 9 of this Article fails to make a decision/resolution or upon the lapse of such period of time the GMS is not held/convened, such suspension of the member of the Board of Directors becomes null and void.
10. A GMS may:
  - appoint another person to fill a position of a member of the Board of Directors who is dismissed/discharged from his/her office; or
  - fill a position of a member of the Board of Directors who has resigned from his/her office; or
  - appoint a person as a member of the Board of Directors to fill a vacancy; or
  - make addition to the number of new members of the Board of Directors.

Term of office of a person who is appointed to replace a member of the Board of Directors who is dismissed/discharged in such a way or a member of the Board of Directors who has resigned or to fill such vacancy is the remainders of the term of office (remaining term of office) of the member of the Board of Directors who has been dismissed/discharged or whom he/she replaced and the term of office of the additional new members of the Board of Directors is the remainders of the term of office (remaining term of office) of the incumbent members of the Board of Directors, unless otherwise decided in the GMS.

11. The term of office (position) of a member of the Board of Directors shall be automatically cease/be terminated if the said member of the Board of Directors:
  - a. is declared bankrupt or put under custody based on a ruling of the court of law; or
  - b. no longer fulfils the requirements of the prevailing laws and regulations; or
  - c. dies.
12. Salary, merit pay and other allowances of the members of the Board of Directors (if any) shall be determined by a GMS and such authority may be delegated to the Board of Commissioners by such GMS.
13. If due to any reasons a vacancy occurs in the office/function of the members of the Board of Directors resulting in the total members of the Board of Directors being less than 2 (two) persons as referred to in paragraph 2 of this Article, at the latest within a period of 90 (ninety) days after such vacancy has occurred, a GMS shall be held/convened to fill such vacancy, with due observance of the prevailing laws and regulations in the field of Capital Market.

14. If the position of the President Director is vacant and as long as the replacement/substitute thereof has not been appointed yet, or if the newly appointed President Director has not occupied his/her position, and the President Director is not present or is not available or is unable due to any reasons whatsoever, a member of the Board of Directors shall carry out the obligation of the President Director and shall have the same authority and responsibility as the President Director. In the event that all members of the Board of Directors are vacant, the provisions of Article 19 paragraph 4 of the Company's articles of association shall be applied.
15. Provisions on the requirements of appointment, dismissal and replacement of the members of the Board of Directors that have not been provided for in these articles of association shall refer to the POJK in the field of Capital Market and other prevailing laws and regulations.

## **DUTIES AND AUTHORITY OF THE BOARD OF DIRECTORS**

### **Article 16**

1. The Board of Directors shall be fully responsible to carry out their duties in order to achieve the purposes and objectives and the interest of the Company.
2. Any members of the Board of Directors in good faith and with full responsibility shall be obliged to carry out his/her duties with due observance of the prevailing laws and regulations and the Company's articles of association.
3. The Board of Directors shall be entitled to lawfully and directly represent the Company both inside and outside a court of law with regard to all matters and in all events, to bind the Company to other parties and to bind other parties to the Company and to take all measures/actions, both with regard to the management affairs as well as ownership affairs of the Company.
4. Legal conduct to transfer, relinquish the ownership right to or to put up all or a majority with the value of more than 50% (fifty percent) of the Company's assets as collateral in one financial year, either in one or several separate or related transactions cumulatively, must obtain approval from a GMS with the terms and conditions as referred to in Article 14 of the Company's articles of association.
5. Legal conduct to make Material Transaction and Certain Conflict of Interest Transaction as referred to in the laws and regulations in the field of Capital Market, must obtain approval of a GMS of the Company, with the terms and conditions as regulated in the laws and regulations in the field of Capital Market.
6.
  - a. The President Director shall be entitled and authorized to act for and on behalf of the Board of Directors as well as representing the Company;
  - b. In the event that the President Director is not present or is not available or is unable to attend due to any reasons whatsoever, which matters is not required to be proved to any third parties, another member of the Board of Directors shall be

entitled and authorized to act for and on behalf of the Board of Directors as well as representing the Company.

7. Without prejudice to their responsibilities, the Board of Directors shall be entitled to appoint one or more person as their representative or proxy to act for and on behalf of the Board of Directors and for that purpose they are supplied with written power of attorney, and in such written power of attorney the authority to carry out certain measures must be granted to the holder(s)/receiver(s) of the said power.
8. Division of duties and authority of each member of the Board of Directors shall be determined/decided by a GMS, and in the event that the GMS does not determine the same, the division of duties and authority of each member of the Board of Directors shall be determined based on the decision/resolution of the Board of Directors.
9. To take legal conduct in the form of transaction involving a conflict of interest between the individual/personal economic interest of a member of the Board of Directors, a member of the Board of Commissioners or founding shareholder and the economic interest of the Company, the Board of Directors of the Company must obtain approval from a GMS, with the terms and conditions as referred to in Article 14 of the Company's articles of association, with due observance of the regulations in the field of Capital Market.
10. In the event that the Company shall have interest which are contrary to the individual/personal interest of a member of the Board of Directors, the Company shall be represented by another member of the Board of Directors and in the event that the Company shall have interest which are contrary to the interest of all members of the Board of Directors, in this matter the Company shall be represented by the Board of Commissioners, with due observance of the prevailing laws and regulations.
11. Legal conducts:
  - to make Material Transactions shall be subject to the POJK on Material Transactions and changes in business activities with due observance of the provisions of the prevailing laws and regulations;
  - to make Affiliated and Conflict of Interest Transactions shall be subject to the POJK on Affiliated Transactions and Conflict of Interest and with due observance of the provisions of the prevailing laws and regulations.

## **BOARD OF DIRECTORS MEETING**

### **Article 17**

1. The Board of Directors shall hold the Board of Directors meeting regularly at least once (1) a month, unless if deemed necessary by a member of the Board of Directors or at the written request of one or more member of the Board of Commissioners or at the written request of 1 (one) or more shareholders who jointly represent 1/10 (one tenth) of the total shares with lawful voting right which has been issued by the Company.
2. Notice of the Board of Directors Meeting shall be served/sent by a member of the Board of Directors who is entitled to represent the Board of Directors in accordance

with the provisions of Article 16 paragraph 6 of these articles of association.

3. Notice of the Board of Directors Meeting shall be served/sent by means of registered mail and conveyed directly to each member of the Board of Directors with reasonable written proof of receipt at the latest 5 (five) days before the meeting is held or transmitted by means of facsimile or email which must be confirmed in writing, excluding the date of notice and the date of the meeting.
4. In the said notice of meeting, the items on the agenda, the date, the time and the place of the Meeting must be stated.
5. The Board of Directors Meeting may be held at the place where the Company has its place of legal domicile or at the place of legal domicile of the Stock Exchange where the Company's shares are listed, provided that it is held within the territory of the Republic of Indonesia.

If all members of the Board of Directors are present or represented in the said meeting, the said prior notice shall not be required and the Board of Directors Meeting may be held anywhere within the territory of the Republic of Indonesia or through teleconference, video conference, or other electronic media facilities that make it possible for all participants of the Board of Directors Meeting to see and/or hear directly one unto another as well as participating in the Board of Directors Meeting, provided that minutes of the Meeting held by telephone conference or other similar communication equipment shall be made in writing and distributed to be signed by all members of the Board of Directors participating in the meeting. The resolutions/decisions adopted in such manner shall have the same legal force and effect as the resolutions lawfully made in a Board of Directors Meeting.

6. The Board of Directors Meeting shall be chaired by the President Director.

In the event that the President Director is not present or is not available or is unable to attend a Board of Directors Meeting, which matters is not required to be proved to any third parties, the Board of Directors Meeting shall be chaired by a member of the Board of Directors selected by and from among those members of the Board of Directors present in the said Meeting.

7. A member of the Board of Directors may be represented in the Board of Directors Meeting only by another member of the Board of Directors by virtue of written power of attorney.
8. The Board of Directors Meeting shall be lawful and shall be entitled to make binding decisions if more than 1/2 (one half) of the total members of the Board of Directors are present or represented in the meeting.
9. Decisions/resolutions of the Board of Directors Meeting shall be made based on deliberation and/or discussion leading to mutual agreement/consensus. In the event that a decision/resolution to be made based on deliberation and/or discussion (leading to mutual agreement) is not reached, such resolution shall be made

by voting based on the assenting votes of more than 1/2 (one half) of the total votes lawfully cast in the said Meeting.

10. In the event that the total assenting votes and dissenting votes are equal in number, the proposal concerned shall be considered to have been rejected.
11.
  - a. Each member of the Board of Directors present shall be entitled to cast 1 (one) vote and 1 (one) additional vote for each other member of the Board of Directors he/she represents.
  - b. Each member of the Board of Directors, personally/individually by whatever means directly or indirectly shall have interest in a transaction, contract or proposed contract, in which the Company shall become one of the parties, must state the nature of such interest in the Board of Directors Meeting and shall not be entitled to participate in casting of votes regarding the matters relating to the said transaction or contract, unless otherwise stipulated by the Board of Directors Meeting.
12. Minutes of the Board of Directors Meeting shall be drawn up by a person present in the Meeting who is designated by the Chairperson of the Meeting and such minutes of meeting must be signed by all members of the Board of Directors present in the meeting and the same shall be distributed to all members of the Board of Directors. In the event that the minutes of meeting are drawn up by a Notary Public, the said signatures are not required.
13. The minutes of the Board of Directors Meeting which are drawn up in accordance with the provisions of paragraph 12 of this Article shall constitute a valid evidence regarding decisions/resolutions made in the relevant Board of Directors Meeting, both for the members of the Board of Directors and for any third parties.
14. The Board of Directors may also make/adopt lawful and binding resolutions without holding the Board of Directors Meeting with the stipulation that all members of the Board of Directors have been notified in writing regarding the related proposal and all members of the Board of Directors have given their approval in writing on the matters proposed and the said approval must be signed by all of them.

The resolutions adopted in such manner shall have the same force and effect as the resolutions lawfully made in the Board of Directors meeting.

15. Provisions on the temporary suspension of a member of the Company's Board of Directors that have not been provided for in these articles of association shall refer to the POJK in the field of Capital Market and other prevailing laws and regulations, with due observance of the prevailing provisions of the POJK.

## **THE BOARD OF COMMISSIONERS**

### **Article 18**

1. The Board of Commissioners shall consist of at least 3 (three) members, consisting of:



- a. 1 (one) President Commissioner;
  - b. at least 1 (one) Vice President Commissioner;
  - c. the remainder as a member of the Board of Commissioners.
2. Requirements for the member(s) of the Board of Commissioners must comply with the provisions of the UUPT, the laws and regulations in the field of Capital Market, and the laws and regulations related to the Company's business activities.
3. The members of the Board of Commissioners shall be appointed and dismissed/discharged by a GMS, the said appointment shall be valid commencing from the date stipulated in a GMS which decides his/her/their appointment and shall cease at the closing of the 5<sup>th</sup> (fifth) Annual GMS after the date of his/her/their appointment, with due observance of the provisions of the laws and regulations in the field of Capital Market, unless otherwise determined in the Company's articles of association.
4. The members of the Board of Commissioners, whose term of office has come to an end (has expired), may be reappointed, in accordance with the resolutions of the GMS.
5. The Company shall be obliged to hold a GMS to decide an application for resignation of a member of the Board of Commissioners at the latest within a period of 90 (ninety) days after the receipt of such letter of resignation.
6. In the event that the members of the Board of Commissioners resign resulting in the total members of the Board of Commissioners being less than 3 (three) persons, the said resignation is lawful if it has been determined by a GMS and new members of the Board of Commissioners have been appointed, so it has fulfilled the requirements of minimum numbers of the members of the Board of Commissioners.
7. The term of office (position) of a member of the Board of Commissioners shall be automatically ceased/be terminated if the said member of the Board of Commissioners:
  - a. is declared bankrupt or put under custody based on a ruling of the court of law; or
  - b. is prohibited from holding a position as a member of the Board of Commissioners based on the provisions of the prevailing laws and regulations; or
  - c. dies;
8. The amount of salary and other allowances for the members of the Board of Commissioners shall be determined by a GMS.
9. If a vacancy occurs in the office/function of a member of the Board of Commissioners resulting in the total members of the Board of Commissioners being less than 3 (three) persons, as referred to in paragraph 1 of this Article, at the latest within a period of 90 (ninety) days after such vacancy has occurred, a GMS shall be held to fill such vacancy

with due observance of the prevailing laws and regulations in the field of Capital Market.

10. Provisions on the requirements of appointment, dismissal and replacement of the members of the Board of Commissioners of the Company that have not been provided for in these articles of association shall refer to the POJK in the field of Capital Market and other prevailing laws and regulations.

## **DUTIES AND AUTHORITY OF THE BOARD OF COMMISSIONERS**

### **Article 19**

1. The Board of Commissioners shall exercise supervision and control over the management policy, and the running of the Company's management in general, both with regard to the Company and Company's business, and to give advices to the Board of Directors.
2. The Board of Commissioners at any time during working hours of the Company shall be entitled to enter into the buildings and premises (building yard) or other places used or controlled by the Company and is/are entitled to examine all bookkeeping, letters and other evidences, to audit and to verify the position of the cash (money), etc. and shall be entitled to be informed of all steps or measures that have been taken by the Board of Directors.
3. The Board of Directors and each member of the Board of Directors shall be obliged to make all explanations/information available regarding all matters asked by the Board of Commissioners.
4. In the event that all members of the Board of Directors are suspended (relieved for the time being) and the Company has no members of the Board of Directors, the Board of Commissioners shall be obliged to temporarily manage the Company. In such a case, the Board of Commissioners shall be entitled to confer power upon one or more members of the Board of Commissioners to manage the Company for the time being at the risk of the Board of Commissioners.
5. In the event that there is only one member of the Board of Commissioners, all duties and authority granted to the President Commissioner or to the members of the Board of Commissioners in these articles of association shall also apply to him/her.
6. The Board of Commissioners based on a resolution of the Board of Commissioners Meeting at any time is entitled to temporary suspend one or more member of the Board of Directors from his/her/their office (position), if the said member of the Board of Directors act(s) contrary to these articles of association and/or to the prevailing laws and regulations, and such suspension shall be supplied with the reasons causing such act.
7. At the latest within a period of 90 (ninety) calendar days after temporary suspension of the member(s) of the Board of Directors, with due observance of the laws and regulations in the field of Capital Market, the Board of Commissioners must hold a

GMS. Such GMS shall only be entitled and authorized to decide whether the suspended member(s) of the Board of Directors shall be reinstated or suspended forever, and the said suspended members of the Board of Directors shall be given an opportunity to defend him/herself in the Meeting, if the said suspended members of the Board of Directors is present in the relevant Meeting.

8. The Meeting as referred to in paragraph 7 of this Article shall be chaired by a member of the Board of Commissioners who is appointed by the Board of Commissioners.

In the event that all members of the Board of Commissioners are not present or are not available or are unable to attend the meeting, the Meeting shall be chaired by the President Director.

In the event that the President Director is not present or is not available or is unable to attend the meeting, the GMS shall be chaired by a member of the Board of Directors.

In the event that all members of the Board of Directors are not present or all of them are not available or are unable to attend the meeting, the Meeting shall be chaired by a shareholder present in the said GMS selected by and from among those present in the said Meeting.

9. If the said suspended members of the Board of Directors is not present in the relevant Meeting, the suspension must be notified to the person concerned accompanied by the reasons thereof.
10. If the said GMS is not held within a period of 90 (ninety) days after such suspension, the said suspension shall be cancelled or shall be declared null and void before the law and the person concerned shall be reinstated.
11. If all members of the Board of Directors are suspended (relieved for the time being) or due to any reasons whatsoever the Company does not have any members of the Board of Directors, the Board of Commissioners shall be entitled to confer authority to one or more members of the Board of Commissioners to manage the Company for the time being and to act for and on behalf of and to represent the Company.
12. Provisions on the duties and authority of the Company's Board of Commissioners that have not been provided for in these articles of association shall refer to the POJK in the field of Capital Market and other prevailing laws and regulations.

## **BOARD OF COMMISSIONERS MEETING**

### **Article 20**

1. The Board of Commissioners meeting shall be held at least once (1) in two (2) months, unless if deemed necessary by a member of the Board of Commissioners or at the written request of the Board of Directors or at the written request of 1 (one) or more shareholders who jointly represent 1/10 (one tenth) of the total shares with lawful voting right which have been issued by the Company.

2. The Board of Commissioners shall be obliged to hold a joint meeting with the Board of Directors regularly at least once (1) in four (4) months.
3. Notice of the Board of Commissioners Meeting shall be served/sent by the President Commissioner. In the event that the President Commissioner is not present or is not available or is unable to serve the same, by the Vice President Commissioner, and in the event that the Vice President Commissioner is not present or is not available or is unable to serve the same, by a member of the Board of Commissioners who is designated by the President Commissioner who is entitled and authorized to serve/send Notice of the Board of Commissioners Meeting.
4. Notice of the Board of Commissioners Meeting shall be served/sent by means of registered mail or conveyed directly to each member of the Board of Commissioners with reasonable written proof of receipt or transmitted by means of facsimile or email which must be confirmed in writing. Such notice must be served/sent to the members of the Board Commissioners at the latest 5 (five) calendar days before the Meeting is held excluding the date of notice and the date of the Meeting. The said urgent condition shall be determined by the President Commissioner or by the Vice President Commissioner. If all members of the Board of Commissioners are present and/or represented in the Board of Commissioners Meeting, the said prior notice shall not be required.
5. In the said notice of meeting, the items on the agenda, the date, the time and the place of the Meeting must be stated.
6. The Board of Commissioners Meeting may be held at the place where the Company has its place of legal domicile or at the place of legal domicile of the Stock Exchange where the Company's shares are listed, provided that it is held within the territory of the Republic of Indonesia. If all members of the Board of Commissioners are present or represented in the said meeting, the Board of Commissioners Meeting may be held anywhere or through teleconference, video conference, or other electronic media facilities that make it possible for all participants of the Board of Commissioners Meeting to see and/or hear directly one unto another as well as participating in the Board of Commissioners Meeting, provided that minutes of the Meeting held by telephone conference or other similar communication equipment shall be made in writing and distributed to be signed by all members of the Board of Commissioners participating in the meeting. The resolutions/decisions adopted in such manner shall have the same legal force and effect as the resolutions lawfully made in a Board of Commissioners Meeting.
7. The Board of Commissioners Meeting shall be chaired by the President Commissioner, and in the event that the President Commissioner is not present or is not available or is unable to attend the Board of Commissioners Meeting, such matters is not required to be proved to any third parties, the Board of Commissioners Meeting shall be chaired by the Vice President Commissioner, and in the event that the Vice President Commissioner is not present or is not available or is unable to attend the Board of Commissioners Meeting, such matters is not required to be proved to any third parties, the Board of Commissioners Meeting shall be chaired by a member of the Board of Commissioners who is selected by and from among those members of the Board of

Commissioners present in the said Meeting.

8. A member of the Board of Commissioners may be represented in the Board of Commissioners Meeting only by another member of the Board of Commissioners by virtue of written power of attorney.
9. The Board of Commissioners Meeting shall be lawful and shall be entitled to make binding resolutions if more than 1/2 (one half) of the total members of the Board of Commissioners are present or represented in the Meeting.
10. Decisions/resolutions of the Board of Commissioners Meeting shall be made based on deliberation and/or discussion leading to mutual agreement/consensus.

In the event that a decision/resolution to be made based on deliberation and/or discussion (leading to mutual agreement) is not reached, such resolution shall be made by voting based on the assenting votes of more than 1/2 (one half) of the total votes lawfully cast in the said Meeting.

11. In the event that the total assenting votes and dissenting votes are equal in number, the proposal concerned shall be considered to have been rejected.
12.
  - a. Each member of the Board of Commissioners present shall be entitled to cast 1 (one) vote and 1 (one) additional vote for each other member of the Board of Commissioners he/she represents.
  - b. Each member of the Board of Commissioners, personally/individually by whatsoever means directly or indirectly shall have interest in a transaction, contract or proposed contract, in which the Company shall become one of their parties, must state the nature of such interest in the Board of Commissioners Meeting and shall not be entitled to participate in casting of votes regarding the matters relating to the said transaction or contract, unless otherwise expressly stipulated by the Board of Commissioners Meeting.
13. Minutes of the Board of Commissioners Meeting shall be drawn up by a person present in the Meeting who is designated by the Chairperson of the Meeting and such minutes of meeting must be signed by all members of the Board of Commissioners present in the meeting and the same shall be distributed to all members of the Board of Commissioners of the Company and if any member of the Board of Commissioners is not willing to sign the minutes of meeting, he/she must state the reason(s) for his/her refusal to sign such minutes of meeting.

In the event that the minutes of meeting are drawn up by a Notary Public, the said signatures are not required.

14. The minutes of the Board of Commissioners Meeting which are drawn up in accordance with the provisions of paragraph 13 of this Article shall constitute a valid evidence regarding decisions/resolutions made in the relevant Board of Commissioners Meeting, both for the members of the Board of Commissioners and for any third parties.

15. The Board of Commissioners may also make/adopt lawful and binding resolutions without holding the Board of Commissioners Meeting with the stipulation that all members of the Board of Commissioners have been notified in writing regarding the related proposal and all members of the Board of Commissioners have given their approval in writing on the matters proposed and the said approval must be signed by all of them. The resolutions adopted in such manner shall have the same force and effect as the resolutions lawfully made in the Board of Commissioners Meeting.

## **WORK PLAN, FINANCIAL YEAR AND ANNUAL REPORT**

### **Article 21**

1. The Board of Directors shall make/prepare and implement an annual work plan and submit the same to the Board of Commissioners for approval, before commencement of the financial year.
2. The work plan as referred to in paragraph (1) must be submitted at the latest 14 (fourteen) days before the commencement of the next financial year.
3. The financial year of the Company shall be from the 1<sup>st</sup> (first) day of January until the 31<sup>st</sup> (thirty first) day of December.

At the end of December each year, the books of the Company shall be closed.

4. The Board of Directors shall make/compile annual report and the said annual report shall be made available at the office of the Company commencing from the date of notice of an Annual GMS for the inspection of shareholders.
5. The Board of Directors shall make/compile an annual report after the financial year of the Company is closed in accordance with the provisions of the prevailing laws and regulation in the field of Capital Market.
6. An annual report shall be signed by all members of the Board of Directors and all members of the Board of Commissioners, and in the event that there is some member of the Board of Directors and/or some member of the Board of Commissioners who does not sign the said annual report, the reasons thereof must be submitted in writing, and in the event that a member of the Board of Directors and/or a member of the Board of Commissioners does not sign and does not give the reasons to do so, the relevant member of the Board of Directors and/or the relevant member of the Board of Commissioners shall be considered to have approved the contents of the said annual report.
7. The Board of Directors shall be obliged to submit the Company's financial statements to a registered Public Accountant appointed by a GMS for audit. The audit report by the said Public Accountants shall be submitted in writing to an Annual GMS.
8. Approval of the annual report and the adoption of the financial statements as well as adoption of report on the supervisory duties of the Board of Commissioners shall be

conducted by an Annual GMS.

9. The Company shall be obliged to announce the balance sheet and profit/loss report (statement of income) in accordance with the procedures stipulated in Capital Market regulations.

## **USE OF PROFITS AND DISTRIBUTION OF DIVIDENDS**

### **Article 22**

1. The net profits of the Company in a financial year as contained in the balance sheets and profit-loss account (statement of income) which has been approved and adopted by an Annual GMS and which constitutes positive retained earnings, shall be distributed in a manner that has been determined by the said Meeting.
2. Dividends may only be paid in accordance with the financial ability/condition of the Company based on a resolution made in a GMS, and in such resolution the time and method of payment of dividends shall also be determined.

Dividends on one share must be paid to the person in whose name the share is registered in the Register of Shareholders with due observance of Article 8 of these articles of association, on a business day to be determined by or based on the authority of a GMS in which meeting the resolution to distribute the dividend is made, one and another without prejudice to the provisions of the Stock Exchange's regulations at the place where the said shares are listed/registered.

3. The Company may distribute interim dividends before the end of financial year of the Company, if the total net assets of the Company does not become smaller than the total placed and paid up capital plus mandatory reserve and the financial condition of the Company makes it possible based on the resolution of the Board of Directors Meeting after obtaining approval from the Board of Commissioners, the interim dividends shall be provided for distribution, with the provision that at a later date the same will be calculated with the dividends which have been approved by the following Annual GMS, and the distribution of the said interim dividend shall not disturb or causes the Company to be unable to fulfill its obligations to the creditor or disturb the Company's activity, with due observance of the prevailing laws and regulations.
4. In the event that after the financial year of the Company ends it is evident that it results in a loss, the interim dividend which has been distributed must be returned by the shareholders to the Company. In the event that the shareholder does not return the said interim dividend, such losses suffered by the Company shall become the collective liability of the Board of Directors and the Board of Commissioners respectively.
5. In the case of the resolution of GMS relating to distribution of cash dividends, the Company shall make the payment of cash dividends to the eligible shareholders no later than 30 (thirty) days after the publication of the summary of the minutes of GMS which decides the distribution of cash dividends.
6. Notification with regard to the dividend and interim dividend shall be announced/served

in accordance with the prevailing laws and regulations in the field of Capital Market.

7. Dividends which are not collected/claimed after a period of 5 (five) years since the date stipulated for the payment of dividend has passed shall be included in the special reserve, and the procedure for collection of the dividends which have been included in the special reserve shall be regulated by a GMS. The dividends which have been included in the special reserve as mentioned above and are not collected/claimed within a period of 10 (ten) years shall become the Company's assets (shall belong to the Company).

## **USE OF RESERVE FUNDS**

### **Article 23**

The Company shall be obliged to allocate certain amount from the net profits of each financial year for reserve funds, the amount of which shall be determined by a GMS in accordance with the provisions of the laws on limited liability company, including the prevailing laws and regulations in the field of Capital Market.

## **AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

### **Article 24**

1. Amendments to the Articles of Association shall be made with due observance of the Laws on Limited Liability Company and/or regulations of Capital Market.
2. Resolutions regarding the reduction of the capital must be made in accordance with the prevailing laws and regulations in the field of Capital Market.

## **MERGERS, AMALGAMATION, TAKEOVERS AND SEPARATION**

### **Article 25**

Further provisions regarding Mergers, Amalgamation, Takeovers, and Separation shall be as those intended in the prevailing laws and regulations, particularly laws and regulations in the field of Capital Market.

## **DISSOLUTION, LIQUIDATION, AND TERMINATION OF LEGAL ENTITY STATUS**

### **Article 26**

Further provisions regarding Dissolution, Liquidation, and Termination of Legal Entity Status shall be as those intended in the prevailing laws and regulations, particularly laws and regulations in the field of Capital Market.

## **PLACE OF LEGAL DOMICILE**

### **Article 27**

With regard to any matters relating to the Company, the shareholders shall be considered to have a place of legal domicile at the place of (in each of their place of residence/address) as registered in the Register of Shareholders with due observance of the prevailing laws and



regulations and provisions in the field of Capital Market and regulations on the Stock Exchange at the place where the Company's shares are listed/registered.

## **CLOSING PROVISIONS**

### **Article 28**

Provisions that have not been provided for in these Articles of Association shall refer to the regulations of the OJK including the POJK 15 and the POJK 16 along with the substitute provisions thereof at a later date and/or the provisions of the prevailing laws and regulations, specifically regulations in the field Capital Market and all matters which are not regulated or not adequately regulated in these Articles of Association shall be decided in a GMS.