

## AGMS and LKPM Reports

### AGMS

We would like to remind you of the Annual General Meeting of Shareholders ("AGMS") that according to Article 78 (2) of the Company Law, must be held no later than 6 (six) months after the end of each financial year.

The AGMS is also subject to your company's Articles of Association. It may be held in a formal meeting or as circular resolutions.

In the AGMS, the Board of Directors ("BOD") is required to submit its annual report that has been examined by the Board of Commissioners ("BOC") to the shareholders for their approval. Article 66 (2) of the Company Law requires the annual report to contain at least the following:

- (i) a financial statement, consisting of at least the balance sheet for the previous financial year in comparison to the past financial year, the income statement of the relevant financial year, the cash flow statement, the statement of changes in equity, and notes about the financial statement. This financial statement must be ratified by the shareholders of the Company;
- (ii) a report on the company's activities (including the results achieved during the previous year);
- (iii) a report on the implementation of Corporate Social and Environmental Responsibility;
- (iv) details of problems arising during the financial year which have affected the company's business activities;
- (v) a report on the supervisory tasks that have been performed by the BOC during the previous financial year;
- (vi) the names of the members of the BOD and the BOC; and
- (vii) the salaries, allowances and other benefits of the members of the BOD and the salaries or honoraria and allowances of the members of the BOC for the previous year.

This annual report must be signed by all the members of the BOD and BOC during the period covered by the annual report. If any members of the BOD or the BOC do not sign the annual report, they must state the reasons for their refusal in writing or the BOD may also explain the reasons (e.g. the relevant member has passed away) in a separate letter attached to the annual report.

The AGMS may also resolve other matters, such as the distribution of dividends, the appointment of members of the BOD and BOC, the appointment of the auditor of the Company etc. At the same time, the company may consider holding an extraordinary general meeting of shareholders to adjust the purpose and objective of the company to be in line with the 2017 KBLI as required under the Joint Announcement of the Minister of Law and Human Rights and the OSS agency.

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## LKPM Reports

In addition, certain companies are required to submit investment activity reports ("LKPM Reports") to the Investment Coordinating Board ("BKPM") via its online system (SPIPISE) under BKPM Regulation No.7 of 2018 on The Guidelines and Procedure for Capital Investment Supervision ("BKPM Regulation 7/2018").

A company, either a domestic company with a minimum investment of Rp500.000.000 or a foreign investment company must submit the LKPM Report every quarter by the following deadlines to the online system:

- a. 1st Quarter (January - March) : by 10 April
- b. 2nd Quarter (April - June) : by 10 July
- c. 3rd Quarter (July – September) : by 10 October
- d. 4th Quarter (October – December) : by 10 January of the following year

BKPM emphasizes that investors must comply with this obligation. Under Article 32 (1) and 34, for failing to submit an LKPM three times in a row, the company's investment license and/or facility may be revoked.

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