



SARANA MENARA NUSANTARA

AGENDA AND EXPLANATION ANNUAL GENERAL MEETING OF SHAREHOLDERS 2019 AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

Hereby is the explanation of agenda for the Annual General Meeting of Shareholders Year 2019 (“**AGMS**”) and Extraordinary General Meeting of Shareholders (“**EGMS**”) (AGMS and EGMS, collectively referred to as the “**Company’s GMS**”) of PT Sarana Menara Nusantara Tbk (the “**Company**” or “**we**”) which will be held on Wednesday, 24 April 2019.

AGMS Agenda No. 1

Approval and ratification of:

- (i) The Annual Report of the Company for the financial year ended December 31, 2018, including the Company’s annual report and the supervisory report of the Board of Commissioners for the financial year ended December 31, 2018, and
- (ii) The Financial Statement of the Company for the financial year ended December 31, 2018 consisting of the Balance Sheet Profit/Loss Statements of the Company for the financial year ended December 31, 2018, along with the request for approval of a full release and discharge of responsibilities of the Board of Commissioners and the Board of Directors for their supervision and actions during the financial year ended December 31, 2018 (*acquitt et decharge*)

A. BACKGROUND

This agenda is in compliance with (i) Article 19 paragraph 2 letter a and Article 19 paragraph 3 of the Articles of Association of the Company; and (ii) Article 69 and Article 78 of Law No. 40 of 2007 regarding Limited Liability Companies (“**Law No. 40/2007**”).

B. EXPLANATION

During the discussion about this agenda item, the Company will propose that the Shareholders approve the Annual Report, consisting of the Financial Statements, which include the Company’s Balance Sheet, and Profit and Loss Statement, the Board of Commissioners’ Report on its Supervisory Duties, and grant a release and discharge of liability (*acquitt et decharge*) to all members of the Board of Directors and the Board of Commissioners of the Company. The Company’s Annual Report for the financial year 2018 can be downloaded from the Company’s website.

C. SUPPORTING DATA

Shareholders may view and download the 2018 Annual Report of the Company and the 2018 Consolidated Financial Statements on our web site by using the following links:

Link 1: [2018 Annual Report of the Company](#)

Link 2: [2018 Consolidated Financial Statements of the Company](#)

AGMS Agenda No. 2

Appropriation of the Company's profits for the financial year ended 31 December 2018

A. BACKGROUND

This agenda is in compliance with (i) Article 19 paragraph 2 letter b and Article 24 of the Articles of Association of the Company; and (ii) Article 70 and Article 71 of Law No. 40/2007.

B. EXPLANATION

In compliance with (i) Article 19 paragraph 2 letter b and Article 24 of the Articles of Association of the Company; and (ii) Article 70 and Article 71 of Law No. 40/2007, the Company will propose to AGMS to approve the appropriation of the Company's net profit for the year ended on December 31, 2018.

AGMS Agenda No. 3

Determination of the remuneration and allowance for members of the Board of Directors and Board of Commissioners of the Company for the financial year of 2019.

A. BACKGROUND

This agenda is in compliance with (i) Article 11 paragraph 6 and Article 14 paragraph 6 of the Articles of Association of the Company; and (ii) Article 96 and Article 113 of Law No. 40/2007.

B. EXPLANATION

The remuneration paid to the Board of Directors and the Board of Commissioners for the prior year amounted to IDR5,688,003,760 and IDR3,708,258,063, respectively. In order to determine the salaries of the members of our Board of Directors and Board of Commissioners this year, effective from the closing of today's AGMS up to the closing of next year's AGMS, the Company is proposing that shareholders delegate the final determination of compensation to the Company's controlling shareholder i.e., PT Sapta Adhikari Investama. The controlling shareholder of the Company will determine such remuneration by taking into consideration the proposal from the Board of Commissioners. The Board of Commissioners will base its proposal pursuant to the Remuneration and Nomination Committee's recommendation. The total remuneration for the coming year will be based on, among other things, the Indonesian inflation rate in 2017, as measured by the Indonesia Bureau of Statistics (BPS), the applicable remuneration for similar positions within the Company's industry, and the duties and responsibilities of the members of the Board in connection with the Company's performance.

AGMS Agenda No. 4

Approval on the request of resignation from a member of the Board of Commissioner and appointment of the new member of the Board of Commissioner.

A. BACKGROUND

This agenda is in compliance with (i) Article 8 and Article 9 jo. Article 27 of the Financial Services Authority Regulation No. 33/POJK.04/2014 regarding the Board of Directors and the Board of Commissioners of Public Companies (“POJK 33/2014”) and the suggestions from the Remuneration and Nomination Committee based on the Minutes of the Meeting of the Remuneration and Nomination Committee dated 25 March 2019.

B. EXPLANATION

In relation to resignation request from Alexander Rusli from his seat as the Independent Commissioner of the Company, the Company hereby asks the approval from AGMS to approve such resignation request. Further, the Company will also asks the approval from AGMS to appoint the new Independent Commissioner, namely Honggo Widjojo Kangmasto. Shareholders may see the profile of the new Board of Commissioners member using the following link:

Link 3: [Profile of Honggo Widjojo Kangmasto](#)

AGMS Agenda No. 5

Appointment of the Registered Public Accounting Firm (including the Registered Public Accountant practicing through such Registered Public Accounting Firm) to audit the Company’s books and accounts for the financial year ended 31 December 2019.

A. BACKGROUND

This agenda is made to comply with (i) Article 17 and Article 19 paragraph 2 letter c of the Articles of Association of the Company; (ii) Article 68 of Law No. 40/2007; and (iii) Article 36A of OJK Regulation No. 10/POJK.04/2017 regarding an Amendment to Regulation No.32/POJK.04/2014 on General Meetings of Shareholders of Public Companies and (iv) Article 13 paragraph 1 of OJK Regulation No. 13/POJK.3/2017 on the Use of Public Accountant and Public Accountant Office in the Financial Services Activities.

B. EXPLANATION

The Company will propose to the AGMS to grant the power and authority to the Company’s Board of Commissioners to appoint, to fix the amount of fees, and to determine other requirements, of the Registered Public Accounting Firm having international reputation (including the Registered Public Accountants belonging to that Registered Public Accounting Firm) which will audit the Company’s Consolidated Financial Statements for the financial year ended on December 31, 2019 with due observance of recommendation from the Audit Committee and the prevailing laws and regulations in Indonesia, including, among others, Capital Markets regulations.

AGMS Agenda No. 6

Grant of powers and authority to the Board of Directors to pay interim dividends for the financial year ended 31 December 2018.

A. BACKGROUND

This agenda item is in compliance with (i) Article 19 paragraph 2 letter b and Article 24 of the Articles of Association of the Company; and (ii) Article 71 – 72 of Law No. 40/2007.

B. EXPLANATION

During the discussion about this agenda item, the Company will propose that the AGM grant powers and authority to the Board of Directors of the Company, subject to the approval of the Board of Commissioners of the Company, if the Company's financial condition permits, to stipulate and pay interim dividends/the dividends for the financial year 2019.

EGMS Agenda

Approval on the plan to adjust Article 3 of the Company's Articles of Association on the Company's Purposes, Objectives and Business Activities, in accordance with the Indonesia Standard Industrial Classification Year 2017 (*Klasifikasi Baku Lapangan Usaha Indonesia Tahun 2017* or KBLI 2017).

BACKGROUND AND EXPLANATION

In this agenda, the Company will asks the approval from EGMS to adjust Article 3 of the Company's Articles of Association on the Company's Purposes, Objectives and Business Activities, in accordance with the Indonesia Standard Industrial Classification Year 2017 (KBLI 2017)

Adjustment on the Article 3 of the Company's Articles of Association is as follows:

| Article 3 | Article 3 |
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| <p>The purposes and objectives of the Company are: to conduct the business in the field of services, except the services in the field of law and tax and to make investment or participation in other companies.</p> <p>To achieve the above purposes and objectives, the Company may engage in the following business activities:</p> <p>(a) The main business activities of the Company, namely to do business in the field of services and investment, including but not</p> | <p>The purposes and objectives of the Company are: to conduct the business in the field of management consultation activities, holding company activities and telecommunication central construction.</p> <p>To achieve the above purposes and objectives, the Company may engage in the following business activities:</p> <p>a. The main business activities of the company are:</p> <p>(1) To conduct the business of management</p> |

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| <p>limited to services in leasing and operation of Base Transceiver Station (BTS) towers, consultant services in the field of telecommunications installation, management consultancy services, business administration, business and investment development strategy, as well as investment or participation in other companies;</p> <p>(b) Supporting business activities of the Company, namely to do business in the field of services including services in leasing and operation of buildings, offices, shops, apartments, condominiums as well as its facilities and consultant services in the field of construction.</p> | <p>consultation, including providing advice, guidance and business operational and other organizational issues and other management, including strategic plan and organization; decision related to finance, marketing purposes and policy, planning, practice and policy for human resources, schedule planning and production control. Provision of this business activities shall include providing advice, guidance and operational various management function, management consultancy of agronomist and agricultural economist in the field of agriculture, draft from method and accounting procedure, accounting cost program, procedure of budget expense supervisory, providing advice and support for business and public services in the planning, organizing, efficiency and supervisory, management information and others.</p> <p>(2) To conduct business activities of holding companies, i.e. companies which control assets of a group of subsidiary companies and its main business is to own the relevant group. The activities include services provided by counselors and negotiators in planning any mergers and acquisitions of companies.</p> <p>(3) To conduct central telecommunication construction business, which include: the construction, the maintenance and the repair of central telecommunication construction business and its equipment's, such as phone centrals, telegraphs, transmitter towers, microwave receptions, small earth stations buildings and satellite station. Including local and long distance communication pipelines.</p> <p>b. Supporting business activities of the Company is to conduct the business activities which are related and/or supporting the main business of the Company.</p> |
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