



PT HM SAMPOERNA Tbk.

Jakarta, 4 May 2021

Number : 034/CLD/HMS/V/2021  
 Attachment : Disclosure of Information related to Afiliated Transaction  
 Re. : Disclosure of Information related to Afiliated Transaction  
 PT Hanjaya Mandala Sampoerna Tbk. (the "**Company**")

To.  
 The Board of Directors of PT Bursa Efek Indonesia  
 Indonesia Stock Exchange Building  
 Jl. Jenderal Sudirman Kav. 52-53  
 Jakarta - 12190

Attn.: Head of Company Evaluation Division I - Mr. Adi Pratomo Aryanto

Dear Sirs,

In compliance with the Financial Services Authority Regulation ("**POJK**") No.42/POJK.04/2020 dated 2 July 2020 concerning Affiliated and Conflict of Interest Transactions and Financial Services Authority Regulations ("**POJK**") No.31/POJK.04/2015 dated 16 December 2015 concerning Disclosure of Material Information or Facts by Issuers or Public Companies, through this letter we submit the following Information Report:

1. Name of Issuer : PT Hanjaya Mandala Sampoerna Tbk.
2. Business Field : Cigarette Industry
3. Phone : 021 – 5151234
4. Fax : 021 – 51402481
5. e-mai) : [investor.relations@sampoerna.com](mailto:investor.relations@sampoerna.com)

1.	Date of Event	:	1 May 2021
2.	Information type	:	Affiliated Transaction
3.	Decription	:	
	As attached in Disclosure of Information related to Afiliated Transaction		



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4.	The impact of the event, information, on the Issuer's operational, legal, financial condition or business continuity	:	There is no impact of the event, information, on the operational activities, legal, financial condition, or the Company's business continuity.
5.	Other information	:	-

In relation to the Affiliated Transaction, the Board of Directors and the Board of Commissioners hereby declare having made all reasonable enquiries, to the best of their knowledge and belief, all material information has been reported and such information is not misleading.

Hence we convey the disclosure related to affiliated transaction. Thank you for your attention.

Best Regards,  
**PT HM Sampoerna Tbk.**

Signed and sealed

**Bambang Priambodo**  
Corporate Secretary

Copy to:  
- PT Indonesian Capital Market Electronic Library



PT HM SAMPOERNA Tbk.

**STATEMENT OF THE  
BOARD OF COMMISSIONERS AND  
THE BOARD OF DIRECTORS OF**

**PT HANJAYA MANDALA  
SAMPOERNA Tbk.  
(the "Company")**

**PERNYATAAN DEWAN KOMISARIS  
DAN DIREKSI**

**PT HANJAYA MANDALA  
SAMPOERNA Tbk.  
("Perseroan")**

In connection with the Transaction as defined in the Company's Disclosure of Information related to the Affiliated Transaction of the Company dated 4 May 2021 ("**Disclosure**"), the Board of Commissioners and the Board of Directors of the Company hereby state that:

Sehubungan dengan Transaksi sebagaimana didefinisikan dalam Keterbukaan Informasi Sehubungan Dengan Transaksi Afiliasi Perseroan tanggal 4 Mei 2021 ("**Keterbukaan Informasi**"), Dewan Komisaris dan Direksi Perseroan dengan ini menyatakan bahwa:

- (i) having made all reasonable enquiries and to the best of our knowledge and belief, all material information has been disclosed in the Disclosure and such information is not misleading; and
- (i) setelah melakukan pemeriksaan yang wajar dan sepanjang pengetahuan serta keyakinan kami, semua informasi material telah diungkapkan dalam Keterbukaan Informasi dan informasi tersebut tidak menyesatkan; dan
- (ii) the Transaction does not constitute as a Material Transaction as defined under the Financial Services Authority Regulation No. 17/POJK.04/2020 on Material Transaction and Change of Main Business dated 21 April 2020, since (a) the value of the Transaction is not greater than 20% of the equity of the Company and (b) the revenue from the object of the Transaction is less than 20% of the Company's total revenue, based on the Consolidated Financial Statements of the Company and its
- (ii) Transaksi bukan merupakan Transaksi Material sebagaimana didefinisikan dalam Peraturan Otoritas Jasa Keuangan No. 17/POJK.04/2020 tentang Transaksi Material dan Perubahan Kegiatan Usaha Utama tanggal 21 April 2020, karena (a) nilai Transaksi tidak lebih besar dari 20% dari ekuitas Perseroan dan (b) pendapatan dari objek Transaksi kurang dari 20% dari total pendapatan Perusahaan, berdasarkan Laporan Keuangan Konsolidasi Perseroan dan anak-anak perusahaannya per 31

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subsidiaries as at 31 December 2020 which has been audited by the Public Accountants' Office of Tanudiredja, Wibisana, Rintis & Rekan.

Desember 2020 yang telah diaudit oleh Kantor Akuntan Publik Tanudiredja, Wibisana, Rintis & Rekan.

(iii) This transaction has been conducted in accordance with generally applicable business practices.

(iii) Transaksi ini telah dilaksanakan sesuai dengan praktik bisnis yang berlaku umum.

This Statement may be executed in any number of counterparts having the same legal force and shall constitute this Statement.

Pernyataan ini dapat dibuat dalam beberapa rangkap yang masing-masing mempunyai kekuatan hukum yang sama dan merupakan kesatuan dari Pernyataan ini.

Thus, this Statement is made to be submitted to the Indonesian Financial Services Authority.

Demikian, Pernyataan ini dibuat untuk disampaikan kepada Otoritas Jasa Keuangan.

Jakarta, 3 Mei 2021

**PT Hanjaya Mandala Sampoerna Tbk.**

**Dewan Komisaris/  
The Board of Commissioners**

By

Name : **John Gledhill**

Title : **Presiden Komisaris/  
President Commissioner**

By

Name : **Paul Norman Janelle**

Title : **Wakil Presiden Komisaris/  
Vice-President Commissioner**



PT HM SAMPOERNA Tbk.

By  
Name : **Luthfi Mardiansyah**  
Title : **Komisaris Independen/  
Independent Commissioner**

By  
Name : **Justin Guy Mayall**  
Title : **Komisaris Independen/  
Independent Commissioner**

**Direksi/  
The Board of Directors**

By  
Name : **Mindaugas Trumpaitis**  
Title : **Presiden Direktur/  
President Director**

By  
Name : **Sharmen Karthigasu**  
Title : **Direktur/  
Director**

By  
Name : **Elvira Lianita**  
Title : **Direktur/  
Director**

By  
Name : **The Ivan Cahyadi**  
Title : **Direktur/  
Director**

By  
Name : **Francisca Rahardja**  
Title : **Direktur/  
Director**

By  
Name : **Guillaume Popiol**  
Title : **Direktur/  
Director**

**DISCLOSURE OF INFORMATION  
RELATED TO AFFILIATED TRANSACTION**

FOR PURPOSE OF COMPLIANCE WITH THE FINANCIAL SERVICES AUTHORITY REGULATION NO. 42/POJK.04/2020, DATED JULY 2, 2020 ON AFFILIATED TRANSACTIONS AND CONFLICTS OF INTEREST IN TRANSACTIONS (“OJK Regulation 42/2020”)



**PT HANJAYA MANDALA SAMPOERNA Tbk.  
(the “Company”)**

**Domiciled in Surabaya**

**Business Line:**  
Cigarette Industry

**Head Office:**  
Jl. Rungkut Industri Raya No. 18, Surabaya 60293, Indonesia  
Telephone: 031 – 843 1699, Facsimile: 031 – 843 0986

**Factory Locations:**  
Surabaya, Pasuruan, Malang, Karawang, Probolinggo

**Representative Office:**  
One Pacific Place, 18<sup>th</sup> Floor, Sudirman Central Business District,  
Jl. Jend. Sudirman Kav. 52-53,  
Jakarta 12190, Indonesia  
Telephone: 021 – 515 1234, Facsimile: 021 – 515 2234

This Disclosure of Information related to Affiliated Transactions (hereinafter referred to as “**Disclosure Information**”) contains information relating to (i) a transaction between the Company and PT Philip Morris Indonesia (“**PMID**”), a major shareholder of the Company, with respect to leases of certain plots of land and buildings thereon by the Company (as the lessor) to PMID (as the lessee) under a lease agreement (hereinafter referred to as the “**Lease Transaction**”); (ii) a transaction between the Company and PT Philip Morris Sampoerna International Service Center (“**PMSISC**”), a subsidiary of PMID, with respect to the transfer of certain service activities from the Company to PMSISC (hereinafter referred to as the “**Business Transfer Transaction**”); and (iii) a transaction between the Company and PMSISC with respect to the transfer of a number of employees from the Company to PMSISC (hereinafter referred to as the “**Employee Transfer Transaction**”) (the Lease Transaction, the Business Transfer Transaction and the Employee Transfer Transaction are hereinafter referred to as the “**Transactions**”).

***This Disclosure Information is published in Jakarta on May 4, 2021***

<b>I. DESCRIPTION ON THE TRANSACTIONS</b>
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**A. Background and Reasons for Conducting the Transactions**

**Lease Transaction**

The Company had several idle vacant spaces in its factory sites in Karawang International Industrial City (“KIIC”) and Sukorejo, while PMID was in need of additional buildings to support its manufacturing activities. In relation thereto, the Company has entered into several lease agreements with PMID for the lease of several land and buildings owned by the Company. These previously existing lease agreements are revoked and now the leases are incorporated into one lease agreement.

The objective of the Lease Transaction is to increase the Company’s revenue by optimizing an idle asset of the Company.

The Lease Transaction was not entered into by the Company with non-affiliated party of the Company because the Company has not obtained any offer yet from non-affiliated party to lease the land and buildings.

**Business Transfer Transaction**

The main activity of the Company is manufacturing and sale of cigarettes. For purpose of improving the Company’s efficiency and to be more focused to its main activity, the Company transferred certain of its service business to PMSISC.

The Business Transfer Transaction was not entered into by the Company with a non-affiliated party of the Company because the services by an affiliated party can be provided within a shorter period of time, more effective and efficient and better coordinated if compared to a similar transaction provided by a non-affiliated party.

**Employee Transfer Transaction**

Considering that the Company intends to improve its efficiency, the Company needs to engage other parties for its digital marketing management consultancy activity to support its business activity. PMSISC, one of the Company’s affiliated company in management consultancy business, can provide digital marketing management consultancy service and for such reason, the Company transferred a number of its employees with relevant expertise to PMSISC.

The Employee Transfer Transaction was not entered into by the Company with a non-affiliated party of the Company because the affiliated company basically has a system, working environment and corporate culture which are not very different from the Company’s which can

make the transfer and adjustment of the employees smoother and ultimately resulting a more effective, efficient and better coordinated provision of service to the Company compared to a similar transaction provided by a non-affiliated party.

## **B. Description of the Transaction (Object and Value)**

### **1. Object of the Transaction**

#### **Lease Transaction**

Pursuant to a Lease Agreement entered into by the Company as lessor and PMID as lessee on April 30, 2021, which is effective as of May 1, 2021 ("**Lease Agreement**"), the Company leases to PMID, the following land and buildings ("**Land and Building**"):

- a. Building 1 – consisting of land with an area of 101,460 sqm and building with an area of 34,937.32 sqm located at Jalan Permata III, Lot CC, 1, 2, 3, 4, 5, KIIC, Sukaluyu Village, Telukjambe Timur District, Karawang Regency, West Java Province;
- b. Building 2 – an area of 7,360 sqm, located at Jalan Permata III Blok BB No. 8A, KIIC, Puseurjaya Village, Telukjambe Timur District, Karawang Regency, West Java Province;
- c. Building 3 – an area of 1,587 sqm, located at Jalan Permata III Blok BB No. 8A, KIIC, Puseurjaya Village, Telukjambe Timur District, Karawang Regency, West Java Province;
- d. Buildings 4-7 – consisting of 4 buildings with a total area of 4,028 sqm, located at Warehouse KR 7-10, Jalan Permata II Blok BB-3, 4B, 7 and 8A, KIIC, Sukaluyu Village, Telukjambe Timur District, Karawang Regency, West Java Province;
- e. Building 8 – an area of 2,808 sqm, located at Jalan Permata II Blok BB-3, 4B, 7 and 8A, KIIC, Sukaluyu Village, Telukjambe Timur District, Karawang Regency, West Java Province;
- f. Building 9 – an area of 2,808 sqm, located at Jalan Permata II Blok BB-3, 4B, 7 and 8A, KIIC, Sukaluyu Village, Telukjambe Timur District, Karawang Regency, West Java Province;
- g. Building 10 – an area of 2,808 sqm, located at Jalan Permata II Blok BB-3, 4B, 7 and 8A, KIIC, Sukaluyu Village, Telukjambe Timur District, Karawang Regency, West Java Province;
- h. Building 11 – an area of 2,808 sqm, located at Jalan Permata II Blok BB-3, 4B, 7 and 8A, KIIC, Sukaluyu Village, Telukjambe Timur District, Karawang Regency, West Java Province;
- i. Building 12 – an area of 2,808 sqm, located at Jalan Permata II Blok BB-3, 4B, 7 and 8A, KIIC, Sukaluyu Village, Telukjambe Timur District, Karawang Regency, West Java Province;
- j. Building 13 – an area of 2,268 sqm, located at Jalan Raya Surabaya-Malang KM.51.4 No. Unit A04/A, Ngadimulyo Village, Sukorejo District, Pasuruan Regency, East Java Province.



Pursuant to the Lease Agreement, the lease period is 5 (five) years as of (i) May 1, 2021 for Buildings 1-7 and 13 and (ii) June 1, 2021 for Buildings 8-12.

#### **Business Transfer Transaction**

Pursuant to the Agreement on Transfer of Business entered into by the Company and PMSISC on April 30, 2021, which is effective as of May 1, 2021 ("**Business Transfer Agreement**"), certain services business activities which have been provided by the Company to Philip Morris International Inc. ("**PMI**") group of companies ("**Service Business**"), are transferred to PMSISC. The transferred services are in finance area consisting of (i) Finance Controlling, (ii) Center of Expertise for Financial Planning and Reporting and Analysis, and (iii) Lead to Cash ("**Services**").

The transfer of Service Business also includes the transfer of 41 (forty-one) employees of the Company to PMSISC. Under the transfer process, all rights (including benefits) and obligations of such employees, i.e. compensation and allowances, grade, job status and responsibilities, remain unchanged. The period of service of such employees are counted from the first day the employee joined the Company. With respect to the transfer of employees, mutual agreement between the Company and PMSISC with each of the transferred employees, and Indefinite Period Employment Contracts with each of the transferred employees are effective as of May 1, 2021.

Further, upon the effectiveness of the transfer of Service Business to PMSISC, then PMSISC will be providing the Services to the Company and its subsidiaries, which Services shall be added to the service agreement between the Company and PMSISC dated June 29, 2018, which was disclosed to the public by virtue of Disclosure of Information in relation to Affiliated Transaction on July 3, 2018 ("**HMS Service Agreement**"). The additional Services are set out in an amendment to the HMS Service Agreement signed on April 30, 2021, which is effective as of May 1, 2021 ("**Amendment HMS Service Agreement**"). PMSISC provides services under the HMS Service Agreement and the Amendment HMS Service Agreement to the Company and its subsidiaries by imposing the costs which are actually incurred by PMSISC on behalf of the Company and its subsidiaries, supplemented with a fee at 5% (five percent) of the costs.

#### **Employee Transfer Transaction**

On April 30, 2021, the Company as transferor and PMSISC as transferee entered into an employee transfer agreement, for the transfer of six persons employed by the Company in digital hub division, part of the Company's Marketing Department, which is effective as May 1, 2021.

Under the transfer process, all rights (including benefits) and obligations of such employees, i.e. compensation and allowances, grade, job status and responsibilities, remain unchanged. The period of service of such employees are counted from the first day the employee joined

the Company. With respect to the transfer of employees, mutual agreement between the Company and PMSISC with each of the transferred employees, and Indefinite Period Employment Contracts with each of the transferred employees are effective as of May 1, 2021.

## **2. Value of the Transaction**

### **Lease Transaction**

Pursuant to the Lease Agreement, the annual lease price for the Land and Building (excluding Value Added Tax) is as follows:

Building 1	:	IDR 40,108,043,360.- (forty billion one hundred and eight million forty three thousand three hundred and sixty Rupiah);
Building 2	:	IDR 5,453,760,000.- (five billion four hundred and fifty three million seven hundred sixty thousand Rupiah);
Building 3	:	IDR 1,141,053,000.- (one billion one hundred and forty one million fifty three thousand Rupiah);
Buildings 4-7	:	IDR 2,871,964,000.- (two billion eight hundred and seventy one million nine hundred and sixty four thousand Rupiah);
Building 8	:	IDR 2,002,104,000.- (two billion two million one hundred and four thousand Rupiah);
Building 9	:	IDR 2,002,104,000.- (two billion two million one hundred and four thousand Rupiah);
Building 10	:	IDR 2,002,104,000.- (two billion two million one hundred and four thousand Rupiah);
Building 11	:	IDR 2,002,104,000.- (two billion two million one hundred and four thousand Rupiah);
Building 12	:	IDR 2,002,104,000.- (two billion two million one hundred and four thousand Rupiah);
Building 13	:	IDR 598,752,000.- (five hundred ninety eight million seven hundred and fifty two thousand Rupiah).

Payment of the annual lease price shall be made each year at the latest 30 (thirty) calendar days as of receipt of invoices.

The value of the Lease Transaction is in the amount of IDR 60,184,100,000.- (sixty billion one hundred and eighty four million one hundred thousand Rupiah) per year or a total of IDR300,920,500,000.- (three hundred billion nine hundred and twenty million five hundred thousand Rupiah) for the entire lease period, in accordance with the market value as per December 31, 2020 based on the asset valuation report carried out by KJPP Ruky Safrudin & Rekan.

The Lease Transaction does not constitute a Material Transaction as defined under Financial Services Authority Regulation No.17/POJK.04/2020 dated April 21, 2020 on Material Transaction and Change of Business ("**OJK Regulation 17/2020**") since the total value of the Lease Transaction is 1% of the equity of the Company based on the Company's audited consolidated financial statements as at December 31, 2020, and therefore less than 20% (twenty percent) of the equity value of the Company.

#### **Business Transfer Transaction**

The value of the Business Transfer Transaction is in the amount of IDR19,794,000,000.- (nineteen billion seven hundred and ninety-four million Rupiah), in accordance with the business market value as per December 31, 2020 based on the business valuation carried out by KJPP Ruky Safrudin & Rekan.

At the latest 10 (ten) working days after May 1, 2021, the Company shall issue an invoice for the transfer price of Service Business to PMSISC. The payment date based on the Business Transfer Agreement is at the latest 30 (thirty) calendar days as of receipt of the invoice.

The Business Transfer Transaction does not constitute a Material Transaction as defined under OJK Regulation 17/2020 because:

- a. the total value of the Business Transfer Transaction is 0.07% of the equity of the Company based on the Company's audited consolidated financial statements as at December 31, 2020, and therefore less than 20% (twenty percent) of the equity value of the Company; and
- b. the revenue from the object of the Business Transfer Transaction is less than 20% (twenty percent) of the Company's total revenue.

#### **Employee Transfer Transaction**

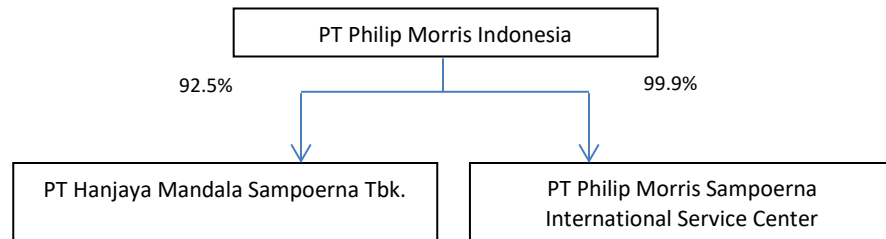
The value of the Employee Transfer Transaction is in the amount of IDR724,966,154.- (seven hundred and twenty-four million nine hundred and sixty-six thousand one hundred and fifty four Rupiah), in accordance with the market value as per December 31, 2020 based on the intangible asset valuation carried out by KJPP Ruky Safrudin & Rekan.

At the latest 10 (ten) working days after May 1, 2021, the Company shall issue an invoice to PMSISC. The payment date based on the Employee Transfer Agreement is at the latest 30 (thirty) calendar days as of receipt of the invoice.

The Employee Transfer Transaction does not constitute a Material Transaction as defined under OJK Regulation 17/2020 since the total value of the Employee Transfer Transaction is 0.0024% of the equity of the Company based on the Company's audited consolidated financial statements as at December 31, 2020, and therefore less than 20% (twenty percent) of the equity value of the Company.

### C. Parties to the Transactions and their Relationships with the Company

The following is the chart reflecting the shareholding ownership of the Company and parties conducting the Transactions:



The following are the parties with whom the Company has entered into the Transactions:

#### **PT Philip Morris Indonesia**

PMID is a company duly organized under the laws of the Republic of Indonesia, engaged in white cigarette industry, the major shareholder of the Company.

Shareholding composition of PMID is as follows:

No	Name	Number of Shares	Nominal Value (IDR)	%
1	Philip Morris Investments B.V.	24,999,999 series A shares	343,749,986,250	99
		4,100,000,000 series B shares	40,331,700,000,000	100
2	Park Tobacco Limited	1 series A shares	13,750	1

The current composition of management of PMID is as follows:

President Director : Ahmad Mashuri  
Director : Roy Kusuma Hekekire  
Commissioner : Kavita Shivkumar

Information on PMID:

Address : One Pacific Place Lantai 20, SCBD, Jalan Jend. Sudirman Kav. 52-53  
Lot 3 & 5, Jakarta 12190  
Telephone no. : +6221 25515700  
Facsimile no. : +6221 51402481

### PT Philip Morris Sampoerna International Service Center

PMSISC is a limited liability company duly organized under the laws of the Republic of Indonesia, engaged in management consultancy and computer activities, is a subsidiary of PMID which is the major shareholder of the Company.

Shareholding composition of PMSISC is as follows:

No	Name	Number of Shares	Nominal Value (IDR)	%
1	PMID	999	10,089,900,000	99.9
2	Park Tobacco Limited	1	10,100,000	0.1
<b>Total</b>		1,000	10,100,000,000	100

The current composition of management of PMSISC is as follows:

Commissioner : Andrew Hendrawan Tjahja S

Director : Salomo M P Lumban Gaol

Information on PMSISC:

Address : Jl. Rungkut Industri Raya No. 18, Surabaya – 60293

Telephone no. : +6231 8431699

Facsimile no. : +6231 8430986

#### D. Nature of Affiliated Relation between Parties to the Transaction

The relation between parties to the Transactions is an Affiliated relationship as set forth under the Capital Market Law No. 8 of 1995 dated November 10, 1995 (the “**Capital Market Law**”) and OJK Regulation 42/2020, namely:

1. the relation between the Company and PMID is a shareholding relationship; and
2. the relation between the Company and PMSISC is a relationship between two controlled companies, either directly or indirectly, by the same party, i.e. PMID.

## II. DESCRIPTION ON THE COMPANY

### A. History

The Company is a publicly listed limited liability company established under the laws of the Republic of Indonesia within the framework of the Indonesian Capital Investments Law. The Company was established on October 19, 1963 by virtue of Deed No. 69 dated October 19, 1963, drawn up before Anwar Mahajudin, S.H., Notary in Surabaya, which has been approved by the Minister of Justice of the Republic of Indonesia by virtue of his Decree No. J.A.5/59/15 dated April 30, 1964 and has been published in the State Gazette of the Republic of Indonesia No. 94 dated November 24, 1964, Supplement No. 357. The articles of association of the Company have been amended several times, lastly by virtue of Deed No. 19 dated May 9, 2019, drawn up before Aulia Taufani, S.H., Notary in Administration City of South Jakarta, which has been approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of his Decree No. AHU-0029688.AH.01.02.Tahun 2019 dated May 29, 2019.

### B. Capital Structure and Shareholding Composition

The capital structure and the shareholding composition of the Company as at April 30, 2021 are as follows:

Authorized Capital : IDR 630,000,000,000		Nominal Value : IDR 4/share		
Subscribed and Issued Capital : IDR 465,272,307,600				
No	Name	Number of Shares	Nominal Value (IDR)	%
1	Public shareholders holding more than 5% - PMID	107,594,221,125	430,376,884,500	92.5
2	Other public shareholders	8,723,855,775	34,895,423,100	7.5
<b>Total</b>		<b>116,318,076,900</b>	<b>465,272,307,600</b>	<b>100</b>

### C. Management and Supervisory Boards of the Company

The compositions of members of the Board of Commissioners and of the Board of Directors of the Company pursuant to Deed No. 12 dated May 18, 2020 drawn up before Aulia Taufani, S.H., Notary in Administration City of South Jakarta, which has obtained Receipt of Notification for the Change of Company Data from the Minister of Law and Human Rights No. AHU-AH.01.03-0250086 dated June 16, 2020, are as follows:

#### The Board of Commissioners

President Commissioner	:	John Gledhill
Vice President Commissioner	:	Paul Norman Janelle
Independent Commissioner	:	Justin Guy Mayall
Independent Commissioner	:	Luthfi Mardiansyah

#### The Board of Directors

President Director	:	Mindaugas Trumpaitis
Director	:	The Ivan Cahyadi
Director	:	Elvira Lianita
Director	:	Francisca Rahardja
Director	:	Sharmen Karthigasu
Director	:	Guillaume Popiol

### III. SUMMARY OF OPINION OF THE INDEPENDENT APPRAISER

To determine the market value and to ensure fairness of the Transactions and also to ensure that the Transactions do not have a conflict-of-interest element, the Company has appointed Ruky, Safrudin & Rekan, as independent appraiser carrying out the business valuation and assessment of the fairness of the Transactions (“**Independent Appraiser**”).

The Independent Appraiser states that it does not have affiliated relationship either directly or indirectly with the Company as defined under the Capital Market Law.

#### **Summary of Opinion of the Independent Appraiser**

##### **A. Summary of Asset Valuation**

(i) Valuation Object

The objects of the valuation are Buildings 1-13 located in Karawang International Industrial City (KIIC) and Jalan Raya Surabaya-Malang KM. 51.4 No. Unit A04 / A.

(ii) Valuation Purpose

The purpose of the valuation is to provide an opinion / opinion on the Market Lease Value of the asset being valued for the purpose of the Lease Transaction.

(iii) Valuation Date

The asset valuation date is December 31, 2020.

(iv) Assumptions and Disclaimer Limitations

The asset valuation report is a non-disclaimer opinion, the Independent Appraiser has reviewed the documents used in the appraisal process.

The Independent Appraiser does not check legality because the appraiser’s profession is not a consultant in the field of law, the Independent Appraiser assumes that the documents related to the relevant property are good, tradable, and free from disputes or other ties.

The Independent Appraiser did not carry out an investigation and it is also not the responsibility of the Independent Appraiser if there are issues related to property rights or debt / loss of the property being assessed. The Independent Appraiser reminds you of the possibility of value uncertainty in uncertain economic and market conditions (unstable / imbalance conditions) due to the current Covid-19 pandemic.

The assessment has been carried out in accordance with the Indonesian Appraisal Code of Ethics (KEPI) and the Indonesian Appraisal Standard (SPI) Edition VII-2018, as well as Guidelines for Appraisal and Presentation of Property Valuation Reports in the Capital Market No. VIII.C.4.



(v) Valuation Approach and Methodology

The Market Approach is the most appropriate to be used, given the characteristics of these assets with the Market Data Comparison Method.

(vi) Valuation Conclusion

Based on the prevailing assumptions and restrictive terms, the Independent Appraiser is of the opinion that the Market Lease Value of the aforementioned assets as of December 31, 2020 is IDR 60,184,100,000, - per year.

**B. Summary of Business Valuation**

(i) Valuation Object

Object of the valuation is part of the Company's Finance Division as of 31 December 2020.

(ii) Valuation Purpose

The objective of the valuation is to estimate the Market Value of the Company's Business Value of Part of Finance Division as of 31 December 2020 in regards to the proposed Business Transfer Transaction, not for any other form of transaction and not intended for banking, and tax.

The purpose of the valuation is to conduct business valuation for transactions in public companies.

(iii) Valuation Date

The business valuation was conducted as of 31 December 2020, parameters used in the analysis are based on data as of 31 December 2020.

(iv) Assumptions and Disclaimer Limitations

The valuation report is a non-disclaimer opinion, the Independent Appraiser has reviewed the documents used in the valuation process, the data and information obtained from management of the Company and reliable sources.

The valuation was prepared using financial projections provided by management which fairness of the assumptions has been reviewed by the Independent Appraiser and have been approved by management of the Company to better reflect the fairness of its achievability.

The Independent Appraiser is responsible for the valuation process and in their opinion the financial projections are reasonable. However, the Independent Appraiser is not responsible for its achievability.

The valuation is prepared based on the integrity of the information and data. In preparing the valuation, the Independent Appraiser has relied and based on the information and data prepared by management of the Company, which the Independent Appraiser deems to be true, complete, reliable and not misleading.

The Independent Appraiser did not conduct audit or due diligence on explanation or data given by management of the Company, both verbally and written, hence they shall not be liable for the correctness and completeness of such information or explanation.

(v) Valuation Approach and Methodology

The Independent Appraiser applied 2 (two) approaches to value the part of the Company's Finance Division, income approach using Discounted Cash Flow (DCF) with Free Cash Flow to the Firm (FCFF) and market approach using Guideline Publicly Traded Company Method (GCM).

(vi) Valuation Conclusion

Using income approach and market approach, the Independent Appraiser is in the opinion that the Market Business Value of Part of the Company's Finance Division as of 31 December 2020 is IDR19,794,000,000.

**C. Summary of Valuation**

(i) Valuation Object

Object of the valuation is assembled workforce of the Company's Digital Marketing Division as of 31 December 2020.

(ii) Valuation Purpose

The objective of the valuation is to estimate the Market Value of the Company Digital Marketing Division's Intangible Asset in the form of Assembled Workforce as of 31 December 2020 in regard to the proposed Employee Transfer Transaction, not for any other form of transaction and not intended for banking, and tax.

The purpose of the valuation is to conduct intangible assets valuation for transactions in public companies.

(iii) Valuation Date

The Intangible Asset Valuation was conducted as of 31 December 2020, parameters used in the analysis are based on data as of 31 December 2020.

(iv) Assumptions and Disclaimer Limitations

The valuation is a non-disclaimer opinion, the Independent Appraiser has reviewed the relevant documents to be used as analysis in the assessment process, the data and information obtained come from reliable sources.

The valuation was prepared using employee data provided by the management of the Company.

The valuation is prepared based on the integrity of the information and data. In preparing the valuation, the Independent Appraiser has relied and based on the information and data prepared by management of the Company, which they deem to be true, complete, reliable and not misleading.

The Independent Appraiser's assignment was not conducted to disclose internal control exposure, error or fraud in financial statements, or any form of tax implication or law infringement.

(v) Valuation Approach and Methodology

For the intangible asset valuation of Assembled workforce, the replacement costs include recruitment cost, hiring and training (training costs) and loss of productivity cost of employees, using certain portion of total salary and fringe. The AWF does not include the category of C-level employees.

(vi) Valuation Conclusion

Using cost approach with Replacement Cost New method, the Market Value of the Company Digital Marketing Division's intangible asset in the form of Assembled Workforce as of 31 December 2020 is IDR724,966,154.

**D. Summary of Fairness Opinion**

(i) Parties involved in the Transaction

The parties involved in the proposed Lease Transaction are the Company as the lessor and PMID as the tenant.

The parties involved in the proposed Business Transfer Transaction are the Company, as the party transferring the Service Business and the party receiving the Service and PMSISC as the party receiving the Service Business transfer and the Service provider.

The parties involved in the proposed Employee Transfer Transaction are the Company as the transferor party and PMSISC as the employee transfer recipient party.

(ii) Object of Fairness Opinion Analysis

The object of fairness analysis is the Company's plan to (i) lease the Company's 13 (thirteen) buildings to PMID, (ii) transfer the Service Business to PMSISC, a subsidiary of the main shareholder of the Company, and (iii) transfer a number of its employees to PMSISC.

(iii) Purpose of Fairness Opinion

The purpose of the Fairness Opinion report is to provide opinion on the fairness of the Company's plan to (i) lease the Company's 13 (thirteen) buildings to PMID, (ii) transfer the Service Business to PMSISC, a subsidiary of the main shareholder of the Company, and (iii) transfer a number of its employees to PMSISC, in order to comply with OJK capital market regulations, and not for taxation purpose and not for other forms of proposed transaction.

(iv) Assumptions and Disclaimer Limitations

The Fairness Opinion Report is a non-disclaimer opinion, the Independent Appraiser has reviewed the documents used in the analysis process, the data and information obtained comes from both management of the Company and other reliable sources.

The Fairness Opinion Report has been prepared based on Incremental Financial Projection provided by management of the Company.

The fairness opinion is prepared based on the integrity of the information and data. In preparing the fairness opinion, the Independent Appraiser has relied and based on the information and data prepared by the Company's management, which they deem to be true, complete, reliable and not misleading.

The Independent Appraiser did not carry out audit or due diligence in detail on the explanations and data provided by the Company's management, both verbal and written, hence the Independent Appraiser shall not be liable or responsible for the correctness and completeness from those explanations and information.

(v) Methodology For Fairness Analysis

- Proposed Transactions Analysis: identification of parties involved in the proposed Transactions, analysis of term and condition of the agreement, and analysis of benefit and risk of the proposed Transactions;
- Qualitative analysis: analysis of background of the proposed Transactions, brief explanation of the Company and business activities, industry analysis, operational analysis, business prospect, benefit and disadvantages of the proposed Transactions;
- Quantitative analysis: historical analysis, analysis of proforma financial statements, analysis on the fairness of the proposed Transactions' price, incremental analysis.

(vi) Fairness Analysis Conclusion

By considering the fairness analysis of the proposed Transactions which includes qualitative analysis and quantitative analysis, from an economic and financial perspective, in the Independent Appraiser's opinion, the proposed Transactions are **fair**.

<b>IV. STATEMENT OF THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS</b>
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In relation to the Transactions:

1. The Board of Directors and the Board of Commissioners of the Company have made a statement that, having made all reasonable enquiries and to the best of their knowledge and belief, (i) the Transactions do not contain Conflict of Interest as regulated under OJK Regulation 42/2020 and (ii) all material information has been disclosed herein and such information is not misleading; and
2. The Board of Directors states that the Transactions have gone through an adequate procedure to ensure that the Transactions are entered into in accordance with generally accepted business practice as required under Clause 3 of OJK Regulation 42/2020.

<b>V. ADDITIONAL INFORMATION</b>
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Shareholders who have questions about this Disclosure Information or who wish to have additional information are invited to contact:

**The Corporate Secretary and Investor Relations of  
PT HANJAYA MANDALA SAMPOERNA Tbk.**

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Jakarta, May 4, 2021

*The Board of Directors of the Company*